
United States Department of State

**Bureau of International Narcotics
And Law Enforcement Affairs**

**Fiscal Year 2006 Budget
Congressional Justification**

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Program Overview And Budget Summary

Program Overview

Program Objectives

The mission of the Bureau of International Narcotics and Law Enforcement Affairs (INL) is to minimize the impact of international crime and illegal drugs on the United States through global cooperation. Since the events of September 11, INL has broadened its policy and program focus, emphasizing capacity building in key developing countries with weak justice sectors vulnerable to terrorist threats and areas critical to protecting our homeland security.

INL objectives are:

To reduce the cultivation and production of drugs by means of eradication and alternative development;

To restrict and remove trafficking options and capabilities of criminal organizations;

To protect the homeland by enhancing the physical and procedural security at designated international sites;

To build institutional capacity for international cooperation in combating transnational crimes;

To establish rule of law, to include post conflict areas, while safeguarding human rights;

To facilitate rule of law by means of strengthening law enforcement and judicial systems to deter, investigate, prosecute criminals and criminal organizations.

INL programs produce:

Fewer illegal and dangerous drugs on America's streets;

Greater host nation law enforcement capabilities to work jointly with U.S. agencies on counterterrorism operations;

Improved security and political stability in post-conflict situations;

Enhanced host nation capabilities to stem money laundering and interdict sources of terrorist financing; and

Greater host nation capacity to combat corruption and organized crime;

INL counterdrug and law enforcement country programs are the primary vehicles for the provision of bilateral assistance. Country programs:

Are developed on the basis of country strategies coordinated at post by the Country Teams and/or Law Enforcement Working Groups and host nation officials;

Are formalized through bilateral Letters of Agreement that set out key objectives, program priorities, performance targets, and funding levels;

Strengthen relationships with various host country ministries and law enforcement authorities;

Support operational law enforcement cooperation between the host governments and the FBI, DEA, and others by providing valuable training/equipment/technical assistance platforms;

Are coordinated at post by Narcotics/Law Enforcement Section Officers directly linked to INL;

Are supported in Washington by INL subject and country experts and policy apparatus;

Are implemented by a wide variety of U.S. law enforcement and regulatory agencies, international organizations, NGOs, and international assistance agencies.

INL's regional and global programs complement country programs in key areas:

Anticorruption programs strengthen the political will to reduce corruption and create awareness and support for international standards in transparency and good governance;

Regional law enforcement training brings together professionals from neighboring countries and builds them into a network for future cooperation;

Demand reduction programs reach out to grass-roots constituencies with education and support, improving American's own image in the process;

Anti-money laundering/terrorist financing programs identify vulnerabilities in key countries and provide speedy assistance to create sound financial institutions;

Anti-alien smuggling and border security programs help extend our first line of defense against all forms of transnational crime;

Cybercrime, cybersecurity and intellectual property crime programs address the growing impact of criminal misuse of information technology.

International crime and terrorism remain serious threats to the United States and many close friends and allies. Both follow the path of least resistance; where laws and law enforcement are weak or compromised, those who thrive by preying on others move in.

Global recognition of the dangers of drugs and crime -- and the need for stronger international cooperation to fight those threats -- has steadily increased. The one-time divide between “producer” and “consumer” countries of illicit narcotics has vanished, replaced by understanding that all countries are vulnerable and that domestic drug problems are on the increase in drug producing and trafficking states around the world. Similarly, nations on all continents have begun to accept that corruption and money laundering associated with trafficking relentlessly undermine governments and national economies. U.S. leadership has galvanized support for new multilateral instruments, such as conventions against organized crime and corruption. Meanwhile, the international community continues to support strongly the ambitious antidrug commitments embodied in the three U.N. drug conventions.

Policy Goals

To meet these challenges, the President has placed the fight against terrorism, international narcotics, and transnational organized crime high on our national security and foreign policy agendas. The State Department and the Bureau of International Narcotics and Law Enforcement Affairs (INL) play a key role in carrying out the President’s agenda by coordinating U.S. international drug polices with the Office of National Drug Control Policy and by leading in the development and coordination of U.S. international drug and crime programs. To deal with the increasing linkage and overlap among drug, crime, and terrorist groups, INL has begun shifting from separate programs for counternarcotics and anticrime to a broader and more integrated law enforcement effort to combat the full range of criminal, drug, and terrorist threats. INL does this through a range of bilateral, regional, and global initiatives to build up the law enforcement capabilities of foreign governments so they can help stop these threats before they reach U.S. soil. This includes extending our first line of defense by strengthening border controls of other countries in addition to our own, ensuring that global criminals have no place to hide, attacking international financial and trade crimes, and responding to emerging crime challenges.

INL efforts center on two Department performance goals:

1. Eradicate illegal drugs and trafficking organizations- International trafficking in drugs, persons, and other illicit goods are disrupted and criminal organizations dismantled. For counternarcotics, this includes reducing drug crop cultivation through a combination of law enforcement, eradication, and alternative development programs in key source countries as well improving the capacity of host nation police and military forces to dismantle narcotics production and trafficking centers. It also includes strengthening the ability of both source and transit countries to investigate and prosecute major drug trafficking organizations and their leaders and to block and seize their assets.
2. Strengthen laws, law enforcement institutions, and judicial systems- States cooperate internationally to set and implement antidrug and anticrime standards, share financial and political burdens, and close off safe-havens through justice systems and related institution building. International cooperation is key for combating drugs and crime. The job is simply too large for one nation to handle alone. Such cooperation includes working directly with other governments on a

bilateral basis as well as multilateral cooperation at the global, regional, and even sub-regional levels in order to set standards, monitor and assist in their implementation, and coordinate on collective actions. Since drug and crime groups tend to thrive best in developing nations where justice sector institutions are weak, institution building is a core ingredient of INL programs. To carry out our institutional development programs, INL works closely with, and draws on, the expertise of sixteen other USG agencies, including USAID, Justice, Treasury, Commerce, Homeland Security, Defense, DEA, FBI and the Coast Guard.

Program Performance

Although the FY 2005 INL counternarcotics budget represents only a small part of the federal drug control budget, INL bilateral and multilateral programs and diplomatic initiatives are currently strengthening counternarcotics and law enforcement efforts in more than 150 countries around the world in support of the President's 2004 National Drug Control Strategy and other strategies aimed at fighting crime and protecting our national security interests. The focus of our programs, and our budget, remains countries of the Andean Region of South America, the primary source of the cocaine and heroin entering the United States, and their immediate neighbors. INL is also targeting major transit states in South and Central America, the Caribbean, and Mexico, which is also a source country for heroin, marijuana as well as methamphetamines. Finally, INL is also giving increased attention the entry of synthetic drugs via the Western Hemisphere into the United States.

CY 2004 posed many new challenges as INL focused on strengthening the counterterrorism elements of our program. It also presented new opportunities, including Iraq, where the U.S. and other coalition members are working to build stability, democracy, and economic progress in the post-conflict period. Highlights of INL programmatic and diplomatic accomplishments over the year include the following:

ACI: Promoting peaceful stability by combating narcoterrorism.

Colombia: Colombia is the source of more than 90 percent of the cocaine and about half of the heroin entering the United States. In 2004, INL-supported aerial eradication program continued to reduce coca cultivation, building on record-breaking successes in terms of the number of hectares sprayed in the past three years. Coca cultivation declined by an additional 33 percent over the past two years, and 2004 official estimates are expected to show further decline. This represents a major breakthrough in terms of attacking cocaine production at the source. INL's goal is to fundamentally reduce coca cultivation and cocaine production to a minimal level in Colombia within the next 18-24 months, assuming continued strong Colombian leadership.

With U.S. support, the Uribe Administration has intensified its attack on narco-terrorism, extraditing almost 200 narco-terrorists to the U.S. during his presidency. INL also helped fund Uribe's successful move to establish a police and security presence in every municipality in Colombia for the first time in history. The increased police presence has helped consolidate the rule of law to the point where kidnappings, killings and other violent

crimes have decreased dramatically. In addition, the Colombian Air Bridge Denial Program is a proven force multiplier against drugs and their illicit proceeds, forcing down 15 suspect aircraft and destroyed 13 on the ground in 2004.

USAID efforts in 2004 focused on infrastructure development and income-boosting private sector partnerships in provinces adjacent to the coca producing centers, where economic opportunities are better and where such programs have been more successful in the past. In FY 2004 alone, alternative development (AD) programs aided more than 12,845 additional families. Additional USAID administered programs included justice sector reform, aid to internally displaced persons and fostering democratic processes.

Peru and Bolivia: INL continues to lead interagency efforts to bolster political will in Peru and Bolivia to consolidate the hard-won gains in recent years against coca cultivation and trafficking that ended their long reign as the primary source of the world's cocaine. Eradication efforts in Peru in 2004 are expected to focus on attacking coca cultivation in new areas and any newly discovered heroin fields. Closer coordination between the USG and GOP has led to record-breaking interdictions in 2004, especially in maritime seizures. Despite exceeding its international commitment to eradicate 8,000 hectares of coca in 2004, Bolivia coca cultivation increased 6% overall. The principal challenge facing Bolivia today remains the unconstrained expansion of coca cultivation in the Yungas and surrounding areas. The GOB's continuing strong interdiction performance in 2004 demonstrates the value of long-term investments made in developing special counternarcotics police units (FELCN). In 2004 FELCN destroyed 2,254 cocaine base labs and made 4,138 arrests in 5,836 operations. Cocaine seizures rose 11.8% over the same period in 2003 (not counting the "Luz de Luna seizure in August 2003 of 5.1 mt of cocaine); and seizures of liquid and solid precursor chemicals rose 24.3% and 210.8 % respectively. Total potential cocaine production in Bolivia decreased from an estimated 240 metric tons in 1995 to 65 metric tons in 2004. As of 2004, Alternative Development (AD) in the Chapare has assisted a cumulative total of 28,290 families and 144,000 hectares, previously devoted to illegal coca, now produce licit crops. The average income of families assisted by AD projects increased to \$2,390 in 2004 and the number of licit jobs rose to 62,304.

Eradicating Opium Poppy in Asia: Quiet Success Stories

Thailand: Through U.S. assistance and consistent domestic effort, Thailand has fallen from the ranks of Major Producers of illicit opium. Thailand, once a major source of heroin into the U.S. and elsewhere, is now a net importer of heroin. Thailand's production has remained below the statutory level for inclusion in the Majors List (1000 hectares) for five consecutive years.

Pakistan: Once a major producer of opium poppy, Pakistan essentially became poppy-free by 2000. Massive cultivation in Afghanistan, however, spilled over into Pakistan more recently, with a resurgence of opium poppy cultivation, occurring, including in non-traditional growing areas. Crop control efforts, as well as enhanced opium poppy monitoring and support for economic alternatives, are decreasing narcotics production and trafficking.

SE Asia: International diplomatic pressure and alternative development programs in Burma and Laos have helped bring about sharp reductions in opium poppy cultivation in those countries in recent years, a trend that is expected to continue.

Other Key Successes

Mexico: Protecting our Border and Partnering Against International Threats: Our shared 2,000-mile border with Mexico is the entry point into the U.S. of huge amounts of illicit drugs, including the majority of South American cocaine shipments as well as the overwhelming majority of illegal aliens, some with links to organized crime and terrorist groups. Therefore, our law enforcement partnership with Mexico is critical to U.S. national security. U.S. law enforcement agencies report that Mexican cartels now dominate 11 of the 13 major domestic drug distribution centers inside the United States. Department programs to accelerate Mexico's steps to reform and modernize its justice sector are significantly improving U.S. and Mexican abilities to cooperate and coordinate at the operational level. Mexican law enforcement agencies and military personnel continued their successful targeting of major drug trafficking organizations and their leaders, arresting numerous major fugitives wanted on drug charges in the U.S. During 2004, the Government of Mexico extradited 34 fugitives (16 for narcotics offenses) to the United States. However, given the large number of fugitives from U.S. justice believed to be in Mexico, the U.S. would like to see these numbers increased, particularly in regard to major drug traffickers, since no one in that category has been extradited yet. In 2004 (through November 30), Mexican authorities seized 25 metric tons (MT) of cocaine, 270 kgs of heroin, and 1,800 MT of marijuana. Mexican eradication forces continued their aggressive efforts to eliminate opium poppy and marijuana cultivation, although Mexico remains a significant supplier of heroin and marijuana to the U.S. drug market. Border security projects are ahead of schedule, with planned placements of non-intrusive inspection equipment at several main ports of entry near completion.

Afghanistan: The inability of the Afghan national government to establish an effective police and counternarcotics presence in the provinces led to a tripling of opium poppy cultivation during the 2003-2004 growing season, more than offsetting the significant drop in cultivation levels in SE Asia. Without an organized security force or rule of law, the drug trade and the revenues and criminal groups generated by it will continue to undermine the stability of both Afghanistan and the region. Working with Germany to help rebuild the national police force, the U.S. built new training facilities and graduated some 36,000 officers (out of 50,000 planned). They have now been deployed in regular police units.

Pakistan: A Major Non-NATO Ally and key partner in the global war on terrorism and narcotics, Pakistan has taken into custody approximately 600 suspected al-Qaida and Taliban militants. Sharing a rugged 1,500-mile border with Afghanistan, Pakistan is challenged by terrorists seeking safe haven and traffickers attempting to move arms, persons, and narcotics through poorly policed areas. INL assistance through the Border Security Program involves helicopters and fixed-wing aircraft to provide surveillance capability, border outpost and road construction, patrol vehicles, communications equipment and training to address this vulnerability. Assistance provides law enforcement agencies with training, equipment, and

managerial reforms to strengthen capacity. Although counter-narcotics cooperation has been excellent, and drug seizures have increased, assistance is necessary to continue to address opium poppy monitoring and eradication, economic alternatives, and demand reduction/drug awareness education programs.

Fighting Corruption and Setting International Standards Against Crime: Early in his Administration, President Bush identified the fight against corruption as a key foreign policy objective. In support of this objective, INL championed and helped deliver the first global instrument against corruption – the UN Convention Against Corruption (UNCAC) - that commits governments to cooperate in combating corruption. In 2004, the Department played a key role to promote international acceptance and implementation of the UNCAC. Efforts included helping to develop regional anticorruption mechanisms in the key regions of the Asia Pacific and Middle East that utilize UNCAC as a central pillar of focus, and working with the UN Office on Drugs and Crime and other countries to develop a legislative guide for implementing the UNCAC. At the G-8 Sea Island Summit, the U.S. and other G-8 governments announced the launching of comprehensive anticorruption assistance “Compacts” with Georgia, Nicaragua, Nigeria, and Peru to improve transparency in budget, procurement and concession-letting and to fight corruption. Using INCLE and other funds, the Department worked with all four G-8 Compact countries to develop action plans that identify government actions and potential opportunities for international assistance in each of the Compact focus areas. The U.S. also worked in the G-8 Lyon/Roma Group, the Organization of American States, and other fora to promote acceptance of the "denial of safe haven" policy related to corrupt officials and their assets. The Department was also successful in developing a historic anticorruption initiative in APEC, which leaders endorsed in Santiago in November 2004. The U.S. used INCLE funding to support Arab governments to develop a regional governance network, and to support two multilateral monitoring mechanisms – the Council of Europe’s Group of States Against Corruption (GRECO), and the OAS Follow-up Mechanism -- that promote implementation of anticorruption commitments in dozens of countries.

Financial Crimes and Money Laundering: Terrorist groups, drug traffickers, and traditional transnational crime organizations share many traits, but none so compelling as the need to launder, hide, or secretly move their profits and operating funds. Over the past several years, INL has implemented an aggressive program to combat international financial crime, with an increasing emphasis on terrorist financing. In FY 2004, INL funding provided multi-agency training for more than 120 countries. To promote global cooperation on anti-money laundering, INL provides support to the multilateral Financial Action Task Force (FATF), which has added a special set of anti-terrorist financing recommendations to both its general anti-money laundering and recently revised recommendations, and to five FATF-style regional bodies. Our programs helped “graduate” eight countries from FATF’s list of non-cooperating states and territories in 2002, four in 2003, three in 2004 and three in 2005 by improving their performance in combating money laundering. INL has also provided assistance to 23 of the more than two dozen states identified by the USG and the FATF as most “at risk” for terrorist financing operations.

Establishing Rule of Law in Post Conflict Societies: To meet urgent needs in countries in the post-conflict period, INL is taking measures to enhance the USG capacity to identify, train, equip and deploy civilian police, law enforcement and justice advisors to participate in multilateral peacekeeping and complex security operations. Using International Narcotics Control and Law Enforcement (INCLE), Iraq Relief and Reconstruction Fund (IRRF), Peace Keeping Operations (PKO), and Support for East European Democracy (SEED) money, INL currently deploys more than 775 police advisors and justice experts in nine countries, including over 600 uniformed and armed U.S. police to conduct law enforcement operations in UN peacekeeping missions in Kosovo, Haiti and East Timor, and unarmed missions in Liberia and Sierra Leone. To meet future needs, INL is preparing to build a “ready reserve” of up to 2,000 pre-screened and pre-trained civilian police, law enforcement, and justice advisors for rapid deployment in multilateral peacekeeping and complex security situations. INL continues to implement programs that have helped establish, train, and equip 6,350 members of the new Kosovo Police Service as well as provide training for the 3,000-member East Timor Police Service. In Iraq, INL has provided 500 police liaison officers and 271 police trainers to support the reconstruction of the Iraqi police and the new Iraqi Government's efforts to provide effective internal security. INL constructed and manages the Police Training Center in Jordan being utilized to train 135,000 Iraqi police by late summer 2006. INL is also implementing justice (12 trainers/advisors) and prison (107 trainers / advisors) programs in Iraq. In Afghanistan, INL is managing police and justice programs designed to stand up and train 50,000 police in eight training centers in Kabul and the provinces, as well as assist with reform of the Ministries of Interior and Justice.

Law Enforcement Training and Technical Assistance: To date, the four International Law Enforcement Academies (ILEAs) in Hungary, Thailand, Botswana and New Mexico have trained over 15,000 officials from over 68 countries, including over 2,400 officials trained in 2004. Modifications to the ILEA curricula in 2004 now include more courses on counter-terrorism and on combating trafficking in persons. The permanent facility for ILEA Bangkok was completed in May 2004. In addition to the regionally based and focused training of the ILEAs, INL sponsored a broad range of specialized training, institutional development projects, and technical assistance activities tailored to the needs of individual countries. In FY 2004, INL sponsored 170 individual bilateral law enforcement training and technical assistance activities in more than 60 countries. These programs were carried out by agencies of the Departments of Justice, Homeland Security, and Treasury.

Trafficking in Persons: Annually, about 600,000-800,000 people – mostly women and children - are trafficked across national borders which does not count millions trafficked within their own countries. These victims of trafficking are forced, defrauded or coerced into labor or sexual exploitation. The Department's Office to Monitor and Combat Trafficking in Persons (TIP Office) in 2004 assessed the progress of 131 governments in addressing trafficking. These findings were included in the fourth annual Trafficking in Persons Report released by Secretary of State Colin Powell in June 2004. In addition to the country assessments, this annual report was expanded to provide important information on child sex tourism, the link between prostitution and trafficking, child soldiers, involuntary servitude, and corruption. This report also highlighted best practices and the work anti-trafficking heroes, and told the real-life stories of victims. In FY 2004, the TIP Office funded or

implemented approximately 42 programs in more than 35 countries using INCLE and other funding sources to pilot small programs to address demand for sex trafficking, continued law enforcement training and sensitization, shelters for trafficking victims, equipment for anti-trafficking police and prosecutor teams, and assistance in drafting anti-trafficking laws. The Office stepped up its efforts to engage in a strong outreach program aimed at governments, international and regional organizations, private groups, the travel and tourism industry and the media to increase awareness about trafficking and the contributing causes such as prostitution.

Cybercrime, Cybersecurity, and Intellectual Property Enforcement: The global spread of information technology (IT) to businesses and households throughout the world has brought significant economic and social benefits. However, the proliferation of the Internet and other beneficial manifestations of IT are threatened by criminals. Cybercrime, whether committed by exploiting computer systems, such as hacking or denial of service attacks, or whether committed as a formative of “traditional” crime such as identity theft and other fraudulent actions, is growing. Likewise, critical sectors of the U.S., such as energy resources, financial services, national security, and transportation, are dependent on the use and uninterrupted operation of networked systems that are potentially vulnerable to a cyber attack. Relatedly, theft of Intellectual property (IP) causes tremendous losses annually to innovative U.S. industries that heavily rely upon IP protection for computer software, hard goods (e.g., footwear, handbags, and timepieces), and digital media with IT playing an increasing role in the ease of theft (e.g., illegally downloading digital media from the Internet).

International law enforcement cooperation is an essential element in meeting the borderless threat of cybercrime, IP violations, and breaches of information infrastructures. To increase international cooperation, the USG needs to assist foreign partners in building the capacity to identify, combat, prosecute, and prevent cybercrime; protect shared critical information infrastructures; and address IP violations. INL plays a key role in providing training and technical assistance to foreign law enforcement personnel to promote increased cooperation between USG and foreign law enforcement and ensure that foreign law enforcement maintain the necessary degree of technical expertise to identify, investigate, prosecute, and prevent cybercrimes, IP violations, and breaches of information infrastructure.

Program Justification

The FY 2006 INL budget request of approximately \$1.258 billion is designed to support President Bush’s comprehensive strategy for combating the global threat of narcotics, organized crime, and terrorism. It also reflects INL’s shift away from separate programs for counternarcotics and anticrime to a broader and more integrated law enforcement approach. The request builds on and strengthens ongoing initiatives in the Andean region, South Asia, and international law enforcement training while continuing to place increased emphasis on border projects. While attacking the core targets in Latin America and Asia, the strategy focuses on strengthening host nation capabilities to fight international drugs and crime. It is a long-term approach to create competent and honest counternarcotics and anticrime forces in countries where laws and institutions are weak. The strategy also supports efforts by multilateral organizations to reduce drug crop production in those major growing areas where

our access is limited, such as Burma. Finally, the budget places special attention on anti-corruption, money laundering and financial crimes.

One primary focus of the FY 2006 budget request remains our counternarcotics efforts in Latin America, the principal source of drugs for the United States, and Afghanistan, the world's leading source of illicit opium, is one of the highest USG priorities. The approach in Latin America is regional, aimed at eliminating both the production and trafficking of cocaine, heroin, and marijuana from the Andean Region and Mexico. The budget will focus on interdiction efforts – including key transit zones of Central America and the Caribbean – as well as furnishing training and equipment to strengthen local law enforcement's ability to capture and prosecute drug traffickers and seize their assets. The program supports projects initiated under the FY 2000 Emergency (Plan Colombia) Supplemental and continued under the Andean Counterdrug Initiative. The request will continue to support key alternative development

Country and Account Programs

Andean Counterdrug Initiative (ACI) – \$734.5 million

Colombia (\$463 million): As the source of approximately 90 percent of the cocaine sold on American and European markets, Colombia continues to be the focus of our counternarcotics effort. FY 2006 programs will face major challenges in building upon the historic successes of 2003 and 2004 and to help President Uribe break the hold of narco-terrorism in the country. The increasingly successful aerial eradication, which is the centerpiece of our effort, will become more difficult and costly as growers disperse into smaller, more isolated fields, but INL is committed to maintaining the high eradication operations tempo of FY 2004 and 2005. The danger of ground fire hits on eradication aircraft has been dramatically decreased through the presence of the Colombian Army's Counterdrug Brigade in the eradication regions. In 2004, the number of ground-fire hits on aircraft carrying out eradication activities was about half of the previous year, around 200. In 2006 the air assets and the Colombian forces INL is training will be called on to finalize control of narco-terrorist zones, defend vital infrastructure, and support rescue operations. FY 2006 funding will support expected redefinition of missions, areas of operations to reflect the peacekeeping and counternarcotics phase of the GOC's expansion of legal authority throughout the country. Continued support for vetted units for counternarcotics police and military forces and aircraft for the Colombian National Police (CNP) as well as logistical and other support for the Colombian Army Counterdrug Mobile Brigade is crucial to prevent resurgence of opportunistic narcoterrorists in the fragile aftermath of Plan Colombia. To further consolidate the government's security presence throughout the country to enhance the rule of law and protect local populations against drug traffickers, INL will help further expand the CNP presence in conflict zones by funding the organization, training, and equipping of municipal police and mobile "carabineros" (rural police) units and train police investigators and prosecutors to implement a range of new criminal code procedures. Using INL funding, USAID will continue to support alternative development projects both to transition coca growers into the legal economy and provide alternatives to drug production. USAID (and the Bureau for Population, Refugees and Migration) will provide support to displaced people

and USAID as well as the Department of Justice will support a variety of projects – administration of justice, human rights, local governance, transparency and accountability – to build and strengthen democratic institutions.

Peru and Bolivia (\$177 million): INL programs in Peru (\$97million) and Bolivia (\$80 million) are designed to continue the effective eradication programs that have reduced cultivation in both countries to a fraction of their highpoint in the 1990's, to increase seizures of drugs and prevent spillover of trafficking activities from neighboring Colombia. These programs complement and support specific host government initiatives and include aggressive eradication, interdiction, alternative development, and institution-building components. For Bolivia, FY 2006 funding will further reduce coca cultivation, control the diversion of (licit) Yungas coca to cocaine production, interdict Bolivian and transshipped Peruvian and Colombian cocaine, expand demand reduction programs in schools, maintain appropriate ready-rates for land, riverine and air assets that support eradication and interdiction operations, provide training to police and prosecutors, improve efforts against money laundering, and extend alternative development to tens of thousands of families in the Chapare and Yungas. FY 2006 funding will support the continued upgrade of the Peruvian counternarcotics air fleet to provide greater mobility for expanded and improved monitoring, eradication, and interdiction operations, an enhanced port interdiction program, alternative development and livelihood programs to move farmers away from coca farming, and institution-building to strengthen counternarcotics investigations and prosecution.

Other ACI (\$33.5 million): In Ecuador (\$20 million), Brazil (\$6 million), Venezuela (\$3 million), and Panama (\$4.5 million), the INL programs aim at disrupting trafficking organizations in these transit countries to ensure that traffickers and Colombian insurgents forced out of Colombia do not establish themselves in these countries. To help guard against this in Ecuador, INL will continue to assist national police and military efforts to protect the northern border as well as air and sea ports of entry. The Northern Development Project will assist the government in strengthening state presence and community structures in the north, generally supporting and expanding licit social, economic and political activities. FY 2006 assistance to Brazil will focus primarily on operations designed to secure the border with neighboring Andean countries, and the adjoining, largely unpopulated Amazonian basin against traffickers and other crime groups. INL will also reinforce federal police counterdrug efforts and support drug awareness/demand reduction programs in Brazil, which has become the world's second largest consumer of cocaine after the United States. Colombian traffickers heavily exploit neighboring Venezuela's location on the Caribbean to ship drugs to the U.S. To counter this, U.S. assistance to Venezuela will provide training, equipment, and management support to improve detection, seizure, intelligence, and investigative capabilities of law enforcement bodies and support on-site advisory assistance by USG experts at land, air, and sea ports of entry. INL assistance to Panama, Colombia's northern neighbor, will also focus on border control enhancement and will include refurbishing the Panamanian National Police's (PNP) truck fleet, augmenting its small boat unit, and expanding its communications. Counternarcotics and law enforcement assistance will strengthen Panama's ability to interdict shipments of narcotics, arms, and precursor chemicals, as well investigate contraband shipping as part of the Black Market Peso Exchange. Since Panama's dollar economy and relatively sophisticated banking system

make it attractive for money laundering operations, our assistance also includes training and equipment for prosecutors and the Financial Investigation Unit of the Technical Judicial Police to enable them to detect, investigate and successfully prosecute such operations.

The Airbridge Denial Program (\$21 million): Funding in FY 2006 will provide effective intelligence; surveillance for the Colombian ABD program that will lead to increased interdiction of illicit drug trafficking aircraft and provide a real deterrent to the narco-traffickers in the region. FY 2006 funding will continue to provide contractor maintenance support (maintenance and spare parts) for five (5) Cessna Citation aircraft and two (2) C-26 aircraft as well as training support for pilots and sensor operators and contractor safety oversight personnel for monitoring safety procedures built into the program. Additionally, funding will be used to establish additional Colombian forward operating locations to support an anticipated increase in the number of Colombia Air Force tracking operations into previously untracked air space and closer to Colombian borders with Brazil and Peru

Critical Flight Safety Program (\$40 million): The Department of State Air Wing has an immediate need for a Critical Flight Safety Program (CFSP) to upgrade its severely aged aircraft fleet to commercial standards in order to sustain the counter-narcotics and counter-terrorism missions. The declining condition of the fleet presents the mission and our aircraft with a crippling reality of increased costs for amplified maintenance man-hours and material requirements, and degraded performance capability. In many cases aircraft have evidence of severe structural failures that have caused the Air Wing to ground aircraft. Many of the Air Wing's fleet are excess defense aircraft that are no longer supported or are being discontinued in the Department of Defense (DoD) inventory. Most of our airframes have not gone through any major airframe Programmed Depot Maintenance. Many aircraft are over 35 years old and have greater than 10,100 airframe hours. DoD typically removes from service helicopters that were flown in excess of 4,000 hours.

Additionally, major components are obsolete and no longer being manufactured or have limited repair capability. In many cases these components such as engine assemblies are experiencing premature removals far more frequently and never reach time-life expectancy. Failure and removal rates of major components are compounded by the incidence of ground fire and operations in a high optempo austere environment. These factors make managing readiness and controlling cost an extremely difficult challenge.

Maintenance modification and replacement initiatives are crucial in eliminating existing and unforeseen aircraft deficiencies. These initiatives will increase the operational reliability and logistics supportability of the Air Wing's aged aircraft inventory. The initiatives include fixes such as selective rewiring, critical airframe upgrades, selective component replacement, and retrofitting obsolete components. This will successfully control many age related costs and sustain the capability. These initiatives require immediate attention.

International Narcotics Control and Law Enforcement – \$523.874 million

Other Latin America – \$51 million

Mexico (\$30.0 million): Mexico remains critical to U.S. security interests. It is the transit zone for most illicit drugs entering the U.S. Mexico is the largest foreign source of marijuana consumed in the US and the second principal supplier of heroin. Mexican criminal organizations now dominate the sale and distribution of illicit narcotics in the U.S. and engage in a broad array of other criminal activities. Mexico is also the overwhelming host country for transiting illegal aliens entering the U.S., some with links to terrorist organizations. Our main diplomatic and programmatic challenge has been to support the Fox Administration's criminal justice system reform effort. INL is also focused on homeland/border security, a high priority for the President. FY 2006 programs will focus on three areas: 1) criminal justice institution and sector development, 2) crime control and counternarcotics operational support, including operational support to specialized crime units and assistance to Mexico's three-pronged (air, land, sea) drug interdiction strategy, and 3) homeland security and border control, including enhanced screening at key ports of entry/exit and choke points in both the north and south of Mexico. The latter is designed to promote the efficient flow of goods, people and services across the U.S.-Mexican border -- including development of a fast-lane system to expedite crossing for low-risk vehicles and people -- while providing a broad-based screening system to protect U.S. national security. INL counterdrug assistance will focus primarily on modernizing the airwing of the counternarcotics unit. Assistance for the justice sector will focus on institutional development and rooting out corruption, including professionalization of police agents, prosecutors, and both state and federal judges. Assistance will also be directed at strengthening the specialized anti-money laundering units belonging to the Treasury Department and the Attorney General.

Haiti (\$15 million): Reforming and developing the criminal justice system will be key to the long-term goals of stability and economic development in Haiti. Funds will be used to enhance the accountability, functioning, and training capacity of the Haitian National Police (HNP). This will be accomplished by working in coordination with the United Nations and other donors to assist in the training of new HNP recruits, to vet and train existing officers, provide equipment and infrastructure repairs to facilitate mobility and communications, to continue the development of a forensics and investigative capacity, support the development of the Inspector General function, and establish a personnel system that ties employment to pay. Funding for counternarcotics will be directed toward supporting the operations of a vetted HNP anti-drug unit, equipping and training the Haitian Coast Guard for maritime drug interdictions, and providing technical assistance to the Financial Investigative Unit in support of ongoing money laundering and corruption investigations.

Other Western Hemisphere (\$6 million): Caribbean, Central American and non-Andean South American countries are important transit corridors for drugs, precursor chemicals, illegal trafficking funds, weapons, and illegal aliens headed to the U.S. These countries are regional allies in the global fight against transnational crime and terrorism and represent a first line of defense in the protection of our national security. Funding will be directed

towards maintaining the interdiction capabilities of these countries through the modernization of law enforcement and judicial institutions, as well as the provision of technical assistance to battle corruption, money laundering and drug-related crime. Funding will also support drug abuse prevention/treatment programs to protect their societies from the corrupting influences of the narcotics trade.

Africa – \$4.2 million

Liberia (\$2 million): INL's FY 2006 funding will continue to support the broader USG efforts, which began in FY 2003, to build a stable and democratic society following years of dictatorship and civil war. INL crime control assistance will support up to 10 (down from a peak of 75) U.S. civilian police deployed as part of the UN Peacekeeping Mission in Liberia (UNMIL) to serve as mentors and advisors to the new Liberian Police Service.

Nigeria (\$1 million): Nigerian organized crime groups dominate the African narcotics trade transporting drugs to the U.S., Europe and Asia. Nigeria-based criminal organizations are engaged in advance-fee fraud, and other forms of financial crime, including identity theft that defraud American citizens and businesses. FY 2006 funding will be used to build strong counterpart agencies for U.S. law enforcement in two critical areas: counter-narcotics and financial fraud.

South Africa (\$.6 million): South Africa is an anchor for stability and prosperity in southern Africa. Despite South Africa's regional leadership role on crime, terrorism, and immigration, organized crime remains a threat to South Africa own efforts to create stability and prosperity at home. FY 2006 funding will be used to assist the South African police more effectively address national and transnational crime.

Africa Regional (\$.6 million): Weak law enforcement institutions throughout Africa corrupt and weaken governments, undermine progress toward democracy and provide an attractive environment for terrorism and transnational organized crime. The Africa program supports states in the region with a demonstrated commitment to good governance and democratic policing and the political will to achieve these goals. FY 2006 funds will be used for programs designed to upgrade core policing and prosecutorial skills through modernization of academies and teaching methodologies, and border security programs. Programs will improve the capacity of governments to combat trafficking in narcotics and other contraband, illegal migration, public corruption, and financial fraud.

Asia and the Middle East – \$337.474 million

Iraq (\$26.474 million): - The establishment of a professional, capable police force of 135,000 is an integral component of the national security strategy in Iraq. FY 2005 supplemental funding is being requested to train, equip, and mentor this police force. The FY 2006 International Narcotics Control and Law Enforcement (INCLE) funding request will continue to be focused on key police, justice, and prisons programs through the provision of bilateral technical assistance and support to the Ministries of Interior and Justice. Up to five senior advisors, one to each of the Iraq Criminal Justice System's (ICJS) components -- police,

border enforcement, prosecutors, courts and prisons -- will be assigned to assist ongoing Iraqi reform and development of these institutions. In addition to mentoring senior Iraqi leadership, advanced and specialized training programs will enhance the overall organizational management skills of all ICJS components. Police, legal, judicial and correctional advisors and trainers will be deployed to provide assistance and instruction. A small support capability will be maintained in country to provide logistics, transportation and security support for advisors and trainers deployed to Iraq.

Afghanistan (\$260 million): Continued insecurity in Afghanistan over the past year has placed increasing demands on INL programs, requiring the acceleration and substantial expansion of the three main programs: law enforcement, counternarcotics, and judicial reform. Law enforcement funds will support maintenance and operation costs for our eight (8) INL Training Centers and police trainer-advisors to continue basic training program for low-level police officers as needed, provide field training for police and specialized courses that build on basic training programs previously provided for the police, provide critical infrastructure support including rehabilitation of police and border police facilities, complete Ministry of Interior reform efforts and support payment of police salaries through a contribution to the United Nations Development Program Law and Order Trust Fund for Afghanistan. The U.S. will continue to support the UK lead on counternarcotics by providing enhanced assistance to eradication teams, and expansion of specialized training and equipment of drug enforcement units, public information and demand reduction campaigns. Justice Sector Reform funds will support four strategic objectives; development of institutional capacity of the permanent justice institutions; development of the operational capacity of criminal justice sector actors, development of the corrections system and professionalization of justice sector personnel. Specific activities will include court construction, advisory support, specialized training and continued support for the bar association, licensing development and legal aid centers. Funds will also be used to establish temporary detention facilities, correctional personnel advising and training and a prisoner tracking system and database. The reintegration of women into the legal sector will remain a focus through FY06.

Indonesia (\$5 million): Indonesia, the world's largest Muslim country, is a strategic partner in the fight against transnational criminal organizations. It is an emerging democracy poised for a leadership role in the Islamic world. INL's FY 2006 police assistance program has four components: transformation of the Indonesian National Police (POLRI) from a military-led to a civilian-led police force, modernization of the Marine Police, reformation of the criminal justice sector and professionalization of the POLRI's counterdrug unit. Earlier phases of the POLRI program focused on developing leadership among high-ranking officers and providing specialized law enforcement training. FY 2006 funds will continue these efforts and will advance and institutionalize an on-going anti-corruption and police disciplinary system, and improve core police skills and expertise in specialized investigative areas, including cybercrime and environmental crime. Assistance to the Marine Police will improve the effectiveness of the force charged with protecting Indonesia's maritime borders, which stretch across 17,000 islands and which are vulnerable to a range of criminal activities from narcotics trafficking to terrorism. INL assistance will also support the professionalization of the criminal justice system, which is rife with corruption and not

reflective of Indonesia's move toward an open and democratic government. Counter narcotics assistance will support management and forensics training with a focus on tactical operations training. Train-the-trainer support will be offered to the counternarcotics interdiction task force.

Morocco (\$2 million): Morocco is a strong partner of the United States in the global war on terrorism. Due to its long and poorly controlled borders with Algeria, Mauritania, and the Spanish enclaves, its extensive coastline, and its proximity to Europe, Morocco has significant problems with illegal migration and human smuggling, narcotics production and trafficking, the movement of terrorists through its territory, and commercial smuggling. These criminal activities undermine the rule of law, foster public corruption, and weaken Moroccan institutions that assist the U.S. in the war on terrorism. Funding will focus on border control, including extensive technical advice as well as some equipment. Funding will also go to community-policing projects designed to increase public confidence in law enforcement institutions.

Pakistan (\$40 million): The events of September 11 shifted the focus of INL assistance to Pakistan from drug control and related programs to law enforcement, including security of the critical border with Afghanistan and Iran. The Border Security Program is designed to strengthen the capacity of law enforcement agencies in Pakistan to secure the western border against terrorists, criminal elements, and narcotics traffickers. With the delivery of needed aircraft and vehicles for the Border Security Program, funding will shift to maintenance, support, and operating expenses for the USG-established Ministry of Interior Air Wing. Funds will also be used to construct border security roads in the Federally Administered Tribal Areas as well as additional border outposts and checkpoints at key roadway intersections. INL will also continue to support law enforcement and development activities to help modernize Pakistan's antiquated crime prevention and investigation system. Counternarcotics funding will support crop control operations in areas of new or expanded opium poppy cultivation in the border areas with Afghanistan.

Philippines (\$2 million): The Philippines is a strategic ally and a partner in the global war on terrorism. Enhancing the capabilities of Philippine law enforcement and criminal justice sector is central to strengthening our mutual security. FY 2006 funding will support law enforcement development, improved police-prosecutor cooperation and counter narcotics police development. Funding will also be provided for a continuation of the Automated Fingerprint Identification System initiated in 2003.

Thailand (\$1 million): Thailand is a long-time U.S. ally in the fight against drugs and host to one of our regional ILEAs. It also plays a leading regional role in the fight against narcotics and transnational crime. At one time a source country for heroin, Thailand's aggressive counternarcotics strategy kept opium poppy cultivation below 1000 hectares in 2004, for the sixth year in a row, and at the lowest level since the mid-1980s. Even so, Thailand serves as a transit zone for heroin and the sharp increase in methamphetamines coming out of Burma and other states in the region. At U.S. urging and with INL assistance, Thailand is in the process of amending virtually all of its basic narcotics laws and all substantive and procedural criminal laws, including those that pertain to money laundering and official

corruption. Our FY 2006 funding will continue to support these important and on-going efforts.

Laos (\$1 million): Laos is one of the world's least developed countries and the third largest source – after Afghanistan and Burma – of illicit opium poppy. In keeping with its stated goal of becoming opium-free by 2006, the total area under cultivation dropped by 53 percent in 2004. Yields also declined significantly in 2004 to 4.9 kilograms per hectare—down from 10.7 kilograms in 2003. Laos is also a transit route for Burmese drugs going to China and other SE Asian states. Laos has the second highest opium addiction rate in the world. INL development programs are aimed at stemming production, trafficking and abuse of illicit opium by providing market-based income alternatives for farmers, and training and equipment for counternarcotics units. Funding will also support drug awareness and demand reduction programs.

Regional and Global Programs – \$117.2 million

Interregional Aviation Support (\$70 million): In FY 2006, the Interregional Aviation budget will continue to provide only the core level services necessary to operate a fleet of 187 fixed and rotary wing aircraft supporting aviation activities in Colombia, Bolivia, and Peru, border security operations in Pakistan, and, as needed, programs at other temporary deployment locations. Operations include eradication, mobility, interdiction, monitoring, and logistical support. The primary focus will continue to be on the aggressive aerial eradication of Colombian coca and poppy, where U.S.-funded planes sprayed over 131,500 hectares of coca and approximately 3,000 hectares of poppy in 2004. This marks the fourth consecutive year of record spray results, and 2002 and 2003 totaled a 33 percent net reduction in coca cultivation in Colombia. Aviation services in Bolivia and Peru will continue to support manual eradication as well as limited interdiction efforts in Peru and Bolivia. Also, in 2005, the Air Wing will deploy an aerial recon team to Peru over several weeks to locate and mark illicit poppy fields for subsequent eradication. INL-owned aircraft provide Pakistan with an Air Wing capability for integrated helicopter, fixed-wing, and ground forces operations in day, night, or using night vision goggles (NVG); it is used to provide surveillance along the porous, 1500-mile Afghan-Pakistan border area to permit interdiction of trafficking in persons, narcotics, arms, and other contraband, as well as to assist in monitoring areas where opium poppy is cultivated to permit eradication efforts. Finally, the establishment of host-government self-sufficiency remains a central goal for Air Wing operations in each country.

International Organizations (\$10 million). The International Organizations budget funds multilateral approaches to fighting crime and drugs. U.S. support to international organizations complements INCLE and ACI bilateral programs, and has a multiplier effect by encouraging financial and political burden sharing by other countries. It also offers the United States an invaluable multilateral option through which to pursue U.S. objectives in situations where bilateral approaches would not be as effective. For many countries, assistance from international organizations is often more acceptable politically than direct bilateral assistance.

FY 2006 funds will support the UN Office for Drugs and Crime (UNODC) in continuing and expanding ongoing international programs that enhance law enforcement, judicial, and financial institutions in developing countries. Funds will be used to promote the ratification and implementation of the UN Convention Against Transnational Organized Crime and its supplemental protocols against human trafficking and migrant smuggling, the UN Convention Against Corruption, and the 12 legal instruments against terrorism. USG assistance to UNODC counternarcotics projects will support opium eradication through alternative development in Laos, the development and maintenance of national data banks to track chemical precursors, and to provide chemical control training for law enforcement officials. USG assistance also helps fund the UNODC global program against “money laundering to combat “traditional” forms of money laundering and the financing of terrorism; and the global legal advisory program, which promotes full implementation of the various international drug conventions.

Funding for the OAS/Inter-American Drug Abuse Control Commission (CICAD) supports key technical assistance and training projects for Latin American countries as they seek to enhance their ability to fight drugs and related crime, focusing in particular on shortcomings identified in the Mutual Evaluation Mechanism (MEM).

Drug Awareness/Demand Reduction (\$3 million): While INL programs focus primarily on reducing the supply of drugs entering the United States, our demand reduction programs have become increasingly important in recent years as both producing and transit countries suffer from increasing drug use. Sharing “best practices” increases prospects for success. INL funded research reported the long-term effects of previous INL-funded drug treatment training in Peru. The research showed drug use had declined in every category (90% to 34%) among users from who received training, 72 percent were employed six months after laving treatment, and over 90 percent had no further contact with the criminal justice system (i.e., arrests). INL has provided assistance to or has networking relationship with more than 7,000 public and grassroots organizations worldwide. In FY 2006, INL assistance will give particular attention to cocaine producing and transit countries in Latin America, address the recurring amphetamine-type stimulant (ATS) epidemic in Southeast Asia, and address the heroin threat from Asia and Colombia. An expanded area of focus will be the Middle East and South Asia where over 400 Muslim-based anti-drug programs are members of the global INL drug prevention network.

Trafficking in Persons (\$5 million): INCLE funds will be used to support the second year of activities of FY 2004 U.S. grant recipients. U.S. NGOs will conduct programs designed to address the priorities of the Department’s Trafficking in Persons Office to include: raising awareness of law enforcement on the negative impact of trafficking and the importance of prosecuting traffickers and protecting victims; developing and enforcing new or existing laws; promoting multi-disciplinary (police, prosecutors, NGO service providers, for example) and coordinated approaches to addressing trafficking; collecting law enforcement data in a consistent and standardized manner; enhancing cross-border collaboration; building the capacity of foreign NGO partners; and rescuing and assisting victims. The proposed countries are India, Mexico, Ecuador, Uganda, Kenya, Tanzania, Burundi, Ethiopia,

Mauritania, Liberia, Sierra Leone, Thailand and Burma. East Asia and the Southern African Development Community (SADC) countries are proposed targets for regional programs.

The Trafficking Office proposes to continue to support specialized anti-trafficking programs conducted at the International Law Enforcement Academies in Bangkok, Botswana and Budapest. Specifically, INL proposes to target local law enforcement officials and prosecutors working with U.S. grant recipients and their local NGO partners in East Asia, SADC countries, Estonia and Slovenia. These officials and prosecutors will receive technical training on investigative and prosecutorial techniques to combat trafficking in persons. The Department of Justice, Department of Homeland Security or an organization will be contracted to provide the training at the ILEAs.

INL Anticrime Programs (\$13 million): INL will continue to support a range of diplomatic and programmatic anti-crime initiatives, funded in part from the Anticrime account, but also from other INL budget line items, such as International Organizations and some country accounts. The most prominent programs will focus on money laundering, corruption, migrant smuggling, border security, and various intellectual property theft and cyber-related threats.

Migrant Smuggling: The smuggling of illegal migrants, which can serve as a vehicle for terrorist entry into the United States, is a major national security concern. Funds for this program will help support the Human Smuggling and Trafficking Center - a joint State/Justice/Homeland Security center that has begun to collect, analyze, and disseminate intelligence and other information to facilitate coordinated international law enforcement efforts against illegal migrant smuggling and trafficking in persons.

Border Security: Porous borders greatly enhance the ability of international criminals, smugglers, and terrorists to expand their operations and avoid apprehension. However, as the first line of defense for many countries, stiff border controls can be a substantial deterrent to such activity and be a vehicle for gleaning useful information for identifying, investigating, and dismantling crime syndicates. INCLE border control funds will continue to be focused on strengthening and complementing several of the programs INL has underway in South and Central America that are needed to stop a rash of criminal activity including narcotics trafficking, alien smuggling, and money laundering in this region. Our focus will include the Argentina, Brazil, Paraguay tri-border area, where all three threats as well as terrorism merge.

Anti-Money Laundering/Terrorist Financing: INL will promote the use of legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets. With Homeland Security, INL will fund training and equipment for the nascent Trade Transparency Units (TTUs) in selected countries to combat funds moved through alternative remittance systems and falsified trade data in South Asia and Latin America. INCLE funding will support the new regional technical assistance/training programs in Central America and the Pacific Island region, using the Caribbean Anti-money Laundering Program as a model. Regional

programs are particularly cost effective because they provide training and assistance to several countries sharing similar terrorist financing and money laundering problems. Funding will also provide short and long-term advisers to selected countries to help strengthen their overall anti-money laundering/anti-terrorist financing regimes. Additionally, INL will fund an innovative “FIU in a Box” initiative that will develop scaled-down software that will enable small FIUs to collect, analyze and disseminate financial intelligence to domestic law enforcement and to other FIUs globally. This program will enable jurisdictions that lack fiscal and human resources to become active players in the global effort to thwart money laundering and terrorist financing at a fraction of the current start-up costs for a full-scale FIU. INL programs will also continue to support multinational anti-money laundering organizations, such as the Financial Action Task Force and regional FATF-style bodies, as well as the creation of new regional bodies for Central Asia and the Middle East.

Cybercrime, Cybersecurity and IP Crime: INL fills a key role in the overall USG strategy to combat criminal misuse of information technology through our ability to provide capacity-building training to foreign law enforcement. Since many governments are just now beginning to write adequate laws on cybercrime and IP, INL supports DOJ legislative-drafting workshops, such as the ones held last year for APEC and OAS member states. As part of the USG inter-agency working group on critical infrastructure protection (CIP), INL provides policy support and training assistance to our foreign partners to help them address cyber security concerns. In FY 2006, the countries INL is particularly likely to work with to build institutions to address IPR challenges include Brazil, Hungary, Mexico, Paraguay, Poland, and Ukraine.

Fighting Corruption: Any effective anti-crime/anti-terrorism program must also attack corruption. INCLE funding will support several international mechanisms – at the U.N., Council of Europe, OAS, APEC and others – to monitor and assist in the implementation of anticorruption commitments by more than 80 nations. Funding will also support implementation of G-8 anti-corruption assistance Compacts – fully integrated, government-wide programs designed to attack corruption across multiple sectors -- in Georgia, Nicaragua, Nigeria, and Peru.

Civilian Police Program (\$2.7 million): FY 2006 funding will build on FY 2004 and FY 2005 progress in establishing a cadre of civilian police, law enforcement and justice advisors. The FY 2004 goal was to identify, screen, equip and pre-train approximately 500 police who would be available for duty abroad on short notice to serve in international peacekeeping and complex security missions. Given the current heavy demand for civilian police around the world, however, it will be difficult for the “ready reserve” to stay ahead of actual deployments. Using INCLE, IRRF, and SEED funding, INL expects to manage post conflict operations in Iraq, Afghanistan, Kosovo, Macedonia, East Timor, Liberia, and Sierra Leone. These together will involve nearly 1,000 U.S. civilian police and criminal justice experts.

International Law Enforcement Academies (\$13.5 million): INCLE funds will continue to support the work of established ILEAs in Bangkok, Budapest, Gaborone and Roswell, New Mexico. In addition, DOS continues to negotiate for the establishment of a new ILEA in Latin America to address areas of strategic importance to the United States. If established, this ILEA is expected to deliver pilot training sessions in FY 2005 and should deliver its full training program in FY 2006. Other activities in FY 2006 will include implementing modified curricula for core and specialized curriculum that targets areas of growing international criminal activity such as terrorism, financial crimes, corruption and trafficking in persons.

Program Development and Support (PD&S)– \$14 million

The Program Development and Support (PD&S) budget of \$14,000,000 will be used to fund the domestic administrative operating costs associated with the Washington-based INL Staff. Funding covers the salaries and benefits of U.S. Direct Hire employees, personal services contracts, rehired annuitants and reimbursable support personnel. These funds also cover field travel necessary for program development, implementation, oversight and review, as well as for the advancement of international counternarcotics foreign policy objectives. PD&S funds are also used to maintain reliable and secure information resource management systems, office equipment rental, telephone services, printing and reproduction, materials, supplies, furniture and equipment.

Budget Summary

INL Budget by Program					
(\$000)					
	FY 2004 Actual	FY 2004 Supp	FY 2005 Estimate	FY 2005 Supp	FY 2006 Request
ACI Country Programs					
Bolivia: Interdiction/Eradication	49,248	-	48,608	-	43,000
Alter. Dev./Inst. Building	41,752	-	41,664	-	37,000
Brazil	10,200	-	8,928	-	6,000
Colombia: Interdiction/Eradication (A)	324,621	-	310,694	-	310,850
Alter. Dev./Inst. Building	149,279	-	124,694	-	124,757
Rule of Law	-	-	27,379	-	27,393
Ecuador: Interdiction/Eradication	20,088	-	10,912	-	8,460
Alter.Dev. /Inst. Building	14,912	-	14,880	-	11,540
Guatemala	-	-	992	-	-
Nicaragua	-	-	992	-	-
Panama	6,487	-	5,952	-	4,500
Peru: Interdiction/Eradication	66,295	-	61,504	-	54,000
Alter.Dev./Inst.Building	49,705	-	53,866	-	43,000
Venezuela	5,000	-	2,976	-	3,000
Critical Flight Safety	-	-	-	-	40,000
Air Bridge Denial Program	-	-	11,111	-	21,000
Statutory Reduction ACI	B	-	B	-	B
Total ACI Country Programs	737,587	-	725,152	-	734,500
<i>Subtotal: Interdiction/Eradication</i>	479,739	-	459,932	-	489,400
<i>Subtotal: Alter.Dev./Inst.Bldg.</i>	257,848	-	265,220	-	217,707
INCLE COUNTRY PROGRAMS					
<u>Other Latin America</u>					
Bahamas	1,000	-	992	-	500
Guatemala	3,000	-	2,820	-	2,500
Jamaica	1,500	-	1,488	-	1,000
Mexico	37,000	-	39,680	-	30,000
Latin America Regional	4,850	-	3,224	-	2,000
Haiti	-	-	-	-	15,000
Subtotal	47,350	-	48,204	-	51,000
<u>Africa</u>					
Liberia	-	-	5,000	-	2,000
Nigeria	2,250	-	2,232	-	1,000
South Africa	1,770	-	1,756	-	600
Africa Regional	2,830	-	1,512	-	600
Subtotal	6,850	-	10,500	-	4,200

Fiscal Year 2006 Congressional Budget Justification

	FY2004 Actual	FY 2004 Supp	FY2005 Estimate	FY 2005 Supp Req	FY2006 Request
Asia and the Middle East					
Afghanistan (C)	-	50,000	-	-	-
Afghanistan	-	170,000	89,280	660,000	260,000
Indonesia	-	-	-	-	5,000
Iraq (D)	-	-	-	-	26,474
Laos	2,000	-	1,984	-	1,000
Morocco	-	-	2,992	-	2,000
Pakistan	31,500	-	32,150	-	40,000
Philippines	2,000	-	3,968	-	2,000
Thailand	2,000	-	1,608	-	1,000
Asia/Middle East Regional	1,000	-	496	-	-
Subtotal	38,500	220,000	132,478	660,000	337,474
Europe					
Malta	-	-	2,976	-	-
Subtotal	-	-	2,976	-	-
Total INCLE Country Programs	92,700	220,000	194,158	-	392,674
INCLE GLOBAL PROGRAMS					
Interregional Aviation Support	70,000	-	66,620	-	70,000
Systems Support & Upgrades	5,000	-	694	-	-
International Organizations	13,200	-	5,496	-	10,000
Demand Reduction/Drug Awareness	5,000	-	9,920	-	3,000
Trafficking in Persons	12,000	-	4,960	-	5,000
INL Anticrime Programs	11,324	-	15,079	-	13,000
Civilian Police Contingent	2,700	-	2,678	-	2,700
ILEA Operations	14,500	-	12,734	-	13,500
Regional Narcotics Training	-	-	-	-	-
Statutory Reduction INCLE	E	-	E	-	E
Total INCLE Global Programs	133,724	-	118,181	-	117,200
PROGRAM DEVELOPMENT & SUPPORT	13,850	-	13,850	-	14,000
TOTAL INCLE BUDGET	240,274	220,000	326,189	660,000	523,874
TOTAL ACI BUDGET	737,587	-	725,152	-	734,500
TOTAL INL PROGRAMS	977,861	220,000	1,051,341	660,000	1,258,374

A - Congressional Notification (04-0185) - FMF Transfer of \$10.9 Million to Colombia.

B - Statutory reduction ACI: \$5.846 and \$4.313 million in FY 2005 and FY 2004 respectively.

C - FY 04 Transferred from the Emergency Response Fund pursuant to P.L. 107-38.

D - Pursuant to section 2207 and other relevant provisions of the Emergency Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, FY 2004, P.L. 108-106, \$1,081.364 million was transferred.

E - Statutory reduction (INCLE) \$2.631 million and \$1.426 million in FY 2005 and FY 2004 respectively.

INL Budget by Function								
(\$000)								
	FY 2004 Actual	FY 2004 Supp	%	FY 2005 Estimate	FY 2005 Supp Req	%	FY 2006 Request	%
ACI Funds:								
<i>Eradication and Interdiction:</i>								
Narcotics Law Enforcement and Interdiction	151,645	-	12.66%	113,200	-	6.61%	105,732	8.40%
Eradication and Crop Control	67,245	-	5.61%	105,528	-	6.17%	104,419	8.30%
Drug Awareness/Demand Reduction	2,793	-	0.23%	3,418	-	0.20%	3,147	0.25%
Crime	2,791	-	0.23%	4,819	-	0.28%	3,944	0.31%
Critical Flight Safety & Aviation/Operations and Logistical Support	239,010	-	19.95%	216,682	-	12.66%	253,143	20.12%
Program Development and Support	16,255	-	1.36%	16,285	-	0.95%	19,015	1.51%
Sub-Total Eradication and Interdiction - ACI Funds	479,739	-	40.05%	459,932	-	26.88%	489,400	38.89%
<i>Alternative Development/Institution Building</i>								
Alternative Development	224,368	-	18.73%	232,466	-	13.58%	214,097	17.01%
Administration of Justice and Support for Democra	33,480	-	2.79%	32,754	-	1.91%	31,003	2.46%
Sub-Total Alt. Dev./Inst. Bldg.	257,848	-	21.53%	265,220	-	15.50%	245,100	19.48%
TOTAL - ACI	737,587	-	61.58%	725,152	-	42.37%	734,500	58.37%
INCLE Funds								
<i>Eradication and Interdiction:</i>								
Narcotics Law Enforcement and Interdiction	46,188	50,000	8.03%	51,892	92,500	8.44%	43,535	3.46%
Eradication and Crop Control	76,090	-	6.35%	93,493	161,500	14.90%	253,050	20.10%
Drug Awareness/Demand Reduction	1,181	-	0.10%	808	-	0.05%	3,480	0.28%
Sub-Total Eradication and Interdiction	123,459	50,000	14.48%	146,193	254,000	23.38%	300,065	23.84%
<i>Alternative Development/Institution Building</i>								
Alternative Development	0	-	0.00%	0	-	0.00%	0	0.00%
Administration of Justice and Support for Democra	1,345	10,000	0.95%	4,588	-	0.27%	14,100	1.12%
Program Development and Support	22,426	-	1.87%	25,667	11,000	2.14%	29,250	2.32%
Border Control	27,877	-	2.33%	29,274	-	1.71%	26,178	2.08%
Anticrime Programs	19,605	160,000	14.99%	21,039	395,000	24.31%	26,907	2.14%
International Organizations	13,200	-	1.10%	5,496	-	0.32%	10,000	0.79%
Other Global Crime	3,162	-	-	73,560	-	4.30%	96,174	7.64%
Regional Narcotics Training	-	-	-	-	-	-	-	-
Civilian Police Program	2,700	-	0.23%	2,678	-	0.16%	2,700	0.21%
International Law Enforcement Academy	14,500	-	1.21%	12,734	-	0.74%	13,500	1.07%
Trafficking in Persons	12,000	-	1.00%	4,960	-	0.29%	5,000	0.40%
Sub-Total - Alt. Dev./Inst. Bldg.	116,815	170,000	23.94%	179,996	406,000	34.24%	223,809	17.79%
TOTAL -INCLE	240,274	220,000	38.42%	326,189	660,000	57.63%	523,874	41.63%
TOTAL - INL BUDGET	977,861	220,000	100.00%	1,051,341	660,000	100.00%	1,258,374	100.00%

Country Programs

Andean Counterdrug Initiative

Bolivia

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
91,000	90,272	80,000

Program Objectives and Measures of Effectiveness

- Disrupt the transportation and export/trans-shipment of illegal coca leaf and precursor chemicals: The GOB will interdict 14 percent of Bolivia's potential cocaine production.
- Help GOB develop and maintain programs that reduce coca production and control marketing of licit coca leaf: A new GOB Yungas strategy seeks first to slow the growth of potential cocaine production in 2005 and 2006, then to begin to reduce it in 2007; a fully institutionalized DIGECO (the agency charged with controlling marketing of legal coca) enforces new regulations explicitly limiting new licenses to trade coca leaves.
- Help develop and maintain strong counternarcotics and anti-crime policies and programs within the GOB; support GOB initiatives to strengthen and secure its own borders against transnational crime; develop the professional capabilities of counternarcotics forces within the GOB's judiciary and police: Successful prosecution of major drug cases increases 15% over 2005; 90% of all CN police/prosecutors/legal assistants are trained in advanced drug case investigative techniques; an elite group of Bolivian National Police is trained in anti-terrorist investigative techniques. Information sharing with international partners is increased, and domestic and international cooperation is improved.
- Encourage public awareness of the drug trafficking threat and greater domestic support for counternarcotics policies and programs: A National Drug Prevention office designs and implements programs; a national drug prevention network is formed; DARE program begins reaching 25,000-30,000 middle school students throughout the country during FY 2006. Our strategy will also include seed grants to strengthen NGO's and civil society organizations that play a meaningful role in drug prevention. Public opinion support in favor of overall CN goals increases by 2% over FY 2005.
- Promote development of a stable, representative government characterized by political and social order, citizen confidence in the political system and strengthened democratic institutions: Public satisfaction in local governance is increased to approximately 49 percent; police structure developed based upon modern policing

principles, which is responsive to complaints of corruption and abuse; percentage of complaints made against members of the Bolivia National Police resolved within six months is ten percent higher than in FY 2005.

- Provide viable, licit employment and income-generating alternatives to the cultivation of coca in the Chapare and Yungas regions: 30,000 farm families in the Chapare (cumulative 1999-2006) and 15,000 farm families in the Yungas (cumulative 2001-2006) benefit from alternative development; the wholesale value of licit products leaving the Chapare increases to \$40 million; average income of Yungas families involved in specialty coffee projects increases by 41% from FY 2005 to FY 2006.

Program Justification

Bolivia's counternarcotics efforts have reached a critical juncture due to serious challenges to democratic stability that reach far beyond counternarcotics policies. Porous borders, feeble institutions, endemic poverty and a succession of weak governments make fertile territory for throwback Marxist and other radical opposition groups, regional terrorist organizations, narcotics traffickers, diverse criminal interests, and illegal immigration. Because of these factors Bolivia has become a significant transit zone for Peruvian and Colombian cocaine. A year of political turbulence has also threatened Bolivia's hard-won gains in democratization, macroeconomic stability, and the fight against drug trafficking. Counternarcotics successes are also overshadowed by the expanding coca cultivation in the Yungas. The volatile nature of the Yungas region, with its severe topography and a long history of traditional coca cultivation, works against replicating the successful Chapare forced eradication strategy. It is the GOB's principal CN challenge now and for the foreseeable future, and will require significant assistance to the GOB to increase government presence in the Yungas.

Of equal concern is the adoption of violence as a means of protest and intimidation throughout the country. Alternative Development (AD) farmers, advisors, and NGOs have fallen victim to bombings, beatings, and seizure of their property by local unions and organizations tied to cocaleros -- with the tacit approval of municipal governments controlled by or sympathetic to cocalero interests. While an alarming increase in attacks on eradicators in 2003 resulted in seven deaths and scores of injuries by shootings and remotely activated booby-trap bombs, GOB/cocalero agreements in 2004 helped reduce the level of violence. The increasingly sophisticated violence suggests the possibility of foreign financing and infiltration of Bolivia by foreign terrorist organizations (case in point: Francisco "Pacho" Cortez, an ELN activist cozy with MAS and Chapare cocaleros, was arrested when caught with plans to overthrow the GOB), presenting a growing danger to Bolivian national security. USAID has provided increased security to AD projects.

Program Accomplishments

Due largely to long-term USG support for effective GOB eradication policies, Bolivia has dropped to third after Colombia and Peru in world cocaine production. Our integrated framework of support for interdiction, eradication, alternative development, and drug use prevention has yielded important results in the Chapare: the illegal coca crop of the Chapare

region, once the world's largest production area, is less than a tenth of the mid-1990's level, and over 144,000 hectares there previously devoted to illegal coca now produce licit crops. The record-breaking seizures of both drugs and precursor chemicals in 2003 and the GOB's continuing strong interdiction performance in 2004 demonstrate the value of long-term investments made in developing special counternarcotics police units (FELCN). Total potential cocaine production in Bolivia decreased from an estimated 240 metric tons in 1995 to 65 metric tons in 2004. The FELCN and the Bolivian National Police (BNP) both created Offices of Professional Responsibility (OPR) that have already resolved numerous cases of alleged corruption among the police. The GOB has instituted greater control over coca licensing procedures, reducing the diversion of coca to cocaine production through USG support for the General Directorate for the Legal Trade of Coca (DIGECO). With assistance from USAID and OAS/CICAD (funded by INL), the GOB has focused increasing attention on delivering land titles in the Chapare and the Yungas. New AD activities in the Yungas are beginning to show their value, with demand for support exceeding available funding. In September 2004, President Mesa approved a new National Drug Strategy for 2004-08 that included a Plan of Action for the Yungas; its effective implementation will require considerable donor support.

FY 2006 Program

The FY 2006 request of \$80 million is aimed at sustaining prior gains and continuing effective programs in eradication, interdiction, drug prevention/social communication, and integrated alternative development that will enable Bolivia to: further reduce coca cultivation, control the diversion of (licit) Yungas coca to cocaine production, interdict Bolivian and transshipped Peruvian and Colombian cocaine, expand demand reduction programs in schools, increase social awareness of the harm caused by excess coca, drug trafficking, and drug consumption, maintain program-appropriate ready-rates for land, riverine and air assets that support eradication and interdiction operations, provide advanced training to police, improve efforts against money laundering, and extend alternative development to tens of thousands of families in the Chapare and the Yungas.

Interdiction

To continue interdiction activities, NAS will be obliged in FY 2006 to assume costs previously covered by DEA Plan Colombia funding to support economic incentives, travel, fuel, etc. However, with a reduction in overall funding levels for FY 2006, NAS must reduce some elements of the program (principally salary supplements, the number of personnel, U.S.-based training, etc.). We will maximize the capacity of remaining program personnel by replacing aging vehicles (about 100 in FY 2006 alone) and maintaining current levels of various office and communications equipment, building maintenance and in-country training. The number of prosecutors has been reduced and capped by mutual agreement at 110, and FELCN personnel at 1,648; however, more personnel cuts may be necessary if DEA annual project funding falls below that of prior years. The FELCN units that NAS supports include: a command staff; **GIAEF** (money laundering investigations); **GISUQ** (chemical control); **CANES** (canine detection); **UMOPAR** (rural patrol unit); and, **GIOE** (intelligence and special operations) and its subunits: **SIU** (a highly specialized intelligence unit, managed by

DEA); **GRIRMO** (mobile roadblocks unit); and **GICC** (containers investigation group). The **GARRAS** Jungle Training School (a regional training center for CN police from Bolivia and other Latin American countries, provides essential training (e.g., jungle survival skills, basic criminal investigation procedures, and human rights) to increase individual effectiveness and institutionalize modern police principles. Approximately 100 Garras candidates will be trained in jungle operations courses, and 200 police agents in 18 advanced or refresher courses in intelligence, information management, defensive driving, paramedic/first aid skills, etc., in remote locations throughout the country. The project will also fund two basic courses for new prosecutors and five advanced training courses for the rest. The **CANINE** program will support approximately 82 dog/handler teams -- which will fall short of rising demand for its unique capabilities, including the canine explosives detection capacity to assist in force protection. Police, security and judicial infrastructure will have to be stretched to implement the Yungas Plan of Action under the GOB's new National Drug Strategy.

Eradication

The **Joint Task Force (JTF)** and other GOB entities (including **DIRECO** and the **Ecological Police**) accomplish forced eradication in the Chapare using roughly 1,500 military, police and civilian personnel. CNC estimates suggest that in recent years the GOB has been able to eradicate roughly as fast as cocaleros replant in that zone. The GOB's Drug Strategy for 2004-8 calls for a shift in FY 2006 from voluntary reduction in parts of the Yungas to some form of forced eradication. Forced eradication in the Yungas is a significantly different undertaking than in the Chapare, requiring substantial budgetary resources and political will to face a more hostile populace--the lack of either of which would scuttle the endeavor. The USG is the only country providing support to GOB eradication efforts in the Chapare. Unfortunately, nearly half of the Air Wing fleet of helicopters will be retired by FY 2006 due to lack of funding for critical flight safety upgrades, depriving eradication efforts in the Yungas of a key logistical capability necessary for success. FY 2006 funding will be adequate only to sustain eradication activities in the Chapare, with support for food, communications equipment, fuel, field equipment and other materiel. After **DIGECO**, the GOB agency that regulates the domestic trade in licit coca, has been institutionalized, its infrastructure has been upgraded and its regulations have been amended to curtail additional commercialization licenses, NAS will cease all support to DIGECO.

Policy Development/Demand Reduction

The Policy Development project will help strengthen the National Drug Control Board (**CONALTID**). Project support will help this ministerial body to effectively coordinate the GOB's anti-drug strategy; develop the coordination and policy development capacity of the Vice Ministries of Social Defense, Alternative Development, and Health as CONALTID's technical secretariats; and help the GOB develop and implement its social communication policies related to counternarcotics activities. The project will provide technical advice, equipment, training, consultancies, and other support as appropriate. Strengthening the coordinating role of CONALTID is crucial to the implementation of a coherent GOB CN policy. The project will also enhance GOB capability to manage the implementation of the

new National Drug Strategy (in the face of likely resistance) and to design and implement a social communication strategy to promote popular support for the GOB's CN activities. The **Demand Reduction Project** will develop a demand reduction network among NGOs -- funding drug consumption surveys, focus groups and attitudinal studies, and holding training seminars for teachers, community organizations and NGOs on related issues. The project also funds the BNP's **DARE** program, which will expand to reach some 25,000-30,000 middle school students and certify additional members of the FELCN as DARE instructors.

Operational/Logistical Support

Bolivia covers a huge expanse of territory, and its poverty has left its transportation infrastructure largely underdeveloped, leaving it highly accessible to drug traffickers who utilize a variety of means to move drugs and precursor chemicals. The GOB would be unable to conduct counternarcotics operations in the absence of the logistical support these projects provide. The backbone of the entire counternarcotics program in Bolivia is a logistical infrastructure involving airplanes, boats, various land vehicles, helicopters and a decentralized warehousing and supply system designed to support the extended system of urban and rural bases and offices occupied by project personnel. The **Blue Devils Task Force (BDTF)** -- with its mobile bases and roving river patrols, ranging across 40 percent of Bolivia's land mass-- forces traffickers to utilize costlier overland or air routes, increasing the risks associated with drug production and trafficking in the remote north of Bolivia. The BDTF provides logistical support to UMOPAR in the riverine zones, especially in Beni/Pando, which is a major transit area for both drugs (from Bolivia, and Peru and Colombia) and chemicals. The BDTF also provides limited support to the eradication forces operating in the Chapare. In FY 2006 reduced funding will require a reduction in the BDTF project by approximately 50 percent, enabling it to provide riverine support only in the most operationally critical areas, such as the areas surrounding the Yungas and the Chapare. The **Green Devils Task Force (GDTF)** principally supports the eradication forces operating in the Chapare. Cuts in the use of helicopters in the Chapare due to reduced levels of funding in FY 2006 will require the GDTF to absorb additional logistical and operational requirements. The majority of vehicles in the project were excess defense items, and constant replenishment of motors and spare parts is required to keep them operational. The **Field Support Program** pays the operating expenses and leases for NAS facilities located outside of La Paz. These facilities -- field offices, vehicle maintenance facilities and warehouses in Santa Cruz, Cochabamba, Trinidad, Chimoré and Villa Tunari -- provide a common support platform for NAS-supported activities throughout the country.

Border and Transportation Control

In FY 2006, the Secure Borders Project will support nascent GOB activities to combat transnational and domestic organized crime, including Trafficking in Persons. The objectives will be training an elite group of approximately 40 Bolivian National Police (BNP) through two courses in investigative techniques that lead to successful terrorism-related prosecutions, and pursuing the drafting and passage of legislation that more effectively addresses the many manifestations of transnational crime. The project will assist

the GOB customs authority to fulfill its obligations under the Customs Mutual Assistance Agreement (CMAA).

Terrorist Financing/Money Laundering

The **Law Enforcement Development Program (LEDP)** project supports administrative and organizational development, improvement of criminal investigative capabilities, the development of training resources and capabilities of both police and prosecutorial personnel, as well as anti-corruption and police/prosecutorial reform activities. The LEDP coordinates with MilGroup and DEA regarding training provided to Bolivian security forces and with USAID regarding training for Bolivian prosecutors. The effectiveness of the BNP and the office of the Attorney General are key to the success of justice sector reform within Bolivia. In FY 2006, the program will provide four basic training courses for 200 new police and 30 advanced courses for an additional 2,000 police and 150 prosecutors, and purchase training materials, hire in-country trainers/consultants, and fund participant travel.

The **FIU Development** project will support GOB initiatives to develop its money laundering intelligence unit within the Banking Superintendent's Office. An effectively functioning FIU would complement the important work of the GIAEF (the FELCN unit specializing in money laundering investigations). Both units will coordinate to identify and freeze assets held by drug traffickers, terrorists or other criminals involved in transnational crime. Since this is a new project, start-up costs include office and computer equipment for a unit of 20 personnel as well as incentives, travel, and legal consultancies to draft new legislation.

Anti-Corruption

USAID's **Administration of Justice (AOJ)** project supports the creation of more effective, accessible and accountable law enforcement and administration of justice systems. The AOJ project will assist the GOB to: enact legislation complementary to Bolivia's Code of Criminal Procedures (CCP); achieve institutional reforms required by the CCP (including the development of multi-service justice centers to improve access to justice within conflictive regions and the provision of equipment and training to the newly established Forensic Investigations Institute); and, increase understanding of the CCP throughout the legal community and by the public.

Integrity is essential to institutional reform of the BNP. A police structure based on modern policing principles --one that is responsive to complaints of corruption and abuse-- will also help improve public confidence in the democratic system itself, since the public interacts more with the police than with any other public sector entity in their daily lives. The **Office of Professional Responsibility (OPR)** (593) has a small corps of investigators with a solid grounding in human rights and the new disciplinary code. Tribunals are hearing cases under this system. Ninety OPR personnel and 40 Tribunal personnel spread throughout Bolivia's nine departments all require furniture, office equipment and vehicles. All new personnel will require training, with personnel changing every two years.

Aviation

The **Red Devils Task Force** (RDTF) is a Bolivian Air Force rotary wing aviation unit that provides general aviation support for the JTF. In FY 2006, reduced funding levels will support only three to four remaining UH-1H helicopters and four Huey II helicopters with fuel, in-country per diem, incentives, uniforms for 169 personnel, and maintenance of forward operating locations. NAS funding will also provide funding for one additional Huey II helicopter upgrade. A small staff of AMCIT contractors will continue to assist the RDTF with maintenance, quality control, logistics, and training. Interdiction and eradication operations are highly dependent upon reliable helicopter support due to the near impassability of many roads at any time, but especially during the lengthy rainy season. However, by FY 2006, the much-reduced RDTF will only be able to support eradication logistical requirements.

The **Black Devils Task Force** (BlkDTF) project supports three C-130 aircraft. The BlkDTF transports CN forces and project supplies throughout Bolivia and moves rotary aircraft parts, program supplies and equipment to and from CONUS, which saves shipping costs and time. The BlkDTF is the only heavy-lift, in-country support available for transporting helicopter fuel blivets to forward operating locations. With the severe reductions in the RDTF program in FY 2006, the C-130 aircraft will be key to moving resources to forward operating locations, particularly those difficult to reach over land. The project funds provide maintenance, repairs, parts and required inspections as well as operating costs, including in-country per diem, fuel, uniforms, equipment and incentives for 81 personnel. FY 2006 funding will maintain a 1,000-hour flight-hour capability.

Alternative Development

Assisting farm families to exit coca cultivation will depend upon continued economic and social development support in coca-growing regions. In FY 2006 the AD project (administered by USAID) will: promote the sustainable production of licit crops; provide infrastructure, institutional support for producers' associations and legal land tenure; encourage the development of more democratic and effective municipal governments; improve services for education, health and vocational training; increase opportunities for off-farm employment and market access for products; and ensure improvement of the administration of justice, conflict resolution and citizen security in coca-growing areas. Continued funding is required to increase assistance to reach a total of 45,000 farm families in FY-2006, as they move out of coca and into licit activity, creating approximately 4,000 jobs, and to strengthen nascent AD efforts in the Yungas in the face of increasing coca cultivation.

Bolivia					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Interdiction					
FELCN, UMOPAR, GIOE, GISUQ, GIAEF, K9, Garras School, Prosecutors	12,532	-	12,532	-	12,992
Eradication					
JTF, Eco Police, DIRECO, DIGECO	11,760	-	11,383	-	10,194
Policy Development/Demand Reduction	993	-	993	-	847
VM/SD, Demand Reduction					
Operational/Logistical Support	7,989	-	8,603	-	7,156
BDTF, GDTF, Field Support					
Border and Transportation Control	34	-	34	-	34
Secure Borders					
Terrorist Financing/Money Laundering	1,664	-	1,664	-	767
LEDP, FIU Development					
Anti Corruption	193	-	620	-	593
OPR					
Aviation	10,633	-	9,493	-	6,667
RDTE, BIKDTE, Helo Upgrade					
Sub Total	45,798	-	45,322	-	39,250
Administration of Justice *	3,480	-	4,500	-	3,000
Alternative Development *	38,272	-	37,164	-	34,000
Program Development and Support					
U.S. Personnel	656	-	676	-	795
Non-U.S. Personnel	1,040	-	1,012	-	1,293
ICASS Costs	695	-	750	-	788
Program Support	1,059	-	848	-	874
Sub-Total	3,450	-	3,286	-	3,750
Total	91,000	-	90,272	-	80,000

* This is an INL-funded and USAID-administrated program.

Brazil

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
10,200	8,928	6,000

Program Objectives and Performance Indicators

Support to the Government of Brazil (GOB) will: disrupt major trafficking organizations, increase interdiction activities, improve control of precursor chemicals, reduce money laundering, improve the capabilities of and enhance cooperation among Brazilian law enforcement agencies, and raise awareness of the dangers of drug-related crimes.

Training and equipment funds to Brazilian federal police will enhance operational effectiveness as well as the physical and procedural security at borders, ports, and airports.

An extended GOB presence in the Amazon region will result in more riverine patrols and increases in interdiction.

Improved federal/state cooperation and information sharing on anti-drug issues will enhance the GOB's ability to conduct sustained interdiction operations.

Greater regional cooperation will build alliances between law enforcement agencies in Brazil and neighboring countries to disrupt major trafficking organizations operating in Brazil and to prevent any spillover cultivation of illicit crops from the major producing nations.

The Brazilian criminal justice system will investigate and prosecute drug traffickers and money launderers, reduce money laundering and dismantle international criminal organizations.

Training to improve investigative techniques will lead to more arrests and prosecutions for drug-related and money-laundering crimes.

Improvements in the GOB's anti-money laundering regulatory apparatus will continue. The GOB's new national strategy for combating money laundering will be implemented.

Increased public awareness of the dangers of drug trafficking and drug abuse will deter the rising domestic consumption of illicit drugs.

Public support for law enforcement efforts increases as drug awareness programs deliver their message.

Support to local treatment and demand reduction facilities will decrease drug abuse in Brazil.

Program Justification

Although Brazil is not a significant drug-producing country, it is the only country that borders all three coca-producing countries in the Andes -- Peru, Bolivia and Colombia. The sparsely populated Amazon region comprises more than one half of the country, which has long, porous borders. The GOB has been particularly concerned about the security of the Amazon since the implementation of Plan Colombia. Brazil has relatively well-developed communications, infrastructure and banking services that, together with major international airports and seaports, makes it a desirable transit route for illicit narcotics bound for the U.S. and European markets. Money laundering in Brazil is primarily related to drugs, corruption, and trade in contraband.

These factors, coupled with increasingly successful enforcement efforts in neighboring countries, contribute to a growing drug transit problem in Brazil. Brazil is a transit country for cocaine base moving from other Andean cultivation areas to processing laboratories in Colombia. It is also a conduit for cocaine from the source countries to North America, Europe and Brazilian cities. By assisting Brazil to improve its law enforcement capabilities, the U.S. will diminish the flow of illicit drugs passing through Brazil to the U.S., as well as have an impact on illegal arms shipments and money laundering in Brazil.

Program Accomplishments

Recent USG efforts in Brazil have improved the performance of GOB counterdrug law enforcement agencies and have assisted in the implementation of regional initiatives to reduce both the supply of, and the demand for, illicit drugs. In 2004, the Federal Police seized 7.7 metric tons of cocaine, 120 kilograms of crack, and 149 metric tons of marijuana. Continued USG support for Project COBRA, a project on Brazil's border with Colombia, was decisive in the GOB's determination to establish additional border control projects on the borders of other neighboring countries such as Peru (PEBRA), Venezuela (VEBRA), and Bolivia (BRABO). Finally, programs along Brazil's border with Suriname and Guyana (operation GUISSU) are conducted to destroy illegal landing strips. In 2004, the GOB further exercised a regional counternarcotics leadership role when it implemented "Operation Six Borders" to disrupt the illegal flow of precursor chemicals.

In 2004, the GOB, in partnership with UNODC, hosted a money-laundering seminar with Brazilian President Lula. In addition, the GOB adopted and began implementing a new national strategy document for combating money laundering. The first major coordination action taken under the new plan was the creation of a new high-level coordination council (the GGI-LD), led by the Ministry of Justice's Office for Asset Seizure and International

Judicial Cooperation. The GGI-LD determines overall strategy and priorities, which are then implemented by Brazil's financial intelligence unit, the Council for the Control of Financial Activities (COAF). Among the more ambitious efforts, the COAF is drafting legislative changes to facilitate greater law enforcement access to financial and banking records during investigations, criminalize illicit enrichment, allow administrative freezing of assets and facilitate prosecutions of money laundering - and terrorism finance - cases by refining the legal definition of money laundering.

The recent inclusion of the majority of Brazil's 26 states and one federal district into the Unified Public Safety System led to the creation in 2004 of a National Guard by the National Public Safety Secretariat, SENASP, a federal entity responsible for the integration of diverse state civil and militarized police forces. With INL support, SENASP coordinated and delivered several national training activities. The GOB's effort to implement a unified reporting system for law enforcement and statistical crime and narcotics seizures is also underway. By the end of 2004, the GOB revised its central reporting database and encouraged state law enforcement agencies to adhere to this centralized system.

The DARE (Drug Abuse Resistance and Education) program is now active in all 26 states of Brazil and the Federal District. INL support to the National Antidrug Secretariat (SENAD) and the Ministry of Education in 2004 trained over 5,000 school teachers on an anti-drug curriculum. During the same year, INL support assisted SENAD's implementation of a nation-wide drug use survey and established a toll-free counseling hotline, which provides callers with facts about the consequences of illicit drug use.

FY 2006 Program

INL resources will support projects designed to secure Brazil's borders in order to combat the transit of illegal narcotics in Brazilian territory. Also, INL programs will prevent precursor chemicals and arms produced in Brazil from being shipped to Colombia, Peru and Bolivia. INL resources will also assist state law enforcement agencies and the Federal Police through training and acquisition of basic law enforcement equipment. Finally, INL support will reinforce Brazil's efforts to combat money laundering, promote public awareness, and support demand reduction programs.

Narcotics Law Enforcement: Funding will provide operational support and equipment to the Brazilian Federal Police to conduct more effective investigations and interdiction operations against international narcotics cartel leaders. In addition, the project will continue to build on training already provided by INL and other USG agencies to enhance port and airport security, and to other illegal activities such as arms trafficking, chemical diversion and money laundering. Progress will be measured by improved investigative techniques, increases in seizures, and number of arrests and convictions.

Northern Brazil Law Enforcement: This project will continue to provide operational support to Brazil's Projects COBRA, PEBRA, VEBRA and BRABO, which are aimed at fortifying the northern border through riverine control, linked to a tactical command center in Tabatinga. Continued funding will support those initiatives that are still in their initial start-

up phase such as: VEBRA (Venezuela), PEBRA (Peru), and BRABO (Bolivia). Progress will be measured in terms of the deployment of material and personnel resources to operating locations in the Amazon as well as the performance of the command center.

State Security Law Enforcement: This project will assist the Brazilian National Public Safety Secretariat and promote improved coordination of counternarcotics activities within Brazil's law enforcement community. Funds will provide equipment and training to Brazilian state, civil and military police forces and may also include training for community-oriented police forces. Progress will be measured in terms of increased effectiveness of state police investigations and number of officials trained.

Drug Awareness/Demand Reduction: The recognition of the seriousness of the increase in illegal drug use in Brazil, particularly among young people, has led to the passage of drug legislation that emphasizes demand reduction. In FY 2006 the Drug Awareness/Demand Reduction project will continue support for SENAD programs that focus on drug education to increase public awareness of Brazil's drug problem and demand for illegal drugs. INL will seek to build public support for counternarcotics efforts by providing grants to individual state drug councils, federal and state government agencies, university educational research groups, private organizations and youth programs. Progress will be measured in terms of the capacity of Brazilian organizations to produce effective demand reduction programs and changes in drug consumption patterns.

Program Development and Support (PD&S): PD&S funds will provide necessary resources for salaries, benefits, and allowances of U.S. and foreign national direct hire and contract personnel, field travel, International Cooperative Administrative Support Services (ICASS) costs, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

Brazil					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement					
Narcotics Law Enforcement	3,780	-	3,500	-	2,300
Northern Brazil Law Enforcement	4,500	-	3,000	-	2,000
State Security Law Enforcement	1,000	-	1,528	-	700
Sub Total	9,280		8,028		5,000
Drug Awareness/Demand Reduction	500	-	500	-	500
Program Development and Support					
U.S. Personnel	166	-	178	-	178
Non-U.S. Personnel	44	-	77	-	77
ICASS Costs	90	-	106	-	106
Program Support	120	-	39	-	139
Sub-Total	420	-	400	-	500
Total	10,200	-	8,928	-	6,000

Colombia

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
473,900	462,767	463,000

Program Objectives and Measures of Effectiveness

Disrupt Illicit Drugs

Reduce the cultivation of coca and opium poppy to a non-commercial level.

- All coca and opium poppy will be sprayed to disrupt the market and deter replanting.
- Forced eradication and alternative development will continue to reduce and discourage cultivation in traditional growing areas, as well as potential new areas for cultivation.
- Manual Eradication will increase in areas where aerial spraying is not feasible

Dismantle major drug trafficking organizations and prevent their resurgence.

- Interdiction of cocaine and heroin will continue at current high levels in the near term until production capacity has been more severely reduced.
- Technical assistance and training will be employed to allow the Government of Colombia to investigate arrest, prosecute, and convict more key narcoterrorists, particularly those who are Consolidated Priority Organization Targets (CPOT).
- Extradition of major narcotraffickers to the U.S. will continue as Colombia persists in dismantling narcotrafficking organizations at a rapid pace.
- Police and military aircraft, including Air Bridge Denial (ABD) assets, will achieve and maintain optimal mission capable rates, despite an increased operational tempo in support of expanded mission requirements.

Halt the diversion of precursor chemicals as well as the laundering of money.

- Money laundering units trained and equipped in recent years will increase the amount of money seizures and the number of prosecutions.
- Robust Chemical Control efforts will continue and seizures of precursor chemicals and prosecutions will increase

Strengthen Institutions

Develop greater respect for rule of law throughout Colombia and increase access to justice.

- Permanent police presence in conflictive areas will be strengthened to cement recently established government presence and additional stations will be constructed as needed.
- Additional legal assistance offices and oral trial courtrooms will be set up to complete the transition to the oral system of justice and more judges, prosecutors, and police will be trained.
- Human rights early warning system and training will be expanded to ensure that affected communities are alerted and violations are investigated and prosecuted in a timely fashion.
- Internally displaced persons and demobilized combatants have either returned to their homes or have established a suitable permanent residence elsewhere

Develop Alternatives

Provide legal economic opportunities via alternative development and social infrastructure projects to former small field coca growers and other vulnerable groups.

- Number of families assisted and hectares of licit crops replacing illicit crops with licit crops through alternative development projects will increase.
- Number of employment opportunities for residents in or near to areas of aerial spraying and illegal cultivation will increase.
- Avenues to deliver products produced by alternative development will be increased.

Program Justification

Colombia's position as the supplier of over 90% of the cocaine and 50% of the heroin entering the United States makes the aggressive disruption of the illicit drug trade a top priority among the numerous important USG interests in Colombia. It is much easier and more cost effective to eradicate and interdict this cocaine and heroin in or close to the source before it is shipped to international markets and before narcoterrorista can reap a profit from them. Interdiction and eradication programs in Colombia, in effect, extend our borders out to the Andean region. Without them, narcotraffickers would have open lanes to the U.S. borders and no significant impediment to their production capacity. Colombia is home to three Foreign Terrorist Organizations (FTOs). These groups finance a large part of their operations with proceeds from the drug trade and are a threat to the security of the entire hemisphere. As Colombia continues to have success in battling these FTOs, they could become more desperate and prone to use their resources and networks to earn money by servicing potentially new allies who could be other terrorist organizations. The USG cannot afford to allow terrorists organizations with tens of thousands of well-armed and trained members to operate unimpeded in this hemisphere.

The funding requested in FY 2006 will set the stage to lock-in the successes of the Plan Colombia Supplemental of 2000 and subsequent Andean Counterdrug Initiative (ACI) programs. Earlier programs have put increasing pressure on every aspect of the illegal narcotics industry in Colombia, but it is important to follow through and further develop and strengthen GOC institutions, so we can hand off these programs to Colombia. Without our sustained support for the near-term, the hard-won gains of the joint effort between Colombia and the U.S. may well be reversed. We are clearly at a tipping point and we must continue to keep the pressure on the narcoterrorists.

Program Accomplishments

The Government of Colombia (GOC) announced its Plan Colombia in 1999, as a six-year program with a balanced and wide-ranging strategy designed to end the country's 40-year armed conflict, eliminate narcotrafficking, promote economic and social development, strengthen democratic institutions and the rule of law, and promote respect for human rights and humanitarian programs. The Uribe Administration, which took office in 2002, continues to be fully committed to the goals and objectives of Plan Colombia. Plan Colombia, by any measurement, has had exceptional success in attaining the objectives it established, but the job is not finished and we must continue to consolidate the progress so far made.

2004 was the fourth consecutive record-breaking year of aerial eradication. Aircraft sprayed over 136,500 hectares of coca through the year and 3061 hectares of opium poppy. Despite narcotraffickers' aggressive efforts to defend their illicit cultivations, the number of ground fire impacts decreased by nearly 50 percent compared to 2003 because of improved intelligence, security, and coordination. Coca cultivation was at 170,000 hectares in 2001, shrank to 145,000 hectares in 2002, and 114,000 hectares in 2003. Although U.S. Government's illicit crop estimates for 2004 will not be available until March 2005, the UN estimated a 30 percent reduction in Colombian coca during the first six months of 2004. Our efforts with Colombia in eradicating and interdicting illicit drugs and dismantling terrorist networks are paying off in other areas as well. Homicides were down by over 15% in 2004. Kidnappings were down by over 30% during the same period. Arrests of narcotraffickers increased in 2004 by 33%. Field losses of the AUC were up by 80% and 10% for the FARC in 2004. Terrorist attacks were down by over 47% and attacks against small municipalities decreased by 75% in 2004. Since 1998, the GOC has extradited over 260 fugitives to the United States. People in Colombia are now talking about peace as something that could really happen sooner rather than later and this will bring greater prosperity and security to Colombia and the hemisphere.

The results of the Colombian National Police Antinarcotics Directorate (DIRAN) and the Colombian Army's (COLAR) Counterdrug Brigade are outstanding. During 2004, they seized more cocaine and coca base than ever, building on record increases since 2001. In 2001, seizures were 80 metric tons. In 2002 seizures were 124 metric tons, and in 2004 seizures were at least 178 metric tons. The DIRAN alone destroyed over 150 cocaine laboratories in 2004; while the number destroyed by all Police and Military units were 200. The DIRAN also regularly conducts cooperative, or joint, operations with the Colombian Air Force, Army, and Navy. The COLAR Counterdrug Brigade conducts drug interdiction and

provides essential ground security for aerial eradication, a crucial element in reducing ground fire aimed at our spray aircraft.

Since 2001, over two million internally displaced persons (IDPs) have been assisted in Colombia, along with over two thousand child soldiers. The Early Warning System, created in 2001 by Plan Colombia to prevent massacres and forced displacement is functioning and ensuring prompt GOC responses to possible violations. This program has also created 11 new mobile satellite units of the national human rights units, bringing the total to 21. The Promotion of the Rule of Law program has established 37 Justice Centers (Casas de Justicia) since inception and over 2.6 million cases have been processed. Thirty-five oral trial courtrooms were constructed with U.S. financing. These will be crucial to Colombia's recently begun transition to an oral justice system.

USAID supported medium- and long-term alternative development programs have historically concentrated in the southern departments of Putumayo and Caquetá, the areas of Colombia's densest coca cultivation. By the end of 2004, programs had aided almost 40,000 families and established over 55,000 hectares of licit crops since their inception. In addition, USAID constructed over 200 social infrastructure projects in 2004, bringing the total to 874, since the project began. Nevertheless, the formidable security threat and lack of viable economic infrastructure in many parts of the Putumayo pose formidable obstacles and have caused the USG to refocus alternative development to expand activities beyond southern Colombia to other areas with illicit cultivation but where a greater number of legal economic activities already exist and have shown a potential for success. This will boost income-generating opportunities through private sector partnerships that emphasize infrastructure development, along with direct crop substitution when feasible.

FY 2006 Program

Following on the successes of the last two years, INL's plan is to continue to effect a total, lasting, systematic dismantling of narcoterrorism in Colombia. The Colombian forces trained by INL and other USG agencies will be supported by INL air assets, as they seek out and destroy narcoterrorist organizations. Infrastructure development now taking place in the climate of increased security in Colombia will continue to be protected by programs funded by INL and victims of kidnappings and assaults carried out by guerrilla groups will continue to be rescued by USG-trained and supported units. All of this will be in addition to the continued high levels of eradication and interdiction operations. These programs form the core of what we must do to succeed in wiping out the narcotics trade in Colombia and stop the terrorism that threatens the elected democracy in one of our key Latin American allies and the stability of the entire Western Hemisphere.

Anticipating the conclusion of Plan Colombia in late 2005, the Colombian Government has begun planning a follow-on strategy that would build on and consolidate the progress made to date. INL, in conjunction with others in the USG, will work to support three areas described by the Colombian Government that in general represent a continuation of programs we are already undertaking:

- (a) Fighting terrorism, narcotics trafficking and international organized crime
- (b) Economic and social reactivation
- (c) Institutional and justice system strengthening

A fourth area proposed by the GOC, that of “peace negotiations, demobilization and reintegration of illegal armed groups,” is the result of progress made by Plan Colombia. Because of the pace at which peace negotiations with the paramilitaries have developed, specific significant assistance has not yet been programmed and is to be the subject of additional consultations with the Congress.

Support to the Colombian Military

Colombian Army Aviation Support: COLAR Aviation support directly enhances the ability to conduct both interdiction and eradication operations. This funding provides fuel, spare parts, repair and maintenance costs for the 82 helicopters (26 UH-1N’s, 16 UH-60’s, 35 Huey II’s and 5 K-Max) that provide essential airlift capacity for operations against high value narcoterrorist targets and provide vital security to eradication missions. The fleet has grown significantly in recent years, as has the number of operations. FY 2006 funds will also support helicopters and facilities dedicated to protecting the critical petroleum infrastructure in Arauca Department. COLAR support includes training crews and technicians and providing aviation infrastructure support. In FY 2006, there is a projected increase in the number of missions, areas of operations, and number of vetted units receiving U.S. support. The strategic focus will be to capitalize on the COLAR’s ability to use aggressive, small, mobile units to go after long-standing and newly developing narco-trafficking organizations. This will require sustained high levels of helicopter airlift support. Three battalions of the CD Brigade have been retrained and retooled and in conjunction with COLAR Aviation, will continue to expand their area of operations from the conflict regions of Colombia.

Colombian Army (COLAR) Counterdrug (CD) Mobile Brigade: Continued Support and development of the CD Brigade enhances the host nation’s ability to conduct sustained eradication operations. The CD Brigade will continue to utilize its specialized training to focus on the fragmented heroin trade as well as the coca industry. Funding for this project in FY2006 will provide ongoing logistical and operations support to the COLAR CD Brigade’s interdiction operations, including high value targets, as well as to the CNP’s aerial eradication missions. This requires the purchase of additional military equipment and ammunition, as well as funding to establish new simple forward operating locations and general sustainment for this vital unit, whose operational pace has increased every year since its establishment, although our support has decreased in recent years.

Air Force Interdiction and Surveillance: Narcoterrorists have traditionally exploited Colombia’s vast and relatively unsecured borders to move illicit narcotics, weapons, money and other contraband via air. Logistical and technical assistance support will be provided to assist the Colombian Air Force in interdiction and surveillance programs in support of endgame operations against unauthorized aircraft flights and in coordinating with Colar and CNP Aviation units. These funds will cover in-country local expenses in support of the Air Bridge Denial program. Uses include assistance in the maintenance and operation of forward

operating locations, minor infrastructure improvements, fuel, training, and specialized equipment.

Navy/Maritime Interdiction: Colombia's extensive riverine network connects the interior with the coastal regions and is a key link between narcotics cultivation and processing facilities and embarkation points. These funds will be used to train and equip specialized units to analyze operational intelligence and interdict contraband traffic, particularly along Colombia's Pacific littoral, with a particular focus on fast boat operations.

Support to the Colombian Police

Colombian National Police (CNP) Aviation Support: CNP Aviation directly supports Colombia's ability to conduct both interdiction and eradication operations. Funding for the CNP Air Service (ARAVI) aircraft supports transport aircraft, eradication escorts, and intelligence platforms. Ongoing expenses have increased due to an increased operational pace brought about by the success in Colombia. Other increases include: rising cost of fuel; additional aircraft for support, transport, spraying, and intelligence gathering; operation and maintenance costs; training for CNP personnel; and upgrading of existing aircraft. Funds are used to support the growing fleet of 62 rotary-wing and 24 fixed-wing ARAVI aircraft. Funding will also be used to purchase spare parts, tools, maintenance, armaments and ammunition, training, communications support, and aviation-related infrastructure costs. Spraying in 2005 and 2006 should be the last peak years before Colombia begins to enter a "maintenance spraying" phase. The 2006 spray plan will reflect a further pursuit of smaller, more dispersed fields, as well as more frequent repeat spraying of key cultivation areas. Aircraft range limitations and severe topography will diminish efficiency and keep eradication flight hours high in order to meet our goals.

CNP Support for Eradication: This program enhances the host nation's ability to conduct sustained eradication operations to ensure the downward trend in illicit cultivation in Colombia. Funding will provide for operations and maintenance for the eradication aircraft fleet that includes spray aircraft, escort helicopters, imagery gathering aircraft, and heavy transport aircraft. These funds will also be used to purchase the glyphosate and surfactant used for eradication. More dispersed cultivations, as well as the projection of our spray operations to areas more distant from fixed operating bases and more frequent repeat spraying of key cultivation areas, will increase transport costs and other logistical expenses. These programs are an ongoing cost of making illicit drug cultivation non-sustainable in Colombia. These funds will also support upgrades and maintenance of reconnaissance aircraft equipped with advanced imagery and mapping devices to improve the CNP's ability to locate illicit crops. Manual eradication efforts will be increased in areas where aerial spraying is not feasible, although we will proceed with caution since manual eradication is more dangerous than aerial eradication. We will provide equipment, training, and technical assistance to protect these units from mines, explosive devices, and narcotraffickers.

CNP Support for Interdiction: Continued support for this program enhances Colombia's ability to conduct interdiction operations by funding non-aviation CNP anti-narcotics directorate (DIRAN) activities, including training and equipping DIRAN's 20 operational companies and three airmobile interdiction companies (Junglas). The Junglas are among the

finest Special Forces units in Colombia, if not Latin America. Funding will cover DIRAN and Junglas training costs in Colombia and in U.S. military and commercial training institutions. It will also upgrade existing DIRAN interdiction facilities and construct new facilities, especially along Colombia's eastern, southern and western zones so that DIRAN can project force into these remote, but critical areas. Funding will also provide equipment, and training to sustain a DIRAN Polygraph Unit to ensure the integrity of personnel conducting interdiction and security duties in Colombia's ports and other locations. The Airport Security program will continue to develop with funding for small equipment purchases, operational expenses, machine maintenance, training of new anti-narcotics police assigned to the airports, and recertification of canines and handlers. As with eradication efforts, these programs are an ongoing cost of making the illicit drug trade unsustainable in Colombia.

CNP Administrative Support: The focus here will be on continuing base improvements, purchase of munitions and arms, upgrading security, maintenance and upgrading of equipment necessitated by the increase operation tempo of the last two years. The program of establishing an interoperable communications and information system to bring the bulk of the CNP to a modern and professional level will continue as the CNP grows and existing equipment becomes obsolete.

Promote Social & Economic Progress

The programs under this heading are programs carried out by USAID. The USAID program has three principal objectives: stemming the flow of illegal drugs into the United States by encouraging small producers to join the legal economy through licit economic activities and infrastructure projects; promoting more responsive, participatory and accountable democracy; and relieving the plight of Colombian internally displaced persons.

Alternative Development: USAID's alternative development (AD) program provides income and employment opportunities to rural residents and small farmers who have eradicated and agree not to grow illicit crops and supports small and medium private enterprises that generate licit income and employment opportunities. Assistance is also provided for social and productive infrastructure projects as a means for improving access to markets and services. The strengthening of licit economic opportunities in zones in and near illicit cultivation will contribute to permanent abandonment of illicit crop production. The AD program will strengthen national and local institutions that carry out alternative development planning and trade capacity building. The AD program will also support the strengthening of democratic local governance and decentralization efforts. Technical assistance will also be provided to improve the management and conservation of natural resources in buffer zones around national parks and to support indigenous communities by improving their livelihoods through the implementation of sustainable, productive activities.

Support for Democracy: USAID's democracy program provides technical assistance and training to modernize the criminal justice system; protect and promote human rights; increase government transparency and accountability; support peace initiatives; strengthen political parties and potentially support the reintegration of demobilized ex-combatants. Activities will promote a strong democratic government presence to counter the negative effects that

illicit activities have on transparency, accountability and the ability of local officials to practice good governance.

Support to Vulnerable Groups/IDPs: The IDP program helps to improve community infrastructure and provide economic alternatives to deter people from participating in illegal narcotics activities. USAID's Internally Displaced Persons (IDP) humanitarian assistance program provides economic and social assistance to vulnerable groups, including ex-child soldiers, youth at risk of recruitment by illegal armed groups, host communities, and persons displaced by civil strife and violence. USAID-funded activities are primarily focused on medium and longer-term solutions leading to the sustainable re-integration of IDPs and former child soldiers into mainstream Colombian society through programs at the national and local levels. Adult ex-combatants may also be assisted on a limited basis after consultations with Congress in support of demobilization and reintegration of the AUC.

Promote the Rule of Law

Reestablish Public Security in Conflict Zones: The reestablishment of public security and general government presence in conflict zones program will require an expansion of the CNP's presence in these zones so that the GOC can provide the social and economic benefits of democracy to all Colombians. Funds will be used to organize, train and equip additional members of municipal police units to be stationed in new areas or areas that are currently severely understaffed in very dangerous locations. Funding will also be used to organize, train and equip additional 150-man, mobile "Carabineros" (rural police) squadrons that have proven to be quite successful. Equipment purchases will include field equipment, light weapons and munitions, communications/command and control systems, medical supplies, force protection upgrades, vehicles, and operational logistics support. U.S. funds will also be used to continue to construct and upgrade hardened police stations in the larger municipalities to provide cover for reinserted CNP units in particularly conflicted areas.

Judicial Reforms Program: Colombia's transition to an accusatorial judicial system similar to our own has required a significant amount of training and technical assistance over the last few years. The first oral case was recently argued a few months ago and Colombia is on its way, but much remains to be done. Significant training and technical assistance will be provided in the area of money laundering, asset forfeiture, and organized crime investigations that are complex and time consuming and require special skills not normally needed in more routine cases. As in our police and military programs, there will be significant emphasis on respect for human rights and anticorruption measures. Specialized units will receive training in investigating and prosecuting these types of cases. Technical assistance and training will also be provided to support areas crucial to the new judicial system like forensics and professionalization with small purchases of specialized equipment that supports these activities.

Other Promote the Rule of Law Programs: This portion of the budget includes drug awareness and demand reduction efforts and the important Culture of Lawfulness program that promotes a respect and appreciation for rule of law in the youth who comprise the future of Colombia. We will also provide limited technical assistance and equipment to the GOC

for its individual deserter program that began in 2002 and has seen an increase in deserters in the last three years. There is also a small program for promoting institutional reform within the Ministry of Defense. This program will expand reforms within MOD related to institution building, to include strengthening civilian management and direction. We will also continue expanding the expertise and equipment base of the bomb squad and explosive database center and provide limited support to the Prison Security project.

Program Development and Support (PD&S)

PD&S funds are used for the general administrative and operating expenses for the planning, design, implementation, monitoring, and evaluation of INL programs in Colombia. Expenses include the salaries, benefits, and allowances of direct hire and contract U.S. and foreign national personnel, leases, field travel, and International Cooperative Administrative Support Services (ICASS) costs.

Colombia					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Support to the Colombia Military					
Army Counterdrug Mobile Brigade	5,000	-	3,080	-	1,850
Army Aviation Support	147,304	-	125,236	-	124,700
Air Bridge Denial Program	7,121	-	-	-	-
Air Force Interdiction and Surveillance	-	-	4,620	-	4,620
Navy Maritime Interdiction Support	-	-	460	-	460
Sub-Total	159,425	-	133,396	-	131,630
Support to Colombian National Police					
Aviation Support	71,238	-	70,000	-	71,230
Support for Eradication	44,185	-	82,500	-	82,520
Support for Interdiction	40,973	-	16,931	-	16,680
Administrative Support	2,000	-	1,390	-	1,390
Sub-Total	158,396	-	170,821	-	171,820
Support to PRM					
Support to Population, Refugees and Migrations Groups/DPs	5,000	-	-	-	-
Sub-Total	5,000	-	-	-	-
Promote Social & Economic Progress					
Support for Democracy *	24,000	-	22,000	-	19,000
Alternative Development *	59,845	-	70,694	-	83,257
Support for Vulnerable Groups/DP *	37,634	-	32,000	-	22,500
Sub Total	121,479	-	124,694	-	124,757
Promote the Rule of Law					
Bomb Squad/Explosive Database Center	500	-	700	-	230
Prison Security/Drug Rehabilitation Training	500	-	-	-	90
Judicial Reforms Program	7,500	-	6,000	-	6,000
Drug Awareness/Demand Reduction	250	-	200	-	230
Culture of Lawfulness Program	250	-	400	-	600
Reinsertion Program for Armed Groups	-	-	-	-	363
Institutional Reform for Ministry of Defense	-	-	-	-	180
Reestablish Public Security in Conflict Zones	13,800	-	20,079	-	19,700
Sub-Total	22,800	-	27,379	-	27,393
Program Development and Support					
U.S. Personnel	2,000	-	2,000	-	2,400
Non-U.S. Personnel	1,500	-	1,400	-	1,700
ICASS Costs	1,000	-	1,000	-	1,000
Program Support	2,300	-	2,077	-	2,300
Sub-Total	6,800	-	6,477	-	7,400
Total	473,900	-	462,767	-	463,000

* Funds are transferred to USAID who manages these programs.

Ecuador

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
35,000	25,792	20,000

Program Objectives and Performance Indicators

INTERDICTION

Improved performance by the Ecuadorian National Police, the criminal justice system and military forces, and improved cooperation among the three, disrupt the transit of drugs through Ecuador from neighboring countries.

A ten percent increase in counternarcotics police stationed along frequently used or newly emergent trafficking routes create choke points and improve interdiction results.

A ten percent increase in patrolling in remote areas by units of special mobile anti-narcotics police, including special operations such as regional sweeps, targeted intelligence gathering and random roadblocks to keep pace with quickly-changing trafficking patterns.

Provision of additional small boats, land vehicles, communications gear, field equipment, operational support and training improve interdiction operations by the Ecuadorian Army and Navy in the country's coastal waters and along land borders.

Improvements in intelligence, mobility, communications and technical inspections increase disruption of drug trafficking organizations and lead to a twenty percent increase in drug seizures by the counternarcotics police.

STABILIZATION

Government presence along Ecuador's northern border inhibits incursions of criminals and narcoterrorists from Colombia.

CRIMINAL JUSTICE DEVELOPMENT

USAID will provide technical expertise and training to leaders and viable public sector and civil society institutions within the Ecuadorian Anticorruption System (SAE) to develop policy dialogue activities among the parties to collaborate with other USAID implementers and donors to advance SAE initiatives. This training will promote the access of SAE

institutions and civil society to the best practices and expertise in the world. The program will improve SAE institutional capacity for transparency and accountability in GOE planning, budgeting, procurement and sensitive operations.

Narcotics Affairs Section (NAS) works on improving law enforcement and judicial capabilities enables government institutions to better combat drug trafficking and other forms of organized crime. USAID has an on-going criminal justice program to train justice sector officials and criminal lawyers to implement the Oral Accusatory Justice System.

NAS trains police units and new counternarcotics personnel in advanced interdiction methods, conduct of joint operations and maximization of intelligence increase interdictions and arrests.

Additional police personnel are hired and trained.

Greater specialized expertise maximizes the implementation of money laundering and precursor chemical controls, resulting in increased prosecutions for violations.

ECONOMIC AND SOCIAL SECTOR DEVELOPMENT

Improvement in economic/social infrastructure decreases the vulnerability of Ecuador to the production and domestic use of illicit drugs.

Popular support of national and local governmental institutions improves as measured by public opinion surveys.

Public education activities increase awareness of the dangers of drug use, strengthening popular resistance to drug trafficking as measured by public opinion surveys.

Public infrastructure improvements increase access to markets for licit crops and improve competitiveness of indigenous industries as measured by increasing sales and family income.

Program Justification

Sharing porous borders and a contiguous seacoast with Colombia and Peru, Ecuador is a major transit country for illicit drugs and chemicals. The armed conflict in Colombia complicates drug interdiction on Ecuador's northern border. Weak public institutions, widespread corruption and a poorly regulated financial system make Ecuador vulnerable to organized crime. Uneven implementation of the new criminal procedures code, a faulty judicial system and conflicting laws hamper prosecutions. Border controls of persons and goods are undependable. Much of the population lives in poverty. Scanty government presence in a large portion of the country contributes to lawlessness. The National Police (ENP) and military forces are inadequately equipped and trained.

The Ecuadorian Government is making an earnest effort to curtail drug trafficking and other international organized crime. Military and police presence in the northern border area is growing in size, extent and effectiveness. Ecuadorian authorities are seeking to improve port cargo inspections; three of Ecuador's public ports met ISPS standards on time. The use of advanced inspection technology increased in 2004. Cocaine seizures through November 2004 were at levels below those of 2003, but seizures of heroin and precursor chemicals continued at a high level.

Ecuadorian national resources are insufficient to meet all of the challenges presented by narco-guerrilla and other transnational criminal organizations. USG assistance is vital to Ecuador's struggle to maintain its territorial integrity and promote the rule of law.

USG-funded counternarcotics "preventive alternative development" programs are working to contain the spread of the Andean coca/cocaine economy into Ecuador. To implement the 2003-2006 strategy along Ecuador's Northern Border, ACI-funded initiatives contributing directly to this objective are executed under two broad approaches: 1) Those aimed at increasing citizen satisfaction with performance of local democratic institutions; and 2) Those designed to increase licit income and employment for small and medium farmers in Ecuador's northern border provinces.

Program Accomplishments

In 2004, Ecuadorian army units along the northern border were provided with computers, field supplies and ground vehicles, including 50 Humvees and heavy trucks. Resources were provided to the Ecuadorian Navy for expanded patrol and interdiction operations on Ecuador's northwestern estuaries, rivers and coast. Support to Ecuador's army and navy is strengthening Ecuador's northern border and its ability to control the movement of goods and persons through ports. Military-police cooperation in joint missions on the northern border continued to improve. Army and police forces in Sucumbios province continue to interdict large volumes of illicit precursor chemical, petroleum ether, en route to Colombia. Drug seizures have not increased, but the presence and increasing mobility of Government of Ecuador (GOE) military and police has presented a strong deterrent to further criminal expansion.

A port inspection station for the counternarcotics police in Ecuador's second-largest port, Manta, was completed in March 2004, and a major addition to the police base in the northern border town of San Lorenzo will be completed in January 2005. A police checkpoint is under construction in San Jeronimo, also in the northern border area, with an estimated July 2005 completion date. Expanded and improved living quarters and kennels for drug detecting dogs are being built in the USG-constructed police base in Lago Agrio, also near the Colombian border. Designs for two additional inspection stations in southwestern Ecuador, one inside Puerto Bolivar, and another at the highway intersection Y de Jobo, are completed, and construction should begin in February 2005. Site preparation has begun for a provincial counternarcotics police headquarters in Tulcan, the Colombia-Ecuador crossing point of the Pan American Highway, with construction planned for 2005. These new

facilities will expand police presence and counternarcotics operations in areas especially vulnerable to drug trafficking.

The Police and Judicial Training project is training trainers to improve police, prosecutorial and judicial professionalism and capabilities while reinforcing principles of rule of law and human rights. The Port Security project's U.S. Customs (DHS/ICE) advisor in Guayaquil plays a key role in mobilizing the area's private sector through the Business Anti-smuggling Coalition (BASC). The advisor continues to improve the police's investigative and search techniques, and monitors their performance at seaports and airports.

To increase citizen satisfaction and legitimacy of democratic institutions in the northern border area, a social and productive infrastructure program totaling over \$24 million has built dozens of water and sanitation systems, bridges and small irrigation projects --, infrastructure which is crucial to economic development. Complementing the infrastructure program, a new northern border local government development program was initiated in July 2004, to strengthen local governments and citizen participation in ten priority municipalities.

Licit income and employment opportunities are being developed by strengthening the competitiveness of rural enterprises through improved farm-to-market linkages in selected sectors, utilizing state of the art technical assistance, training and financial incentives. At the core is a focus on competitive rural industries within "clusters" (including distributors, wholesalers, processors, post-harvest agents, producers, raw material suppliers, etc), working in unison to identify and overcome constraints to greater productivity, stronger competitiveness and sustainability. The initial priority sub-sectors being supported are cacao, coffee and vegetables.

FY 2006 Program

Interdiction and Eradication

Police Operations: Funds will support the Counternarcotics Police Directorate (DNA) port and canine operations; a mobile interdiction strike force; acquisition of law enforcement and communications equipment; vehicle acquisition, fuel, maintenance, repair and operational costs; and the cost of providing a port advisor from the U.S. Customs Service (DHS/ICE). Jointly with the Drug Enforcement Administration, the NAS will support a small, mobile technical intelligence unit.

Military Border and Coastal Control: The project will sustain and reinforce military surveillance and interdiction capabilities along the northern seacoast and the land border with Colombia. Funds will be used to maintain and, if needed, to replace or augment land vehicles, boats and field equipment provided to Army and Navy forces in 2002-2005. This project will also support some field operations of the new Quick Reaction Forces being established by the Ecuadorian Army on the northern border.

Police Facilities Construction: Funding will support expansion of police presence and counternarcotics operations in sensitive locations inadequately protected against narcotics

trafficking. The FY 2006 project will provide construction of counternarcotics police bases in Huaquillas and Loja, both key points on trafficking routes from Peru into Ecuador. The project is intended to increase the numbers of counternarcotics police stationed in the target areas, to continually maintain 30- to 40-member units at key interdiction points, including remote outlying sites.

Police and Judicial Training: With 150 new DNA personnel annually being added through 2006, basic and advanced training will emphasize ground and airborne field operations, intelligence methods, and cargo and personnel inspection techniques, with military co-trained with police where appropriate. The project will extend and refine police, prosecutorial and judicial training in implementation of the new Code of Criminal Procedures.

Money Laundering and Chemical Control: Ecuador has a dollar economy and weak banking controls; the country also produces chemical precursors and is a transit corridor for diverted chemicals. In FY 2006, the project will provide training and equipment to assist the GOE as it establishes new financial intelligence and chemical control units and associated enforcement units.

Drug Awareness/Public Diplomacy: The project will give direct support to drug awareness projects operated by the GOE. It will counter misunderstandings and disinformation in the Ecuadorian public regarding USG counternarcotics policies and activities and the true nature of the drug, terrorism and other transnational challenges by providing informational materials, sponsoring travel to view USG counternarcotics projects and activities, and funding guest speakers.

Program Development and Support: PD&S funds are used for the salaries, benefits, allowances and travel of direct hire and contract U.S. and foreign national personnel, residential leasing, ICASS costs and other general administrative and operating expenses for counternarcotics and anti-crime program planning, design, implementation, monitoring and evaluation.

Alternative Development and Institution Building

Northern Border Development: FY 2006 activities will increase the project's geographic reach in expanding infrastructure, local government institutional support and strengthening communities into more municipalities in the Northern Border area. The final phase of the project, due to end in FY 2006, will continue to increase jobs and incomes in the North by supporting the competitiveness of existing rural enterprises. Activities will include capital investment and complementary technical assistance to help local governments build and sustain social and productive infrastructure; technical assistance and training to municipal governments and local communities to identify and resolve local development problems democratically; support for small farmers to legalize land holdings; and support to strengthen the competitiveness of existing agricultural and related enterprises in the North.

Ecuador					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement					
Police Operations	8,188	-	3,962	-	2,735
Police Facilities Construction	3,565	-	1,960	-	1,500
Police and Judicial Training	1,000	-	945	-	900
Money Laundering and Chemical Control	150	-	270	-	300
Sub-Total	12,903	-	7,137	-	5,435
Military Border and Coastal Control	6,000	-	3,000	-	2,000
Drug Awareness/Public Diplomacy	150	-	75	-	75
Alternative Development *	14,912	-	14,880	-	11,540
Cacao Project	300	-	-	-	-
Program Development and Support					
U.S. Personnel	210	-	400	-	400
Non-U.S. Personnel	85	-	90	-	90
ICASS Costs	240	-	130	-	255
Program Support	200	-	80	-	205
Sub-Total	735	-	700	-	950
Total	35,000	-	25,792	-	20,000

* Funds are transferred to USAID who manages these programs.

Panama

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
6,487	5,952	4,500

Program Objectives and Performance Indicators

INTERDICTION

Significantly improve Panama's ability to interdict land and maritime shipments of illicit drugs, chemicals, weapons, and people, and enhance control of its borders, airports, and seaports.

Refurbishing the Panamanian National Police's (PNP) truck fleet, augmenting its small boat unit, and expanding its communications results in an increase over FY 2005 in the amount of PNP seizures of illegal goods.

Training and specialized equipment provided to a new customs manifest review unit improves security at Panama's Atlantic Ports and the Colon Free Trade Zone, resulting in a 10 percent increase over FY 2005 in the number of seizures of shipments of illicit goods at these ports and at the Colon Free Trade Zone.

Rebuilding the National Maritime Service's (SMN) truck fleet, expanding its network of bases, and upgrading its small patrol boats increases the capabilities of the SMN, with an increase over FY 2005 in the number of maritime seizures of illicit goods.

Strengthening the National Air Service's (SAN) operations center, upgrading its fixed wing fleet, and enhancing maritime patrol capability makes the SAN more efficient in assisting other agencies in the interdiction of illicit goods.

CRIMINAL JUSTICE DEVELOPMENT

Increase Panama's institutional capabilities to investigate and prosecute criminal activities, cooperate with other nations including USG law enforcement, seize and forfeit assets, and cripple criminal organizations engaged in such crimes as drug and arms trafficking, alien smuggling, money laundering, and terrorism.

Modernization of the PNP through training, adoption of "neighborhood policing" principles, and employment of a law enforcement advisor results in a 10 percent

increase over FY 2005 in the number and importance of traffickers arrested and successfully prosecuted, deported, or extradited as a result of GOP investigations.

Improving the forensics laboratories of the Technical Judicial Police (PTJ) and training a new PTJ narcotics unit significantly enhances the PTJ's institutional capacity, resulting in an increase over FY 2005 in PTJ investigations and arrests.

Increase Panama's ability to combat money laundering, terrorist financing, and other financial crimes, and to coordinate effectively with international partners.

Having trained the Financial Analysis Unit (FAU) of the Presidency, the NAS will continue to focus on strengthening the capacity in Panama City of the Financial Investigation Units (FIU) of the Technical Judicial Police and expanding to two new cities through training and equipment, resulting in a 10 percent increase over FY 2005 in the number of investigations, arrests, and prosecutions of money laundering cases.

Strengthen Panama's institutional capacity to investigate and prosecute cases of public corruption, which has undermined GOP efforts against narcotraffickers and organized crime.

Enhancing the ability of the new anti-corruption unit created in FY 2005 results in a 10 percent increase over FY 2005 in the number of cases investigated and prosecuted. Illegally obtained funds are returned to government coffers.

Program Justification

Panama's strategic location between North and South America makes it a crossroads for international commerce, but also a transit country and center for illegal activity such as drug trafficking, money laundering, trafficking in arms, and illegal immigration. As law enforcement activities in Colombia become more effective, Panama will be under increasing pressure as a haven for illegal activity and a crossroads for the transshipment of narcotics and other illicit goods. Despite excellent bilateral law enforcement cooperation, international drug shipments continue to be trafficked through Panama destined for the U.S. and Europe because of the country's strategic position and developed infrastructure. A criminal justice system that is undermined by corruption and inadequate maritime, airport, and border controls all contribute to Panama's vulnerability to transnational organized crime. In addition to drug trafficking, criminal groups engage in money laundering, chemical diversion, arms trafficking, alien smuggling and other illicit activities. The steady flow of illicit drugs has taken a toll on Panamanian society by increasing domestic drug abuse and undermining key institutions.

Panama is an attractive site for money laundering operations due to its dollar-based economy and large, sophisticated banking and trading sectors. Panama continues to need technical assistance and material support to enhance its efforts to implement and enforce the new money laundering legislation and to dismantle criminal and terrorist groups engaged in money laundering, particularly in the Colon Free Trade Zone. The United States must

continue cooperative efforts with Panamanian law enforcement and other government and non-governmental entities to counter transnational crime.

Program Accomplishments

In the last few years, law enforcement cooperation between the U.S. and Panama has been outstanding. The relationship has further matured under the Torrijos Administration, which immediately upon taking office in September 2004 established an inter-agency task force to coordinate narcotics enforcement activities. In 2004, INL funds were used to support programs and activities critical to GOP and USG shared law enforcement objectives. Even before the newly elected Torrijos Administration took office, INL sponsored a planning workshop for incoming minister-level GOP officials to develop a national security strategy. Technical assistance and equipment provided by INL to law enforcement agencies at the border, on key transit routes, and in airports has increased the GOP's capacity to interdict drugs and secure its borders. Of note in 2004, INL began construction of a border checkpoint in the Chiriqui province, supported SAN efforts to identify clandestine airfields, and launched an initiative to improve security in the Port of Colon, which has been linked to arms and drugs trafficking and money laundering. Furthermore, INL has supported interdiction efforts through assistance to the Joint Information Coordination Center. This assistance has led to enhanced information sharing and cooperation between U.S. and GOP law enforcement agencies, as demonstrated by the 2004 capture and deportation to the United States of Colombia kingpin Henao Montoya. The USG has proposed text and expects to conclude a CNIES agreement in early 2005. INL funds have played a key role in interdiction successes of the National Maritime Service (SMN) by providing training, technical assistance and equipment upgrades. INL support has further enhanced GOP capability to investigate narcotics cases through the continued training and equipping of the Public Ministry/Technical Judicial Police (PTJ) vetted unit in 2004.

Panama has also made strides in other law enforcement areas. Although gang violence is not yet a significant problem in Panama, INL's PNP modernization project included the development of an anti-gang unit in 2004. Also in 2004, one year ahead of schedule, INL began a program to strengthen the GOP's Anti-Corruption Prosecutor's Office with training and equipment. The continued cooperation of the Prosecutor's Office has been invaluable in the investigation, prosecution, and conviction in Nicaragua of several high-level Nicaraguan government officials who used Panama to launder funds. INL funds provided infrastructure support, equipment and training for airport and border control facilities to enhance control of the entry of aliens into the country, including drug traffickers and smugglers. In 2004, INL helped establish Panama's new Diplomatic Protection Unit to address counter-terrorism issues. In 2004, Panama and the United States co-hosted a Key Leaders Conference, attended by law enforcement officials from the hemisphere, as part of the effort to create a Latin America International Law Enforcement Academy.

FY 2006 Program

National Police: Due to its geographical location, Panama is a primary trafficking route and transshipment point for Colombian narcotics moving northward toward the U.S. The PNP is

on the front line of efforts to stop this flow of drugs as near to the source as possible and to control land trafficking routes. This is the fourth year of a five-year program to train and equip select small units of the PNP. This year, INL funds will be used to refurbish the PNP's fleet of 2 ½ ton trucks, augment the PNP's small boat unit, expand the PNP's communications capacity. In addition, the employment of a new law enforcement advisor will help professionalize the PNP.

National Air Service: Because of the shared border with Colombia, the flow of drugs through Panamanian air space is a significant concern. Funding will be provided to the SAN to strengthen its fixed wing fleet and maritime patrol capability and establish a forward operating location in the remote Darien region bordering Colombia.

Border Enhancement: Effective control of Panama's land, sea, and airports is vital to controlling the illicit flow of narcotics and other crime. In addition to border-related enhancements to the PNP, SMN, SAN, and Customs, the NAS will dedicate funds to develop an elite maritime immigration unit to strengthen controls at vital seaports.

National Maritime Service: A significant percentage of illicit goods transit through Panama's territorial waters. GOP narcotics maritime interdiction capabilities will be further enhanced with the rebuilding of the SMN's 2 ½ ton truck fleet and the expansion of the SMN's network of bases along the Atlantic Coast.

Panamanian Customs Service: Operational assistance and training will be provided to Panamanian Customs officials for cargo inspections, investigations into black market peso exchange, money laundering, and infringements of intellectual property rights. In 2006, the NAS will help establish a Customs manifest review unit to improve port and Colon Free Zone security.

Technical Judicial Police: Having provided training and commodities to the sex crimes unit of the PTJ in FY 2005, the NAS will focus on improving the mobility, forensics laboratories, and narcotics unit of the PTJ.

Financial Investigations Unit: Training will continue to be provided to prosecutors and the FIU to improve investigative skills and enable the prosecution of increasingly sophisticated money-laundering cases, particularly those related to Black Peso exchange.

Anti-Corruption Program: This continuing project will strengthen the institutional capacity of the PTJ's specialized anti-corruption unit established in FY 2005 and the Anti-Corruption Prosecutor's Office to successfully investigate and prosecute cases involving misuse of public funds.

Drug Awareness and Demand Reduction: The NAS will provide funds to the Ministry of Education to develop drug awareness programs and strategies based on epidemiological survey, funded in FY 2005, which examined the links between risk factors and drug use and violence.

Program Development & Support (PD&S): PD&S funds will be used to pay salaries, benefits and allowances for U.S. and foreign national direct hire and contract personnel, field travel, International Cooperative Administrative Support Service (ICASS) costs, and general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Panama					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Border Control Enhancement					
National Police	750	-	750	-	900
National Air Service	487	-	500	-	300
Border Enhancement	750	-	500	-	350
National Maritime Service	1,000	-	750	-	600
Port Security	300	-	240	-	250
Sub-Total	3,287	-	2,740	-	2,400
Law Enforcement Enhancement					
Public Ministry Special Investigations Unit	-	-	500	-	-
Panamanian Customs Service	300	-	200	-	100
Technical Judicial Police	500	-	500	-	400
Financial Investigations Unit	250	-	200	-	200
Law Enforcement Modernization	650	-	500	-	-
Sub-Total	1,700	-	1,900	-	700
Anti-Corruption Initiatives	600	-	450	-	450
Drug Awareness/Demand Reduction	100	-	100	-	100
Program Development and Support					
U.S. Personnel	330	-	320	-	400
Non-U.S. Personnel	50	-	45	-	50
ICASS Costs	320	-	300	-	300
Program Support	100	-	97	-	100
Sub-Total	800	-	762	-	850
Total	6,487	-	5,952	-	4,500

Peru

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
116,000	115,370	97,000

Program Objectives and Performance Indicators

The Government of Peru (GOP) institutionalizes policy-making and coordination and begins to take over management of certain counternarcotics programs.

The maintenance and operation of Peruvian National Police air wing is performed 100 percent by Peruvian nationals. USG contractor provides oversight on maintenance, training, and operations of equipment and helicopters.

Completion of ongoing upgrades in the INL helicopters operated by the police aviation unit allows the extension of counternarcotics-related law enforcement efforts to remote areas of Peru.

Capability of, and coordination among, those Peruvian agencies involved in counter-narcotics law enforcement improves, leads to more effective action against illicit drug trafficking east of the Andes.

Planning begins on a comprehensive maritime and port interdiction program to thwart exploitation of Peru's northern ports by narco-traffickers.

Improvements in the efficiency of the Peruvian judicial sector allow it to effectively process drug cases.

Continuing USG support for special narcotics prosecutors and support for judicial personnel in regions with heavy narcotics caseloads results in an increase in the number of arrests/prosecutions of major criminals and narcotics traffickers and a decrease in time suspects are held in jail pending trial.

The illegal cultivation of coca and opium poppy is reduced and eventually Peru becomes a marginal rather than major source of illicit drugs and drug trafficking.

Forced and voluntary eradication will eliminate 10,000 hectares of illicit coca in CY 2006.

The GOP identifies coca for traditional licit uses and establishes tracking system.

The GOP, with the help of the USG, develops a reconnaissance capability to identify and eradicate opium poppy cultivations.

The number of port and road counternarcotics interdiction checkpoints east of the Peruvian Andes are increased by ten percent in 2005, resulting in a ten percent increase in the number and amount of cocaine seizures over previous years.

Continued project efforts to upgrade DIRANDRO and SUNAT-Customs operations at Peru's ports leads to an increase in drug seizures from commercial planes and passengers.

New equipment for Financial Investigation Unit (FIU) makes it more effective and the number of drug-related money laundering arrests and prosecutions increase by 10 percent a year.

Improvements in economic and social infrastructure and services, increase legal income generation, and social communication and community development activities provide incentives for communities of farmers to eliminate illicit coca cultivation.

Alternative development activities increase the legal economic opportunities available to farmers in and around the coca-growing areas.

Implementation of comprehensive macroeconomic policy reforms expands the licit economy.

An increased awareness of the dangers of drug trafficking and drug abuse increases public support for counternarcotics policies and leads to a reduction in the demand for illicit drugs.

Peru conducts surveys to better identify popular concern about drug abuse and related criminal activity and uses that information to target public awareness campaigns more effectively.

Both public support and GOP political will for law enforcement efforts against illegal drug cultivation and trafficking increases.

Both survey results and GOP actions indicate that Peruvians will no longer tolerate illegal drug cultivation and trafficking.

Program Justification

Peru is the second largest cocaine producing country in the world and a major exporter of high purity cocaine and cocaine base to markets in South America, Mexico, the United States, and Europe. Although coca cultivation decreased 15 percent in 2003 and is 84,000 hectares below the 1995 level, narcotraffickers appear to be increasing the density of coca plants per hectare in response to aggressive eradication in Colombia. The CNC coca

cultivation figures for 2004 show a slight decrease in coca cultivation, but measure only tended coca plants in traditional growing areas. There are strong indications that coca is being cultivated in new areas and using new methods which yield more leaf. Peru legally produces cocaine base and coca leaf for medical and commercial consumption in the U.S. and Europe, and leaf for traditional use in Peru.

The principal goal of the U.S. counternarcotics strategy in Peru is to transform the country from a major to a marginal supplier of cocaine by reducing coca cultivation to the levels needed for traditional uses, and eliminating the production and processing of opium poppy. This goal is consistent with the President's National Drug Control Strategy and the Andean Counterdrug Initiative, which seeks to deny traffickers the ability to spillover from one country to another as law enforcement successes eliminate established drug cultivation and operational areas. The means to achieve this goal are firmly rooted in implementing complementary programs of eradication, interdiction, and alternative development in the coca cultivation areas and to intercept coca movement throughout Peru.

To decrease coca cultivation, funding is required for eradication and interdiction. It is also needed to support airlift for drug crop eradication and law enforcement interdiction; for police protection of civilian eradicators; to gather and process intelligence needed to support air, ground and water-based law enforcement endgames; to support USAID-implemented voluntary coca eradication efforts, and to strengthen alternative development in and near drug cultivation areas and economic development in areas that drug growers migrate from. In addition to sustainable alternative development programs, there is an immediate need for emergency assistance to help meet nutritional and health needs and short-term, family income generation in areas transitioning to licit economies.

Shortly after taking office, President Toledo followed through on his promise to appoint the first ever Drug Czar for Peru with cabinet level authority. Peru, where over half the population lives in poverty, lacks the financial resources and equipment to adequately address drug production and consumption. These problems are exacerbated by frequent demonstrations by coca growers, strikes by several sectors of the national economy, terrorism, and continued corruption.

Anticipated European assistance pledged during donor conferences to support GOP alternative development efforts has not materialized in the amounts anticipated.

Program Accomplishments

GOP eradication efforts resulted in a decline in the number of hectares under coca cultivation from 36,600 in 2002 to 31,150 in CY 2003, the lowest level of coca cultivation in Peru since 1986. CNC figures for 2004 show a slight decrease, but are limited to the specific areas targeted by CNC. In CY 2004, the GOP eradicated nearly 10,500 hectares of coca, which includes close to 8,000 hectares from forced eradication programs and 2,700 from voluntary eradication programs, despite continued attacks against eradication efforts. The GOP also eliminated seedling nurseries that could have planted another 2,500 hectares of illegal coca.

The impulse to expand coca cultivation to non-traditional areas in Peru may be related to the sustained high levels of eradication in neighboring Colombia.

In 2004, INL supported the initiation of a pilot program of voluntary coca eradication, implemented by USAID and the GOP. This program supports 372 communities with over 28,000 families that have entered into formal agreements with the government to eradicate their coca. In 2004, voluntary eradication exceeded its annual target with the elimination of more than 2,700 hectares of coca in Peru; to date, voluntary eradication has resulted in the elimination of over 8,300 hectares of coca since October of 2002. Under this program, community members improve social services and receive temporary income by participating in the construction of labor-intensive infrastructure works, such as road rehabilitation, bridges, schools, health posts and sanitation systems. At the same time, alternative development funding provides technical assistance and inputs for market-oriented crops as well as scholarships and land titling to lay the groundwork for longer-term economic viability.

While the police were able to take some actions to eliminate opium poppy, overall eradication totals were small as limited intelligence, the remoteness of the growing areas, and heavy cloud cover made it difficult to locate and eradicate the poppy. Police units did, however, step up foot patrols in suspected poppy-growing areas in an effort to locate more fields.

During 2004, the Peruvian National Police Narcotics Directorate (DIRANDRO) conducted well-coordinated operations in the Monzon Valley, a notoriously lawless area where large-scale coca cultivation and processing is rampant, and in the Apurimac Valley. In 2004, DIRANDRO destroyed 821 clandestine cocaine base laboratories; 1,759 tons of coca leaf, 1,347 tons of precursor chemicals; 7.3 tons of cocaine hydrochloride; 6.3 tons of cocaine base; 98 hectares of opium; 285 kilos of opium latex; 153 kilos of opium alkaloids; and 43 tons of marijuana.

DIRANDRO also continued its campaign of truck and vehicle inspections of suspected drug and chemical smugglers on the roads and highways of Peru. The PNP Road Unit conducted weekly road operations using drug-sniffing dogs on the major east-west highways going from the coca-producing jungle region to the coast, on major roads entering Lima, and throughout key Departments in Peru. In cooperation with U.S. law enforcement agencies, private shipping companies improved their abilities to monitor sea cargo containers. They provided DIRANDRO and Peruvian Customs with information to support investigations of major Peruvian and other international trafficking organizations using sea cargo containers to transport large shipments of cocaine to the U.S., Mexico, and Europe.

The GOP established a Financial Investigations Unit (FIU). The Peruvian Congress passed legislation in mid-2003 placing the FIU under the Prime Minister's office and provided it with initial funding. Senior FIU leadership have made clear their intent to have the Peruvian FIU join the Egmont Group of international FIUs as soon as possible. Peru's FIU began accepting suspicious activity reports from banks on September 1, 2003.

The USG and the GOP are coordinating anti-narcotics efforts to gather, process, and disseminate actionable intelligence so that Peruvian law enforcement and military units are able to undertake air, ground, and water-based end games against trafficking targets.

Recent opinion polls show that 90% of urban Peruvians recognize the link between coca leaf cultivation and drug consumption. A nationwide political stakeholder analysis revealed that key players see coca cultivation and narco-trafficking as important problems in Peru.

In the Alternative Development program, key results through 2004 included:

372 communities (over 28,000 families) have signed voluntary eradication agreements and over 300 communities are now coca-free. Over 2,700 hectares of coca were eradicated in these communities in CY2004 for a cumulative total of over 8,000 hectares in just over two years.

The inclusion of more than 18,000 families in productive activities including over 20,000 hectares of licit crops, and the completion of 200 infrastructure projects including 205 km of road rehabilitation and maintenance, 12 bridges, 134 water systems, schools and health posts, and 6 electricity systems among others.

The generation of \$16.5 million in new sales of licit products in coca growing regions.

FY 2006 Program

Interdiction and Eradication

Law Enforcement Support: A wider range of law enforcement operations is planned for FY 2006, with activities envisioned not just in the major coca-growing valleys and the transit zones, but in those areas that have been traditionally hard to penetrate as well. As in the past, the operations will be conducted by air, on land, in seaports, on rivers, and with the use of dogs. FY 2006 plans include providing additional training and field exercises to enhance the capabilities of DIRANDRO to conduct advanced road interdiction exercises as well as to provide greater security for eradication teams in outlying areas. These law enforcement efforts will require additional vehicles, communications equipment, field gear, emergency/safety reaction gear, and drug-sniffing dogs. Progress will be measured in terms of the amount/frequency of seizures and arrests, and the increase in the interdiction and enforcement capability of DIRANDRO units.

Aviation Support: Aviation support is an ongoing project that funds pilots, aircrews, and support personnel for 24 USG-owned UH-2 ("Super" Huey 2) helicopters, two INL-owned fixed wing aircraft, and 4 Peruvian Mi-17 helicopters, all of which support coca eradication and law enforcement actions in the field. FY 2006 funds will also cover fuel, maintenance, hangars and warehousing, aircraft rental when needed, and operational support for PNP Aviation (DIRAVPOL) personnel.

Eradication and interdiction missions are becoming more difficult and dangerous, because of the need to access illicit crops (particularly opium poppy) at higher altitudes in more rugged terrain and because of the growing potential for narco-trafficker inspired violence. The need to eradicate zones of coca expansion before they become fully entrenched means that airlift is required to distant and isolated areas, increasing flying time and complicating logistical support. To help protect both program assets and personnel, funds will be used to acquire a second C-208 aircraft that can carry imaging acquisition and other sensor equipment, thus allowing law enforcement efforts to take place in a more secure environment. Progress will be measured in terms of eradication/interdiction figures and the extent to which the GOP personnel can take further responsibility for repair and maintenance functions.

Seaport Security Support: FY 2006 funding will focus on readying Peru to conduct wide-ranging and effective counter-drug enforcement operations in and around Peru's commercial and fishing ports. The principal goal of our efforts will be to consolidate the GOP's capability to maintain an effective seaport drug interdiction program through facilities improvements, equipment acquisitions, training, and operational planning and execution. Emphasis will be placed on the construction and development of additional Manifest Review Units (MRUs) based on the NAS-sponsored MRU established at Peru's largest seaport of Callao. Progress will be measured in terms of the number of drug seizures and MRUs established as well as the GOP's ability to respond to actionable intelligence about the movement of suspected coca products through Peru's seaports.

Coca and Opium Poppy Eradication: In 2006, coca eradication will be more difficult now that the areas of less resistance have been cleared of coca. Eradication will target more established cultivation areas and areas of expansion. The GOP will continue its two-track approach of voluntary eradication in selected communities and involuntary eradication in national protected areas, new growth areas, jurisdictions that reject voluntary eradication, and around drug-processing facilities. The FY 2006 budget will support eradication efforts by the GOP's Coca Reduction Agency (CORAH) at a wider array of sites by including added logistical and transportation costs. Eradication efforts will likely be concentrated on three kinds of targets: a) remaining hard-core trafficker dominated areas such as the Monzon and Apurimac-Ene Valleys, b) other zones where coca has increased in recent years, such as the Puno and Quillabamba areas, and c) continual monitoring and mop-up of new coca. There are indications that drug traffickers are trying to jump-start an opium poppy-growing industry in Peru by providing seeds to farmers to grow in high-altitude, difficult-to-reach locations. The FY 2006 budget will also strengthen PNP efforts to eradicate opium poppies wherever detected. The ongoing conversion of the UH-1H (Huey-1) helicopters in the INL fleet to Huey-2s will assist the GOP in locating opium poppy cultivation. Progress will be measured in terms of the number of hectares of coca/opium eradicated and the reduction of hectares under coca cultivation.

The CORAH civil construction unit will provide support to counternarcotics law enforcement and military agencies in the construction and renovation of facilities in outlying areas. CORAH construction services have allowed the police to establish forward operational bases in key coca cultivation areas.

Support to the Armed Forces: The USG and the GOP are currently working to improve the capacity of the Peruvian military and police to effect air, ground, seaport, and river end games based upon actionable intelligence. Support costs for this program will likely include facility renovation and improvement, aircraft modification, fuel facilities and training.

Customs Interdiction: The Peruvian Customs Service is responsible for inspecting arriving and departing passengers and cargo at Lima's air and maritime terminals, at other air and maritime ports of entry, and at land border checkpoints. The Service's customs drug enforcement section specifically concentrates on interdicting narcotics, principally at the country's airports and ports. In FY 2006, funds will provide increased training and items such as X-ray equipment, thus expanding our cooperative relationship in drug enforcement activities and encouraging increased DIRANDRO focus on this area. Continued funding will not only allow the Custom's drug enforcement section and DIRANDRO to bolster their ongoing programs at the country's principal airport and port, but other smaller installations as well. Progress will be measured in terms of the number of cocaine and opium poppy derivatives seized.

Narcotics Prosecution: In FY 2006, funding will continue to support a cadre of GOP prosecutors assigned to oversee police and military drug enforcement operations, interrogate suspects and witnesses, secure evidence, supervise the destruction of illegal facilities such as laboratories or airstrips, and prepare cases for trial. Additional funding will permit the USG to provide higher-level training to prosecutors already in the program and entry-level training to those that have just come on-board. In addition, funding will allow selected jurisdictions with inadequate resources to better handle heavy narcotics caseloads. Progress will be measured in terms of the number of arrests/prosecutions of major criminals and narcotics traffickers and any decrease in time suspects are held in jail pending trial. Prosecutors are also needed to accompany eradication in confrontational areas to serve as impartial witnesses that rights are not being violated and to defuse protests.

Counternarcotics Policy Development: Under Peruvian law, only the official government agency set up to control all legal coca cultivation and purchases (ENACO) can legally purchase and sell coca leaves. Legal uses include pharmaceuticals and local consumption in the form of chewing and teas. However, it is clear that the GOP's system for marketing coca for licit uses is completely dysfunctional, and therefore presents a serious obstacle to counternarcotics efforts. For example, according to a recent survey by the GOP's statistical institute, it is estimated that ENACO meets only about one-third of licit demand, while 80-90% of coca produced in Peru is destined for illicit uses. INL funding is being used to support preliminary reviews by FONAFE, the Ministry of Finance agency with oversight responsibility for parastatals, to analyze ENACO's purchase/sales records and mechanisms, as a first step towards a drastic reform of the GOP's system to control licit coca uses, which could entail changes with ENACO or its dissolution. INL funding will be used to support the GOP if they move in this direction.

Drug Awareness/Demand Reduction: This project will focus on providing the Peruvian public with information about the harmful personal and societal effects of cocaine production and abuse, conducting surveys on drug abuse to identify groups requiring assistance, and

supporting educational fora for prevention and treatment professionals. This project will continue to provide assistance to institutions that combat drug abuse and support drug awareness. Progress will be measured in terms of public awareness of the illegal drug problem and changes in public drug consumption patterns.

Crop Monitoring and Research: A branch of CORAH called CADA (Crops for Assistance to Alternative Development) monitors and maps coca and poppy cultivation and provides a means to verify the extent of coca eradication within communities, which is a critical condition of continued alternative development funding. In FY 2006, this project will expand efforts to verify licit crop development in coca growing areas in conjunction with forced and voluntary eradication efforts. Demand for CADA expertise has been high: CADA's statistical information is being used by the international community, e.g., the OAS Drug Commission, to prioritize its alternative development projects; its measurement and mapping are basic to the auto-eradication program. Progress will be measured in terms of the degree to which CADA can provide support for specific activities like verification of coca eradication.

In addition, a joint USG/OAS/CICAD Alternative Crop Research and Extension project complements the bilateral alternative development program. This project will continue to perform field research into coffee and cacao diseases, with a focus on finding ways to increase production yields in alternative development areas and developing international markets. The U.S. private sector has responded favorably to these efforts, and has provided supplementary personnel and funds for expert marketing and scientific assistance. The Institute for Tropical Crops is also a resource for research into coca production. FY 2006 funding will support the dissemination of the practical research results to alternative development farmers throughout the region.

Public Relations and Media Engagement: Among some sectors in Peruvian society, the prevailing attitude is that coca cultivation, which occurs far from major urban areas, is an activity that does not adversely affect most Peruvians. Too few public figures speak out against coca cultivation in the local media. This situation hinders the ability of the GOP to carry out its anti-drug program. To remedy this problem, INL will assist NGO partners to better inform the Peruvian public of the dangers the illegal drug trade and the parallel increase in local drug use pose to the country. Progress will be measured in terms of changes in the public's attitudes towards efforts to control the cultivation, production, and trafficking of illicit drugs. This initiative is especially important in light of the narco-trafficking-financed attempts to position coca as the "sacred leaf" and producers as "poor farmers."

Money Laundering Support: Although Peru continues to suffer from narcotics-related money laundering and other financial crimes; the GOP lacks both the resources and the expertise to address this problem in a comprehensive manner. This project will provide the GOP with badly needed resources and greatly enhance its technical capability to combat money laundering, thus furthering USG efforts to disrupt international criminal organizations and activities in Peru. Specifically, the project will fund the second year of a two-year technical assistance program and will provide direct support (i.e., procurement of computers, maintenance of databases, and administrative costs) for the Financial Intelligence Unit's

operations. Progress will be measured in terms of the number of money laundering cases successfully prosecuted and the money laundering training provided to judicial, police, and banking officials.

Chemical Control: The GOP urgently needs to devise a national plan to control the commerce of precursor chemicals and to dispose of seized illicit chemicals. Discussions between the USG and the GOP have identified initiatives addressing chemical importation, illicit diversion, environmental safety, and proper disposal of chemicals used in the production of cocaine. FY 2006 funds will be used to establish a training program for police in the legal, technical, and enforcement aspects of chemical control. The project will also provide resources to the PNP for the establishment of a chemical controls program at checkpoints on the major roads connecting Lima to the source zones. Progress will be measured in terms of the amount of precursor and essential chemicals seized, tracked, and disposed.

Program Development & Support (PD&S): PD&S funds will be used to pay salaries, benefits, and allowances for U.S. and foreign national direct hire and contract personnel, field travel, International Cooperative Administrative Support Service (ICASS) costs, and general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Alternative Development and Institution Building

In FY 2006, INL will fund, and USAID will implement, an integrated development approach that will create jobs in coca-growing regions, strengthen local institutions and reduce coca cultivation. The program consists of the following components:

Voluntary eradication: USAID will continue funding small, labor-intensive, infrastructure works, such as roads and bridges, schools, health posts, and sanitation systems as a means of improving local services and providing temporary income for families in communities or areas that voluntarily eradicate all of their coca. USAID will also provide technical assistance and inputs for market-oriented crops, and will finance scholarships, land titling, and health/nutrition services in participating communities. Participatory processes to identify and prioritize these projects will be coordinated with local governments.

Sustainable local/regional development: USAID will assist entrepreneurs and small producers with information and technical assistance to link their production to market demand and encourage private investment in licit productive activities. USAID will promote private-public partnerships in economic infrastructure (mainly transportation and electrification) in target areas; and will fund the rehabilitation/maintenance of the Juanjui-Tocache road, and related interventions with communities along the road. The program will support sustainable productive forest management, including concession processes and forest product certification, thus protecting large areas from encroachment from coca farmers while generating jobs and income. Alternative development will also facilitate increased state presence and improved governance in target regions. A credit mechanism will guarantee commercial bank loans to licit economic projects in the priority regions.

National framework for counternarcotics/economic development: Specific studies and advocacy efforts will support policy changes related to such issues as precursor chemicals control, control of licit coca leaf production and commercialization, and policies and procedures that catalyze greater economic growth and more effective and responsive state presence in the coca-producing regions. USAID will continue providing specialized consultancy services and fund selected costs of the Government of Peru's counter-narcotics coordinating body (DEVIDA), and other GOP agencies, to improve its institutional capacity to implement the Peruvian government's counternarcotics strategy.

Communications/operational research: A range of media will be used to: a) convince families in coca growing areas to embrace a licit lifestyle and reject illegal coca cultivation; b) increase awareness among the general public of the negative impacts of and links between illegal coca and narco-trafficking; and c) gain support among decision-makers in favor of AD/counternarcotics-related policy reforms. INL counter-narcotics funds will be used to finance mechanisms to monitor program implementation and carry out operational research, in order to guide the implementation of U.S. Government/GOP counternarcotics and alternative development activities.

Peru					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement					
Law Enforcement Support	11,000	-	19,517	-	11,350
Aviation Support	35,635	-	17,400	-	17,545
Maritime Security Program	2,000	-	992	-	1,700
Sub-Total	48,635	-	37,909	-	30,595
Coca and Opium Poppy Eradication	7,000	-	7,640	-	7,700
Support to the Armed Forces	1,000	-	2,140	-	1,660
Peruvian Customs	50	-	1,500	-	500
Administration of Justice/Prosecutors	700	-	1,685	-	1,700
Institutional Development	400	-	248	-	250
Drug Awareness/Demand Reduction	1,000	-	1,585	-	1,600
Money Laundering Support	-	-	496	-	500
Crop Monitoring and Research	4,300	-	3,970	-	4,005
Public Relations and Media	-	-	635	-	640
Chemical Control			124		125
Alternative Development*	49,705	-	53,866	-	43,000
Program Development and Support					
U.S. Personnel	875	-	875	-	875
Non-U.S. Personnel	925	-	929	-	929
ICASS Costs	705	-	805	-	805
Program Support	705	-	963	-	2,116
Sub-Total	3,210	-	3,572	-	4,725
Total	116,000	-	115,370	-	97,000

* Funds are transferred to USAID who manages these programs.

Venezuela

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
5,000	2,976	3,000

Program Objectives and Performance Indicators

INTERDICTION

Venezuela, geographically adjacent to Colombia's major illicit narcotics production centers, disrupts the transshipment of drugs over its border and through its ports.

Develop operational capabilities and procedures to detect and seize narcotics, chemical and radiological arms shipments at Venezuela's primary seaports, airports and border points of entry. These improvements will result in an increase from five metric tons in base year 2003 to ten metric tons in 2006; cocaine seizures at airports will increase to three metric tons and heroin seizures to 500 kilograms over the same period.

Improve follow-up investigations that will result in greater intelligence information on organized crime methods of operation, organizational structure, and identities as well as arrests of key perpetrators.

NARCOTICS CONTROL

Increased intelligence, knowledge and understanding of narcotrafficking organizations (NTOs), members, and drug smuggling methods will result in a corresponding increase in actionable criminal intelligence available to criminal investigators and prosecutors. Within 12-24 months, the intelligence fusion and analysis program should be able to identify the majority of key criminals trafficking drugs in and through Venezuela, as well as provide detailed information on their organizational structures and methods of operation.

Reduce the sale and diversion of legal chemicals and precursor substances to the illegal narcotics production industry will result in the installation and maintenance of the UNDCP data base program for tracking the sale and distribution of precursor chemicals.

CRIMINAL JUSTICE DEVELOPMENT

Develop institutional capabilities of the Venezuelan criminal justice system to investigate and try cases against organized crime members, particularly those related to narcotics

trafficking. These improvements will lead to an increased conviction rate of narcotraffickers to 40%; reduction in the backlog of pending cases for narcotrafficking; and improved handling and control of evidence.

MONEY LAUNDERING

Improve the monitoring procedures of Venezuelan financial institutions and their investigation and reporting of suspicious financial transactions, in order to provide actionable intelligence to GBRV financial crime enforcement agencies with the goal of prosecution and sentencing for financial crimes. These procedures will result in terms of the establishment and implementation of a system of financial crimes indicators, with the assistance of the USG's Financial Crimes Enforcement Network (FINCEN) to supplement and enhance the current system of suspicious transaction reporting.

Program Justification

Colombian narcotics traffickers heavily exploit neighboring Venezuela's position to route illicit drugs going to the U.S. by air, land, and sea. Poorly regulated border crossings permit the transport of illicit drugs by land and river from Colombia to Venezuela's seaports, particularly Puerto Cabello, where most of the large containerized shipments of cocaine seized in the United States originate. The significant level of uncontrolled commercial shipping activity also provides opportunities for smuggling weapons and other contraband into the United States. Venezuela also has a modern but weakly regulated financial sector that is a target for the laundering of drug proceeds.

Program Accomplishments

Seizures of cocaine have risen sharply over the past four years, from 14 MT in 2001, to almost 15 MT in 2002, to 19 MT in 2003. The cocaine seizures during the first six months of 2004 equaled the amount seized in Venezuela during all of 2003. Heroin seizures have also been strong, with Venezuela leading South America for the fourth straight year: from 19KG in 2000, to 228 KG in 2001, to 563 KG in 2002, to 364 KG in 2003. State-of-the-art X-ray machines installed at two airports contributed to the near-daily seizures at Maiqueta International Airport, and work is near completion on the state-of-the-art model cargo inspection facility at Venezuela's primary container port at Puerto Cabello. It should be fully operational by mid-2005.

Despite these achievements, political turmoil in Venezuela distracted the GOV from important law enforcement tasks: passing needed legislation against organized crime, enhancing Venezuela's chemical control regulations, and fulfilling requirements of the U.N. International Convention for the Repression of Terrorism Financing (2000) and the U.N. International Convention Against Transnational Crime (the Palermo Convention – 2000).

In October 2004, the Venezuelan National Guard flew CONACUID and UNODC observers over the Serrania de Perija mountain range. The group detected several small fields of coca and what appeared to be a small cocaine lab. No eradication operations were conducted in

2004; the last significant eradication operation was conducted in May 2001. For the third year in a row, no opium poppy eradication was reported.

FY 2006 Program

Port Security and Border Point of Entry Security: Each of Venezuela's commercial seaports and major land points of entry will be systematically surveyed to identify weaknesses in physical, document and personnel security, and corrective measures will be recommended. Funding in FY 2006 will be used for the procurement, maintenance and recalibration of search and inspection equipment (including ion scanners, X-ray machines, and density sensors); automated data processing and communications equipment; vehicles; and training and operations support for the canine program. Funding will also support on-site advisory assistance by USG experts. Emphasis will be placed upon analysis of bills of lading and other shipping documentation that will help to detect suspicious shipments and identify the origin of contraband shipments that will improve the GOV's ability to further increase drug seizures, and enhance the GOV's ability to conduct controlled deliveries – which will enable the GOV to collect intelligence on smuggling patterns and narco-trafficking organizations and members.

Airport Security: Airport cargo inspection and immigration control efforts will be enhanced by procurement and maintenance of improved document and cargo inspection equipment (such as ion scanners and X-ray equipment) to detect the presence of narcotics and explosives. Operator training and immigration control advisory assistance will conduct a thorough survey of current procedures, determine corrective measures and assure quality control in the implementation of procedures and equipment.

Intelligence Fusion and Analysis: FY 2006 funding will include the development of a drug intelligence fusion and analysis center that will support the design, procurement and installation of an automated wide-area network to connect intelligence field offices to a national-level database to facilitate assembly, collation and analysis of trafficking trends, methods and organizational structures. The resulting fusion of information will provide an ever-expanding and clarifying view of narco-trafficker organizational structures, methods and personalities with which to direct criminal investigations against key organizational personnel. The Joint Intelligence Coordination Center (JICC) will be the central focus of this project. Additionally, satellite intelligence offices at key port and border locations will be established to facilitate the two-way flow of information between the JICC and those field locations.

Money Laundering Control: The money-laundering project will provide funding for training and computer equipment to support the expanding role of the National Financial Intelligence Unit. While current legislation only criminalizes money laundering if the funds can be specifically tied to drug trafficking, this will change with the passing of the Organized Crime Bill, a third of which is dedicated to financial crimes. Seminars on money laundering will keep positive debate alive during the development and progress of legislation on financial crime, and promote understanding of the new laws once enacted.

Administration of Justice: This project will continue to train Venezuela's 1,200 public prosecutors through the Department of Justice's Overseas Prosecutorial Development, Assistance and Training Program (OPDAT), the American Bar Association (ABA) and commercial training. Training additional public prosecutors and criminal investigators will focus on improving Venezuela's prosecutors and police investigators to gather and preserve evidence, build and manage cases, and effectively prosecute crimes under Venezuela's new accusatorial judicial system. Funding will include the purchase of 160 computers to run the Prosecutor General's new Case Management System at field offices around the country. Extensive work will also be done to install two interconnected local area networks of computers at the Venezuelan drug czar's offices in Caracas. Components of the administration of justice project include extensive support for the Prosecutor's Drug Task Force (PDTF). With the assistance of DEA advisors and INL/NAS logistical support, the PDTF conducted successful investigations throughout 2004; including a successful operation in June 2004 against the Hasbun narco-trafficking organization where 5.9 MT of cocaine was seized.

Program Development and Support: PD&S funds are used for the salaries, benefits, allowances and travel of the direct hire and contract U.S. and foreign national personnel, residential housing, International Cooperative Agreement Support Services (ICASS) costs and other general administrative and operating expenses for counternarcotics and anticrime program planning, design, implementation, monitoring and evaluation.

Venezuela					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement					
Port Security	750	-	451	-	450
Border Security	750	-	450	-	450
Mobile Inspection	60	-	-	-	-
Airport Security	-	-	325	-	350
Intelligence Fusion and Analysis	250	-	200	-	200
Precursor Chemical Control	50	-	25	-	25
Money Laundering Control	50	-	50	-	50
Sub-Total	1,910	-	1,501	-	1,525
Administration of Justice					
Prosecutor Training	900	-	150	-	150
Prosecutor's Drug task Force	1,000	-	400	-	360
MOJ Infrastructure Development	300	-	100	-	100
Sub-Total	2,200	-	650	-	610
Drug Awareness/Demand Reduction Program Development and Support					
U.S. Personnel	295	-	308	-	339
Non-U.S. Personnel	33	-	106	-	117
ICASS Costs	252	-	226	-	250
Program Support	260	-	160	-	134
Sub-Total	840	-	800	-	840
Total	5,000	-	2,976	-	3,000

Airbridge Denial Program

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
-	11,111	21,000

Program Objectives and Performance Indicators

INTERDICTION

The Airbridge Denial Program (ABD) will provide effective intelligence and surveillance that will lead to increased interdiction of illicit drug trafficking aircraft and provide a real deterrent to the narco-traffickers in the region. The overall goal is to deter drug traffickers from using Colombian airspace to transport illegal drugs or the proceeds from those drugs.

Establishment of additional forward operating locations to support the increase of Colombian Air Force tracking aircraft will improve the Colombian Air Force's ability to conduct missions in previously untracked air space. The number of successful interdictions of Unidentified Assumed Suspect (UAS) air tracks will increase.

Training of pilots, technical operators, and maintenance personnel will keep the air fleet at high readiness and begin to focus on a future shift of more program and fiscal responsibility to Colombia.

Regional illicit aerial drug trafficking flight patterns will be established and the number of aerial interdictions will increase as Colombia and Brazil begin sharing information and conducting cross-border interdictions of suspect narco-trafficking flights.

Number of suspect aerial tracks within Colombian air space and coming out of Colombia.

Program Justification

The ABD Program is a program that has been created at the direction of the President to support the Government of Colombia (GOC) in their fight against narcotics trafficking. The goal of the ABD Program in Colombia is to deter aerial trafficking of drugs and drug-related material into and within Colombia airspace. Under the program's concept of operations, non-commercial aircraft flying in specifically designated and publicly declared areas of Colombia could be subject to special scrutiny by ground and aerial detection assets to

determine whether the aircraft is reasonably suspected to be primarily engaged in illicit drug trafficking. Safety procedures have been established for intercepting and interdicting such aircraft.

INL has contracted for engineering, maintenance of equipment, training and safety oversight of this program in Colombia. Five Cessna Citation 560 and two C-26 aircraft have been specifically modified to provide the Colombian Air Force with the necessary aircraft to support aerial surveillance and interdiction. To ensure effective utilization of these powerful resources, Colombia continues to be trained in the tactics, techniques, and related doctrine that will lead to a systems approach in their counternarcotics surveillance and interdiction efforts. Additional USG contractor personnel along with Joint Interagency Task Force South (JIATF-S) will provide safety oversight of the program in accordance with agreed upon safety procedures and checklists.

Program Accomplishments

Colombia

The ABD program in Colombia is in its second year of operation. The President signed a second Presidential Determination on August 17, 2004. This Program has given the GOC the ability to monitor, detect, sort and interdict unidentified assumed suspect flights. GOC inputs to the program consist of personnel salaries, travel and deployment costs, interceptor aircraft, maintenance, spare parts, weapons and ammunition. The USG support consists of contractor logistical support for USG supplied aircraft (5 - Cessna Citation 560) and 2-Colombian Air Force C-26 aircraft, contractor safety oversight personnel, communications equipment, infrastructure support and fuel.

The results for CY2004 are as follows:

Total number of Unidentified Assumed Suspect (UAS) Flights: over 500

- Total number of these flights sorted as friendly: 150
- Total number of these flights where no action was taken: 300
- Total number of these flights where action was taken: 88
- Total number of UAS aircraft forced down: 15
- Total number of UAS aircraft destroyed: 13
- Total number of aircraft impounded: 3
- Total number of drugs seized: 2.8 metric tons of cocaine

FY 2006 Program

Colombia

In FY 2006, the ABD Program budget will support the Colombian ABD Program. This support will include Contractor Logistical Support (CLS) including maintenance of aircraft, spare parts, and training and USG safety monitor oversight. Additionally, this funding will support up to three additional forward operating locations in order for the Colombian Air Force to conduct ABD operational missions in different parts of Colombia.

Our primary emphasis will be to continue training Colombian pilots and sensor operators for the Cessna Citation 560 and C-26 aircraft and to ensure that the aircraft are maintained properly while fully supporting operational ABD interdiction missions. Colombian self-sufficiency of the ABD program remains an important goal and INL will begin to explore ways to increase the level of host nation funding and involvement in order to decrease USG contributions.

Critical Flight Safety Program

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
-	-	40,000

Program Objectives

INL Air Wing assists key governments with the combating of drug trafficking and terrorism by providing aviation expertise and resources to eradicate and interdict illicit drugs, strengthen law enforcement, support counter-terrorist operations, and develop internal institutional counter-narcotics (CN) and counter-terrorism (CT) capabilities.

The primary objective of the multi-year Critical flight Safety Program is to ensure safety, specifically structural integrity, of the aircraft operated by the INL Air Wing. Upon completion of this program the Department will have ensured to the best of it's ability that the INL aviation fleet will not suffer loss of life or valuable aviation resources due to structural fatigue and aging aircraft. The secondary objective of the Critical Flight Safety Plan is to refurbish 30-year old, Vietnam-era military aircraft to a modern commercially supportable standard, therefore making them cheaper to operate, easier to maintain, and more reliable.

In summary, the Air Wing CFSP will:

- Increase safety for aircrews and personnel flying in these aircraft.
- Extend the service lifetime of these aircraft, maximizing their value to the USG.
- Control or potentially eliminate excessively high maintenance and part cost growth rates; make aircraft commercially supportable.
- Increase operational readiness and sustain mission success.

INL/A has embarked on this multi-level Critical Flight Safety Program (CFSP) to stop the degradation and extend the life of its severely aged aircraft to sustain its CN/CT missions. Specifically, we will conduct the following in FY 2006:

- Conducting a Service Life Extension Program (SLEP) of 15 OV-10 D aircraft used to conduct aerial eradication in high threat environments.
- Refurbishing a total of 39 UH-1N helicopters providing support to both aerial eradication and Colombian Army counterterrorism operations.
- Converting the INL/A remaining UH-1H Vietnam era helicopter fleet to a modern Huey-II configuration (Peru and Bolivia).

- Instituting a depot level maintenance program on the congressionally funded Plan Colombia UH-60 Blackhawks to prevent them from deteriorating like the INL/A UH-1H's.
- Purchasing four UH-60 helicopters to conduct Search and Rescue (SAR) operations as replacements for the existing marginally adequate UH-1N's.

FY 2006: Specifically, in FY 2006 we will initiate refurbishment and upgrade of aging Vietnam era UH-1H helicopters, refurbishment UH-1N helicopters (first priority to eradication helicopters), extending the service life of OV-10D airframes, and initiate armament upgrades for Colombia SAR aircraft.

Performance Indicators

In early FY 2004 the Air Wing staff developed a Strategic Plan (SP) to better match Air Wing resources against its mission over the next 3-5 years at a time when the aging of the fleet threatens readiness, safety, and operational effectiveness. The SP formed the foundation of the CFSP.

The SP and CFSP are built around specific annual and long-term goals that are based on operational requirements and utilize standard aviation industry metrics for performance evaluation and validation. The performance Indicators support these metrics and are concrete and measurable.

- Near-term Strategy (Key Annual Goals):
 1. Purchase 10 engines for immediate installation in UH-1N helicopters.
 2. Complete Depot level repairs on 4 UH-1N airframes to sustain future readiness.
 3. Conduct Airframe Condition Evaluation (ACE) inspections / assessments on UH-1N helicopters.
 4. Complete SLEP process on 4 of 15 OV-10D aircraft.
 5. Convert 4 UH-1H airframes to Huey-II helicopters for Bolivia.

Program Justification

This program is a critical flight safety program. The Department runs the risk of a catastrophic in-flight failure leading to loss of life due to the age of the aircraft INL/A is operating. The Air Wing has suffered serious in-flight structural failures and has been fortunate that no aircrews and aircraft were lost as a result. The Air Wing has already removed from service at least three helicopters due to structural problems not economically repairable, and will continue to remove further aircraft from service as problems are found.

Three factors have converged that have brought us to this critical juncture. First, the sustained extraordinarily high operations tempo in Colombia; second, the fact that we have been steadily flying the same Vietnam-vintage aircraft in Peru and Bolivia for over 15 years now, and third, we have never funded a much needed depot level inspect-and-repair-as-necessary program.

We note loudly and clearly that the INL/A is maintaining its aircraft safely; or, more accurately stated, as safely as possible without conducting the inspections and refurbishments listed in the program objectives. If an aircraft is deemed unsafe, it will be grounded.

In spite of our best efforts, we have a documented steady reduction in aircraft availability, particularly the older eradication aircraft (OV-10 and supporting UH-1N's) over the past two years. These aircraft are excess defense aircraft that are no longer supported or, are being discontinued in the Department of Defense inventory, and have not gone through any major airframe Programmed Depot Maintenance. Many aircraft are over 35 years old and have greater than 10,100 airframe hours. As a note, DoD typically removes for service helicopters that were flown in excess of 4,000 hours.

Additionally, major aircraft components are obsolete and no longer being manufactured or have limited repair capability. In many cases these components such as engine assemblies are experiencing premature removals far more frequently and never reach time-life expectancy. Failure and removal rates of major components are compounded by the incidence of ground fire and operations in a high optempo austere environment. These factors make managing readiness and controlling cost an extremely difficult challenge.

The requested funding for the CFSP for FY 2006 is essential to eliminate these safety and mission readiness risks. The CFSP will upgrade, sustain, and replace aircraft necessary for INL's eradication, interdiction, and CN/CT programs throughout, Bolivia, Colombia, and Peru.

Program Accomplishments

The Air Wing provides core level aviation services necessary to operate, sustain, and maintain a fleet of over 180 fixed and rotary wing aircraft of ten types. The aircraft support CN/CT aviation eradication, interdiction, counter-terrorism and border security programs in Bolivia, Colombia and Peru.

Colombia. In Colombia, the Air Wing in conjunction, with the Colombian National Police, has had four consecutive years of record breaking aerial eradication of coca. As a result of the aerial eradication campaign in 2002 we saw the first reduction in the size of the coca crop in Colombia and another reduction in 2003. We fully expect to see a further reduction after the campaign in 2004 (pending CNC figures as of this time). In addition, the Colombian Army Plan Colombia Helicopter program, providing air mobility for the Colombia Army Counter Drug Brigade, has changed the balance of power in Colombia and enabled the GOC to project force into area not under central government control for years; such as the Putumayo.

The Air Wing accomplished the following spray goals in Colombia:

Fiscal Year	Coca Sprayed (Hectares)*	Poppy Sprayed (Hectares)*	Percent Reduction Coca	Percent Reduction Poppy
2002	122,695	3,043	15	25
2003	127,112	2,821	21	11
2004	131,824	2,899	**	**

* True Ground Area Covered (TGAC)

** Data is computed from CNC illicit crop estimates that is not expected before the end of 2QFY05

Bolivia and Peru. Bolivia and Peru, two countries facing serious challenges to fragile democracies in part fueled by organized cocalers and the traffickers supporting them, the Air Wing helicopter programs remain key components of the country team counter narcotics strategies. In Peru virtually all manual eradication is dependent on support from the Air Program.

Critical Flight Safety					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Critical Flight Safety Program					
UH-1N Program (Long Term)	-	-	-	-	11,000
UH-1N Interim Program	-	-	-	-	
Engines PT6-3B	-	-	-	-	8,300
Depot Level Repairs	-	-	-	-	0
OV-10D Service Life Extension Program	-	-	-	-	9,700
Huey-II Program Conversion (UH-1H to Huey-II)	-	-	-	-	11,000
<i>Sub-Total</i>	-	-	-	-	40,000
Total	-	-	-	-	40,000

International Narcotics Control and Law Enforcement

Latin America

The Bahamas

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
1,000	992	500

Program Objectives and Performance Indicators

Operation Bahamas and Turks and Caicos (OPBAT) significantly disrupts the movement of illicit drugs through Bahamian territory to the U.S.

The number and amount of seizures of cocaine and marijuana will increase, along with the number of arrests of narcotics traffickers.

Bahamian law enforcement, with U.S. assistance, conducts sophisticated criminal and financial investigations and effective maritime interdiction operations that will result in a reduction in narcotics trafficking activity.

Cooperation and coordination with U.S. law enforcement will increase and several major Bahamian drug trafficking organizations will be dismantled.

The number of narcotics trafficking and money laundering cases successfully prosecuted will increase.

Judicial institutions are modernized so that drug traffickers and money launderers are successfully prosecuted in an expeditious manner and their assets seized and forfeited.

The value of assets seized and forfeited will increase significantly and the government will respond expeditiously to U.S. extradition requests.

Program Justification

An estimated 9 percent of the cocaine from South America destined for the United States passes through the Jamaica-Cuba-Bahamas sector. Since OPBAT's inception in 1982, the Bahamian and U.S. governments have cooperated closely to interdict the flow of drugs through The Bahamas. Over the years, the drug trade evolved continually. Whereas in the 1980s Colombian traffickers brought cocaine to the islands by aircraft, in the 1990s, it was the Jamaican and Bahamian organizations, which dominated the trade through the archipelago, moving drugs primarily by go-fasts. During 2004, DEA detected an increase in trafficking by aircraft and a corresponding decrease in go-fast events. In addition, DEA reported for the first time that Haitians resident in The Bahamas were involved in drug trafficking. To combat this ever-changing threat, OPBAT deploys as many as seven

helicopters and other USG surveillance aircraft in coordination with Bahamian interceptor boats to detect and interdict both go-fast boats and aircraft operating in Bahamian territory. Although INL contributes only a fraction of the approximately \$30 million the USG spends annually on OPBAT, INL assistance is crucial because it supports the participation of Bahamian law enforcement in joint interdiction efforts.

Program Accomplishments

OPBAT is the largest and oldest cooperative effort by any government involved in drug enforcement. Moreover, the Bahamian Police Drug Enforcement Unit has achieved an unparalleled record of success in taking down drug trafficking organizations. Since 2001, joint Bahamas-U.S. investigations have resulted in the takedown of three major Bahamian drug rings and hundreds of arrests in the US and The Bahamas. The most recent takedown took place in June 2004 when members of the Maycock/Smith trafficking group were arrested as a result of DEA's Caribbean-wide "Operation Manatee." Total cocaine seizures by OPBAT and Bahamian police during FY 2004 decreased to 2 MTs from 7 MTs in FY 2003. At the same time, marijuana seizures declined to 6 MTs from 12 MTs. The decline in seizures is due in part to the takedown of the Maycock/Smith ring and associated go-fast smuggling groups.

FY 2006 Program

INL intends to continue funding its direct hire position in the Narcotics Affairs Section even though this will sharply reduce the resources available to support ongoing projects. Embassy Nassau concurs that maintaining this position will demonstrate continuing commitment to OPBAT as well as confidence that additional resources will be available in the future.

Law Enforcement Investigations: This project will focus on improving the ability of the Royal Bahamian Police Force to detect, investigate, and prosecute drug smugglers through training and technical assistance.

Operation Bahamas Turks and Caicos (OPBAT): This project will support the maintenance of OPBAT bases and provide equipment for interdiction operations.

Program Development and Support (PD&S): PD&S funds cover the cost of salaries, benefits, and allowances of locally-hired personnel, field travel, International Cooperative Administrative Support Services (ICASS) costs, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

The Bahamas					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement					
Law Enforcement Investigations	320	-	240	-	50
OPBAT	318	-	280	-	100
Fast Response Boats	-	-	-	-	-
Sub-Total	638	-	520	-	150
Drug Awareness/Demand Reduction Program Development and Support	50	-	50	-	-
U.S. Personnel	147	-	200	-	200
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	99	-	132	-	130
Program Support	66	-	90	-	20
Sub-Total	312	-	422	-	350
Total	1,000	-	992	-	500

Guatemala

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
3,000	2,820	2,500

Program Objectives and Performance Indicators

The Government of Guatemala (GOG) remains “certified” as “fully cooperating” with the United States in combating the transit of illicit drugs through Guatemala en route to the U.S.

The amount of drugs seized should increase. Number of arrests and prosecutions will rise by emphasizing institution building and cooperation between government agencies (police, military, and prosecutors). Effective use of information shared under the Cooperative Nations Information Exchange System (CNIES) agreement to track suspect air tracks through Guatemalan air space.

The GOG makes progress in the international arena to actively pursue narco-traffickers and combat money laundering.

The GOG should continue to put into action the signed Maritime Agreement. Further, the GOG should concentrate on implementing the new precursor chemical law. Asset forfeiture legislation and/or procedures still need to be adopted. The GOG has been removed from the Financial Action Task Force on Money Laundering (FATF) List of Non-Cooperative Countries and Territories (NCCT), but needs to effectively prosecute money launderers and narco-traffickers within Guatemala’s borders.

The GOG maintains the capability to perform professional and effective investigations that lead to the successful prosecution and conviction of narco-traffickers.

The GOG continues to streamline narcotics-related arrests and move forward on pending extradition cases.

The GOG maintains an effective and well-publicized demand reduction program.

Survey results show a declining rate of drug use.

Program Justification

Guatemala is a major drug transit country for South American cocaine en route to Mexico, the U.S. and Europe. Each year, at least 150 metric tons of cocaine are transited illegally through Guatemala by air, road, and sea. The GOG has begun to address many of the problems left over from the previous administration. However, it still faces widespread corruption, impunity, tremendous turnover in personnel in all government sectors, poor management and leadership, and an acute lack of resources. A recent survey showed that drug consumption is increasing, especially among young females.

Another serious and growing problem is the presence of youth gangs throughout the region. A recent study indicated that crime is the number one issue on the minds of Guatemalan citizens. Guatemala City has a 56 per 100,000 murder rate; many of which are gang-related. It is believed that these criminal organizations are often involved in other aspects of organized international crime including trafficking in narcotics, stolen cars, persons, arms and alien smuggling.

The presence of these criminal organizations in Guatemala (narcotraffickers and gangs) is troublesome. Their continued and growing presence will have a negative impact on regional stability, economic growth, U.S. exports, illegal immigration, and security of American citizens. If transnational crime grows, the relatively weak democratic institutions in Guatemala will be undermined.

While significant poppy cultivation in Guatemala has been eliminated, recent information obtained using the INL Regional Aerial Reconnaissance and Eradication (RARE) deployment shows an increase in cultivation. The overall amount, though, is still unknown. There is also a fair amount of marijuana cultivation. GOG narcotics control police carry out manual eradication, limited air-mobile interdiction (with INL assistance), port control operations, narcotics investigations, and road interdiction and inspection functions.

Program Accomplishments

After certification with a national interest waiver in March 2003 and subsequent re-certification in September 2003, the GOG began an earnest effort to reinforce counternarcotics efforts. In January 2004, a new government took office pledging to stamp out public corruption, money laundering and narcotic trafficking. As a result, several former government officials have been arrested and await trial in jail. The former president of Guatemala has fled the country and is residing in Mexico after his immunity from prosecution was removed. The Maritime Agreement between the US and Guatemala has been exercised and without exception the cooperation has been exemplary. The prospect of close cooperation with the new GOG presents the USG with unique opportunities. However, we can only take advantage of these opportunities if sufficient resources are devoted to our programs. Guatemala is the Southern border of NAFTA and there are clear US interests in ensuring that the Rule of Law is respected and functions in Guatemala.

FY 2006 Program

The INL program for FY 2006 will permit continuation (but not expansion) of ongoing programs/projects.

The Narcotics and Law Enforcement Project: This project focuses on enhancing the investigative and operational capacity of the Guatemalan law enforcement agencies to disrupt the trafficking of drugs and other trans-border crime. A new program will provide forensic capability and train investigators, prosecutors and judges in modern techniques of gathering and analyzing data. The program will also provide training and equipment to enhance GOG capability and operational support of interdiction and eradication missions. Funding will also be used to provide operational training to support Mayan Jaguar and other USG regional eradication and interdiction efforts, including Regional Aerial Reconnaissance and Eradication (RARE) and Central Skies regional deployments. This project also funds a full-time advisor who works with Guatemalan Customs authorities to increase their capabilities to interdict contraband, with a focus on seaports. Finally, funding will be used to enhance the GOG's capacity to operate anti-narcotics law enforcement unit (SAIA) with specialized police training, technical assistance, equipment and infrastructure. The overall goal for this project is to support the GOG's narcotics enforcement institutions, so that they can effectively disrupt drug trafficking and illicit crop production in Guatemala.

The Narcotics Prosecutor Assistance Project: This project supports the GOG's various special prosecutors units within the office of the Attorney General (Public Ministry) to enhance the GOG's capacity to effectively and transparently prosecute criminals while respecting internationally recognized human rights. Specifically, the program will seek to improve the capabilities of the counter-narcotics, anti-money laundering and anti-corruption prosecutors units in the investigation and prosecution of cases. In addition, a new program to provide specialized training for judges of the recently created "high impact" courts which focus on high-profile drug trafficking and money laundering cases. An emphasis will be placed on increasing drug convictions through improved case development and processing.

The Demand Reduction and Public Awareness Project: The main recipient is the Executive Secretariat for the Commission Against Addiction and Drug Trafficking (SECCATID). The main focus will be to provide funding for a follow-up survey on drug use, to promote regional cooperation, develop training materials and equip a mobile rehabilitation center. Commodities such as software, equipment, printing, design and reproduction of educational materials, audiovisual equipment, printing supplies will be provided.

Program Development and Support: funds will support salaries, benefits and allowances of U.S. and foreign national direct hire and contract personnel, International Cooperative Administrative Support Service (ICASS) costs and general administrative and operational expenses for program planning, design, implementation, monitoring and evaluation.

Guatemala					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	*FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement					
Narcotics Interdiction	200	-	200	-	200
Eradication	100	-	100	-	100
Institutional Development	1,350	-	1,170	-	875
Sub-Total	1,650	-	1,470	-	1,175
Administration of Justice	500	-	500	-	500
Drug Awareness/Demand Reduction	225	-	225	-	200
Program Development and Support					
U.S. Personnel	228	-	228	-	228
Non-U.S. Personnel	99	-	99	-	99
ICASS Costs	185	-	185	-	185
Program Support	113	-	113	-	113
Sub-Total	625	-	625	-	625
Total	3,000	-	2,820	-	2,500

*Additional \$992K in FY 2005 ACI Funding for Guatemala.

Haiti

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
-	-	15,000

Program Objectives and Performance Indicators

The Haitian National Police (HNP) continues to be strengthened and reformed to develop the capacity to provide basic law enforcement that services the Haitian people, thereby promoting internal stability and a democratic future for Haiti, in conjunction with donors and the United Nations. Law enforcement and public order in Haiti significantly reduces the attractiveness of illegal migration; the ability of criminals to traffic drugs into the US; and promotes economic development and long-term stability to a troubled neighbor.

Existing and 1200 newly recruited Haitian National Police will continue to be vetted and trained to democratic policing standards to form the corps of a credible, competent police force. Haitian police will be able to respond to reports of crime in a timely manner, conduct effective patrols, and conduct investigations, with crime reducing over time. Incidences of human rights abuses by police will decrease.

International Civilian Police (CIVPOL) will continue to be deployed to Haiti under the auspices of the UN Stabilization Mission in Haiti (MINUSTAH), helping to maintain law and order, and training, vetting, restructuring, and monitoring the Haitian National Police.

UN International Civilian Police continue to monitor, advise and train the HNP. As citizens begin to have confidence in the police as an institution, reporting of crime will increase. The Inspector General function will be revitalized and corruption within the HNP will be investigated. Insecurity on the street will be reduced, as measured by a return to normal business and reduction of daily gunfire.

Correctional training experts and upgrades to correctional infrastructure and living conditions will improve treatment of detainees and prisoners and ameliorate living conditions, focusing on basic sanitation and overcrowding.

Fewer instances of prison violence will be reported. Women and juveniles will not be housed with adult males. Sanitary conditions inside certain prisons and detention centers will be improved.

Haitian National Police counter drug unit investigates and makes arrests of drug traffickers in cases that lead to prosecutions.

Drug seizures and drug trafficking arrests should increase. The flow of drugs through Haiti should decline.

FIU investigations lead to prosecutions, convictions and asset seizures of money launderers and corrupt individuals, government officials.

The number and the value of assets seized will increase.

Program Justification

Police and prison system reform, coupled with an overhaul of the Haitian judicial system, are crucial to building democracy and stability in Haiti. Plagued by poor and corrupt governance and mismanagement, Haiti's police and prison system have fallen into serious disrepair, politicization, and incompetence. With the departure of Aristide, and the establishment of the Interim Government (IGOH), Haiti has the opportunity to begin to reverse course and start rebuilding toward a stable and peaceful democratic future. Criminal activity helped finance the former regime, and continues to squelch normal life in Port au Prince, which is plagued by gang activity, gunfire and political violence. Instability and corruption have also allowed drug smuggling to continue, with the potential for those connections to expand to persons as well.

Strengthening Haiti's law enforcement capacity is a key US priority. INL wants to ensure civil order and reduce armed gangs' ability to threaten Haiti's fragile peace by fomenting violence and partaking in drugs and arms smuggling. Since 1994 when the US first began to train new Haitian police, little was done to continue their professional development, train new officers or weed out bad ones. In fact, political cronyism was practiced, reducing morale in the ranks. Therefore, the HNP has little real capacity to investigate or respond to crimes, patrol, keep public order in Port au Prince slums, or even communicate with one another – basic prerequisite for enforcing the law. Enhancing the ability of law enforcement to deal with these and other public security challenges is therefore a priority.

It is estimated that a minimum of 8 metric tons of cocaine from South America transits Haiti on its way to U.S. markets. Cocaine arrives in Haiti by go-fast boats, other vessels and by small aircraft. It is then shipped onward by sea in vessels or containers or by land through the Dominican Republic. The drug trade in Haiti undermines the rule of law by fostering corruption and fomenting armed violence perpetrated by criminal gangs and political opposition groups.

Stability in Haiti will contribute to its economic growth, enhancing security in the region and diminishing the attractiveness of illegal migration to the U.S. To help achieve this, INL will continue to support peacekeeping operations, including the provision of US police to the civilian police component of MINUSTAH. Now that MINUSTAH is close to its authorized strength, key next steps are the disarmament, demobilization and reintegration of armed groups, and the restructuring and training of the HNP.

Haiti is hampered in its ability to implement police and corrections reform due to a tremendous lack of resources, and to some extent, lack of expertise. INL programs will continue to support functioning institutions, police development and reform, and anti-corruption measures.

Program Accomplishments

In coordination with the MINUSTAH mission, the Interim Government of Haiti, and other donors, INL has identified four areas for programmatic attention: crime control, which includes establishing basic police operations, training and equipment; police accountability and reform; corrections assistance, and counternarcotics. These are being addressed on a bilateral and multilateral basis.

To become a credible and competent police force, the HNP requires extensive training, vetting, professionalization and accountability. The US has been forward leaning in assisting the HNP train the first 400 academy graduates, and will be instrumental in the training of at least 1200 more vetted recruits in the coming year. The US has also been providing critical operational advice to the HNP in areas such as command and control, and appropriate non-lethal means of responding to crisis situations.

The US is also greatly enhancing the operational capacity of the HNP, with the provision of communication links between Port au Prince and the provinces at the most critical police stations, along with mobility for officers to patrol and respond to crisis situations. The US is joining other donors in supporting the model police station concept laid out by the UN, which involves rehabilitating a police station, while the officers in that station are vetted and trained by the UN.

Twenty-five US civilian police have deployed to the MINUSTAH mission, joining police from 32 other nations. These officers are deployed in direct contact with the HNP on a daily basis and are responsible for training, including field training, forensics, mentoring and restructuring the HNP, which includes vetting. CIVPOL are critical to all areas of police assistance, as their mission spans the gamut of tasks.

Haiti has a dilapidated prison infrastructure which is overcrowded, has poor sanitation and few-to-no services, and is plagued by poor processes, little training for prison personnel and a large number of pre-trial detainees held in the system. These problems are compounded by the fact that many detention centers around the country were damaged during the anti-Aristide activity and all of the existing prisoners released. The US is helping to alleviate the worst of the conditions through basic upgrades and improved sanitation, and by training prison personnel on management and correct practices.

The IGOH, despite having inherited a police force in a state of virtual collapse, has achieved limited success in the counternarcotics area, moving expeditiously to arrest and expel a dozen Haitian traffickers under indictment in the U.S., and cooperating closely with a USG interagency task force investigating the drug trafficking activities of the Aristide regime. The IGOH took action against money laundering and corruption with the reactivation of the

Financial Investigative Unit (FIU) that had been established in the waning months of the Aristide regime. The FIU has launched 183 separate investigations and seized \$3 million in trafficker assets.

FY 2006 Program

The FY 2006 program is divided in three general categories, police programs making up *crime control assistance*, corrections program (*criminal justice assistance*) and counterdrug programs. These programs began in 2004 and are proceeding in cooperation with the Haitian Government, MINUSTAH, and other donors.

Crime Control Assistance

Civilian Police: The US will contribute up to 35 US police officers to the MINUSTAH stabilization mission. US officers will continue providing expertise in the areas of academy training, field training, patrols, community policing, investigations, traffic, crime analysis, forensics, police management, supervisory skills, police administration, and other specialized skills. US CIVPOL officers will continue to monitor the HNP police to discourage and report human rights violations. They will also continue to co-locate with Haitian officers in their stations and engage in joint patrols, to increase public confidence in the police.

Training and Equipment: Estimates range from 8,000-12,000 HNP who are needed and sustainable for Haiti. The US will continue to assist with the training of at least 1200 new recruits, and in-service training for 1500 existing HNP officers. Coupled with that training will be the provision of appropriate equipment, communications and mobility. All assistance will be non-lethal.

Crime Control/Forensics: The ability to respond to and solve crimes is a critical capacity that must be developed within the HNP. The US will continue to assist in forensic training, will assist the HNP to develop capacities for crime analysis, and will help the HNP reach out to communities so police resources are best targeted. The US will also help the HNP to be able to respond to civil disturbances in a manner that takes advantage of non-lethal police tactics.

Police Accountability and Reform: The HNP is an institution that has been corrupted. Key to reform of the organization will be the involvement of communities, internal police investigations, command and control over the police force, and adherence to policies and procedures. This program will expand in FY 2006, to include direct assistance to internal investigators, review and training on policies and procedures, training for managers in rooting out corruption.

Criminal Justice

Corrections Assistance: Funds will be used to continue training of corrections officers, equipment to improve the functioning of prisons and the ability to track prison and detainee populations, and ameliorate conditions within the detention and prison system.

Counternarcotics

Special Counterdrug Unit: Funding will support the operations of a vetted unit of Haitian police officers, established by DEA, with special authority to conduct drug investigations. Funding to create an intelligence collection and analysis center within the HNP will also be provided.

Haitian Coast Guard: In partnership with the U.S. Coast Guard, funding will continue the ongoing effort aimed at restoring the logistical and maintenance capacity of the HCG. As vessels and operational bases are refurbished, funding will be directed toward equipping and training the HCG for maritime drug interdiction operations.

Financial Investigative Unit: Funding will provide technical assistance and financial investigation mentors to support ongoing anti-money laundering and anti-corruption activities.

Program Development and Support (PD&S): PD&S funds are used for the salaries, benefits, allowances, and travel of direct hire and contract U.S. and foreign national personnel, International Cooperative Administrative Support Services (ICASS) costs and other general administrative and operating expenses for counternarcotics and anticrime program planning, design, implementation, monitoring, and evaluation.

Haiti					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Civilian Police Program	-	-	-	-	5,500
Police Development and Reform					
Training and Equipment	-	-	-	-	1,500
Police Accountability and Reform	-	-	-	-	3,000
Crime Prevention/Forensics	-	-	-	-	2,000
Sub Total					6,500
Criminal Justice Development					
Corrections					1,000
Sub Total					1,000
Counterdrug Support					
Marine Interdiction	-	-	-	-	700
Anti-Money Laundering	-	-	-	-	250
DEA Vetted Unit	-	-	-	-	375
Sub-Total	-	-	-	-	1,325
Program Development and Support					
U.S. Personnel	-	-	-	-	490
Non-U.S. Personnel	-	-	-	-	45
ICASS Costs	-	-	-	-	130
Program Support	-	-	-	-	10
Sub-Total	-	-	-	-	675
Total	-	-	-	-	15,000

Jamaica

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
1,500	1,488	1,000

Program Objectives and Performance Indicators

The ability of the Government of Jamaica (GOJ) to take decisive action to disrupt and deter drug trafficking and other transnational criminal activities will be strengthened through the development of strong, effective, corruption-free law enforcement institutions.

The GOJ's capacity to detect drugs, precursor chemicals and other contraband transiting Jamaica will be improved, resulting in increased seizures and arrests.

The GOJ will investigate, arrest and prosecute public officials for corruption.

Improved law enforcement operations will result in decreased marijuana eradication and increased marijuana seizures.

The number of successful maritime interdictions of vessels transporting drugs will be increased.

The Jamaican government's capacity to identify, investigate, and arrest major drug traffickers and dismantle transnational drug trafficking organizations operating in Jamaica will be improved.

The GOJ will improve its capability to collect, analyze and disseminate intelligence for effective coordinated law enforcement action.

Continued adoption of modern law enforcement investigative tools will enable Jamaican law enforcement to conduct sophisticated investigations, resulting in significant arrests of major drug traffickers and members of their organizations.

Criminal justice in Jamaica will be strengthened and reformed, thereby improving the capacity for investigating and prosecuting drug traffickers and other criminals.

The passage of modern anti-crime legislation, including an effective asset forfeiture law, will enable the GOJ to arrest and successfully prosecute major drug traffickers and other transnational criminals and seize the proceeds of their criminal activities.

The GOJ will respond more quickly to U.S. requests under the bilateral extradition and mutual legal assistance treaties.

Continued support for GOJ and NGO demand reduction efforts will reduce domestic consumption.

Program Justification

Jamaica's 638 miles of coastline and 110 unmonitored airstrips severely limit the GOJ's ability to control access of drug traffickers and other criminal organizations. Jamaica is a major transshipment point for South American cocaine and the largest marijuana producer and exporter in the Caribbean. Traffickers use Jamaica's offshore waters, ports and airstrips to move drugs to the U.S. Jamaican ports are vulnerable to the illegal diversion of precursor chemicals used in the production of illicit drugs. Corruption continues to undermine law enforcement and judicial efforts against drug-related crime in Jamaica. While Jamaica is not considered a significant regional financial center, tax haven, or offshore banking center, given the level of corruption, the U.S. is concerned about the increase in money laundering in the Caribbean.

The Jamaican government is publicly committed to combating all illegal drug-related criminal activity. However, because it operates under severe resource constraints, with over sixty percent of its national budget going to debt servicing, the U.S. and other donor assistance is essential if the GOJ is going to develop and sustain counter-drug/crime capability.

U.S. counternarcotics assistance seeks, through the provision of equipment, technical assistance and training, to help the Jamaica Constabulary Force (JCF), the Jamaica Defense Force (JDF), Jamaica Customs, and other GOJ agencies reduce and ultimately eliminate the flow of illegal drugs from Jamaica to the United States; to enhance Jamaica's ability to disrupt and dismantle those international criminal organizations; and to identify, target and eliminate those threats that pose the greatest danger to US national security interest. The program also provides assistance to strengthen the GOJ's ability to counter public corruption, increase seizures of precursor chemicals, help facilitate the extradition of traffickers to the U.S., as well as provide limited funding for drug awareness and demand reduction programs in Jamaica.

Program Accomplishments

Although the financial resources are limited, the GOJ continues to support existing counternarcotics and law enforcement programs and is making significant progress in several areas. During 2004, collaborative efforts between Jamaican and international law enforcement agencies led to the arrest of several major drug traffickers in Jamaica, the U.S., The Bahamas, and Colombia and the dismantling of their organizations. Ten arrests were made in Jamaica, including two traffickers designated as kingpins by the U.S. President. There is increased cooperation between the Narcotics Division of the Jamaica Constabulary Force and the Jamaica Defense Force. The JDF/Coast Guard works and trains with the

USG's Joint Inter-Agency Task Force and despite resource constraints, the GOJ has consistently pursued a marijuana eradication program. Albeit with limitations, the GOJ law enforcement agencies have developed a closer professional working relationship in an effort to disrupt narcotics and criminal activities.

The combined efforts of the JDF and the JCF destroyed approximately 360 hectares of marijuana, less than the same period last year. In 2004, 4,280,169 seedlings and 322 nurseries were destroyed, an increase over the same period last year. The Contraband Enforcement Team (CET) received training from U.S. Customs and continues to play an integral part in keeping the ports free from contraband and illegal trafficking of goods. A U.S. Law Enforcement Development Advisor is working directly with the Commissioner of the JCF on the reorganization of the force and improvement of skills and the public image of the JCF and Jamaica. The National Intelligence Bureau (NIB), despite support from the USG, has yet to realize its full potential. The NIB continues to be a work in progress and it is hoped that it will find new energy and direction next year. The Jamaican Fugitive Apprehension Team (JFAT), working with the U.S. Marshall Service, arrested 13 fugitives and assisted the German and Canadian Governments with two additional arrests. These individuals either have been extradited or are currently pending extradition.

The GOJ has drafted several legislative measures such as the Proceeds of Crime Bill that will strengthen its ability to deprive criminals the benefits of illicit activities. A Plea Bargaining Bill should be presented to Parliament by the end of the year, a Terrorism Prevention Bill has already been tabled and referred to a Joint Select Committee of Parliament and should be deliberated by the House soon, and a Port Security Bill has been drafted for presentation to Parliament.

In October 2004, the GOJ launched "Operation Kingfish" the umbrella operation for a number of discrete yet interrelated operations disguised to attack the core of drug trafficking, criminal organizations and traffickers. A joint Task Force comprising of the JCF/JDF and other supporting agencies has been set up to lead this effort with U.S. and British support. Operation Kingfish, combined with the earlier arrests of major traffickers, reduced the flow of cocaine through the Jamaica-Cuba-Bahamas vector. NAS assistance in the form of training and equipment has enabled several of the participating agencies to fully contribute to this joint effort resulting in the seizure of 1.2 metric tons of cocaine and the confiscation of 28 go-fast boats suspected of being used for drug trafficking.

A Border Management Entry/Exit Control System Project, funded by the INL Crime Office and implemented by IOM, became fully operational on November 1, 2004. The system gives the GOJ for the first time, the ability to record the movements of all persons traveling to and from the island.

FY 2006 Program

Every aspect of the counternarcotics program is focused on Jamaican implementation of the 1988 UN Convention Against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances. The program provides resources to enable the GOJ to counter public corruption

in compliance with the Inter-American Convention Against Corruption. To this end, the requested funding level for FY 2006 will permit the GOJ to undertake an integrated set of counter-drug, anti-money laundering and anti-corruption efforts:

Narcotics Law Enforcement: These projects are constructed to strengthen the GOJ's capability to identify, investigate and prosecute drug traffickers, money launderers and other international criminals and dismantle their criminal organizations; apprehend fugitives from justice; detect diversion of essential and precursor chemicals; eradicate marijuana cultivation; and counter public corruption. Requested funding will be used to support fugitive apprehension, intelligence gathering, analysis and dissemination, tracing of illegal firearms, anti-corruption programs, police modernization, financial crimes, counternarcotics sub-projects with limited equipment, training, operational support and replacement vehicles for the JCF's special vetted unit, JFAT, Narcotics Division and NIB.

Border Control and Port Security: The project is designed to improve the GOJ's capability to disrupt the movement of drugs and other contraband via commercial cargo and conveyances at airports, seaports and free trade zones. Requested funding will be used to train and equip new CET personnel, purchase an additional vehicle to transport members of the expanded CET between duty stations at the airports and seaports, and support a multi-agency Airport Interdiction Task Force. Limited maintenance support for the newly installed border security system will also be provided.

Maritime Interdiction: This project supports the U.S.-Jamaica maritime counternarcotics cooperation agreement by strengthening the GOJ's ability to successfully interdict vessels transporting drugs. In the past, the USG provided two 82-foot cutters and refurbished several boats for the JDFCG. As these boats lack the speed necessary to counter the threat of go-fast vessels transporting drugs, the U.S., as noted, has provided three go-fast interceptor boats to the JDFCG. Requested funding will be used for the retrofitting of two SeaArks currently in JDFCG's inventory, training and equipment to establish a vessel maintenance program, and continued support for GOJ efforts to establish forward positioning sites that will enable the rapid deployment of boats for maritime drug interdiction operations.

Drug Awareness/Demand Reduction: The NAS program provides very modest financial assistance for demand reduction activities, the majority of which are also supported by the GOJ, NGOs, and other donors. The requested funding for this project will provide continuing support for existing demand reduction programs in the area of awareness and preventions in schools as well as inner city youth projects implemented by NGOs.

Program Development and Support (PD&S): PD&S funds cover the cost of salaries, benefits, and allowances of U.S. and foreign national direct hire personnel, field travel, International Cooperative Administrative Support Services (ICASS) costs, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Jamaica					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement	200	-	200	-	200
Border Control and Port Security	200	-	220	-	75
Maritime Interdiction	680	-	650	-	315
Drug Awareness/Demand Reduction	35	-	35	-	30
Program Development and Support					
U.S. Personnel	158	-	158	-	158
Non-U.S. Personnel	28	-	28	-	30
ICASS Costs	102	-	102	-	107
Program Support	97	-	95	-	85
<i>Sub-Total</i>	385	-	383	-	380
<i>Total</i>	1,500	-	1,488	-	1,000

Mexico

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
37,000	39,680	30,000

Program Objectives and Performance Indicators

BORDER AND PORT SECURITY

Enhance Mexico's ability to control its borders and ports of entry to detect, stop or deter the trafficking of persons, drugs, precursor chemicals, explosives, weapons, illicit funds and other contraband to or from the United States while promoting the faster and easier flow of legal visitors, goods, and services.

Continue five-year plan to provide high-tech screening equipment and training to the principal land crossing points at the Mexican/U.S. border designed to significantly enhance ability to thoroughly and effectively inspect traffic entering and departing the U.S. to increase the detection of seizure of contraband, deter trans-border crime, while reducing delays of legitimate border-crossing. FY 2006 funds will be used to procure up to three additional units of non-intrusive inspection equipment (NIIE) and construct up to two additional SENTRI (Secure Electronic Network for Travelers' Rapid Inspection) Lanes for the U.S./Mexico land border crossing points. At each NIIE installation, the additional inspection capability should increase detection and seizures of contraband by 10% while reducing waiting times for border crossings 10%. For each new SENTRI installation, the overall traffic through regular inspection should be reduced by 10% (with a much higher impact during peak hours) with a 20% improvement in peak hours.

Complete four-year plan to implement the Advanced Passenger Information System (APIS), used to compare names from airline manifests against data bases at principal international airports to detect criminal or possible terrorist suspects (primarily focusing on counter-drug and counter-terrorism). FY 2006 funds will complete a project begun in FY 2004 to provide inter-operability between APIS with other Mexican intelligence, criminal, and immigration data systems. These funds will also expand distribution of APIS data to other law enforcement entities to enable them to use such information as well as provision of important biometric tools to verify identities of arriving or departing travelers. The final implementation of this program will result in all air passenger manifests being automatically checked against multiple criminal, terrorism, and law enforcement data banks in both the U.S. and Mexico from flights going to the U.S. and those terminating in Mexico but with US-bound connects to provide effective security screening against potentially dangerous

passengers prior to their arrival at U.S. airports. This will also create a significant deterrence to using commercial air flights as a means of illegal entry into the U.S.

Continue to strengthen Mexican capabilities to control its southern border against the trafficking of drugs, precursor chemical, arms, illicit funds, people, and other contraband by intercepting illicit activities heading for the U.S. border earlier. FY 2006 funding will procure three NIIEs for use in the southern border and will support the creation and use of mobile interdiction task forces to be fielded in central and southern Mexico. Programs will also provide basic infrastructure improvements (computer equipment, building improvement, field gear, etc.) to enhance efficiency at Mexico's four principal southern land crossings. These new resources will increase southern detection and seizure of contraband by 10% and provide additional deterrence against using southern Mexican land routes for criminal activity.

Continue to enhance security against illegal activity (particularly drug trafficking and terrorist movements) at principal Mexican maritime and airports. Funding will include training, development of security infrastructure, and promoting private sector support of maritime ports and airport security and commercial traffic screening in order to increase by 10% the detection and seizure of illegal traffic.

INTERDICTION

Expand Mexico's operational capabilities and mission coverage to attack the production and transport of drugs, precursor chemicals, illicit funds and other trafficked items going to or coming from the United States.

Continue direct support to counternarcotics-related law enforcement activities, including training, logistical support, and equipment to broaden the area of counter-drug coverage, increase the interdiction of illegal substances, and maximize the disruption of illegal trafficking. These investments should result in at least a 10% increase in: the volume of seized drugs and precursor chemicals; the number of drug production facilities discovered and destroyed; the value of seized assets; and the level of drug-related arrests.

Contribute to a multi-year recapitalization of the Attorney General's Air Services Section to address the critical need for expanded air support (see Organized Crime and Counternarcotics Enforcement program). This will include refurbishing up to four UH-1H transport helicopters and procuring of up to four Schweizer reconnaissance helicopters. This recapitalization will be reflected in the improvement of programs noted above.

Increase bilateral cooperation to target transnational organized crime groups and their illegal activities with a focus on dismantling organizations, disrupting the production and flow of illegal goods and funds, and capturing and prosecuting traffickers and criminal leaders.

Provide continuing direct support of specialized law enforcement units (analytical, investigative, enforcement, and prosecutorial) to improve capacity to identify, track, stop, and ultimately deter illegal activity, and to dismantle criminal organization/arrest leaders.

This program will contribute to the 10% increase in overall counter-drug and law enforcement activity noted above.

ERADICATION

Promote and support the expansion and improvement of Mexico's program to identify, quantify, and destroy the cultivation of opium poppy and marijuana.

Provide operational and technical support to assist Mexico in expanding its efforts to more effectively detect and evaluate illicit drug crop cultivation, eradicate an increased percentage of these crops in the field, and improve the management and use of limited resources. This support should result in the overall 10% increase in the eradication of both opium poppy and marijuana cultivation. Funds will also support continuing scientific evaluation of illegal drug crop cultivation and yields, manufacturing systems and production costs, and marketing mechanisms to enhance both countries' understanding of the sector with the hope of discovering additional vulnerabilities to attack.

Contribute to a multi-year recapitalization of the Attorney General's Air Services Section to address the critical need for expanded air support (see Organized Crime and Counternarcotics Enforcement program).

INSTITUTION BUILDING

Advance law enforcement sector modernization, professionalization, and reform to improve capacity, efficiency and effectiveness.

Institutionalize advances made through bilateral programs, especially in the offices of the Mexican Attorney General (PGR). This will cap off a five-year anti-corruption and institutionalization initiative that is helping reform and reinvent the PGR's principal law enforcement agencies: the Federal Investigative Agency (AFI - counterpart to the U.S. FBI and DEA); the National Center for Analysis, Planning and Intelligence (CENAPI) which gathers, coordinates and analyzes intelligence on organized crime); and the Deputy Attorney General for Organized Crime Office (SIEDO - to coordinate federal efforts and enhance prosecution efforts).

Continue the third year of the four-year aircraft initiative to provide refurbished and new helicopters that will allow an expansion of law enforcement coverage and increase of its efficiency (in both eradication and interdiction programs).

Support the second year of the initiative begun in FY 2005 to upgrade law enforcement training infrastructure through modernizing curriculum and enhance the quality and availability of professional training to federal police entities. The program focus will shift significantly from providing direct training (as was done prior to FY 2005) to improving and expanding existing Mexican training infrastructure to improve the GOM's permanent ability to train its own personnel. Funding will be dedicated to improving the physical infrastructure of federal law enforcement training academies, evaluating and refining the curriculum of

courses, and providing intensified “train-the-trainer” instruction for the teaching cadre. The goals are to help Mexico create self-sustaining capacity to offer better training to federal, state and municipal law enforcement personnel, with emphasis on basic criminal investigations, interviewing techniques, and preservation of crime scene and collection of evidence. In addition, our assistance will promote mixing federal, state, and local police officers in all training provided by the GOM in order to offer more training opportunities at the state and local levels and enhance cooperation among and different offices and jurisdictions.

SOCIAL SECTOR SUPPORT

Encourage public and community mobilizations against drugs and for a society based on law.

Increase support to demand reduction programs aimed at educating the populace to the dangers of drug trafficking, combating the domestic abuse of substances and promoting a culture of lawfulness. FY 2006 will fund the continued expansion of the “culture of lawfulness” program (designed to orient secondary school children towards a society based on positive values and enforcing/obeying laws) throughout the country and will complete the U.S.-support, weaning program towards full self-sufficiency. INL will continue low-level but critical assistance to small NGO programs that combat gangs and drug abuse.

Program Justification

President Fox recognizes that trafficking and international criminal activities represent a clear and serious threat to U.S. and Mexican citizens, economies, and governments. Building on the unprecedented atmosphere of cooperation and support of the previous five years by the Fox administration, INL has invested INCLE funds to implement an ambitious array of new initiatives and to enhance existing bilateral programs aimed at improving Mexican law enforcement institutions and strengthening bilateral cooperation and coordination.

Although there has been significant and growing progress in a large number of law enforcement areas, there are still major challenges facing Mexico. Mexico remains one of the suppliers of illicit drugs to the U.S. market; it is both a major producer of heroin, marijuana, and synthetics and a key transshipping country for Andean-produced cocaine, heroin, and marijuana, and the base of international crime organizations with extensive networks throughout the U.S. The over 2,000 miles of common border and scores of seaports and airports that directly provide exit ports for travelers and commercial traffic to the U.S. make Mexico one of the largest potential gateways for drugs, terrorism and other criminal activity that directly threaten U.S. security and well-being.

CY 2006 will be the final of the six-year term of President Fox, and the last year of this unique window of opportunity for bilateral law enforcement programs. A robust FY 2006 budget becomes critical to: maintain support of ongoing programs important to U.S. interests (e.g., interdiction, eradication, dismantling organized crime); conclude projects begun earlier in the Fox administration (border control); institutionalize the progress (especially PGR and criminal justice sector reforms and professionalization efforts) achieved in the last five years

to ensure their permanency in the Mexican law enforcement system and continue the high tempo of activity in counterdrug, counter-crime, and counter-terrorism operations.

A fully funded FY 2006 budget will also allow bilateral programs to take on new program initiatives and policy challenges important to both countries. These include broadening support and training to other major Mexican law enforcement offices (including Mexican customs, emigration, state/municipal police); a priority focus on hardening counterdrug and counter-terrorism controls at the geographic chokepoint in southern Mexico; and promotion of sub-regional and hemispheric cooperation.

Program Accomplishments

INL programs have built and invested in improving Mexican law enforcement capacity, capability, coverage and efficiency during the initial five years of the Fox Administration, taking full advantage of unprecedented support, coordination, and cooperation from the Mexican government and its principal law enforcement bodies. As a direct result, there have been major advances across the broad spectrum of bilateral law enforcement immediate and long-term goals that have helped improved the homeland security of the U.S. and aided in the global fight against international criminal activity.

Since 2002, a major part of the INL bilateral program in Mexico has been directed towards enhancing Mexico's ability to secure its land, water, and air border with the U.S. As a result, Mexico has made serious advances in improving the physical inspection infrastructure and personnel at its largest crossing points along the joint border with the U.S. (including 20 state-of-the-art NIIEs that have aided in detecting and seizing millions of dollars of contraband and bulk cash in their first year of operations), tightened security for passengers and goods exiting its principal sea and airports (including APIS coverage for all 16 Mexican international airports with flights to the U.S. that identified several fugitives and suspicious travelers in the first year of operations) towards the U.S., and begun a initiative to detect and deter illegal traffic entering through its southern border (eventually heading for the U.S.).

Affecting the immediate problem of international crime, Mexico has destroyed thousands of hectares of illicit drug crops (opium poppy and marijuana), seized and destroyed tons of drugs (heroin, cocaine, methamphetamines, synthetics, and marijuana) destined for U.S. markets, arrested and prosecuted record numbers of criminal kingpins and their principal lieutenants, intercepted millions of dollars of criminal proceeds, and handed over record number of criminals to U.S. authorities. On longer-range efforts, Mexico and the U.S. have worked to begin fundamental reform of the Attorney General's office, the principal federal law enforcement agency, by reinventing and modernizing its principal investigative (AFI - Federal Investigative Agency), intelligence (CENAPI - Counternarcotics and Anti-Crime Intelligence Center) and prosecutorial (SIEDO - Deputy Attorney General's Office on Organized Crime) offices.

FY 2006 Program

USG programmatic bilateral support for counternarcotics and law enforcement is carefully balanced between the immediate goal of directly attacking existing cross-border criminal activity and the longer-term goal of enhancing Mexico's law enforcement institutions and permanent ability to attack and deter crime affecting USG interests.

Border and Port Security

This funding will build on and expand the infrastructure improvements made possible by the 2002 Emergency Supplemental and the FY 2004 and 2005 INCLE budgets to strengthen Mexican border security and promote the efficient flow of legal goods, persons, and services. FY 2006 funds will focus on finalizing the U.S./Mexico border and international air and seaports efforts as we continue assistance to secure Mexico's southern border from a steady flow of drugs, arms, undocumented aliens and other clandestine movements.

Border Support Infrastructure: Funding will be used to provide Mexican law enforcement, security and intelligence services with state-of-the-art equipment to increase their capacities to secure Mexico's borders, investigate criminal activities and prevent terrorist breaches. This support will emphasize improving mobility (air and land vehicles) to expand operational coverage and decrease reaction-time, providing full and secure communications to enhance efficiency and command/control, and supply advanced electronics (night vision devices, surveillance items, computer technology) to expand law enforcement capabilities and capacity.

Enhanced Inspection: Funding will be used to procure and install up to three additional Non-Intrusive Inspection Equipment (NIIE) units to: (1) improve capabilities at two additional northern ports of entry, (2) enhance coverage at sea ports and commercial air cargo facilities, (3) establish interior transportation choke points (mobile units) and (4) establish screening capacity at up to two key southern ports of entry. These enhancements should increase interceptions of drugs, cash, weapons and undocumented persons.

Enhanced Traffic Flow: Funds will assist Mexico to construct one or two additional SENTRI lanes to better document, monitor and efficiently control the flow of legitimate commercial cargo, private vehicles, and pedestrians across our common border. Using SENTRI lanes expedites legal transit allowing law enforcement to focus more inspection resources on travelers with suspicious or unknown backgrounds. Public information efforts will promote enrollment of Mexican businesses and frequent travelers in the SENTRI program.

Mobile Interdiction Team: Funding will be used to procure up to three additional mobile vans and finalize a three-year project to establish, train, equip, and deploy specialized mobile interdiction teams to assist Mexican agencies to improve their ability to control the flow of people, vehicles and goods entering Mexico from the south - a natural chokepoint for smuggling routes from Central and South America.

National Criminal Data Base: Funding will help develop a multi-year project to establish and operate an inter-active national data bank of criminal archives, investigation, prosecution, and general information. This project will provide a computer platform to interlink the major federal and state law enforcement and judicial agencies and will be an investigative, prosecutorial, and archiving tool.

Strengthening Mexico's Southern Border Strategy: Strengthening Mexico's southern border will play a significant role in our efforts to interdict clandestine movements of illegal drugs, arms, cash, other contraband and undocumented aliens from Central and South America, through Mexico, en route to the United States. Our strategy will consist of coordinating elements of the projects described above, such as NIIE units and Mobile Interdiction Teams, to create a cohesive program in Mexico's southern border. Additionally, following up on previous-year NAS training in Mexico's northern border, this effort will include a southern border-training component that will train and equip Mexican customs, immigration, and police officials in border-related courses such as search and rescue, navigation, and medical first response.

Counternarcotics/Criminal Justice Sector Institution Building

Institution Building: Strengthening the institutions within the criminal justice sector is central to the government's ability to combat organized crime – including international drug cartels and terrorist organizations – and to cooperate effectively with U.S. and other international partners. FY 2006 will complete a four-year intensive effort to reform, professionalize and modernize the principal federal law enforcement bodies of the Mexican Attorney General's Office - an investment that saw the creation of the Federal Investigations Agency (AFI - counterpart to the U.S. FBI and DEA and the principal investigative agency), the anti-crime intelligence center (CENAPI - an expansion of the role of the earlier drug intelligence center to all major crimes), and special prosecutors office for organized crime (SIEDO). Funding will include the purchase of modern investigative equipment, secure communications, computers, analytical software, vehicles, and tactical training for federal law enforcement and prosecutorial entities.

Training and Professionalization: This parallels and integrates with institutional and infrastructure investment. Funding will support long-term projects to complete modernization and enhancement of the training infrastructure for federal law enforcement - including facilities, curriculum and teaching methods and provide ongoing training and technical support to fully integrate modern technology and equipment into federal law enforcement offices

Anti Corruption: The primary focus of funding will be to expand the highly successful Culture of Lawfulness project (an anti-crime initiative that mobilizes teenagers and communities to improve their system of government, fight corruption, and to resist the lure of youth gangs) throughout the country and to more grade levels. Funding will also support the continued growth and development of the anti-corruption initiatives involving the Secretariat of Public Service (SFP), responsible for detecting and deterring corruption, and the Office of the Deputy Attorney General for Organized Crime (SIEDO), responsible for prosecuting

criminal acts. Funding will support efforts of the PGR's Center for Human Development (formerly known as the Center for Confidence Control) to expand its ability to investigate, combat and deter corruption and misconduct, including through regular testing of all PGR personnel. Support will include training in anti-corruption investigation techniques, information management, computers, use of polygraph equipment (maintenance and operation), and development of software to enhance the quality of periodic examinations.

Organized Crime and Counternarcotics Enforcement

Interdiction and Eradication: This will be the third year of special emphasis on increasing Mexico's operational abilities to stop drugs from getting to U.S. markets. Funding will be used to enhance and broaden both interdiction and eradication efforts through direct operational support. Emphasis will be on the continued increase of aerial eradication with the objective of significantly reducing the cultivation of opium poppy and marijuana crops - stopping drugs before they are produced. Funding will also support broadening the coverage and increasing the effectiveness of interdiction missions (especially in the northern region bordering on the U.S.) to seize and destroy more drugs being smuggled from or through Mexican territory.

Aviation Support: Aviation plays a key role in air and overland interdiction – detection, monitoring, tracking, interception – and a supporting role in maritime interdiction. The Office of the Mexican Attorney General (PGR) operates a large air fleet that includes fixed- and rotary-wing aircraft for tracking and interception as well as for aerial eradication. FY 2006 funds represent the third year of a four-year investment to refurbish up to 29 UH-1H transport helicopters, the workhorse of the interdiction air fleet, and purchase up to 28 Schweizer light-turbine surveillance helicopters. Funding will also provide training for pilots, mechanics, sensor operators, and analysts, support an interagency interdiction Command/Control Center, repair sensors on the PGR's tracker aircraft, continue support for the other Mexican government law enforcement air support programs. The increase in mobility and air readiness will support increased interdiction missions and a broader law enforcement area of operations. It will directly enable the aerial eradication program to maintain its escalating tempo to destroy an increasing percentage of illicit drug crops before they are processed and smuggled to U.S. markets.

Demand Reduction/Drug Awareness

Mexican non-governmental organizations (NGOs) play important roles in drug abuse prevention and education. Under this project, we will support activities of the Mexican Government and NGOs to reduce demand for drugs and to enhance their collaboration, including Binational Demand Reduction Conferences, collection and development of better epidemiological data on drug abuse in Mexico, initiatives to bolster prevention programs through educational efforts in the schools and the workplace, and rehabilitation. Funding under this project will also support public information campaigns and outreach programs as well as development of curricula for drug abuse and crime prevention programs. We will devote much of the funding under this project to support projects in the northern border

areas, where rates of drug abuse have reached three times the national average. Derivative criminal activity stemming from drug abuse affects U.S. border communities.

Program Development and Support

Budget is dedicated to salaries, benefits, allowances and travel of direct hire and contract U.S. and foreign national personnel, residential leasing, ICASS funding and other administrative and operating expenses for program planning, design, implementations, monitoring and evaluation.

Mexico					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Homeland Security/Border Control	15,000	-	14,880	-	10,750
Narcotics and Crime Law Enforcement					
Institutional Support					
Office of the Attorney General	1,500	-	1,488	-	1,000
Professionalization and Training	2,500	-	2,480	-	2,000
Anti-Corruption	500	-	496	-	450
Equipment and Infrastructure	1,000	-	992	-	750
Anti-Money Laundering	500	-	992	-	450
Sub-Total	6,000	-	6,448	-	4,650
Counternarcotics/Organized Crime Support	1,000	-	992	-	750
Drug Interdiction & Crop Eradication Support	3,278	-	5,126	-	3,500
Aviation Support	10,017	-	10,250	-	8,500
Sub-Total	14,295	-	16,368	-	12,750
Sub-Operational Support	20,295	-	22,816	-	17,400
Drug Awareness/Demand Reduction/Community Outreach	250	-	248	-	200
Program Development and Support					
U.S. Personnel	358	-	452	-	455
Non-U.S. Personnel	190	-	257	-	260
ICASS Costs	324	-	438	-	435
Program Support	583	-	589	-	500
Sub-Total	1,455	-	1,736	-	1,650
Total	37,000	-	39,680	-	30,000

Latin America Regional

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
4,850	3,224	2,000

Program Objectives and Performance Indicators

Selected law enforcement agencies have an enhanced ability to investigate, prosecute, seize and forfeit assets, interdict drug and chemical shipments and control money laundering.

The number of arrests and successful prosecutions of drug traffickers and money launderers will increase significantly, as will the number of drug seizures, the amount and value of drugs and assets seized, and the number of smuggling attempts deterred.

Selected criminal justice institutions are better able to respond effectively to threats of drug trafficking, narcotics-related crime and corruption.

Effective statutes against narcotics trafficking, money laundering, and corruption will be adopted and implemented and the number of successful investigations and prosecutions will increase.

Bilateral and multilateral mutual legal assistance and extradition cooperation are expanded.

The response time for responding to MLAT requests will improve while the number of successful extraditions will increase.

As nations enter into cooperative agreements and receive training, materiel and support for combined operations, the number of successful drug interdictions will increase.

Hemispheric and sub-regional institutions that promote intergovernmental initiatives against drug abuse and drug-related crime are fortified.

Regional bodies will undertake new antidrug initiatives that will result in a decrease in the level of drug abuse registered.

Program Justification

The sixteen countries covered by the Latin America Regional Account are important drug transit countries for South American drugs headed to the U.S. Reduced resource levels will

permit funding only of the most critical needs in countries where other funding sources are not available. Many of these transit zone countries have weak institutions and few resources to fight trafficker violence, corruption, and drug abuse. For these countries to become effective partners in our efforts to disrupt the drug trade, they desperately need assistance to strengthen their law enforcement institutions and their capacity to interdict drug shipments. They also have a strong need for drug abuse prevention/treatment programs to protect their societies from the corrupting influences of the narcotics trade.

Program Accomplishments

Cocaine seizures in the Transit Zone increased to record levels -157MTs – in 2003 and are expected to do so again in 2004. According to DIA's Interagency Assessment of Cocaine Movement, seizures in the Caribbean and Central American trafficking corridors also increased, although the performance of individual countries was uneven. According to the OAS/CICAD's most recent statistics, the number of persons arrested for drug related offenses in the Caribbean and Central America increased by 30% in 2002 over the previous year. In 2004, member states of the Caribbean Financial Action Task Force seized or confiscated assets valued at more than \$45 million as a result of money laundering investigations.

By the end of 2004, member states of the Caribbean Financial Action Task Force (CFATF) had enacted anti-money laundering legislation and established Financial Investigative/Intelligence Units as mandated by the Financial Action Task Force (FATF). In addition, FATF had removed the sole remaining country in the region on its list of non-cooperating countries and jurisdictions. The U.S./UK/EU-funded Caribbean Anti-Money Laundering Programme (CALP), which completed its five-year program in 2004, was a major factor in CFATF's ability to achieve compliance with FATF standards. CALP successfully developed sustainable institutional capacity in the region to address money laundering issues through its legal, financial and law enforcement training projects.

Inspection stations in Costa Rica, Nicaragua, El Salvador, and Honduras operating within the INL-funded Container Freight Tracking System, registered increases in drug seizures during 2004.

The U.S. in 2002 participated in successful negotiations co-chaired by Costa Rica, the Netherlands and CARICOM on The Caribbean Regional Maritime Counternarcotics Cooperation Agreement designed to foster multilateral cooperation and coordination in the carrying out of maritime law enforcement operations. Signed in 2003 by Costa Rica, the Dominican Republic, France, Guatemala, Haiti, Honduras, Jamaica, the Netherlands, Nicaragua and the United States, the agreement will come into force upon ratification by five countries. Progress was made toward that goal when Belize ratified the agreement during 2004, joining the United States and Jamaica.

FY 2006 Program

Reduced funding levels will require the scaling back or elimination of country programs, projects within those programs, and of the personnel managing them.

Caribbean Country Assistance: The Caribbean accounts for an estimated 10-20 % of the drug flow to the U.S. Funding will concentrate on the maintenance of Caribbean capabilities in interdiction, law enforcement and administration of justice. Support will be provided to sustain and enhance the regional anti-money laundering capability developed by CALP for CFATF member states. SOUTHCOM's Joint Inter-Agency Task Force (JIATF-S) will coordinate the maritime and air interdiction detection operations of the Regional Security System (RSS) – a treaty-based organization consisting of the seven Eastern Caribbean islands - and Trinidad & Tobago C-26 programs.

Central America Country Assistance: An estimated 80-90 % of the drug flow to the U.S. transits the Central American land/sea corridor. Funding will target drug interdiction efforts and promote improved regional and cross-border cooperation aimed at stemming the flow of drugs. Assistance will include computer equipment to upgrade law enforcement, court, immigration, and anti-money laundering systems, maintenance and repair of vehicles and vessels, upgraded communications equipment and training. Ongoing regional anticorruption, anti-alien smuggling and commercial freight tracking initiatives will also be supported.

South America Country Assistance: Funding will be focused on Paraguay to complement INL Crime and S/CT projects in the Tri-Border area-targeting terrorist financing and intellectual property rights violations. INL is also supporting President Duarte's efforts against corruption, such as the establishment of an internal affairs unit in its Anti-Narcotics Secretariat, SENAD.

Regional Programs: In 2006, U.S. funding for the C-26 programs will cease and the RSS and Trinidad and Tobago will assume full responsibility for the operation and maintenance of the aircraft. Funding for the U.S. Coast Guard's Caribbean Support Tender that provides maritime training and maintenance support to countries in Central America and the Caribbean will also be terminated.

Program Development and Support (PD&S): PD&S funds will be used to pay salaries, allowances, and benefits of U.S. and foreign national direct hire employees and contract personnel working in Narcotics Affairs Sections or Offices in the region. In addition, funds pay for International Cooperative Administrative Support Services (ICASS) costs and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Latin America Regional					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Caribbean Country Assistance	1,076	-	600	-	600
Central America Country Assistance	1,076	-	600	-	600
South America Country Assistance	567	-	300	-	300
Regional Programs	810	-	500	-	-
Program Development and Support					
US Personnel	500	-	500	-	300
Non-US Personnel	400	-	400	-	50
ICASS Costs	200	-	200	-	100
Program Support	221	-	124	-	50
Sub-Total	1,321	-	1,224	-	500
Total	4,850	-	3,224	-	2,000

Africa

Liberia

Budget Summary (\$000)

FY 2004 Actual	FY 2004 Supp.	FY 2005 Actual	FY 2006 Request
-	A	5,000	2,000

Program Objectives and Performance Indicators

International Civilian Police (CIVPOL) continue deployment to Liberia under the auspices of the UN Peacekeeping Mission in Liberia (UNMIL), helping to maintain law and order; and continue training, vetting, restructuring, and monitoring the new Liberian Police Service.

UN International Civilian Police continue to monitor, advise and train the new Liberian force. Citizen-police relations will improve as measured by increased reporting of crime. The number of civilian police deployed will decrease as the numbers of Liberian police officers trained and vetted increase. US police will be reduced from 20 officers to a maximum of 10 officers in FY 2006.

Program Justification

After more than two decades of conflict and instability, Liberia has only the barest law enforcement infrastructure and little capacity to control its borders or enforce its laws. Its diamond fields and forests have attracted significant illicit commercial activity. Protracted conflict has created an environment where crime replaces combat. Enhancing the ability of the Liberian government to deal with these and other law enforcement concerns is a key priority for INL.

Security will contribute to lasting peace in Liberia, which will help stabilize the entire sub-region. To this end, INL will continue to support peacekeeping operations by providing US civilian police (CIVPOL) to the International Police Service (IPS) in UNMIL. After almost two years of vetting and training Liberian National Police to take on more responsibility for law enforcement, ongoing activities for the IPS will include advising, monitoring, and more on-the-job advanced training of the new Liberian Police Service.

^A In FY2004, \$8.5 million was provided to fund the US contribution of police officers to the UNMIL CIVPOL operation in Liberia. This amount was funded by the IRRF supplemental (\$7.438 million) and by reprogramming FY 2001, FY2002 and FY2003 INCLE funds (\$1.062 million). CN 04 0049 and CN 04 0248 provided notification to obligate \$16.2 million in FY 2004 International Disaster and Famine Assistance (IDFA) funds from the Emergency Supplemental Appropriations Act for Defense and for the Reconstructions of Iraq and Afghanistan, 2004 (P.L. 108-106) for law enforcement assistance activities.

Program Accomplishments

10 US civilian police (CIVPOL) were deployed to the UNMIL mission in December 2003, joining police from 35 other nations forming the International Police Service (IPS). Another 66 US CIVPOL joined UNMIL in February 2004 for a total of 76 US officers. In January 2005 we began to draw down the US contingent. By February 2005 a total of 20 US CIVPOL remained in the mission.

Vetting and training of the Liberian police is ongoing. A three-month training program covering basic policing skills and human rights, followed by a six-month field-training program and one month of specialized training have been established at the Police Services Training Academy in Monrovia. Six classes of approximately 150 each have been commissioned and are now completing their six-month field training.

Essential equipment including boots, uniform pants and shirts, computers, typewriters, printers, cameras, crime scene kits, and drug test kits were procured and donated by INL to the LNP in January 2005. An assessment of the communications needs of the Liberian police was concluded in December 2004. The report will serve as the basis for establishing badly needed communications capability for the LNP.

A team of justice sector professionals, including a federal court judge, two prosecutors, and one court administrator, traveled to Liberia in January 2005 to evaluate the state of the judiciary, courts, and prosecution services. Recommendations from the assessment will advise INL of how to most effectively utilize prior year funds set aside for justice assistance.

FY 2006 Program

The FY 2006 program will continue support focusing on crime control assistance by providing US police officers to the UNMIL peacekeeping mission. US CIVPOL will continue to ramp down, from 20 to 10 US officers. In FY 2006 US CIVPOL will promote a more proactive role in, and greater responsibility for day-to-day policing functions by the LNP. US CIVPOL will continue mentoring, advising and monitoring the LNP to encourage better police-community relations and discourage human rights violations. US CIVPOL will continue to co-locate with Liberian officers in their stations and engage in joint patrols.

PD&S funds will be used for the salaries, benefits, allowances, and travel of direct hire and contract U.S. and foreign national personnel, International Cooperative Administrative Support Services (ICASS) costs and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Liberia					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Crime Control					
Civilian Police	-	A	3,400	-	1,800
Police Development and Reform	-	-	1,000	-	-
Criminal Justice Development					
Judicial Reform	-	-	300	-	-
Anti-Corruption	-	-	100	-	-
<i>Sub-Total</i>	-	-	4,800	-	1,800
Program Development and Support					
U.S. Personnel	-	-	120	-	120
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	-	-	70	-	70
Program Support	-	-	10	-	10
<i>Sub-Total</i>	-	-	200	-	200
<i>Total</i>	-	-	5,000	-	2,000

A - See Liberia footnote A.

Nigeria

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
2,250	2,232	1,000

Program Objectives and Performance Indicators

Nigerian law enforcement's capacity to deter, prevent and investigate trafficking in narcotics continues to be strengthened. Nigerian drug enforcement authorities become effective and reliable partners with U.S. and other West African law enforcement agencies.

Counternarcotics training facilities upgraded and expanded; joint training delivered; training delivered leading to improved investigative and interdiction skills, and resulting in an increased ability to stop the flow of drugs through international airports, seaports and border entry points; new channels for communication and cooperation result in increased transnational collaboration on investigations and prosecutions of cases with West African and other countries.

Cooperation among prosecutors, judges and the police, especially in the prosecution of financial fraud and corruption cases, is strengthened.

Assessment conducted and strategy for improving cooperation developed; evidence collection and preservation techniques improved; joint training of law enforcement and criminal justice personnel leads to improved collaboration on corruption cases; increased investigations, arrests and prosecutions of money laundering and other financial crime cases.

Program Justification

INL programs in Nigeria are designed to achieve key United States foreign policy objectives of strengthening democratic institutions and protecting the U.S. against international crime by improving the performance of the criminal justice sector.

Nigerian organized crime groups dominate the African narcotics trade, transporting narcotics to markets in the United States, Europe, Asia and Africa. Some of these criminal organizations are engaged in advance-fee fraud and other forms of financial crime that defraud U.S. citizens and businesses. Years of military rule and economic decline contributed to the expansion of narcotics trafficking and criminality in Nigeria. Severe unemployment and widespread corruption provided both an incentive and the means for

Nigerian criminal organizations to make Nigeria a major transit point in the international narcotics trade. Southeast and Southwest Asian heroin smuggled through Nigeria amounts to a significant portion of the heroin smuggled into the United States, resulting in Nigeria being placed on the U.S. list of major drug producing and drug-transit countries.

Since the end of military rule in 1999, the importance of adopting modern and effective techniques appropriate for policing in a democracy is evident. As the Nigeria Police Force (NPF) becomes more professional, it is crucial to build bridges between the police and the judiciary in order to improve the rate of criminal convictions. Success in this effort is critical to strengthening democratic institutions in Nigeria.

Program Accomplishments

Since its return to democratic government, Nigeria has demonstrated its commitment to cooperating with the U.S. in combating international crime emanating from Nigeria, including narcotics trafficking and financial fraud. With the continued assistance of the U.S., the GON is also focusing on combating public corruption. In January 2003, the instruments of ratification of the U.S.-Nigerian Mutual Legal Assistance Treaty were exchanged and the Treaty entered formally into force. Nigeria earned full certification the past four years for its counternarcotics efforts, including successful prosecutions of 98 percent of the 3,067 drug traffickers (mostly low-level couriers) arrested. The Economic and Financial Crimes Commission (EFCC), established in 2002 and fully constituted in April 2003, has been credited with the recovery or seizure of more than \$500,000,000 in assets obtained through fraudulent means. In addition, the Independent Corrupt Practices and Other Related Offences Commission (ICPC), which has received U.S. assistance, conducted investigations involving 14 governors, several National Assembly members and at least three current and former cabinet ministers. Of the more than 1,200 petitions filed since ICPC's inception, 608 have been referred to the Investigations Department. Forty criminal cases have been referred to the courts, involving more than 80 persons. ICPC opened two field offices in Lagos and Kaduna, and is currently in the process of opening two more in the northeast and the southeast sections of the country.

Counternarcotics: Counternarcotics assistance has been focused on the Nigerian National Drug Law Enforcement Agency (NDLEA), which has sole responsibility for combating narcotics trafficking and abuse and which cooperates with U.S. counterpart law enforcement agencies. INL has supported the NDLEA with technical assistance and training since 1999, and the results are notable. During 2003, NDLEA created "State Commands" to ensure a comprehensive nationwide presence of the Agency. NDLEA now has 37 State Commands in addition to its National Headquarters and ten Special Area Commands. In the past year, NDLEA seized 534 kilograms of heroin, 92 kilograms of cocaine, 51,000 kilograms of cannabis, and 198 kilograms of psychotropic substances. In the past year, there have been 3,067 drug traffickers arrested with 98 percent of them—mostly low-level couriers—successfully prosecuted. In addition, in 2003 the Agency located and destroyed 159,202 hectares of cannabis throughout the country.

U.S.-provided equipment and training have assisted the NDLEA in detecting and deterring narcotics trafficking from Lagos' Murtala Mohammed International Airport (MMIA). In September 2003, INL provided a modern, digital x-ray machine for the NDLEA at MMIA. The old x-ray equipment was moved to the international airport in Abuja where the NDLEA has had great success in interdicting couriers destined for Europe and the United States. NDLEA also acquired three sniffer dogs from the South African Police Service, which complements the equipment at MMIA. Traffickers are increasingly avoiding MMIA, illustrating both NDLEA's effectiveness and the need to increase interdiction capacities elsewhere in Nigeria and West Africa.

NDLEA has been included in all INL-funded training courses dealing with cyber crime and computer forensics that have been offered by the USSS and FBI. NDLEA also participated in a three-part ATF/Customs training program dealing with small arms trafficking through the ports and land borders. NDLEA's inclusion in this training with its Customs and Immigration counterparts contributed to successful collaborations in the inspection of containers and also in identifying contraband other than drugs.

In 2004, NDLEA agents participated in several regional search and seizure operations resulting in the seizure of several hundred kilograms of cocaine in Ghana and Benin Republic. In the case of Ghana, although the cocaine--over 675 kilograms--was located in that country, through regional cooperation, NDLEA was able to seize the vessel that the drugs was transported on and arrest the vessel owner on drug-trafficking charges. In Benin, agents from NDLEA's Joint Task Force recently participated in the seizure of more than 93 kilograms of cocaine.

Financial Fraud: U.S. intervention was instrumental in pushing through legislation on money laundering, and the creation of an Anti-Terrorism, Economic and Financial Crimes Commission (EFCC) that responded to Financial Action Task Force (FATF) standards.

Since May 2003, the EFCC-established Financial Intelligence Unit (FIU) has recovered or seized assets of financial crime valued over \$219 million from various fraudsters inside and outside of Nigeria, and more than \$7 million from a syndicate that included highly placed government officials defrauding the Federal Inland Revenue Service. NDLEA, in collaboration with the U.S. Federal Bureau of Investigations, helped intercept over \$3 million worth of fraudulent checks and in cooperation with Federal Express, recovered over \$200,000 in merchandise that was purchased with stolen credit cards.

Initially, the NDLEA's anti-money laundering activities were limited to general investigations. Recently, the NDLEA's financial investigation capacity has been improved by upgrading the financial investigative unit to a full-fledged Directorate. Other concrete steps include establishing an inter-ministerial committee headed by the Permanent Secretary to the President and engaging in constructive dialogue and correspondence with FATF on how to meet FATF goals. Recently, Nigeria passed the 2004 Money Laundering Act, which more closely adheres to FATF standards with regards to threshold levels.

Police Modernization: A DOJ/ICITAP Police Advisor/Program Manager was assigned in August 2002 to assist the NPF with modernization and reform efforts. More than 100 instructors have been trained to teach several different disciplines, including civil disorder management, election security and community policing. The first class of 500 recruits using the new curriculum graduated in December 2003 and was assigned to the Kaduna metropolitan area. In April 2004, a community policing project focusing on linking the NPF with the Inter-Faith Forum was implemented in Kaduna. Bicycle patrol training was also offered and by August, more than one hundred officers from the Rigasa region had been trained.

In April 2004, an INL-funded technical advisor continued to provide assistance working with the civilian oversight body, the Police Service Commission (PSC), in Abuja to enforce its mandate to oversee the recruitment, promotion, and discipline of members of the NPF. The advisor assisted the PSC in drafting standard operating procedures and advised them on developing a working relationship with the NPF. By June, the advisor had assisted the Commission in developing a code of conduct, mission statement, a code of ethics, civilian complaint forms, a system for classifying complaints, guidelines for investigative staff, rules of evidence collection and storage, and procedures for filing complaints. In May 2004, a two-week Basic Criminal Investigation Course was offered in Abuja to selected members of the PSC's Department of Investigations, representatives from all other departments within the PSC, and the Commissioner and chairman of the PSC.

FY 2006 Program

Nigerian criminal organizations are international in scope and have a direct impact on the United States. FY 2006 funds will be used to continue to build strong counterpart agencies for U.S. law enforcement in two critical areas: counternarcotics and financial fraud.

Counternarcotics Support. FY 2006 funds will provide training and technical assistance to the National Drug Law Enforcement Agency (NDLEA) to support a drug interdiction program. Training will be conducted at the NDLEA Academy in Jos.

Financial Fraud: To ensure that financial regulatory organizations have the capacity to pursue investigations and prosecution of financial crimes, FY 2006 funds will be used to provide training and technical assistance to the newly created Economic and Financial Crimes Commission (EFCC), as well as INTERPOL and the Special Fraud Unit of the NPF. The overall goals are increased GON investigations and prosecution of financial crimes and public corruption, and increased cooperation with partner nations on money laundering cases.

Program Development and Support (PD&S): These funds will provide resources for salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hire and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, travel, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation of the narcotics and law enforcement affairs programs.

Nigeria					
INL BUDGET					
\$000					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Law Enforcement Support					
Counternarcotics Support	741	-	550	-	250
Police Modernization	210	-	682	-	-
Illegal Migration	150	-	-	-	-
Financial Fraud	250	-	200	-	150
Judicial Sector Reform/Anti-Corruption	-	-	220	-	-
<i>Sub-Total</i>	1,351	-	1,652	-	400
Program Development and Support					
U.S. Personnel	534	-	177	-	177
Non-U.S. Personnel	2	-	65	-	65
ICASS Costs	363	-	188	-	208
Program Support	-	-	150	-	150
<i>Sub-Total</i>	899	-	580	-	600
<i>Total</i>	2,250	-	2,232	-	1,000

South Africa

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
1,770	1,756	600

Program Objectives and Performance Indicators

South African police trained and effectively operating against national and transnational crime.

Effective implementation by the Johannesburg Metropolitan Police Department (JMPD) of U.S. operational, management and training recommendations; JMPD training facility upgraded; increased number of JMPD and other South African police trained at the JMPD academy; improved communication and coordination between the JMPD and other police forces enhances regional efforts against transnational criminal organizations; decrease in the number of murders.

Program Justification

South Africa is an anchor for stability and prosperity in the Southern African region. It plays a key leadership role in the region by encouraging other countries to address crime, terrorism and immigration threats, under the umbrellas of the Southern African Development Community (SADC), the New Partnership for Africa's Development (NEPAD) and the Southern African Regional Police Chiefs Cooperation Organization (SARPCCO). Assisting South Africa on law enforcement and judicial issues directly addresses INL's twin goals of international crime and drugs while serving as a platform for the broader U.S. goals of supporting a stable and prosperous South Africa, fighting transnational security threats and creating a favorable climate for investment in the region.

Organized and complex crimes continue to vex the South African police, which face widespread street crime and very high rates of murder and rape. When the walls of apartheid crumbled, transnational organized crime syndicates entered South Africa and set up business, taking advantage of established smuggling routes, a world-class transportation system and sophisticated financial institutions. Providing technical assistance, training and select material to the South African law enforcement sector for detecting, investigating, and prosecuting complex and organized crime--including transnational crime--has helped address a key impediment to economic development, support South Africa's still-fragile democracy, and enhance security and stability in the region.

Democracy and the rule of law cannot flourish without a well functioning judicial sector. South Africa recognizes that its criminal justice system is not performing at its optimal capacity. In 2003, approximately 2.5 million (36.24%) crimes were reported. Of the total number of reported crimes, approximately 24.1% went to court. The court disposal rate of all the cases brought before it was 86.69%. Since 1994, the total number of serious crimes increased slightly, by 30%. Although the number of murders decreased by 17% during the 10-year period, robbery with aggravating circumstances increased by 49.7% and attempted murders by 38.8%. The conviction rate remains at about the same level as last year, about 10% with 13% for murder and 4.5% in rape cases.

In order to provide better security for its citizens, to increase police responsibility for distinct geographic areas, and to improve the capacity of the South African Police Service (SAPS) to deter crime, the South African Government has begun to establish municipal police forces. These forces have limited powers, and are meant to assist the SAPS through more visible policing and by spearheading the initial investigations of many less complex and serious crimes. In assisting the municipal police force in South Africa, INL is also providing much-needed stability in areas where established businesses are fleeing and new investors fear to tread due to rampant crime. The Johannesburg Metropolitan Police Department has existed for about four years and needs continued technical support, direction and management advice. The JMPD also needs an upgraded training facility to train its personnel and other South African police forces. The relationships developed at the facility will enhance channels of communication and improve coordination across jurisdictional grounds. The first Metro Police Academy is being built with USG funding, and should be completed by March 2005.

Improved South African policing has had the negative effect of creating backlogs in the courts and packing the prisons. Prisons in South Africa are overcrowded, under-resourced, and have become training grounds in illegal activities for young criminals. Numbers of prisoners awaiting trial in South Africa rank among the highest in the world according to the Office of the Inspecting Judge of Prison; 41% of such prisoners remain incarcerated because they cannot pay minimal fines and/or bail. The recidivism rate in South Africa stands at approximately 80%, according to South Africa's Institute for Security Studies, and prison personnel are unable to conduct programs that will both reduce the numbers of criminals in prison and rehabilitate those who are open to changing their lives. Working with the Department of Correctional Services (DCS) in pilot projects has paid large dividends in rehabilitating and reintegrating juvenile offenders into the community and turning them into productive members of society. These programs have also assisted in decreasing the numbers of juveniles in prison through diversion programs, and have reduced sentences for prisoners completing rehabilitation programs. These programs will need to continue in the near term before the problem of overcrowding can be addressed.

South Africa's porous land and sea borders make it extremely difficult for South African authorities to identify and track illegal immigration and trafficking of drugs, contraband and persons—including potential terrorists. There is no effective system in place that links immigration, customs, and border control functions at this time. The Immigration Act of 2002 vested all responsibility for border control with the Department of Home Affairs (DHA), which has requested U.S. assistance.

Program Accomplishments

Law enforcement training programs for South Africa have traditionally focused on the SAPS as the premier law enforcement agency in the country. In recent years, the program has expanded to include the National Prosecuting Authority (NPA) and their investigative wing the Directorate for Special Operations (DSO), the South African Revenue Service, the Special Investigating Unit and the Johannesburg Municipal Police Department (JMPD). Past programs have assisted the SAPS, DSO, and other law enforcement officers through specialized training in a wide range of courses including financial crimes, computer crimes, counterfeiting detection, interviewing techniques, border and port control, drug detection, counter-terrorism and street safety, trafficking in persons. Relevant parts of these courses have been integrated into the SAPS's, DSO's and JMPD's training curriculum. An additional benefit of the training courses has been the enhanced cooperation with U.S. law enforcement agencies stemming from personal relationships formed with their South African counterparts.

Equipment donated to the police over the past three years has also proved invaluable to the SAPS. U.S.-donated Analyst Notebook software helped the SAPS organized crime units better coordinate their work, detect overlaps in different cases, and follow complex evidence chains. The software has been used in numerous investigations on narcotics, criminal gangs, and the South African terrorist group, People Against Gangsterism and Drugs and the right-wing Boermag. Equipment purchased for the SAPS' forensics lab has helped the SAPS and U.S. Secret Service agents detect several million dollars worth of counterfeit U.S. currency and fraudulent documents originating in South Africa and other African countries. Computer forensics reference material purchased for the commercial crimes section of the SAPS has complemented training provided by U.S. law enforcement agencies, resulting in increased and better investigations and court cases. The DNA analyzer provided to SAPS, only the second one in the country, is used in forensic analysis in South Africa and by other countries in the region as well. INL-provided air-wing equipment used by the SAPS has contributed to the SAG anti-drug programs' efforts to eradicate marijuana in South Africa and Swaziland.

The South African Government recognizes that one of the biggest threats to its democracy is the criminal capacity to undermine the economy and financial sector. South African law enforcement and prosecutorial sectors lack enough trained and experienced officials who can follow the path of illicitly gained profits although progress is being made on this front. These skills are needed for a wide array of investigations such as public corruption, drug trafficking and human smuggling and to identify profits in asset forfeiture cases, which are increasing in importance in South Africa. In 2004, the U.S. conducted numerous training seminars for both prosecutors and investigators on financial crimes, money laundering and procedures to be used in preparing the cases; conducted an exchange program with U.S. attorneys to give greater exposure to South Africa attorneys working on financial crime cases; and provided hands-on mentoring for prosecutors developing financial crime cases. By May 2004, approximately 400 prosecutors and investigators received formal racketeering training. Twenty-two investigations were identified as worthy of racketeering prosecution; seven are currently pending trial. A pilot project for gang prosecutions was implemented,

culminating in the filing of seven separate gang cases. The U.S. is also supporting the Special Investigating Unit develop financial investigation skills and investigate corruption throughout South Africa.

For the past four years, the U.S. has employed an Assistant United States Attorney through the Overseas Prosecutor Development, Assistance and Training (OPDAT) program as a Resident Legal Advisor (RLA) to work inside the NPA with senior management of the organization. The RLA has acted as legal consultants, giving advice on specific cases, spearheading the effort to educate and prosecute money laundering and financial crimes, designing strategies to combat specialized crimes, especially organized crime, and introducing the South Africans to innovative law enforcement techniques. A U.S. prosecutor specializing in the U.S. Organized Crime (RICO) statute assisted with the establishment of a national organized crime desk function, conducted training courses for South African prosecutors on South Africa's organized crime act, and provided mentoring on specific cases. A result of this program is a national desk clearing process for organized crime cases that currently includes approximately 15 additional organized crime cases in development. Until FY 2004, the U.S. Agency for International Development was funding and managing the costs associated with the RLA program with Economic Support Funds (ESF), while INL provided funding for training and technical assistance activities. ESF for Africa was severely cut in FY 2003 and USAID can no longer afford the RLA position costs. INL assumed funding for this position in FY 2004 because of its centrality to effective criminal justice and law enforcement reform programs. In 2004, the RLA returned to South Africa, at the request of the NPA, for a three-week period to provide assistance with the prosecution of specific cases he was working on during his previous stay. Another TDY is planned for 2005. In FY 2003, INL began to support the Johannesburg Metropolitan Police Department (JMPD), one of the largest and newest municipal forces in South Africa, by providing an advisor from the Los Angeles Police Department to work on management, organization and training issues, among other topics. The advisor has been instrumental in assisting the department develop a strategic plan for implementing recommendations made during a 2001 assessment. In 2004, with the assistance of the U.S. advisor, a policy manual, along with some other basic documents, was prepared. During the year, the advisor also assisted the Johannesburg City Council in their dealings with police and criminal matters, and helped organize an anti-crime campaign. The advisor is teaching courses for the new police officers and at the sergeants' level as well. Funding was provided to upgrade the infrastructure of the JMPD Metro Police Academy.

In FY 2003 INL funded a rehabilitation project for inmates who are preparing for release back into South African society. The rehabilitation sessions include training in crucial life skills designed to keep ex-offenders from returning to a life of crime and lowering the recidivism rate in South Africa. Training sessions also included a train-the-trainer component for correctional services personnel. Inmates who participate in these rehabilitation sessions will be more likely to effectively integrate into and become productive, law-abiding members of South African society. The program grew in 2004 to include more inmates and correctional officers, and expanded to many prisons around the country. With the assistance of an NGO that receives INL funding, the trained inmates

organized courses in many prisons. Despite the success of the correctional systems development program, due to limited funding, the program will not continue in FY06.

FY 2006 Program

The FY 2006 program will build upon efforts undertaken in previous years to professionalize the police department.

Johannesburg Metropolitan Police: FY 2003 funds were used to begin a technical police advisory program for the Johannesburg Metropolitan Police Department (JMPD). FY 2006 funds will be used to continue this program and to assist with the expansion of JMPD training programs to other municipal police services in South Africa and the South African Police Service (SAPS). FY 2006 funds will be used to fund an independent evaluation of the JMPD training facility and the implementation of USG recommendations. Funds will also provide for limited equipment donations. The overall goal of the project to professionalize the JMPD service will be measured by an established model training facility for municipal police forces.

Program Development and Support (PD&S): These funds will provide resources for salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hire and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

South Africa					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Administration of Justice					
Intermittent Legal Advisor/Financial Advisor/RL	465	-	400	-	-
Financial Crimes	265	-	197	-	-
Immigration/Border Control	193	-	197	-	-
Judicial Administration	-	-	197	-	-
Johannesburg Metropolitan Police	300	-	297	-	200
Correctional Systems Development	242	-	118	-	-
Sub-Total	1,465	-	1,406	-	200
Program Development and Support					
U.S. Personnel	244	-	183	-	190
Non-U.S. Personnel	-	-	34	-	50
ICASS Costs	61	-	72	-	80
Program Support	-	-	61	-	80
Sub-Total	305	-	350	-	400
Total	1,770	-	1,756	-	600

Africa Regional

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
2,830	1,512	600

Program Objectives and Performance Indicators

The capacity of the criminal justice sector within targeted Sub-Saharan African nations to detect, investigate and prosecute crimes of concern to the U.S. (including illegal immigration and terrorism) will continue to be strengthened.

Skills-based training will continue to be emphasized; technical assistance, training and equipment delivered to and effectively utilized by recipients; improved inspection routines at select ports-of-entry; increased numbers of criminal investigations conducted by police; improved quality of evidence used in criminal court cases; and improved bilateral law enforcement cooperation and information sharing.

Sustainable improvements in law enforcement capabilities in select Sub-Saharan African countries will continue through the modernization and professionalization of law enforcement groups within the region.

Increased numbers trained at select police training facilities; development and implementation of modern curricula and adult teaching methodologies in select police training facilities; development and implementation of strategic plans for improving law enforcement training; and improved bilateral law enforcement cooperation result in more effective law enforcement.

Program Justification

Criminal activities throughout the African continent corrupt and weaken governments, undermine progress towards the establishment of democratic institutions, hinder economic growth and foreign investment, and create an attractive environment for terrorism and other transnational crime. Police professionalization and institutional development of the criminal justice sectors are keys to supporting democracy.

East and Southern Africa (Tanzania, Uganda, and Mozambique) comprise a transit route for African and Asian criminal activities including trafficking in narcotics, persons, and other contraband; alien smuggling; money laundering; financial crime; and terrorist attacks.

West Africa is a major transit hub for narcotics trafficking, trafficking of persons, small arms, financial fraud, and fraudulent documents directly affecting U.S. citizens. Weak

criminal justice institutions across Africa have made the continent a safe haven for organized crime groups, including terrorist cells. Since September 11, 2001, and the crackdown on traditional transshipment routes for drugs and arms, Africa has become a convenient alternative route for illegal contraband heading for the U.S. and Europe.

INL crime and drug programs in African countries support the development of professional and sustainable law enforcement institutions capable of detecting and deterring criminals operating in their territories. By making African countries less attractive to criminal elements, INL programs foster the rule of law that forms the bedrock upon which the USG's broader goals of democracy and prosperity goals are established.

Program Accomplishments

Programs aimed at institutional law enforcement development in Sub-Saharan Africa have met with success despite limited funding and brief histories. Notable among these successes has been the investment by governments in Uganda, Ghana and Tanzania to maximize INL assistance by replicating USG training and methods, and funding laboratory upgrades beyond that provided by INL.

During the past couple of years, the Tanzanian Police Force (TPF) has received civil disorder management training, including the development of a riot deployment strategy designed by command-level officers with the assistance of a U.S. advisor. In March 2004, at an illegal demonstration, a crowd of approximately 200 people—some armed—confronted the police. The demonstrators were comprised of men, women and children, with the children placed at the front as shields. Using civil disorder management techniques learned in class, police dispersed the crowd and made 32 arrests, without any fatalities. In April 2004, there was widespread reporting on an illegal demonstration at the University of Dares Salaam and reports that police had used brutal tactics. Despite these news reports, many of which were blatantly anti-police and lacked facts, there were few, if any, injuries. Police credited the civil disorder management training for their success in dealing with these demonstrations. INL-funded training gave the officers and their senior commanders the confidence, skills, and equipment needed to control civil disorder in a professional and constructive manner.

In August 2004, two instructors delivered two iterations of a Basic Skills Training Development Course in Tanzania. The consultants worked with police to institutionalize a skills-based training curriculum adapted for the Tanzanian context. Approximately 40 student-trainers from regions throughout the country attended the training. At the conclusion of the program the equipment used, valued at approximately \$10,000, was donated to Tanzanian law enforcement. The instructors noted marked improvement in crime scene management and forensic evidence collection. Previously, upon arriving at a crime scene, officers would step all over the evidence and not search for possible assailants in the area surrounding the crime scene. Following training, officers are better educated at actively managing crime scenes and collecting evidence. Officer safety and proper first responder tactics have improved as well.

In Mozambique, INL funded a technical advisor at the National Police Sciences Academy (ACIPOL), to develop a strategic plan with an implementation strategy to optimize ACIPOL's effectiveness. The strategic plan, designed in coordination with Spanish and Portuguese police assigned to ACIPOL, capitalized on the expertise and investment of other donors and prevented duplication of efforts. Implementation of the strategic plan began in 2003 and included Police First Responder Courses (FPR) and Basic Criminal Investigation (BCI) courses for 340 police cadets and 8 prosecutors. The BCI training included seven days of classroom work with practical exercises and three days of a comprehensive criminal investigation simulation culminating in a mock trial. The participation of Mozambican prosecutors highlighted the need for greater cooperation between police and prosecutors in winning a conviction. Additional training offered in 2003 included a Sex Crimes Investigation Course and a Criminal Intelligence Management Course for 53 cadets. From January through March 2004, a consultant assigned to the ACIPOL programs continued to provide technical assistance in Maputo. Implementation of the strategic plan continued during 2004, with renovations made to classrooms and the police academy conference room.

Furniture was provided for the conference room as well. A Community Policing Program in 2005 will expand upon previous INL-funded activities, incorporating additional actors in the law enforcement community in Mozambique. A well-executed community-policing program will serve to increase the gathering of criminal intelligence and will help assuage the mistrust felt between the police and the communities in which they serve.

In September 2004, a Community Policing (CP) project was initiated in Zinguinchor, Senegal. A Technical Advisor traveled to Zinguinchor for four weeks to introduce the CP concept to senior police officials, train police supervisors, and train trainers. In November 2004, a one-week training session in bicycle assembly and maintenance and a one-week training session on bicycle patrol techniques were offered to members of the Senegalese police in Zinguinchor. Five mechanics and 25 officers received training. Instructors noted significant progress in the students' ability to manage bicycle patrols and to maintain the bicycles following their respective training sessions.

INL funded the establishment of a bicycle patrol program in Accra, Ghana to advance the concept of community policing. Since the program's launch in 2002, the Accra patrol team has inspired a new initiative to duplicate the bicycle patrol concept in Kumasi, a regional capital in the southern part of Ghana. In August 2004, 40 patrol bicycles were donated to the Ghana Police Service to create a new community policing patrol unit in Kumasi. The Ghanaians are coordinating the training of the new officers, applying the "train the trainers" concept.

The Ugandan government optimized U.S. Government training to fund the replication of successful programs at its own expense. A law enforcement development project for the Criminal Investigation Division (CID) of the Ugandan Police Force (UPF) initiated in November 2003 provided practical training to approximately 550 members of the UPF in instructor and curriculum development, and a forensic overview. The USG-funded training included a criminal investigation simulation and mock trial. An INL-funded advisor assisted the Government of Uganda in the development and purchase of equipment for a criminal

information database that has the potential to link with similar systems in Kenya and Tanzania. The Ugandan government supplemented this project by purchasing additional computer equipment.

In 2004, the Ugandan government began applying the U.S.-developed training curriculum to train over 500 UPF recruits. Overall, more than 900 Ugandan police recruits received some USG sponsored training in 2004. In February 2004, instructors taught a 16-week Basic Skills Development Program using a "train-the-trainer" curriculum with 24 instructors from the UPF: twelve officer and twelve basic recruit instructors. In Kampala, these instructors worked with UPF student-trainers to develop their instruction of skills-based training. In Masindi, trainers mentored the student-trainers as they delivered the newly acquired learning techniques to several hundred UPF basic recruits. Since training began, the annual conviction rates of cases taken to court have increased from 31.5% to 36.9%. In the span of a month, between February and March 2004, there were 39 criminal cases in Mbale; 26 resulted in convictions, 6 in acquittals, 4 in discharges, and 1 in adjournment. In addition, UPF members, across the board, have displayed greater confidence. The UPF has created a training video library, covering issues as diverse as handcuffing and human rights. The Inspector General of the Police hopes to develop a training program that can be of benefit to other regional countries.

INL assistance in forensic lab development has continued with excellent results. Government of Tanzania cooperation has been exceptional, resulting in host government-funded upgrades to existing lab space completed ahead of schedule. In 2003, INL-funded a senior forensic technical advisor to the Tanzania Police Force (TPF) to develop a forensic laboratory. In 2004, fingerprint training and computer training on Microsoft Access was provided at the TPF laboratory. A 3-week firearms training course was also given during the year. Equipment, including a superglue chamber, computer equipment for a computerized fingerprint database, firearms equipment, and a comparison microscope with a 35mm camera, was donated.

Efforts continue to expand the national drug lab in Senegal into a regional lab for use by other Francophone countries in West Africa. In 2003, an advanced Drug Standards Training course for the 3 technicians at the drug laboratory was conducted in Dakar by a DEA chemist. Portable drug analysis kits were donated to the Senegalese at the conclusion of the course. A gas chromatograph shipped to Senegal in 2004 will be installed by spring 2005. At that time, a senior forensic advisor and a forensic chemist will perform in-user training on the gas chromatograph and conduct a 2-week drug analysis course for the drug chemists at the laboratory.

Forensic training for the Uganda Police Force began in October 2004. Forty participants received crime scene training. Using collection kits and documentation kits, participants sketched, recorded and collected evidence at a mock crime scene. Preservation equipment and supplies were donated to the UPF at the conclusion of the course.

INL funding contributed to the largest drug seizure in Ghanaian history when the Ghana Narcotics Control Board (GNCB) and Ghana Police Service (GPS) Drug Enforcement

intercepted 588 kilograms of cocaine in January 2004. Effective use of INL-provided surveillance equipment may have contributed to the success of the operation. The case was successfully prosecuted by the Ghanaian government, which delivered strict penalties to the smugglers in October 2004.

Following this success story, in October and November 2004, INL funded a month-long counternarcotics training program in Ghana for officers from the GNCB, GPS, Ghana Immigration Service, the Customs and Excise Protective Service, and the Ghana Civil Aviation Authority. The funding for this training also included the purchase and donation of two narcotics screening itemizers, valued at \$80,000, which were donated in June 2004.

Assistance for judicial reform and the fight against corruption has produced notable success for a relatively young program. In August 2004, INL-funded trainers from the Department of Homeland Security conducted an anti-corruption and integrity awareness training with officers from Ghana's Customs and Excise Protective Service (CEPS). Using classroom-based and practical exercises, 35 mid- to senior-level CEPS officers enhanced their ability to monitor and control corruption within their own agency. The training was the second in a three-phase effort to create an effective and institutionalized Internal Affairs Unit within CEPS. The third phase of this program will begin in 2005.

In 2003, an Intermittent Legal Advisor (ILA) assisted the Government of Mozambique prepare a complete curriculum for an in-service training program targeting provincial prosecutors and judges in the areas of anti-corruption, money laundering and organized crime. ILA-recommended changes to the anti-corruption law designed to strengthen prosecutorial authorities was passed by parliament in October 2003. A case management system for the Anti-Corruption Unit (ACU) within the Attorney General's Office was developed to assist the ACU with case tracking. In June 2003, a team of FBI and Treasury trainers conducted a financial crimes course for prosecutors specializing in these crimes. Attendees included the small group of anti-corruption prosecutors assigned to Maputo and a chief prosecutor.

FY 2006 Program

INL funds will be used to continue sustainable improvements in the capacity of select African law enforcement institutions in the area of police professionalization. Funding will continue to target states in the region with a demonstrated commitment to good governance and democratic policing, and a record of having used prior-year U.S. assistance effectively.

Kenya: Police reform FY2006 funds will continue to support a basic skills training program for the Kenyan Police Service (KPS) that began in CY2004. FY2006 funds will provide living expenses, in-country transportation, and salary for an in-country police advisor who will work with the KPS on modernizing and professionalizing the force. The advisor will provide technical assistance to police command as well as training officers at the three training facilities in Kenya.

Mozambique: Border Security FY2006 funds will be used to continue support for a U.S. advisor from the Department of Homeland Security's Customs and Border Protection Bureau to work with Mozambican Customs officials on improving safety and security procedures at the mainland, air and seaports of entry. Funds will provide for travel, in-country transportation and living expenses for the USG advisor to mentor the Mozambicans who received training in CY2005. Program goals for Mozambique include improved border controls as measured by an increase in revenues collected at the points of entry.

Tanzania: FY2006 funds will be used to develop a basic training curriculum for the criminal investigations department (CID) of the Tanzanian Police Force (TPF). Courses will include human rights and dignity, defensive tactics, basic investigation skills, interview techniques, and crime scene preservation. Funding will also be used for a technical advisor to work with senior TPF officials to develop a plan for improving the existing internal affairs unit within the TPF CID.

Africa Regional					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Law Enforcement Development	1,290	-	466	-	400
Forensic Laboratory Development	540	-	830	-	
Border Security	500	-	216	-	200
Judicial Reform/Anti-Corruption	500	-	-	-	-
Total	2,830	-	1,512	-	600

Asia and the Middle East

Iraq Criminal Justice Program

Budget Summary (\$000)

FY 2004 Supplemental	FY 2005 Estimate	FY 2006 Request
1,081,364	-	26,474

Program Objectives and Performance Indicators

The overall program objective of the Iraq Criminal Justice Program is to support the development of police, judicial and correctional institutions in order to facilitate establishment of Iraq as a sovereign, democratic country. A total of \$1,081.364 million in Iraq Relief and Reconstruction Funds (IRRF) has been made available to INL in the FY 2004 supplemental to fund police, justice, and prison programs, including deployment and field support for 878 U.S. trainers and advisors in Iraq. IRRF funds were also used to construct and operate a police training facility in Jordan staffed by 325 U.S. and international police trainers. Effective in May 2004, all U.S. support to train and equip Iraqi police was assigned to the operational control of the Department of Defense, Multi-National Security Transition Command – Iraq (MNSTC-I), LTGEN David Petraeus commanding.

The FY 2006 program contemplates continued support to the police program from IRRF resources. Funds made available to INL will continue to support U.S. efforts to recruit, select, train, equip, deploy and support trainers and advisors to support further development of Iraq's justice (prosecutors and courts) and correctional institutions.

In terms of the justice sector, the program will:

- Support up to 12 justice experts who advise the MOI and MOJ on codes and procedures, case management, and coordination with supporting programs such as court administration and witness protection;
- Provide classroom and seminar training sessions for judges and prosecutors and follow on advanced training for judges who have completed basic training; and Provide judicial mentoring and mentoring within the 16 Baghdad courts to reinforce and apply concepts raised in formal training sessions, supervise Iraqi court monitors in each court, and facilitate cooperation with other components of the justice system.

The corrections program will:

- Maintain support for up to 80 corrections experts;
- Continue to train all members of the ICS through a two- phased approach: pre-service academy training and on the job field training; and
- Increase number of prison advisors deployed to penal facilities outside Baghdad, as security permits.

Indicators of successful performance of the foregoing tasks include:

- All required justice and correctional advisors are deployed in a timely manner; receive required support; and perform assigned duties and responsibilities in a manner which contributes to the effective operation of the new, independent Iraqi courts system and the Iraq Correctional Service;
- The Ministry of Justice, Iraqi Special Tribunal, Commission on Public Integrity, Council of Judges, and Central Criminal Court of Iraq function in a demonstrably more effective manner at the conclusion of the period of assistance than at the commencement of such efforts;
- Quality training is delivered to more than 12,000 correctional personnel in appropriate subjects including human rights, inmate classification staff supervision and development, post-incarceration programs for inmates, and reduction of recidivism; and
- A qualified staff of employees populates the Iraq Corrections Service and operates that Organization and its component facilities in accordance with the laws of Iraq and established policies.

Program Justification

The development of an effective, democratically oriented criminal justice system, including civilian police, prosecutorial, judicial and correctional functions, is essential to establishment of a free society in Iraq. Continued U.S. participation in the reform and development of the Iraq Criminal Justice System is required through FY 2006 to consolidate and expand the work performed in that country to date.

Program Accomplishments

As of January 2005, the corrections portion of the Program has conducted 23 iterations of the Basic Correctional Skills Training Course in which 3,184 cadets have been trained. Field training has also been conducted in five correctional facilities in Baghdad to enhance basic skills of corrections officers. Corrections Advisors deployed to various correctional facilities in the Baghdad area have also provided on the job mentoring for facility managers, supervisors and operational personnel to assist them in properly discharging newly structured and assigned duties.

Also as of January 2005, 258 of 866 judicial practitioners have participated in a six-week judicial training course. The Program's judicial advisors provided extensive assistance in the structuring, opening and operation of the Central Criminal Court of Iraq and are continuing to assist the CCCI with case processing.

FY 2006 Program

Building on IRRF resources provided to support the Criminal Justice program, the FY 2006 budget sustains the current staffing of judicial and corrections advisors. The FY 2006 program will continue to support the Corrections and Judicial program through further training and mentoring of the Iraqi Correctional Service, Ministry of Justice, judges and judicial investigators and prosecutors. FY 2006 funds will also allow for the expansion of these programs into areas beyond Baghdad to ensure all members of the ICS and judicial sector receive training.

Iraq					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Civilian Police Program*	-	933,000	-	-	-
Democracy Building	-	40,000	-	-	-
Witness Protection	-	35,000	-	-	-
Corrections Services	-	41,964	-	-	-
Crimes Against Humanity	-	24,400	-	-	-
Judicial Security	-	7,000	-	-	-
Criminal Justice Development	-	-	-	-	-
Justice	-	-	-	-	5,474
Corrections	-	-	-	-	21,000
<i>Sub Total</i>	-	1,081,364	-	-	26,474
<i>Total</i>	-	1,081,364	-	-	26,474

* Includes 4th Quarter FY 2004 reallocation of \$210 million for civilian police.

Afghanistan

Budget Summary (\$000)

FY 2004 Actual	FY 2004 Supplemental	FY 2005 Actual	FY 2005 Supplemental Request	FY 2006 Request
-	220,000 ¹	89,280	660,000	260,000

Program Objectives and Performance Indicators

The overall INL program objective is to work with the Government of Afghanistan (GOA) and the international community to improve law enforcement capabilities, reduce poppy cultivation, and reform the Afghan judicial system in order to enhance public security, strengthen the rule of law, and attack illegal drug production and trafficking. INL program objectives in Afghanistan are consistent with the USG longer-term goal to create stability so as to prevent Afghanistan from again becoming a haven for terrorists and criminal activities. The following programs are based upon an integrated approach. All of these objectives must be pursued simultaneously on a holistic basis to achieve success.

Civilian Law Enforcement: Under German leadership, Afghan police (including border police and specialist units such as a highway patrol) will continue to be reformed and upgraded through training, technical assistance, and institutional capacity building in order to directly enhance security throughout Afghanistan.

Build institutional capacity, ensuring that police have sufficient basic supplies and equipment necessary to support a democratic police force.

Support maintenance and operation costs for our eight (8) INL Regional Training Centers and police advisors to continue basic training program for low-level officers as needed, provide field training for police officers and specialized courses that build on basic training programs previously provided for the police.

Provide critical infrastructure support including rehabilitation of police and border police facilities.

Complete Ministry of Interior reform efforts which focus on organizational development including defining the mission and functions of the various elements of the police, the organizational and rank structure, position and unit descriptions, duties and responsibilities, policies and procedures including administrative and management duties, further development of community policing initiatives, revenue-generation initiatives, establishment and enforcement of standard operating procedures, reform of the salary and personnel systems.

¹ \$50.0 million of Emergency Response Funds reallocated and transferred from the Department of Defense pursuant to P.L. 108-38.

Support payment of police salaries through a contribution to the United Nations Development Program Law and Order Trust FUND for Afghanistan to ensure that corruption cannot gain a foothold in the new professional Afghan Police organization.

Administration of Justice: INL rule of law programs in Afghanistan will continue to support the Italian leadership and work with the Government of Afghanistan to strengthen rule of law throughout the country as well as provide support for the development of the corrections system.

Support development of infrastructure including expansion of court construction to district levels.

Provide advisory support to the Ministry of Justice (MOJ) Attorney General and Supreme Court.

Support specialized training for judges and prosecutors on issues such as corruption, trafficking, counternarcotics, and prosecutorial investigations.

Support development of legal professional organizations and institutions including the bar association (and licensing regime) as well as legal aid centers. Reintegrating women into the legal sector will remain a focus through FY 2006.

Contribute to the establishment of detention facilities near U.S. funded police Regional Training Centers and courts in provincial locations and in major poppy growing and drug trafficking regions.

Provide correctional personnel advising and training emphasizing human rights.

Build institutional capacity within the MOJ addressing issues of salary support, training programs and a prisoner tracking system and database.

Counternarcotics Support: Working with the United Kingdom, which has the international lead on counternarcotics activities in Afghanistan, INL programs will seek to reduce poppy cultivation through eradication, strengthening counternarcotics law enforcement efforts, and continue public information and demand reduction programs.

Six Central Poppy Eradication Force teams will conduct manual eradication in areas approved by the Government of Afghanistan to reduce the amount of opiates produced and to deter planting.

An aerial support component will increase the effectiveness of the ground eradication program and allow its extension into areas currently inaccessible for security or logistical reasons.

An additional reduction in the growing of poppy crops will occur as a result of an aggressive counternarcotics public information campaign and voluntary non-planting and eradication by Afghan farmers.

Drug intelligence, investigation and law enforcement and interdiction units of the Counter Narcotics Police – Afghanistan (CNPA) will operate nationwide to disrupt processing operations and trafficking networks.

The GOA will conduct a nation-wide, comprehensive, anti-drug public affairs campaign aimed at reinforcing underlying public disapproval of the drug trade (measured against a 2005 baseline public opinion survey).

Working with the Ministries of Public Health, Information and Culture, Education, and Telecommunications, the Ministry for Counter Narcotics will coordinate a national drug abuse prevention and treatment program.

Program Justification

The breadth of INL programs in Afghanistan reflects the country's importance in the U.S.'s Global War on Terrorism. INL programs in Afghanistan support U.S. counterterrorism, counterdrug and anticrime goals. The FY 2006 INL program will continue to enhance the three main components began with FY 2002 supplemental funding and continued with FY 2004 and FY 2005 foreign assistance and supplemental appropriations: police training and reform, justice sector (including corrections) reform, and counternarcotics activities. INL programs are coordinated closely with U.S. coalition partners to complement the respective leading roles played by the United Kingdom on counternarcotics, Germany on police, and Italy on judicial reform.

FY 2006 funding will enable INL to continue to work with the Government of Afghanistan and the international community to improve law enforcement capabilities by strengthening the rule of law and enhancing public security throughout the country. As the military begins to phase out its support to the security sector, the burden on the Afghan police will increase, requiring the international community to redouble its efforts to ensure that the police are fully prepared to take on the job of ensuring security in Afghanistan.

Restoration of the rule of law (including criminal accountability and commercial predictability) is vital to increasing security, ensuring stability, promoting economic growth, and protecting human rights. A transparent and fair justice system is critical to ensuring that the people of Afghanistan respect the authority and decision-making of the central government. In particular, a criminal defense system that affords due process and respects international human rights standards is a cornerstone of a society functioning under the rule of law. U.S. law enforcement must have the ability to work with Afghanistan in the future on crucial law enforcement issues. Despite Afghan progress on a Constitution and the development of governmental mechanisms and agencies that support justice reform, much work is needed. Critical tasks include establishment of a functioning judiciary, a competent bar, reintegration of women legal professionals, and a reliable penal system.

The narcotics situation in Afghanistan has become so serious that it threatens to undermine all we are attempting to achieve there. After a one-year “ban” imposed by the Taliban regime in 2001, Afghanistan resumed its place as the world’s largest producer of opium in 2002, maintained this lead with an even larger crop in 2003, and produced a world record-setting crop in 2004. Poppy cultivation in 2003 was 61,000 hectares, up from 30,750 in 2002; in 2004 this figure jumped to 206,700 hectares, a 239% increase and the largest crop recorded in any country since the U.S. starting tracking such data. The International Monetary Fund estimates that revenue generated from poppy cultivation and heroin production amounted to as much as 60% of Afghanistan’s Gross Domestic Product in 2004. Although President Karzai has issued decrees outlawing the production, trafficking, and use of illegal drugs, the central government’s ability to enforce the decrees is minimal. Illegal proceeds from the narcotics trade fund terrorist and other groups interested in ensuring that Afghanistan’s governing institutions remain weak.

Program Accomplishments

Civilian Law Enforcement: Since the inception of the program over two years ago, INL has established police training centers in Kabul, Kandahar, Konduz, Jalalabad, Gardez and Mazar-i-Sharif and trained over 36,000 police officers. Permanent construction of the Kabul site is complete and construction is underway at Kandahar, Konduz, Jalalabad, Gardez, Mazar-i-Sharif and Herat. A specialized curriculum for highway patrol and border police officers has been added and implementation of a Field Training Program to further enhance the training that police recruits receive has begun.

A nationwide communications network connecting provincial police headquarters to the Ministry of Interior (MOI) in Kabul has been installed. INL has also provided uniforms and personal equipment packages to police and \$20 million worth of salary assistance and an ID card system/database to help better identify police for distribution of salary payments. Most recently INL began implementation of a comprehensive MOI reform program that includes the provision of 30 senior police advisors, infrastructure support (rebuilding and supplying police stations) work on revenue generation, community policing and organizational reform initiatives.

Administration of Justice: The Afghan government adopted a Constitution that respects human rights, the rights of women, and adheres to due process standards and with the assistance of lead nation Italy, the Ministry of Justice and the Judicial Reform Commission, completed drafting of the Interim Criminal Procedure Code. Afghanistan has also articulated a national development justice strategy agreed to by the Supreme Court, the Attorney General’s Office, and the Ministry of Justice. INL has assisted Italy with developing the concept for a National Legal Training Center, a National Bar Association and Legal Aid institutions and support for a program training Afghan women judges in the United States.

INL developed a grant for a U.S./Afghan LLM and Certificate Program for Afghan Legal Educators. The grant offers Afghan lawyers the opportunity to participate in an intensive year-long LLM program, provides them with exposure to modern law school teaching

techniques, modern university life, emerging legal trends and doctrine, the U.S. judicial system and basic governing structures. The experience will help hone the legal skills of the participants as well as make available opportunities to supplement legal education with practical training. The grant also supports establishing a strong partnership between the Kabul University Law School and the University of Washington Asia Law Center in the U.S.

INL has also developed a program that will provide expert advisors in criminal justice, legal education and training, mentoring and corrections. Advisors will also be embedded in the Supreme Court, the Ministry of Justice, the Attorney General's office and a liaison to the Ministry of Interior (to focus on police-prosecutor coordination).

Counternarcotics: In the last year, the GOA and the international community became increasingly committed to dealing with the growing narcotics threat in Afghanistan.

After being sworn in as the first democratically elected President of Afghanistan in 2004, President Karzai vowed to make the fight against narcotics his first priority. In 2004, the GOA created a Deputy Minister within the Ministry of Interior and a Ministry of Counter Narcotics to better address the threat; the U.S. will provide advisors to these new offices. The GOA also promulgated and requested international assistance for a comprehensive counternarcotics effort that includes counternarcotics institution building; law enforcement and criminal justice system development; alternative livelihood, public information, demand reduction programs; eradication of illicit crops; and cooperation with regional partners.

FY 2004 supplemental funds were used to establish four manual eradication teams (the "Central Poppy Eradication Force-CPEF") comprised of police, civilian laborers and international support staff. The CPEF conducts forced manual eradication of poppy crops within areas approved by the GOA. With the mild winter and early spring in 2004, most of the crop had been harvested before the eradication teams could reach them and total 2004 eradication was negligible. However, the 495 Afghan police officers of the CPEF continued training and planning during the off season in preparation for the 2005 manual eradication season. Construction of a headquarters/training facility for the CPEF was completed. The CPEF commander visited many key poppy growing districts during the off-season in an effort to discourage planting of the 2005 crop. Early indications are that the increased perception of risk (along with reported unsold stockpiles of 2004 opiates) may have discouraged some planting of the 2005 crop.

A comprehensive public affairs strategy was created and put into action in 2004. INL funded BBC and VOA radio anti-drug messages broadcast in both Pashto and Dari weekly.

An Assistant U.S. Attorney (AUSA) has been assigned to provide technical advisory assistance to the GOA on counternarcotics matters, including support to a counternarcotics task force composed of specially selected and trained judges, prosecutors, and criminal investigators. A second AUSA will be assigned shortly to increase support to the counternarcotics task force.

The INL section at Embassy Kabul had a single American Director's position in 2004. As the program expanded, INL assigned TDY support personnel from Washington and Personal

Services contractors with counternarcotics program experience to the field. INL established three additional Foreign Service positions including a Deputy Director, Administrative officer and an Office Management Specialist to manage this growing program. In addition, INL created five Personal Service Contract positions for program managers with counternarcotics, police and justice experience to implement our programs in the field.

FY 2006 Program

Continued insecurity in Afghanistan, as well as the significant growth in the poppy cultivation in 2004, has placed increasing demands on the INL programs, requiring the acceleration and substantial expansion of the three main programs: law enforcement, counternarcotics and judicial reform. FY 2005 supplemental funding, when received, will increase support of programs to improve national law enforcement capabilities, strengthen the rule of law, and enhance public security including disruption of drug trafficking and associated criminal activity throughout the country, as well as a significant eradication program. INL programs in FY 2006 will continue these enhanced programs.

Civilian Law Enforcement

Assistance to train police in FY 2006 will continue to complement the German-led efforts to re-establish law enforcement functions. Funds will be used to:

- support maintenance and operation costs for eight (8) INL Regional Training Centers and police trainer-advisors to continue basic training program for low-level officers as needed
- provide specialized courses that build on basic training programs previously provided for the police
- complete Ministry of Interior reform efforts which focus on organizational development including:
 - defining
 - ◇ the mission and functions of the various elements of the police
 - ◇ the organizational and rank structure
 - ◇ position and unit descriptions
 - ◇ duties and responsibilities
 - ◇ policies and procedures including administrative and management duties
 - further development of community policing initiatives
 - revenue-generation initiatives
 - establishment and enforcement of standard operating procedures
 - reform of the salary and personnel systems

Administration of Justice

Assistance in the justice sector will continue to support Afghan and Italian-led efforts to rebuild and reform the justice sector. FY 2006 resources will enable INL to continue to work with the GOA and the international community to strengthen the rule of law throughout the country as well as provide support for the development of the corrections system. Three

strategic objectives form the foundation of INL's justice sector activities in Afghanistan: development of institutional capacity of the permanent justice institutions; development of the operational capacity of criminal justice sector actors (including law enforcement) to fairly and transparently investigate crimes and prosecute/punish offenders; and 3) professionalization of justice sector personnel. Funds will be used to support development of infrastructure including expansion of court construction to district levels; provide advisory support to the Ministry of Justice, Attorney General and Supreme Court; support specialized training for judges and prosecutors on issues such as corruption, trafficking, counternarcotics, and prosecutorial investigations; support institutional development of legal institutions; provide coordinated training for law enforcement and justice personnel; continue to support the bar association and licensing development; support legal aid centers and general professionalization of the legal sector. The reintegration of women into the legal sector will remain a focus throughout FY 2006.

Funds will also be used to support the development of the correctional system in Afghanistan, to contribute to the establishment of detention facilities near U.S. funded police Regional Training Centers and courts in provincial locations and in major poppy growing and drug trafficking regions; to provide correctional personnel advising and training emphasizing human rights; and to build institutional capacity within the MOJ addressing issues of salary support, training programs, and a prisoner tracking system and database.

Counternarcotics

INL funding for counternarcotics in FY 2006 will continue to support the international efforts on counternarcotics activities in Afghanistan lead by the UK. INL programs will consist of crop control through public information and eradication, and drug control institution building that includes public affairs, support for interdiction, and demand reduction.

Crop Control/Eradication: This program is aimed at reducing large-scale poppy cultivation through a central government directed national manual eradication program begun in FY 2004 and expanded to six eradication teams in 2005. FY 2006 funds will be used to continue the ground eradication program in FY 2006, which will be augmented with increased air support (with rotary wing aircraft acquired pending FY 2005 supplemental funding). Support to the program will be provided through INL's Civilian Police contract. Funds will be provided to pay for salaries for civilian eradicators and Afghan police protection teams, fuel and supplies, vehicles and equipment, transportation, training, and evaluation and monitoring of the program, and contractor overhead and costs. Support to a small fleet of U.S.-owned rotary wing aircraft for security, reconnaissance, resupply, medevac and search and rescue will be provided through INL's aviation support contract. Funds will be used for shipping, support infrastructure, fuel and ammunition, personnel, flying hour operational costs, repair and maintenance, and contractor overhead and costs.

Drug Enforcement: This program is aimed at disrupting drug trafficking and associated criminal activity within Afghanistan, to improve enforcement of drug laws and increase prosecutions of drug offenders. Funds will continue U.S. support to the Counter Narcotics

Police – Afghanistan (CNPA), including specialized training and equipping of drug enforcement units operating at the provincial level against drug processing labs and bazaars, drug caches and shipments, and drug traffickers and drug trafficking organizations. Part of the FY 2006 program will include a program to reform the penal code to better enable law enforcement to investigate and pursue drug offenders.

Demand Reduction: Funds will be used to fund community-based demand reduction programs aimed at rehabilitation, and anti-drug education programs for youth and rural communities through school curriculum and other community activities.

Public Diplomacy: The FY 2006 funding for a national anti-drug campaign will publicize eradication and enforcement activities; make clear the connections between the drug trade and conflict, crime, and corruption; work through radio, television, print media, community leaders, and elected officials; and support and strengthen the strides the Afghan government has made in its national drug control program in the past two years.

Program Development and Support (PD&S): PD&S funds will be used for the salaries, benefits, allowances, and travel of direct hire and contract U.S. and foreign national personnel, ICASS costs and other general administrative and operating expenses for counternarcotics and anticrime program planning, design, implementation, monitoring and evaluation.

Afghanistan					
INL BUDGET					
(\$000)					
	FY2004	FY2004 Supp (A)	FY2005	FY2005 Supp Request	FY2006
Counternarcotics Support					
Crop Control/Eradication	-	40,000	18,347	161,500	173,000
Sustainable Alternative Development	-	5,000		-	-
Interdiction				64,500	
Public Diplomacy				5,000	3,000
Drug Enforcement	-	3,500		23,000	5,000
Drug Control Capacity Building	-	1,500	1,488	-	-
Demand Reduction				-	3,000
Sub Total	-	50,000	19,835	254,000	184,000
Civilian Law Enforcement					
Training of Afghan Police	-	74,675	64,462	280,000	49,000
Equipment and Infrastructure				75,000	
MOI Reform	-	85,325	-	40,000	9,500
Sub Total	-	160,000	64,462	395,000	58,500
Administration of Justice					
Justice Sector Training Program	-	2,500	1,983	-	3,000
Corrections Reform and Support	-	7,500	-	-	8,500
Sub Total	-	10,000	1,983	-	11,500
Program Development and Support					
U.S. Personnel	-	-	1,500	5,500	3,000
Non-U.S. Personnel	-	-	300	1,100	600
ICASS Costs	-	-	450	1,650	900
Program Support	-	-	750	2,750	1,500
Sub-Total	-	-	3,000	11,000	6,000
Total	-	220,000	89,280	660,000	260,000

A - \$50 million of ERF funds transferred to the INCLE account from the Department of Defense pursuant to PL 107-38.

Indonesia

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
-	-	5,000

Program Objectives and Performance Indicators

The Indonesian National Police (POLRI) will be transformed into a civilian-led, police force predicated on respect for the rule of law, human rights and professionalism.

Performance indicators include the establishment of an internal disciplinary system; the institutionalization of anti-corruption practices and the development and implementation of contemporary police policies and standards of operations for the Criminal Investigations Division (CID) of the POLRI, including the Major Crimes Unit and the Economic and Special Crimes Unit and the completion of the Police Instructor Project. Progress will also be indicated by increased public confidence in POLRI's ability to uphold the law as measured by governmental and/or NGO indices.

The POLRI's Environmental Crimes Task Force will be strengthened and its focus broadened.

Performance indicators include the establishment of a police-prosecutors task force to address environmental crimes such as illegal logging and fishing; the development and implementation of standard operating procedures (SOPs) for environmental crime scene investigations and evidence preservation; and the issuances of indictments against criminals involved in environmental crimes.

The Maritime Police's ability to patrol ports, harbors and waterways will be improved.

Performance indicators will include the development of a revised curricula at the Marine Police Training Center and the implementation of recommendations from the Operational Unit Training Needs survey.

Indonesia will improve its legal framework to counter organized crimes and terrorism; will develop the competencies of investigators, prosecutors and judges to handle complex counter terrorism and other organized crimes cases; and establish a culture of institutional integrity within the law enforcement and criminal justice sectors.

Performance Indicators include successful court witness protection programs as demonstrated by the number of people participating; the introduction of legislation to identify terrorist organizations and fund-raising as demonstrated by a draft bill; an

increase in the number of people that come forward with information about pending criminal cases as a reflection of increased confidence, and the introduction in the Attorney General's office of recruitment, retention and operational policies to address corruption.

Indonesia's drug intelligence analysis and interdiction capacities will be strengthened.

Performance indicators will include an increase over 2004 in seizures by the Indonesian National Police Drug Enforcement Unit and the National Narcotics Board of drugs and other contraband; the development of advanced investigative skills to interdict narcotics shipments, the dismantlement of clandestine drug labs, and the disruption of narcotics trafficking networks.

Program Justification

Indonesia is a key strategic partner in terms of fighting transnational criminal organizations and promoting regional stability. It is the largest Muslim country in the world. It is an emerging democracy making Indonesia an important nation in providing leadership to the Islamic world. Indonesia is a center of criminal activity, such as cyber-crime, illegal migration and piracy, and home to terrorist groups, including Jemaah Islamiyah (JI). In its transition to democracy and facing an increasingly sophisticated criminal threat, the Government of Indonesia has recognized the need for institutional reform of its police organizations and within its criminal justice system.

For thirty-three years during the reign of authoritarian President Suharto and for two years under the leadership of President Habibie, the Indonesian National Police was a part of the armed forces of Indonesia. During those thirty-five years, the police definition of domestic security was, "Protection for the State (elite) from its citizens." Until the democratic election of President Abdurahman Wahid in 2000, all but the most routine domestic security/public safety tasks were conducted by the Indonesian military (TNI) or the police paramilitary Mobile Brigade (BRIMOB), which is trained to use military tactics to preserve law and order.

In 2000, President Wahid sought assistance from several international donors, among them the United States, Australia, Britain, Japan, and the Netherlands, to support Justice Sector reform, including police reform. The USG was willing to participate and provide substantial resources, but not until the police were formally separated from the Indonesian Armed Forces. On July 1, 2000, President Wahid signed Presidential Decree 02/00, formally separating the Indonesian National Police (POLRI) from the TNI. USG assistance to support the decree commenced in August 2000.

Indonesia is a center of cyber-crime, and its social development is hindered by the prevalence of gang-related violence. Low confidence in police responsiveness and skill level has spurred citizens to take the law in their own hands, creating a major problem with vigilantism. International narcotics' trafficking is a serious and growing problem in Indonesia. Syndicated drug traffickers from countries in and beyond the region have targeted

operations in Indonesia. Domestic availability and use of illicit narcotics are escalating. In addition, Indonesia is home to terrorist groups and has been the target of several deadly terrorist bombings. The skill level of POLRI must be enhanced to address effectively both criminal and terrorist activities and demonstrate its abilities to the public. Corruption is endemic in Indonesia, including within POLRI. The Police Assistance Program seeks to establish mechanisms to root out corruption by developing a code of conduct and internal disciplinary system.

Indonesia's maritime borders, which stretch across 17,000 islands, are largely unprotected and undefended, leaving the country vulnerable to a range of criminal activities from narcotics smuggling to terrorist infiltration. The strategic importance of the Malacca Straits to global economic security makes it imperative that Indonesia has the capacity to monitor and police criminal activity along the maritime borders, which are largely unprotected. A comprehensive assessment of Maritime Police capabilities and needs was conducted in January 2004. This assessment will be used as a basis of implementing a program to address Indonesia's multi-jurisdictional maritime policies, responsibilities and complexities. Training, technical assistance, and equipment programs developed from the assessment will be enhanced using funding and continue until the Marine Police Directorate has the capacity to effectively fulfill its mission. Since POLRI was separated from the TNI in mid-2000, the Maritime Police Directorate has lacked the training, equipment, and leadership to perform enforcement duties efficiently. The Maritime Police will need to be modernized over the next several years. The Maritime Police need a new strategic plan and modernization of current operational units. Maritime Police personnel will require training as well as equipment and technical assistance to patrol ports and waterways effectively and to combat numerous forms of local and transnational crimes.

In addition, criminal justice sector reform is crucial to effective democratic reform and goes hand-in-hand with police reform. Creating an effective, well-trained police force based on democratic principles, community policing, and respect for rule of law and individual rights must be complemented by prosecutorial and judicial reform. Effective law enforcement efforts must culminate in bringing criminals to justice. When cases are developed, prosecutors must be skilled in using evidence to try cases successfully, defense attorneys must know how to protect the rights of the accused, and judges must be personally above reproach and ensure a fair trial. Corruption must be rooted out at all levels of the system. If the judicial system is not reformed, police soon become demoralized, and the public loses confidence in the system.

To ensure that Indonesia's transition to democracy is meaningful and takes root within its institutions, the democratization and professionalization of all levels and units of POLRI as well as the prosecutorial and judicial sectors must be realized. The Police Assistance Program, Maritime Police development program, Drug Law Enforcement assistance, and Criminal Justice Sector Reform programs are designed to achieve those goals and objectives.

In the past, the Indonesia project has been funded through Economic Support Funds (ESF).

Program Accomplishments

The separation of the police and military into two separate institutions and POLRI's transition to a civilian-controlled, democratic police force is a work-in-progress; yet, since the implementation of the Police Assistance Program in mid-2000, significant successes have been realized. POLRI reform and training have enhanced police investigative skills and police counternarcotics training and technical assistance have resulted in seizures of illicit narcotics and the closing of synthetic-drug production labs within Indonesia.

Reorganizing and reorienting POLRI is a substantial undertaking, requiring a change in the structure, culture, management style, and training of the entire 250,000 member national police force. In August 2000, the Police Assistance Program began by implementing programs to address management issues at the highest level. Simultaneously, a combination of technical assistance, training, and equipment donations were provided to assist the police in handling civil disorder in a manner that maintained order while respecting human rights and the rule of law. As a result of this initiative, the POLRI made significant changes in their handling of demonstrations and were the recipients of laudatory comments from various members of the NGO community. Importantly, since this training took place there have been no reported deaths related to the POLRI's handling of civil disturbances. In 2003 and 2004, INL worked with the POLRI Chief and officials at national and regional levels to develop and implement management plans that incorporate principles of leadership and management into the operation and administration of POLRI throughout the country. Further, the program is developing managerial skills for mid-level officers. The program includes a media outreach project to share information with the public and build confidence in the police within the populace.

In conjunction with the State Department Bureau of Diplomatic Security's Anti-terrorism Training Assistance Program, INL's Police Assistance Program includes training and technical assistance projects to give POLRI officers and units enhanced technical and investigative capabilities needed to address specialized crimes and terrorist activities. We have already seen success from our training activities, as Indonesia has arrested over 130 terrorist suspects and successfully prosecuted over 100 terrorists. Our training also provides forensics training and equipment, enabling both enhanced investigations and successful prosecutions. Drug enforcement training and drug forensic training and equipment are also contained within the program to ensure counternarcotics units can recognize illicit narcotics and discover and dismantle illicit drug labs.

There have been several areas of accomplishments of the Indonesia Police Assistance Program, including:

Transition to Democratic Policing

In order to better maximize the delivery and implementation the program concepts, as well as accentuate the POLRI ownership aspect, the project was modified to become a total train-the-trainer initiative. The POLRI's decision to integrate these concepts into the organization's curricula had helped ensure the principles of the democratic policing are being taught

throughout the police organization. This project has received consistent support from the heads of both the GOI's National Center for Training and Education and the Human Resources Office. By having POLRI members provide the training exclusively there is a much greater likelihood individual members will accept and embrace these ideas and a much greater likelihood that the lessons and instruction will be sustainable after our project is completed. However, successes within this project have to be measured incrementally in light of the fact that total organizational transition and transformation will need to continue.

Civil Disturbance Management Project

The measurements of success for the Civil Disturbance Management project include: (1) an increase in the level of public confidence regarding INP performance during civil disturbances; (2) a reduction in the number of civilians and police injured in disorderly or riotous demonstrations; and (3) a reduction in the amount of property loss during demonstrations. As a result of the training, INP personnel have effectively controlled large demonstrations and defused emotional situations to resolve conflicts peacefully. The Indonesian government, the general public, and the NGO community have recognized the success of the program. The program has made a major impact on INP leaders and police in improving their relations with the public. Prior to the training, POLRI had limited understanding of the concept of conflict avoidance or the continuum of force options.

Instructor Development Workshops

This project was designed to strengthen the skills for Indonesian police instructors. Measurements of success for this project include: (1) increase the number of instructors who are able to demonstrate their knowledge of and ability to impart adult learning methodologies to students, and (2) to have the graduates of INP Training Schools demonstrate they are routinely performing the tenets of community policing learned in training. Over 120 INP instructors have successfully completed the IDW and have been observed successfully using their new training techniques. However, this encouraging statistic must be tempered by the fact that many instructors within the INP cadre have not yet received training in adult learning methodologies.

Cybercrime Projects

Indonesia's law enforcement has been provided with computer forensic capacities through specialized training and equipment donation. This highly successful initiative was developed to prevent, interdict and investigate cyber-crime. Now that the unit is operational, the cyber-crime unit has begun supporting regional requests for computer forensic analysis from other criminal investigatory units, including law enforcement units concentrating on bank fraud, anti-money laundering, and anti-terrorism units.

Maritime Police Project

During this period we developed a two-year assistance plan to address and evaluate: Maritime Police Headquarters; Maritime Police Operational Commands and Units; Maritime Police Training Center; and Ports and Waterways Security Stakeholders. A working group consisting of the Department of Justice's International Criminal Justice Training Assistance Program (ICITAP) and Maritime Police representatives was formed to plan an Operational Units Training Needs Survey.

An Operational Unit Training Needs Survey was conducted recently at ten Maritime Police units in Sumatra, Kalimantan, Sulawesi and Papua. The survey results will assist in identifying and prioritizing maritime security training and infrastructure development support efforts on behalf of Maritime Police units throughout Indonesia.

Further, the program worked to coordinate with the Indonesian Maritime Committee Senior Technical Advisor for the National Planning Board for Security and Social Welfare (BAPPENAS). The BAPPENAS is responsible for debating and making recommendations to the national government on issues related to security and social welfare. The Planning Board has worked for over a year on a proposal to reinvent the Coordinating Agency for Maritime Security, BAKORKAMLA, which was created in 1971. The American Embassy has been asked by BAPPENAS to participate in the design of the new BAKORKAMLA and in the development of Maritime Security in general.

Additionally, the director of the Maritime Police Training Center invited the USG to establish a permanent office at the school, which was done shortly thereafter. Maritime Police Training Center instructors consult ICITAP Technical Advisors (TAs) on lesson plan development and instructional techniques. ICITAP TAs are assisting with a review of the entire basic curriculum for Maritime Police recruits, and new curriculum will be infused as needed. Commencing in early 2005, all instruction at the Maritime Police Training Center will be delivered using lesson plans developed with skills taught by ICITAP. Five classrooms at the Maritime Police Training Center were refurbished and outfitted, which significantly improved the teaching and learning and environment for staff and students.

FY 2006 Program

The FY 2006 Police Assistance Program for Indonesia has four central components— (1) capacity building to support the INP Maritime Police and Major Criminal Investigations Unit; (2) increase select task forces to impact environmental crimes and preserve evidence to be used in future prosecutions; (3) increasing illicit drug and contraband interdictions; and (4) the close-out phase of the Police Instructor Institute. These are ongoing programs designed to create effective, democratic, civilian-led and skilled law enforcement institutions in Indonesia. A new Criminal Justice Sector Reform Program will be implemented in FY 2006 to address the prosecutorial and judicial side of law enforcement democratization and reform. Drug Law Enforcement program will be implemented to prevent the manufacture and shipment of synthetic drugs.

Police Assistance Program: Funds will be used for POLRI technical assistance and training, including POLRI's Criminal Investigation Division's (CID) Major Crimes Unit and the Economic/Special Crimes Unit; equipment donation of evidence collection kits; technical assistance to the POLRI's environmental crimes working group or task force (police and prosecutors); training and technical assistance to judges to advance investigations and prosecutions of crimes, and enforcement of environmental laws; technical advisor to finalize the Police Instructor Project in preparation for continued POLRI sustainability and final turnover; classroom and training equipment such as computers and education materials.

Maritime Police Development Program: Funds will be used to continue to provide academy and in-service training to commanders, first-line officers, and Maritime Police trainers, and investigative equipment; the assignment of one permanent assistant project manager and intermittent technical advisors to implement training program addressing the capacity to patrol ports, harbors, and adjacent waterways.

Criminal Justice Sector Reform Program: Funds will be provided to support a Resident Legal Advisor to: draft provisions on criminal procedure procedures and evidentiary requirements to improve investigations and prosecutions; mentor prosecutors on advocacy and litigation skills; work with the Indonesian Attorney General's Office (AGO) to develop written standards for recruitment and retention of ethical prosecutors; create incentives for performance that do not compromise institutional integrity; communicate its anti-corruption efforts to the public and prospective employees.

Counternarcotics Assistance Program: Funds will be used to provide counternarcotics and forensics training, leadership and management training, and instructor training, aimed at halting the flow of illegal drugs; prevent the manufacture and shipment of synthetic drug through technical assistance on planning and operations, intelligence analysis, tactical instruction, interdiction skills training; equipment donation such as computers, and software to assist Jakarta narcotics units dismantle narcotics organizations; a Tactical Instructor Program that will train 45 police instructors to teach the principles of tactical operations; train-the-trainer support to the Interdiction Task Force to address major ports of entry (air and seaport).

Program Development and Support (PD&S). PD&S funds will cover the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hire and contract personnel, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Indonesia					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Police Assistance Programs	-	-	-	-	2,000
Maritime Police Project	-	-	-	-	1,375
Criminal Justice Reform Program	-	-	-	-	525
Drug Law Enforcement	-	-	-	-	500
Program Development and Support					
U.S. Personnel	-	-	-	-	450
Non-U.S. Personnel	-	-	-	-	40
ICASS Costs	-	-	-	-	80
Program Support	-	-	-	-	30
<i>Sub-Total</i>	-	-	-	-	600
<i>Total</i>	-	-	-	-	5,000

Laos

Budget Summary (\$000)

FY 2004 Actual	FY 2005	FY 2006 Request
2,000	1,984	1,000

Program Objectives and Performance Indicators

Opium poppy cultivation in Laos is reduced and the ability of the Government of Laos to deter opium poppy cultivation is maintained.

Alternative development efforts including infrastructure development projects in Phongsali, Luang Prabang and other poppy-growing provinces will provide access to markets, government services, food production and alternative income activities. Using a combination of new and pipeline funds, the Lao-American Project (LAP)/Luang Prabang will construct about 60 kilometers of basic penetration road in Viengkham district; add 15 new target villages; and construct 10 new gravity fed clean water systems. Similarly, LAP/Phongsali will implement repairs to 34 kilometers of road from Bountay to Samphanxai; expand activities to 12 new target villages; and construct nine clean water systems.

Drug addiction treatment will continue.

The LAPs will detoxify approximately 800 opium addicts. Bilateral funds will also support UNODC efforts to detoxify 2,500 opium addicts in other parts of northern Laos. Through support to public media, public awareness of the dangers of drug abuse will be increased. Lao National TV, Savannakhet TV, and Champassak TV will produce at least six drug awareness programs each, using equipment provided by the bilateral program.

Concerning amphetamine type stimulants (ATS treatment), support offered in terms of training and equipment to the ATS treatment center under construction in Savannakhet will help keep the center operable. Demand reduction education and treatment programs at national- and municipal-level drug counseling centers will continue to operate. Drug use rates will decline by about 20 percent and the number of drug users using the facilities will increase by about 15 percent. The 90-bed Savannakhet Center scheduled to open in October 2005, will treat approximately 300 ATS addicts per year, depending on the severity of the addiction.

The ability of Lao officials to detect and investigate and drug-related criminal activity will improve. Effective interaction between Lao law enforcement agencies will improve.

Training and equipment donations will augment the skills and capacity of Lao counter narcotics police. Coordination with US drug enforcement personnel improves as measured by increased information exchange between US and Lao counternarcotics authorities. Communication and coordination of investigations between Lao counter narcotics authorities and other Lao law enforcement entities increases. Lao authorities will make at least four major arrests and seizures and provide 18 seized drug samples to DEA.

Program Justification

According to U.S. estimates, in 2004 the total area under poppy cultivation in Laos decreased 53 percent to 10,000 hectares. Yields also declined significantly in 2004 – from 10.7 kilograms per hectare in 2003 to 4.9 kilograms per hectare in 2004. In addition, potential opium production decreased from about 200 metric tons to only 49 metric tons in 2004.

Opium poppy is generally grown in remote, mountainous areas largely populated by ethnic minority groups that have traditionally resisted the imposition of central authority. Laos is one of the world's least developed countries, with an almost total lack of infrastructure such as roads and rail that isolates rural villages from the market economy and most government services and influence. The few government services available in market centers are rudimentary by any standard. Human resource capacity is severely limited in all fields, including law enforcement.

In recent years, the Government of Laos (GOL) has demonstrated a newfound seriousness toward the threat of illegal drugs. Increased seizures along with greater regional cooperation, particularly with the Royal Thai Government, demonstrate a GOL willingness to address its drug problem, but GOL officials regularly readily express a need for assistance.

In terms of demand reduction, Laos has the second highest opium addiction rate in the world; UNODC estimates that over 50% of the opium poppy grown is consumed locally, with most of the remainder exported to neighboring districts and provinces in Laos. In recent years, the GOL has become increasingly sensitive to the stigma of being a global leader in opium production, and officials are alarmed by the increase availability of amphetamine-type stimulants (ATS). The GOL has instituted tough measures for eliminating opium production, imposing the death penalty for certain drug-related crimes, and organizing a national campaign to address the growing problem of methamphetamine abuse among Lao youth.

Laos is also a transit route for Burmese drugs going to China, Vietnam, Thailand, and Cambodia, among other places. Laos is increasingly coming under siege by drug traffickers who can easily exploit the countries' vulnerabilities. Law enforcement capabilities in Laos are both sub-standard and under-funded: more training and better coordination – as well as increased GOL support and international cooperation – are required to be effective against the major trafficking organizations active in Laos.

INL integrated rural development projects in Luang Prabang and Phongsali provinces, major opium-producing areas, are aimed at stemming production and trafficking of illicit opium, providing market-based income alternatives for opium poppy farmers, and raising awareness of and treatment for drug addiction.

The alternative development and crop substitution project will support a range of activities aimed at providing former poppy farmers with alternative crops and access to markets to replace income from opium cultivation. The crop substitution areas funded by the U.S. Government consistently show lower levels of opium cultivation.

The Lao police remain severely ill trained, resource poor and have proven generally reluctant to share information. The law enforcement project supports specialized counternarcotics units with training and equipment. It will also support Lao Customs and the Lao National Commission for Drug Control and Supervision. The project has suspended plans to expand to all 18 provinces in Laos because of budget constraints and the need to focus on strengthening the effectiveness of those already in place.

The demand reduction project supports Lao demand reduction and drug abuse education efforts through the United Nations Office of Drugs and Crime (UNODC) and several NGOs in cooperation with the GOL. In addition, demand reduction funds are supporting the construction of an ATS treatment center in Savannakhet province.

Program Accomplishments

The U.S. conducted its own opium yield survey in 2004 and supported UNODC's field and imagery-based opium survey, which covered 388 villages and interviewed village headmen and household heads in the surveyed villages. Based on a combination of ground survey and satellite imagery, the UNODC estimated 6,600 hectares of poppy, down 75% since 1998. The U.S. estimate was 10,500 hectares. In 2004, the GOL estimated about 3,700 hectares (as of October 2004), noting that neither the USG nor the UNODC surveys take into account eradication during 2004. Also, during 2004, the GOL claimed five provinces as "opium-free." Although the scale of eradication could not be confirmed, the GOL engaged in a comprehensive, sustained eradication campaign. And while exact figures are in dispute, all parties agree that there is a sharp downward trend in poppy cultivation

Funds used in the Lao-American (LAP) integrated rural development activities in the Phongsali and Luang Prabang provinces, two of the highest poppy cultivation areas in Laos, are showing results. While still in the early stages of implementation in the relatively new LAP in Luang Prabang, results from the first light infrastructure projects (such as gravity-fed clean water systems) are positive and providing additional incentives not to cultivate opium poppy.

Despite a limited budget, in 2004, the Lao-American Project/Phongsali focused on both infrastructure, alternative development, and opium detoxification. A new 33-kilometer road has opened up new target villages. Gravity-fed water systems were constructed in seven villages; the LAP constructed two new schools, a project sub office, two town meeting sites,

and a new clinic benefiting hundreds of villagers in this poppy-growing area. New crops, such as tea and galanga were harvested and village-based handicrafts established. The project purchased over 200 cattle to establish village cattle banks. With respect to opium detoxification, the LAP has successfully detoxed approximately 250 addicts, about 150 per year, and now has social programs to prevent relapse.

The Lao American Project/Luang Prabang is in its early implementation phase. Due to budget constraints, road construction was reduced, but the project still managed to construct nearly 100 kilometers of penetration road, opening up target villages to alternative development and detoxification. A community-based detoxification facility was established in 2004 and successfully detoxed over 100 opium addicts in three phases. Pilot crop substitution projects are ongoing and plans for cattle banks established. The LAP constructed (with villagers' assistance) 11 clean water systems and plans are in place for eight more.

In the first 10 months of 2004, the counternarcotics units (CNU), which have received U.S. support, reported 221 cases, with 514 arrests. Heroin seizures jumped from three kilograms to 53; ATS seizures from 866,000 to 1.7 million. In a noteworthy case in FY 04, the Lao police seized, in cooperation with Thai counterparts, 17.7 kg of heroin and nearly one million tablets of ATS, providing encouragement that GOL law enforcement authorities are moving more aggressively on this front.

U.S. law enforcement remains hampered by restricted access and cumbersome regulations on contacts and training, though there has been some progress. In FY 2004, DEA reports improved cooperation with Lao Customs, which made several significant seizures in 2004, including 14-kilogram seizure of heroin in Bokeo province. In addition, Customs officials promptly shared information with DEA. NAS currently supports seven CNU who have shown good or improving performance. Based on performance and strategic factors, NAS suspended assistance to three such units. Almost 400 officials from the CNU, Customs, and other agencies have received basic officer training and specialized training at ILEA Bangkok.

FY 2006 Program

The FY 2006 program has three major components:

Alternative Development/Crop Control: USG assistance in FY 2006 will provide limited support for rural development projects in Phongsali and Luang Prabang provinces, both major poppy-growing provinces. Funding permitting, projects will continue to construct roads to maintain access to markets and government services; improve food production through provision of agricultural inputs and training; deliver medical and educational programs that target villages in poppy-growing provinces; and maintain advisors in the field to manage and oversee the project.

In LAP/Luang Prabang, FY 2006 funds will allow us to move ahead with road maintenance, implementation of gravity-fed clean water systems in our target villages, and alternative development activities such as livestock procurement and training. In LAP/Phongsaly, Phase

II activities will include alternative cash crops, livestock purchases, agricultural training, rice banks, (all keys to sustainable conversion to a legitimate economy) as well as a modest amount of construction including a district school, a sub-office, and town halls for four target villages. Modest funding also will support the UNODC/GOL community-based detoxification efforts in northern Laos and GOL public awareness campaigns to prevent villages returning to poppy cultivation.

FY 2006 funds will assist the GOL to reach its target of making/maintaining Laos as essentially opium free by providing villages in the poorest areas with a licit crop and alternative to poppy cultivation. The GOL implemented an aggressive eradication campaign in pursuit of its poppy elimination goal: USG assistance is intended to build on this momentum in support of discouraging illicit crop cultivation.

Drug Awareness/Demand Reduction: FY 2006 funds will be used to provide limited support for drug awareness programs as well as some maintenance and training at the completed ATS treatment center in Savannakhet.

Narcotics Law Enforcement: FY 2006 funds will be used to provide modest support to maintain GOL counternarcotics law enforcement capabilities and promote effective interaction with law enforcement agencies in the international community. NAS will expend funds to support equipment maintenance. Funding permitting, NAS will provide modest supplies to provincial CNU's that demonstrate good performance.

Program Development and Support (PD&S). PD&S funds will cover the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hire and contract personnel, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Laos					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Narcotics Law Enforcement	100	-	100	-	50
Crop Control/Alternative Development	1,040	-	1,259	-	450
Drug Awareness/Demand Reduction	200	-	150	-	25
Program Development and Support					
U.S. Personnel	388	-	315	-	315
Non-U.S. Personnel	44	-	15	-	15
ICASS Costs	113	-	120	-	120
Program Support	115	-	25	-	25
<i>Sub-Total</i>	660	-	475	-	475
<i>Total</i>	2,000	-	1,984	-	1,000

Morocco

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
-	2,992	2,000

Program Objectives and Performance Indicators

Improved border control at land and sea ports of entry.

A strategic plan for border control is developed and implemented. Improved detection techniques and training lead to a reduction in illegal migrants and contraband leaving Morocco; increased seizures of drugs and other contraband; increased customs revenue collection; and reduced processing time for international travelers and commercial shipments.

Enhance security and reduce crime through improved police-community relations.

Improved relations will be demonstrated by a reduction in citizen complaints of police abuse, timely response by police to citizen complaints.

Program Justification

As a moderate Muslim state, Morocco is both a victim of terrorism and a strong and committed partner of the United States in the global war on terrorism. Nevertheless Morocco has relatively weak border control systems that could be exploited by international terrorists to carry out their activities. Morocco has substantial problems with illegal migration and human smuggling, the movement of transnational terrorists through its territory, drug production and trafficking, and commercial smuggling owing to its long and poorly controlled border with Algeria, Mauritania, and the Spanish enclaves, its extensive coastline, and its proximity to Europe. Smuggling of commercial products and trafficking in persons could ultimately provide revenue sources to terrorists. These criminal activities serve to undermine the rule of law in Morocco, could lead to corruption of public officials, and weaken the Moroccan institutions that assist the U.S. on the war against terrorism.

Hundreds of thousands of illegal migrants from the Near East and Sub-Saharan Africa transit Morocco on their way to Europe. Most are simply seeking a better life, but some harbor criminal and terrorist intentions. Morocco also consistently ranks among the world's largest producers and exporters of cannabis. The value of this illegal trade is estimated at \$1 billion per year.

The 2003 terrorist bombings—carried out by an indigenous group—and the arrests and prosecutions of a number of al-Qa’ida terrorists and their Moroccan accomplices in 2002 are indicative of underlying social tensions throughout the region. These tensions have the potential to overwhelm ill prepared law enforcement institutions whose mismanagement of civil unrest could deepen the chasm between Moroccans and their government, and underscore the need for programs – such as community policing - to improve relations between the government and civil society.

The Government of Morocco (GOM) continues to advance its political and economic reform agenda as it moves towards becoming a market-oriented democracy. In 2003 Morocco held free and fair local government council elections and concluded a Free Trade Agreement with the U.S. Morocco also distinguished itself as a solid partner in the fight against global terrorism. U.S. support for Morocco’s political and economic transition and its continued development as a moderate, Muslim state is consistent with our National Security Strategy, strikes at the root causes of terrorism, and improves America’s image with the Moroccan people.

Program Accomplishments

The U.S. has gained considerable credibility with Moroccan border enforcement agencies after a year of engagement with its Customs, Police and Gendarmerie. An initial assessment conducted by U.S. Customs and Border Protection in June 2003 led to the design and implementation of a four-phase Border Interdiction project. Phase I began with the delivery of four courses, including seaport, airport and land interdiction, at the ports of Casablanca, Nador, Tetuoan and Oujda. One hundred eight officers from Moroccan Customs, Police and the Gendarmerie received training in enforcement operations, narcotics identification and testing, interviewing/observational techniques, developing a risk targeting system, and baggage/personal/vehicle searches among others.

The Phase II Mid-Management Seminar included an exchange visit in the U.S. with 12 Moroccan Customs officials representing the three border security agencies, Customs, Police and Gendarmerie. Participants observed U.S. Customs and Border Protection activities at U.S. land, sea and airports along the U.S. southern border as well as key air and marine ports of entry. Observation included the use of body scan equipment, medical x-ray van, mobile baggage x-ray and other advanced scan technologies. Participants were also briefed on automated targeting systems and advanced passenger information systems. The visitors also received classroom instruction at the Federal Law Enforcement Training Center (FLETC) in Georgia. The participants were senior enough in their organizations to influence decisions and initiate procedural changes within their agencies.

In Phase III, forty-eight mid- to-high level officers from the border agencies participated in an Integrity Training and Internal Controls course. Phase IV consisted of the assignment of a U.S. Customs technical advisor in March 2004 to the ports of Casablanca, Tangier, Tetuoan, and Nador. The advisor worked with the inspectors at each port to reinforce training and broaden the perspective of the participants. This technical assistance was instrumental in the discovery of 36 kg of narcotics and other seizures. The technical advisor’s observations also

provided a more detailed understanding of Moroccan Customs and areas of needed improvement. A second US Customs inspector conducted a 30-day technical advisory in July 2004 at the same four ports. Local officials were trained in the use of laser range finders, fiber optic scopes and Buster density readers. Three CT-30 kits, containing these tools—as well as probes and lighted inspection mirrors were procured and donated. Shortly after the departure of the technical advisor and the donation of the equipment, officials at the port of Tangier made their first seizures involving concealments in gasoline tanks using the fiber optic scopes.

FY 2006 Program

FY 2006 funding will be used to improve Morocco's capacity to control its borders, to professionalize the police, and to continue support for the pilot community police program. A resident program manager will assist in the development of a strategic plan for improving border controls that addresses systemic problems, including corruption. Training and technical assistance will be directed at Moroccan customs and other law enforcement entities on border control and detection techniques at land and sea ports of entry.

Border Control: Funds will be used to provide x-ray technology and training at major seaports for container examination, specifically a mobile backscatter van to provide x-ray screening at the port of Tangier, which receives 30% of inbound cargo and the greatest amount of ferry traffic from Europe. Funds would also be used to purchase tool trucks for the ports of Nador and the ports of Tangier, and funds permitting, a permanent tool station at Tetuoan.

Police Professionalization/Border Control Training: Training will be offered at the mid-management level from the three border agencies: targeting, port security, and training methodology; training will be expanded to include the National Training Center and the K9 training center. Integrity training will be funded again this year. Training in basic inspection skills at the smaller air and seaports will be funded for rank and file officials. Modest tool donations to these ports of entry will be made in conjunction with the training. Training for border security along the Algerian and Mauritanian border will include tracker training, sensors and sensor training and monitoring devices. Funds permitting, equipment donations will include Contraband Enforcement Team Kits consisting of fiber optic scopes, laser range finders and "Buster" density readers will be purchased for three ports. The remaining funds would be used for the purchase of night vision goggle binoculars and narcotics testing kits.

Community Policing: Funds will be provided to the three communities as part of a pilot program initiated in 2004. Funds will provide for a technical advisor and limited commodity purchases.

Program Development and Support: Funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

MOROCCO					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Border Control	-	-	1500	-	1,000
Law Enforcement Support Police	-	-	-	-	-
Professionalization	-	-	500	-	300
Community Policing	-	-	992	-	300
Sub Total	-	-	2,992	-	1,600
Program Development and Support					
U.S. Personnel	-	-	-	-	250
Non-U.S. Personnel	-	-	-	-	50
ICASS Costs	-	-	-	-	50
Program Support	-	-	-	-	50
Sub-Total	-	-	-	-	400
Total	-	-	2,992	-	2,000

Pakistan

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
31,500	32,150	40,000

Program Objectives and Performance Indicators

Pakistani control over the border with Afghanistan and Iran is further strengthened.

Ability to monitor the 2,000-mile border with Afghanistan and Iran to interdict the passage of terrorists, narcotics traffickers, and other criminals will be improved. Access to previously inaccessible territory and the presence of security forces will be expanded through road construction. GOP border security surveillance and interdiction capabilities will be increased through continued air support, ongoing training activities, increased mobility, intelligence sharing, and expanded communications and other equipment (e.g., surveillance equipment).

The capability of the Government of Pakistan to investigate and prevent criminal and terrorist activity is improved.

Technical assistance, training, and equipment will augment the capacity of Pakistani law enforcement and security agencies. Modern forensic and fingerprint identification methodologies will be instituted as standard procedures in criminal investigations. Institutional police reform programs will emphasize executive management skills, improved police training, infrastructure development, strategic planning, and internal controls to prevent corruption. Police reform programs will also include the provision of model policing projects and support for a national dialogue among law enforcement agencies.

The ability of the Government of Pakistan to deter and eradicate opium poppy cultivation and interdict narcotics trafficking is expanded.

Opium poppy eradication efforts will continue their expansion into non-traditional areas. Poppy cultivation will decline as alternative crop programs and road infrastructure projects expand. Demand reduction and narcotics awareness public education efforts will be expanded to prevent drug abuse.

Program Justification

Pakistan is a key ally in the Global War on Terrorism, and was named a Major Non-NATO Ally in early 2004. The Government of Pakistan (GOP) has demonstrated a commitment to

combat transnational threats such as terrorism, organized crime, and narcotics trafficking. Since September 11, 2001, the GOP has taken into custody roughly 600 suspected al-Qaida and/or Taliban militants. In addition, the United States, Afghanistan, and Pakistan are working together through a Tripartite Commission to promote mutual understanding and stability in the region.

Pakistan's border with Afghanistan and Iran runs approximately 2,000 miles through rough mountainous and desert terrain that is remote, and thus provides a potential safe haven for terrorists, drug traffickers, and other criminals. Monitoring and maintaining control over this border has long posed a challenge for the under-equipped and under-trained Pakistani security agencies. This situation is made more serious and difficult by the massive scale of opium poppy cultivation in Afghanistan, arms trafficking, and continuing concerns about the movement of al-Qaida and Taliban militants into Pakistan to seek refuge and plan further terrorist acts, potentially including operations directed against U.S. interests. Commodities and infrastructure support, as well as training, already provided by the USG have improved the capabilities of agencies operating on the border, but still do not come close to meeting the requirements of these forces that collectively number more than 60,000 personnel. Ongoing assistance over a period of years, at a rate the GOP can absorb, will be necessary.

Large areas of the Federally Administered Tribal Areas (FATA) along the border with Afghanistan are virtually inaccessible, including to law enforcement agencies. This renders frontier areas attractive to terrorists, drug traffickers, and other criminals who seek refuge. INL-funded rural road construction programs begun in the FATA in opium poppy growing areas a decade ago succeeded in facilitating law enforcement access for eradication and interdiction activities. At the same time, improved infrastructure opened these remote areas for legitimate commerce, counter-drug education efforts, economic development projects, and vital health and education facilities and also extended the Government's presence into the areas. The INL-funded roads are accompanied by small infrastructure projects that improve the lives of the people and help gain their support for the entry of law enforcement into these areas. This program is expanding into areas along the Afghan border where al-Qaida and Taliban militants may otherwise find safe haven. Continued road construction is needed in the tribal areas through FY07 to sufficiently open up these inaccessible areas.

Law enforcement institutions in Pakistan have been neglected for decades. This has resulted in a very weak capacity to investigate even basic crimes such as stolen vehicles much less the far more serious threats posed by terrorists and narcotics traffickers. GOP capacity to combat terrorism and other serious forms of criminality successfully requires not just an infusion of resources, but also comprehensive reform and improvements to law enforcement institutions countrywide. These reforms include better cooperation and coordination among law enforcement organizations, more focus on service to the community, and overall enhancement of technical skills, particularly for forensics.

In October 2002, Pakistan promulgated Police Order 2002, a roadmap for reform. Two boards, the National Police Management Board and the National Police Training Management Board, have been convened to oversee reform efforts and to facilitate coordination and standardization of law enforcement training, policies, and procedures across

the country. Pakistan needs expert assistance and resources to implement these reforms fully. In support of this effort, INL assistance is providing leadership and management training at senior law enforcement levels in addition to furnishing training in basic and advanced criminal investigation techniques. Emphasis is placed on curriculum development, promotion of organizational change, and development of high accountability and public awareness standards.

The Federal Investigative Agency (FIA) and National Police Bureau (NPB) are spearheading the nationwide conversion to the international standard 10-print fingerprint card; 200,000 cards have been compiled to date, reaching a quantity that will allow the sharing of information with U.S. law enforcement agencies. To further institutionalize use of fingerprints for the expeditious identification of criminals, the INL program has also provided an Automated Fingerprint Identification System (AFIS) that needs to be further expanded at the federal and district levels. Work also has begun on the development of a national criminal database that will link law enforcement agencies at the federal and provincial levels and enable them to share key criminal information in real time – this program also will require further expansion in 2006.

In 1990, Pakistan was a major producer of opium poppy. With assistance from the United States, Pakistan embarked on a 10-year plan to become poppy free. It essentially achieved that goal by 2000; however, due in part to massive cultivation in Afghanistan, Pakistan experienced a resurgence of opium poppy cultivation in 2002-2003. This included an expansion of cultivation into non-traditional areas along the western border in both the FATA and Balochistan. It is important that opium poppy cultivation be in the first instance contained and then eliminated as soon as possible, before its economic impact becomes too deeply rooted. Crop control efforts, including enhanced poppy monitoring, increased economic alternatives, and infrastructure projects, will decrease opium production. The GOP is committed to this effort, but lacks the resources necessary to implement effective anti-poppy efforts.

GOP seizures of narcotics, primarily heroin and hashish, are significant and increasing, but undoubtedly represent only a small fraction of what actually is transiting the country. Arrests of traffickers in the remote border areas are difficult, as traffickers generally are far better equipped than law enforcement agencies. The continued provision of vehicles, radios, and surveillance equipment as part of the Border Security Program is expanding the capacity of law enforcement agencies to monitor and interdict narcotics trafficking. Additional resources still are needed, especially as increased efforts to combat narcotics in Afghanistan will put pressure on neighboring Pakistan to stop any elements of the drug trade that try to move east across the border.

Pakistan also is combating an increasing drug addiction problem that threatens the welfare and economic stability of its society. A National Assessment of Drug Abuse in 2000 estimated 500,000 heroin addicts in Pakistan between the ages of 18 and 25. There are also concerns about a growing number of intravenous drug users. The GOP needs additional resources in demand reduction to complement its supply-side efforts.

Program Accomplishments

The Ministry of Interior's Air Wing (50th Squadron) has made remarkable progress since its establishment, with INL funding, in 2002. It currently has eight (soon to be 10) Huey II helicopters and three fixed-wing surveillance aircraft equipped with Forward Looking Infra Red (FLIR) night vision enhancement systems operating from Quetta, Balochistan. A forward operating base will be established in 2005 to better support operations in the tribal areas. The 50th Squadron is the only night-vision capable aviation unit in Pakistan, and has an excellent safety record. The program has trained three Frontier Corps elite Heliborne Assault Force (HAF) platoons from the Rapid Interdiction Force (RIF) as well as ANF units and is now capable of a integrated air-ground operations, deployment of both fixed and rotary-wing aircraft, and night and night vision goggle operations. Throughout 2004, two or more of the Huey IIs were consistently deployed to the Wana area in support of the widely publicized operations there against al-Qaida forces. This important deployment to Wana limited the number of aircraft available to support other types of missions, particularly interdiction missions that generally required 6 aircraft (to move a platoon of forces). However, there were other successes. A major criminal figure responsible for kidnappings in Balochistan was killed by the U.S.-trained RIF and several of his cohorts were captured. A large poppy field was discovered and eradicated and several arrests were made. The Air Wing and Anti-Narcotics Force combined efforts in an air assault in Balochistan in October 2004 that netted 100 kilograms of heroin and 8 metric tons of dried opium poppy pods, demonstrating successful interagency cooperation. The Air Wing supported many other medevacs and performed critical logistics missions in support of security activities on the border, while continuing to train new personnel. Surveillance of the border improved significantly with the fixed-wing aircraft, providing useful background information, as well as mission-specific information to the border security agencies.

More than 1,100 vehicles and hundreds of pieces of communications equipment have been delivered so far to the Frontier Corps in Balochistan and the NWFP, the ANF and other agencies operating on the border. Despite security and aircraft availability limitations, fourteen border outposts were constructed in Balochistan and another thirteen are in progress; seven have been completed in the North West Frontier Province and nineteen more are underway. These resources provide border security and law enforcement personnel better access to rugged areas of the western border, and improved coordination and communication among those agencies. Training was provided to more than 950 law enforcement officials trained in criminal investigation skills and 183 on entry point security enhancement, small unit tactics, and port of entry operations in 2002-03. Over 700 officials in 2004 were trained in interviewing techniques, community policing, first response at crime scenes, criminal investigation management, victimology, and family crimes. Indicators have been positive, reflecting a 60 percent increase in operations in 2003 from 2002 for Anti-Narcotics Force (ANF) Balochistan alone. Based on quantity, nationwide heroin seizures rose 224 percent in 2003 from 2002; opium seizures increased by 125 percent; and hashish seizures grew 6 percent. Sixty-three percent of the total seizures were made by the Frontier Corps and ANF personnel operating in Balochistan, which cover the major trafficking routes from Afghanistan and which have been primary beneficiaries of INL assistance. The ANF attributes its greater capacity on the border to the Border Security Program. Additional

outposts are being constructed to support the placement of Frontier Corps personnel at remote border sites, with 21 border outposts completed in FY 2004.

To date, 449 kilometers of counter-narcotics roads have been completed in Bajaur, Mohmand, and Khyber agencies with an additional 60 kilometers underway for the Khyber. In addition, construction began for the first tranche of 17 new security roads along the Afghan border in the FATA for a total of 244 kilometers of additional border roads by the end of Phase I. In addition, over 700 small economic projects have been completed in Bajaur, Mohmand, and Khyber Agencies and over 40 more are underway.

Training courses involving personnel from fourteen different agencies have begun to improve skills in basic criminal investigations, small unit tactics, port of entry operations, first response at crime scenes, use of continuum of force, building organizational capacity, instructor development, and executive management. INL-funded technical assistance has been provided in the development of an organization and structure for the Federal Investigation Agency Special Investigative Group (SIG), including 153 standard operating procedures (SOPs) for police management and operations. Assistance has also been provided to adapt these SOPs to Pakistan police organizations, and a Police Reform Study has been provided to the Minister of Interior and the President. Forensics assessments were conducted at Quetta, Peshawar, Lahore, and Karachi in order to better equip laboratories and train personnel, and to integrate the newly created agency, the National Forensic Sciences Agency (NFSA), which will be responsible for Pakistan's forensic laboratories. Finally, the first all-female training course was extremely well received and was attended by 100 women police officers.

GOP law enforcement agencies began using the international standard 10-print fingerprint card nationwide during the last two years; over 200,000 acceptable 10-print cards have been collected and are being entered into the AFIS system. A central fingerprint repository, a key requirement for such fingerprint database systems, was established in the Federal Investigative Agency. A steering committee has been established for the National Criminal Data Base (NCDB), which is an automated information database for use as an investigative tool for Pakistani law enforcement agencies. The NCDB will be based at the Federal Investigation Agency headquarters, and will support the processing of information about crimes. NAS laid the groundwork for the project through work with the provinces on supplemental criminal reporting systems that will provide raw data to be included in the database.

The GOP promulgated Police Order 2002, a broad framework for reform, in 2002. Public safety commissions, designed to promote community involvement in policing and police accountability to the public, were established throughout Pakistan in keeping with the Order. Discussions continued with GOP officials on furthering reform efforts, including through strategic planning. In support of building training capacities, training has so far been provided to police personnel from throughout Pakistan on leadership and management, organizational capacity, continuum of force, instructor development, and training management. In order to institutionalize change and reach a larger audience of police personnel, emphasis was placed on working with provincial and national training institutions

to adopt the training curricula. Three of four provincial Police Colleges, Sihala (Punjab), Hangu (NWFP), and Shadadpur (Sindh) have integrated several USG courses into their basic course curriculum. This is significant due to the thousands of personnel they train annually.

The Government of Pakistan has made a strong commitment to combating opium poppy cultivation and improving monitoring and eradication efforts. Pakistan's example of being declared poppy free in 2001 by the UN is used as a model in promoting counter-drug efforts around the world. Cultivation of opium poppy, however, increased from a record low of 213 hectares in 2001 to 897 hectares in 2002 and 7,571 hectares in 2004; 3,145 hectares after eradication. While ground and aerial surveys demonstrated that opium poppy cultivation remained at roughly the same levels in 2003 and 2004 in the FATA, opium poppy cultivation in Balochistan and NWFP (Kohistan and Kala Dhaka) increased during this same period, spreading into non-traditional growing areas, with eradication efforts meeting little success. The GOP blames increased cultivation in Balochistan and NWFP on Afghans crossing into Pakistan to lease land or use tribal land for cultivation, as well as high opium prices. Other factors may contribute, such as inaccessibility of some areas to eradication teams, lack of economic alternatives, lack of adequate security forces to support eradication due to their deployment to counter-terrorism activities, and lack of a comprehensive opium poppy strategy and strong centralized government

Crop substitution programs, begun over a decade ago, have created a number of alternative economic opportunities. Initial reports suggest there has been a dramatic increase in the number of operations conducted against drug traffickers; for example, the Anti-Narcotics Force in Balochistan conducted 128 operations in 2003, as compared to 78 in 2002. DEA is working closely with the Anti-Narcotics Force's vetted unit, the Special Investigative Cell, to better enable it to disrupt and dismantle trafficking organizations. The Anti-Narcotics Force was granted permission to appeal the verdicts of two high-profile cases of concern (Manj and Notazai). A border coordination cell was created in Quetta to integrate information, planning, and operations among Pakistani agencies involved in counter-narcotics activities. This coordination will allow the Anti-Narcotics Force and the Frontier Corps to share information and cooperate on investigations. Pakistan participated for the first time in the Paris Pact expert meetings under the United Nations Office on Drugs and Crime (UNODC) in Vienna in October 2004 and will host a Paris Pact expert roundtable in Islamabad in early 2005, underscoring its interest in working in a multilateral context to counter narcotics production and trafficking. With assistance from UNODC, Pakistan is also part of an Intergovernmental Technical Committee with Iran and Afghanistan to block the flow of drugs across borders. Pakistan is also part of the Tripartite Commission's counter-narcotics working group, composed of senior diplomatic and military representatives from Afghanistan and the United States to increase cooperation between Commission members and offer a forum for the in-depth exchange of views on topics of mutual concern, including security of the regions between Pakistan and Afghanistan and counter-terrorism efforts. Additionally, efforts are underway to engage Gulf countries to design a regional strategy.

FY 2006 Program

The FY 2006 program has three major components that build on efforts undertaken in previous years, particularly since 9/11. The program also includes program development and support (PD&S) funds.

Border Security Program: FY 2006 funds will be used to build on the successful implementation of commodity support (vehicles, communications equipment, surveillance equipment), training, and technical assistance that was started with FY 2001 ERF Supplemental funding. The Border Security Program supports and expands law enforcement capacity to secure the western frontier against terrorists, narcotics traffickers, and other criminal elements. Beneficiaries include the Ministry of Interior, Anti-Narcotics Force, Frontier Corps – Balochistan and NWFP, Federal Investigation Agency, Coast Guard, Customs, and Home Departments.

Funds will be used to continue construction of border security roads in the Federally Administered Tribal Areas (FATA), a program begun with FY 2002 and FY 2003 Supplemental funds to facilitate the entry of security forces into inaccessible areas. Resources will also support the construction of small-scale infrastructure projects, such as dug wells and mini-hydroelectric schemes that accompany the road projects to secure community buy-in.

Funds will be used to provide ongoing maintenance, support, and operating expenses for the USG-established Ministry of Interior Air Wing, which includes three fixed-wing surveillance aircraft and eight Huey II helicopters that are based at Quetta, Balochistan province. Two additional helicopters will arrive in 2005. These aircraft permit monitoring and interception of terrorists, drug and other contraband traffickers, and other criminals operating in remote areas. Funds will also support operations at the Forward Operating Base that will become operational in 2005 to facilitate operations in the tribal areas.

Finally, funds will be used to support operations of a border security coordination center in Quetta. The purpose of the center is to integrate ground units, initially the Frontier Corps and the Anti-Narcotics Force, with the Ministry of Interior air wing assets to share information and coordinate operations.

Law Enforcement Program: Funds will be used to further enhance law enforcement capacities and to encourage more effective law enforcement cooperation within the Government of Pakistan, as well as with the United States and other countries. Funds will be used to continue providing training, technical assistance, and equipment to expand investigative skills and forensics capacities, build accountability and internal control structures, enhance police training institutions, and improve managerial and leadership expertise. Resources will also be used for police reorganization efforts, to include technical assistance, training, and executive travel to observe modern and progressive law enforcement organizations in the United States. Funds will also be used to support continuing and expanding community policing and professional standards pilot projects through training, technical assistance, and equipment. Funds will be used to continue the police leadership

institute program at the National Police Academy for superintendent-level personnel, the police supervision academy curriculum at the Police College level for inspector training, and training facility upgrades at the National Police Academy, Police Colleges, and Police Training Centers to accommodate proficiency skills training.

Funds will continue to support implementation of the Automated Fingerprint Identification System (AFIS) at the district level, expand multi-work stations where demand warrants, and link federal and major provincial penal institutions. Funds will be used to install the National Criminal Data Base (NCDB) at the district levels to provide access to law enforcement agencies, improving investigative skills and cooperation. Funds will be used for the continued enhancement of criminal investigation capabilities, including training and equipment for forensics labs.

Counter-narcotics Program: Funds will be used to support the construction of roads in opium poppy growing areas, particularly the non-traditional areas like Kohistan and Kala Dhaka where poppy only recently has been grown, to facilitate poppy monitoring and eradication, as well as provide economic alternatives through farm-to-market access and opportunities for development projects. This will include small water schemes to improve the economic potential of newly accessible areas and encourage the cultivation of high-value crops and intensive farming. Funds also will be used to introduce alternative crops, such as off-season tomatoes, particularly in the non-traditional areas.

Finally, funds will give operational support to law enforcement agencies, particularly the Anti-Narcotics Force. This support includes funding for the aerial poppy surveys, the poppy eradication effort, and demand reduction activities.

Program Development and Support (PD&S): These funds will be used to pay salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hire and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Pakistan					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Border Security Program					
FATA Road Projects	-	-	8,000	-	6,705
Aviation	23,500	-	12,000	-	13,000
Infrastructure/Commodities	-	-	4,902	-	6,000
Training/Training Materials	-	-	303	-	-
GOP Interagency Coordination	-	-	-	-	50
Sub Total	23,500	-	25,205	-	25,755
Law Enforcement/Judicial System					
Law Enforcement Reform	5,619	-	1,000	-	5,000
National Criminal Data/AFIS	-	-	2,000	-	1,000
Sub Total	5,619	-	3,000	-	6,000
Counternarcotics Program	1,500	-	2,700	-	7,000
Program Development and Support					
U.S. Personnel	268	-	350	-	350
Non-U.S. Personnel	98	-	150	-	150
ICASS Costs	301	-	380	-	380
Program Support	214	-	365	-	365
Sub-Total	881	-	1,245	-	1,245
Total	31,500	-	32,150	-	40,000

Philippines

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
2,000	3,968	2,000

Program Objectives and Performance Indicators

The Government of the Republic of the Philippines (GRP) will develop an effective civilian-led police force.

Training and technical assistance will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the Philippine National Police (PNP). Training and technical assistance provided to the rank and file members will help improve the PNP's criminal investigative skill, promote integrity and instill a sense of professionalism in the force.

The Philippine criminal justice system will be strengthened to successfully address transnational organized crime.

A forensic document laboratory and forensic document historical library to track terrorists, combat alien smuggling and prevent document fraud will be established and equipped; a national automated fingerprint identification system and criminal database will be established; and improved police-prosecutorial working relationships will be demonstrated through the establishment of joint task forces leading to successful case collaboration.

Program Justification

The Philippines is a strategic ally and one of the region's most important partners in the Global War on Terror. Enhancing the capacities of the law enforcement and criminal justice systems remains a top priority and is central to strengthening mutual security.

Philippine law enforcement suffers from a lack of resources and professionalism, low capacity and ineffectiveness, corruption, and widespread behavior inconsistent with the rule of law. The result is a criminal justice system with minimal legitimacy that paves the way for the excesses of local political strongmen, former separatists turned bandits, traditional warlords, and militias.

Problems in the broader Philippine criminal justice system that provide fertile ground for transnational criminal activity and terrorism need to be addressed by a long-term,

comprehensive program of training and technical assistance in areas such as drafting laws, rules and regulations concerning criminal law and procedure; developing sustainable training programs; facilitating interagency and police-prosecutor cooperation; devising judicial administration and case management systems; and developing task force capability.

An FY 2003 assessment focused on Southern Philippines law enforcement in Basilan and the Autonomous Region of Muslim Mindanao (ARMM), conducted by INL and the United States Department of Justice's International Criminal Investigative Training Assistance Program (ICITAP) and the Office of Prosecutorial Development, Assistance and Training (OPDAT), revealed a variety of serious deficiencies within the criminal justice system. It also concluded that the public has little trust in law enforcement and recognizes the existence of corruption. Adding to this erosion of public confidence is the perception that the police engage in human rights abuses.

In the southern Philippines and throughout the ARMM these problems are exacerbated by an unstable and volatile struggle between insurgents, criminal/kidnapping gangs and terrorists intent on disrupting the government. Additionally, many law enforcement officers lack basic investigatory skills, particularly with regard to evidence collection and handling; and reliance on confessions that are often obtained extra-judicially. They also suffer from a lack of fully trained leadership, particularly at the first-line and mid-level manager level. An ineffective working relationship with the prosecutor's office is another key weakness.

Cooperation received from the PNP leadership and INL program momentum and successes realized to date in the challenging southern area of the Philippines must be expanded into a more far reaching program of institutional development of both the PNP at the central level and the Philippine criminal justice system. A comprehensive assistance program is necessary to achieve long term and sustainable results. Addressing PNP's weaknesses at the central level will maximize efforts undertaken in the southern Philippines. The program will further enable the PNP to increase its competencies and capabilities in order to become a fully functional partner with other entities of the Philippine criminal justice system, and a stronger and effective partner with other international law enforcement entities, particularly U.S. law enforcement agencies.

Program Accomplishments

In September 2003, a law enforcement training and technical assistance program was launched to focus primarily on Basilan and the ARMM, based on the assessment conducted by INL, ICITAP and OPDAT. Phase I of this program has focused primarily on the delivery of training courses in fundamental police tasks. Emphasis was also placed on providing training in the areas of contemporary police supervision. Due to security concerns, the majority of these courses were conducted in the Metro Manila area; however several iterations were held in Cebu and Davao to facilitate maximum participation by supervisors assigned to the ARMM. Over half of the trainees attending the supervisory development classes were chiefs of police assigned to police commanders within the ARMM. It is anticipated that these leaders will actively support the continued development of

investigators and personnel assigned to their stations by applying the leadership and investigative skills they learned.

A significant element of all the training provided has been an intensive instructor development component aimed at creating “train-the-trainer” capabilities that will strengthen institutional capacities through replication and sustainability. Lesson plans used for all of the courses were provided to the PNP and graduates of the instructor development courses were subsequently used to deliver the courses. The PNP has adopted the course lesson plans and integrated them into their existing investigative training curricula. This will guarantee the perpetuation of the skills as they are taught to future classes.

The Public Relations and Media Course presented to PNP Commanders has become a requisite training course for all graduates of the PNP Academy before they are assigned to the field. To date, over 300 personnel have attended this course. This training has resulted in a more professional interaction between the PNP commanders and the media. Previously, many commanders simply refused to speak to the press or avoided attempting to develop a working relationship. This training has had a positive impact on the development of improved media relations.

The USG funded Crime Scene Courses have trained and equipped nearly 200 criminal investigators in the identification, preservation and collection of crime scene evidence. These investigators have returned to their respective station houses to utilize these skills to help investigate and solve a wide variety of crimes. These lesson plans have also been adopted by the PNP and made a permanent part of the PNP’s investigative training curricula.

Overall to date, 1,270 police officers and supervisors have been trained by the USG in the various courses offered. Students have included members of the PNP Criminal Investigation Unit, Forensics Unit, Crime Laboratory Unit, Special Action Force (Special Forces), Maritime Group, Airport Security Group, Public Safety College Staff and Regional Academy Staff of the PNP.

In 2003, funding was provided to FBI Criminal Justice Information System (CJIS) to assist the GOP with the establishment of an automated fingerprint identification system (AFIS) that would meet international standards. The initial FBI assessment resulted in the provision to FBI of over 200 prints of suspected terrorists, including one print that matched an active case in the U.S. The project was conducted on a train-the-trainer-basis and included training in basic fingerprint classification, and the lifting of latent prints at crime scenes. Fingerprint kits, latent kits, magnifiers and cameras were donated.

FY 2006 Program

The three major components to the FY 2006 program are Law Enforcement Support, Administration of Justice and Counter-narcotics. During FY 2005, a comprehensive organizational assessment of the Philippine National Police (PNP) is planned to identify and prioritize key institutional weaknesses and shortcomings of the organization to determine the overall capacity and organizational effectiveness. Input and active participation by Post’s

law enforcement attaches, and possibly subject area experts from their agencies, is envisioned. A portion of this assessment will be devoted to analyzing the working relationship that exists between the PNP and the prosecutors of the Attorney General's Office.

Law Enforcement Support: FY 2006 funds will be used for training and technical assistance to support new initiatives throughout the PNP that improve organizational structure, culture, and operational practices, particularly as they relate to personnel staffing and deployment, leadership and management, and community engagement. Funds will be used to strengthen law enforcement management, investigatory skills, education capacity, and curriculum relevancy.

Funding will also provide for continuation of the fingerprinting (AFIS) project and forensic document facilities, specifically training and equipment such as fingerprint identification kits, fingerprint booking stations, scanners, digital cameras, and a file server for the storage of prints. The AFIS when completed will conform to U.S. technological standards, ensuring interoperability, and real-time access by U.S. law enforcement personnel.

Administration of Justice: The effectiveness of law enforcement's working relationship with the prosecutors of the Secretary of Justice's Office is an important component of FY 2006 funding. The FY 2006 program is designed to improve police-prosecutor cooperation to better manage crime scenes, preserve evidence and bring criminals to justice. The strengthening of the working relationship between police and prosecutors through the implementation of policies and procedures -- that will require the police to consult with prosecutors during investigations -- will further establish corruption-fighting mechanisms, and initiate improvements in judicial administration and criminal case management. Funding will be used to provide technical assistance, training, equipment and commodities such as crime scene kits.

Counternarcotics: Funding for this project will provide technical assistance, training and equipment for the Philippine Drug Enforcement Agency. Specialized courses in criminal investigation and prosecution of drug crimes and management will be provided. Funds permitting limited equipment, such as drug identification kits will be provided.

Program Development and Support (PD&S): These funds will be used to pay salaries, benefits, and allowances of U.S. and foreign national direct-hire and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

Philippines					
INL BUDGET					
(\$000)					
	FY2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Law Enforcement Support	1127	-	2,993	-	1,000
Administration of Justice	800	-	300	-	350
Counternarcotics	-	-	75	-	150
Program Development and Support					
U.S. Personnel	-	-	450	-	350
Non-U.S. Personnel	54	-	75	-	75
ICASS Costs	15	-	70	-	70
Program Support	4	-	5	-	5
<i>Sub-Total</i>	73	-	600	-	500
<i>Total</i>	2,000	-	3,968	-	2,000

Thailand

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
2,000	1,608	1,000

Program Objectives and Performance Indicators

Regional law enforcement cooperation will be enhanced leading to more effective coordination with countries in the region on efforts to prevent narcotics trafficking (including drug trafficking, terrorism, trafficking in persons, and other crimes).

Border liaison offices will increase their joint investigations and information sharing. Thai and Lao authorities will increase cooperation to disrupt trafficking along the Mekong River as demonstrated by increased seizures of illicit goods and/or drugs on the border.

Curricula and procedures for promoting public ethics, transparency and internal oversight will be established to enable government institutions within the justice system to reduce tolerance for public corruption and to investigate and prosecute public corruption cases.

A comprehensive training program of comparative ethics for members of the judiciary, lawyers and prosecutors to prevent, or identify and punish, public corruption, and to promote integrity among public officials are developed and implemented.

Program Justification

Thailand is at the center of a wide variety of transnational crime, including trafficking in narcotics, weapons and persons, conducted by terrorist and other criminal organizations. Thailand has achieved significant success in its comprehensive, long-term strategy against illegal drug abuse, trafficking and production. However, its criminal laws, criminal justice institutions, and regulatory and investigative capabilities need improvement to respond effectively to transnational and organized crime in the 21st century, and the corrosive problem of public corruption further seriously impairs those institutions.

The Royal Thai Government (RTG) considers illegal drug trafficking and abuse as one of its most serious national security problems. The use of amphetamine-type stimulants (ATS) poses serious public health and social problems, and requires modification and expansion of demand reduction programs that were originally tailored for heroin abuse. A national campaign in 2003 to suppress the drug trade had some success, but was also criticized for human rights abuses, and its long-term impact remains unclear. Thailand is a leader in

programs for prevention and treatment of drug abuse. Its effort to reduce and eliminate opium poppy cultivation and heroin production is one of the most successful in the world. U.S. drug control assistance to Thailand dates to the 1970's, but is being gradually phased out in recognition of the success against opium production and evolving patterns of international drug smuggling. After decades on the list of major narcotics producing and trafficking countries, Thailand was removed from the list for the first time in September 2004.

The RTG is making a systematic effort to review its criminal justice system, and to develop and implement new or modified substantive and procedural criminal laws, procedures and practices that respond appropriately to organized and transnational crime, and implement obligations of the 1988 UN Convention Against Illicit Drug Trafficking, the 2000 Convention Against Transnational Organized Crime (TOC), and the 2003 Convention Against Corruption.

Thailand is a leader in international cooperation against drugs and transnational crime. It has agreements for cooperation with the U.S., its neighbors and others, and takes a leading role in regional and multilateral drug and crime control organizations. Under a bilateral agreement concluded in 1998, the RTG and USG jointly operate the International Law Enforcement Academy (ILEA) in Bangkok, which has provided training to over 4,000 law enforcement officials from Southeast Asia and China.

As traditional forms of U.S. counter narcotics assistance are reduced, "value-added" assistance in fighting corruption and other areas will continue to be crucial elements in Thailand's efforts to reform and modernize law enforcement institutions.

Program Accomplishments

INL-funded programs support a wide range of activities that have resulted in tangible accomplishments. For the sixth consecutive year, the opium poppy crop in 2003 remained below 1,000 hectares. Thailand's evolution from a major source country for opium to a net importer of heroin constitutes a significant strategic success and was a factor in removing Thailand from the list of major narcotics producing or trafficking countries in 2004.

With U.S. support and encouragement, Thailand is in the process of amending many of its basic narcotics and other substantive and procedural criminal laws. During 2004, Thailand employed new legal authorities authorizing use of wiretap evidence in drug investigations and allowing reduction of sentences for convicted drug offenders who cooperate with prosecutors and investigators. Legislation on plea-bargaining in criminal cases, controlled deliveries, establishment of a witness protection program and other improvements in substantive and procedural criminal law remain under active discussion and consideration by various Thai legal institutions and Parliament. Thailand signed the UN Convention Against Corruption, and the Thai Criminal Law Institute expanded its ongoing review of criminal laws to include that Convention. The RTG became a party to the Suppression of the Financing of Terrorism convention after Foreign Minister Surakiart submitted the instrument of ratification at the UNGA on September 29, 2004.

Law enforcement investigations using INL assistance have led to significant arrests, seizures, and prosecutions of Thai and non-Thai traffickers. However, in response to reports of police involvement in unexplained killings of drug suspects during the government's anti-drug campaign at the beginning of 2003, INL suspended most forms of counter narcotics assistance to the Thai Provincial Police. That suspension remains in place pending investigations of the killings, including prosecution of anyone found responsible for wrongful extra-judicial killings. (No FY 2006 funds will be provided to Provincial Police absent such investigations; reduced levels of drug law enforcement funding will support counter narcotics efforts by other Thai agencies.)

In 2003, the Supreme Court's special political corruption chamber convicted Khun Rakkiat, Sukanya, a politically prominent former Minister of Health in the late 1990's, of accepting bribes. This was the first time a former minister has been convicted on corruption charges. Khun Rakkiat absconded before he could be sentenced. However, he was captured in Bangkok in September 2004 and is currently serving a 15-year sentence for corruption.

On May 24, 2004, Thai Prime Minister Thaksin Shinawatra and U.S. Ambassador Darryl Johnson presided over the dedication of the new permanent ILEA office/training academy facility on land made available by the Thai government. During 2004, the ILEA curriculum included drug and other law enforcement training, with many courses now addressing law enforcement measures relating to terrorism. In 2004, ILEA trained approximately 659 law enforcement officers and supervisors.

Thailand continues to play a leading regional role in counter narcotics and fighting other transnational criminal threats. The RTG has cooperated with China, Burma, and others on significant drug investigations, resulting in numerous seizures of significant quantities of heroin and methamphetamine tablets. Thailand participated in several regional conferences on the suppression of precursor chemicals in 2004. Thailand has encouraged China and India to take stronger action to prevent the diversion of precursor chemicals used to manufacture methamphetamine. Thailand increased counternarcotics cooperation with Burma, and continued its pilot alternative development projects in Burma, based on its own successful experience. Thailand plays a leading role in the UN-sponsored ACCORD plan of action designed to promote regional cooperation on drug and crime control efforts. Thailand also continued to demonstrate regional and international leadership in law enforcement affairs, including the Government-funded and hosted regional drug law enforcement training courses in 2004 and a global conference on alternative development in December 2004, which was attended and supported by members of the Thai Royal Family.

The enhanced campaign against drug trafficking and sale during 2004 was accompanied by an intensified RTG effort to disseminate public awareness and prevention messages, and to expand substance abuse treatment availability to addicts or abusers who need it. In September 2004, the substance abuse academic network held the second national conference on substance abuse in Khon Kaen.

FY 2006 Program

The FY 2006 program is divided into two general categories: (1) Drug (and Customs) Law Enforcement, and (2) Measures Against Corruption.

As described below, the Drug (and Customs) Law Enforcement project will work on border security and regional cooperation in fighting drug trafficking. The "Measures Against Corruption Project," begun in 2003, addresses an issue underlying all INL efforts in Thailand. All projects build on longstanding counternarcotics cooperation projects while emphasizing institutional development and reform. All projects are thoroughly coordinated with relevant RTG agencies and the Mission's Law Enforcement Working Group.

Drug Law Enforcement: FY 2006 funds for this project will provide technical assistance, training, equipment and operational support to RTG institutions responsible for enforcement of laws against the production, smuggling, trafficking and sale of illicit drugs. It includes support for the RTG Special Investigative Units (SIUs), which cooperate directly with DEA and are funded by monies transferred to State/INL by DEA. It will include continued support for efforts to impede maritime trafficking, both on the high seas and particularly on the Mekong River. This project will also include Laos as a cooperating partner to enhance further bilateral cooperation. During this period, several major drug trafficking organizations will be substantially disrupted by arrests by RTG authorities and law enforcement cooperation between Lao and Thai authorities.

Measures Against Corruption: Corruption is the most difficult and durable problem faced by Thailand's entire law enforcement and criminal justice system. It is well entrenched and pervasive at every level. However, the government has declared war against corruption and has begun to implement measures to prevent, or to investigate and punish, involvement in corrupt activities by "influential persons" and officials. Early measures taken include a multi-agency agreement to pool resources in corruption investigations and an agreement between the Anti-Money Laundering Office (AMLO) and the National Counter Corruption Commission (NCCC) to expedite asset seizure procedures for politicians and officials found guilty of corruption. A project begun in FY2005 will be undertaken with the American Bar Association in conjunction with a wide variety of Thai legal institutions. The project is designed to improve understanding of ethics regimes by each of the three components of the justice system - judiciary, lawyers and prosecutors, to develop solutions to judicial misconduct and support training and education on ethics. A U.S. Supreme Court Justice and, depending on funding resources, other senior judges from the U.S. will participate in a seminar(s) on judicial ethics as part of the program.

Program Development and Support (PD&S): PD&S funds are used for the salaries, benefits, allowances, and travel of direct hire and contract U.S. and foreign national personnel, International Cooperative Administrative Support Services (ICASS) costs and other general administrative and operating expenses for counternarcotics and anticrime program planning, design, implementation, monitoring, and evaluation.

Thailand					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Crime Control and Criminal Justice					
Criminal Justice Sector	-	-	-	-	-
Development	125	-	308	-	-
Measures Against Money Laundering	50	-	-	-	-
Sub Total	175	-	308	-	-
Drug Control Assistance					
Drug (and Customs) Law Enforcement	-	-	-	-	-
705	705	-	273	-	125
Crop Control/Alternative Development	353	-	100	-	-
Regional Narcotics Control	59	-	50	-	-
Drug Awareness/Demand Reduction	176	-	100	-	-
Sub Total	1,293	-	523	-	125
Measures Against Corruption	-	-	100	-	225
Program Development and Support					
U.S. Personnel	237	-	275	-	300
Non-U.S. Personnel	66	-	90	-	115
ICASS Costs	131	-	178	-	135
Program Support	98	-	134	-	100
Sub-Total	532	-	677	-	650
Total	2,000	-	1,608	-	1,000

Regional and Global Programs

Interregional Aviation Support

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
70,000	66,620	70,000

Program Objectives and Performance Indicators

The Government of Colombia (with INL/A aviation services support and assistance) will conduct an aggressive aerial eradication program to reduce coca and opium poppy cultivation in Colombia to minimum levels.

All known areas of coca and opium poppy in Colombia will be sprayed with herbicide, and cocaine and heroin production will be reduced as a result of this eradication.

Successful missions will be conducted against narco-terrorists and their infrastructure.

The Governments of Peru and Bolivia (with INL/A provided air transportation support to move people and materials) will expand manual eradication efforts in outlying areas of their respective countries.

In Bolivia, coca cultivation will be reduced and new plantings will be prevented in the Chapare region (subject to the cooperation of the host government).

In Peru, coca cultivation will be reduced as evidenced by the eradication /abandonment of the remaining coca fields (subject to the cooperation of the host government). Opium poppy field surveillance will be increased.

INL/A will support missions to transport host government law enforcement or counter-narcotics military personnel by air in Bolivia, Colombia, Peru, and other countries for the purpose of destroying cocaine and heroin processing laboratories and interdicting drug trafficking activities to the extent possible using current assets.

The number of interdiction missions flown in Peru will increase in 2005.

Aerial reconnaissance missions will be conducted to locate drug crops, production facilities, and verify eradication program results.

Drug production areas and facilities will be successfully identified and mapped year-around in Colombia and on an as-needed basis in other countries.

Border security reconnaissance and interdiction operations in Pakistan will be effective against trafficking of narcotics and weapons, illegal border crossings, and terrorism.

Operations, training, and logistical support provided to the Pakistani border security aviation program will result in more frequent and more effective surveillance and interdiction missions.

The aerial eradication and interdiction programs will be performed to the highest standards of safety and efficiency with due regard for increased security risks.

Technological innovations will be developed and implemented to improve the effectiveness and safety of aerial eradication and interdiction efforts.

Afghanistan illicit poppy cultivation increased 239 percent in the last year; the numbers are daunting, in 2003 the poppy crop measured 61,000 hectares, and in 2004 the crop totaled 206,700 hectares. Afghanistan now tops the world in opium production. The Administration has proposed to provide aerial support to Afghan manual eradication and interdiction efforts in FY 2005, which likely would continue in FY 2006.

Program Justification

The INL/A aviation program is the backbone of our counter-narcotics objectives in the key source countries of Colombia, Peru, and Bolivia. INL/A assists these governments and others in their efforts to locate and eradicate drug crops, interdict drug production and trafficking activities, protect borders, and develop internal institutional counter-narcotics aviation capabilities. FY 2006 funding will be sufficient to provide only continuation of core activities with the existing fleet. Potential losses and upgrades of aircraft are not included. The aviation program provides eradication, mobility, interdiction, and logistical support that augment and facilitate ground operations and in many cases perform functions that would not be possible by any other means. In Colombia, the program conducts aerial eradication in hostile, remote and increasingly scattered regions. In Peru and Bolivia, the program supports transportation for manual eradication. Airplanes and helicopters transport law enforcement personnel, critical supplies, and equipment to remote, underdeveloped, and unsecured regions that would otherwise be inaccessible, as well as provide medical evacuation capability for eradicators and law enforcement personnel when needed. Air reconnaissance assets are essential in locating, identifying, and targeting drug activities and verifying operational results.

In all assisted countries, the assets are also employed for interdiction efforts. In Colombia they are also used to conduct operations against narco-terrorists under expanded authorities. In Pakistan, the assets are used for the monitoring and interception of terrorists, drug traffickers, and other criminals operating in remote areas.

By working closely with host government personnel to instill aviation technical and management skills and technology transfer, INL/A supports the operational goal of enhancing political determination to combat illegal drug production and trafficking. This

builds long-lasting institutions that have the trained personnel and demonstrated abilities to assume increased responsibility for counter-narcotics air activities.

Program Accomplishments

In 2004, INL-owned aircraft flew 49,905 flight hours; airplanes flew 14,529 and helicopters flew 35,376 flight hours. This is about 1,000 flight hours per week.

Colombia – Eradication. The Interregional Aviation Support program has made possible the tremendous expansion of aerial eradication in Colombia that, along with alternative development, is the backbone of that country's counter-narcotics strategy. INL/A and the Colombian National Police (CNP) have collaborated in the mounting of an effective campaign using T-65 Thrush, OV-10D Bronco, and AT-802 Air Tractor spray planes to eradicate coca and opium poppy cultivation. In 2004, 131,824 hectares of coca were sprayed – another record setting year. In the last four years over 465,800 hectares of coca have been sprayed that would have produced about 1.863M metric tons of cocaine with an estimated street value of \$27.9 billion. INL/A has assisted the CNP with training, maintenance, logistics, and operational support to make this effort possible. The program also provided logistical and operational support in the form of C-27 cargo airplanes and a Multi-spectral Digital Imaging System (MDIS) mounted on a Cessna C-208 Caravan for identification and mapping of coca. In 2004, INL/A Air Wing aircraft supporting the aerial eradication and Colombian Army (COLAR) helicopter program sustained 205 hits from hostile ground fire – down from 383 hits in 2003 – but which still caused the loss of several aircraft and downtime due to extensive maintenance repairs.

Colombia – COLAR. Besides supporting Colombian National Police aerial eradication activities, the Interregional Aviation Support program initiated and helps sustain the Colombian Army (COLAR) UH-1N and UH-60 helicopter program that provides air mobility to the counterdrug battalions. This project included training, personnel, and preparing, configuring, deploying, and supporting the operation and maintenance of 27 UH-1N and 14 UH-60 helicopters. The result of this effort, a fully trained COLAR aviation unit capable of conducting air mobile operations, is yielding results in terms of interdiction and ground support to aerial eradication. That unit has flown over 55,900 hours since its inception, with only two serious accidents. The COLAR alone destroyed 50 drug labs and the COLAR and Colombian National Police (CNP) combined to seize 178 metric tons of cocaine in 2004. The COLAR was also instrumental in the takedown of a number of major narco-terrorist targets.

Peru and Bolivia. INL/A aviation support to Peru and Bolivia has been instrumental in continued coca reduction operations. In Peru, INL/A owned helicopters continue to transport manual eradication teams and Peruvian counter-narcotics police in order to implement far-reaching counter-narcotics operations using a mobile-basing strategy. In Bolivia, INL/A helicopters enabled the government to project authority over vast areas where drug traffickers previously operated with impunity and establish mobile, forward operating bases. During times of violent attacks against eradicators and law enforcement personnel, the air assets conducted life-saving medical evacuations. The significant eradication of coca in the Chapare region of Bolivia would not have been possible without the helicopter support

provided through the INL/A aviation program. INL/A provided aviation technical, training, and logistical support was an essential ingredient of the success enjoyed by host nation personnel operating these helicopters. The aviation program has also continued to make progress in establishing self-sufficiency in host nation counter-narcotics aviation organizations.

Regional Aerial Reconnaissance and Eradication (RARE) Program. INL/A provided support to other Latin American countries in identifying and curtailing drug cultivation through its RARE program. On a semi-annual basis, we conduct reconnaissance of illicit poppy cultivation in Guatemala, and provide the host nation with photography and GPS mapping of poppy field locations. In FY 2005, we are scheduled to conduct the reconnaissance portion of a RARE operation in Peru for poppy.

Pakistan. In 2002, INL/A established and now supports a project in Pakistan to assist the host government in securing its border with Afghanistan. This project provides ten Huey-II helicopters (five in 2003, three in 2004, and two in 2005) and three C-208 Cessna Caravan airplanes to the Ministry of the Interior in order to provide law enforcement personnel with the operational capability to interdict drug trafficking and other illegal activities. Due to the receptiveness of the host nation team towards the operational and mechanic's training program, we were able to reduce aviation mechanic contractor presence in 2003. During the past year, these aviation assets assisted the GOP in accomplishing of many objectives, including aerial surveillance of opium poppy fields with mounted cameras and GPS capabilities, medevac and rescue operations, and counter-terrorism activities. In the past two years, nationwide heroin seizures increased 224 percent and opium seizures by 125 percent. These aircraft provide Pakistan with an Air Wing capability for integrated helicopter, fixed-wing, and ground forces operations in day, at night, or at night using night vision goggles (NVG). These aircraft make up the only NVG aviation interdiction force in Pakistan, and due to its unique capability and past performance, are the premier interdiction force. The aircraft provide surveillance along the porous, 1500-mile Afghan-Pakistan border area. The unit participates in the interdiction of trafficking in persons, narcotics, arms, and other contraband, as well as to assist in monitoring areas where opium poppy is cultivated to permit eradication efforts.

Technology. INL/A has put into place many technological innovations to enhance the safety and effectiveness of the programs. INL/A has continued to modify its OV-10D aircraft to provide appropriate armoring and night vision goggle capability in addition to state-of-the-art, satellite-guided spray systems. This has provided more protection and safety for crews while delivering herbicide in a precise manner. Many of these same features were incorporated in the more recently acquired AT-802 spray planes. The aviation program continues to improve and expand the usage of a technologically advanced system for identifying, plotting, and targeting coca cultivation, known as the Multi-spectral Digital Imaging System (MDIS).

Self-sufficiency. INL/A will continue to support helicopter operations in Peru, Bolivia, and Pakistan. Training and institution building efforts will allow us to continue to reduce the number of American contractor personnel at those locations. At the same time, we will continue to pursue technological innovations to improve aircraft performance and explore the use of new variations of aircraft to enhance eradication capabilities at a reasonable cost.

FY 2006 Program

Overview. In FY 2006, the Interregional Aviation Support budget will continue to provide core level services necessary to operate the current fleet of 182 fixed and rotary wing aircraft supporting counter-narcotics aviation activities in Colombia, Bolivia, and Peru, border security operations in Pakistan; and, as needed, programs at other temporary deployment locations. This base of support is essential to sustain logistically depot-level maintenance and the safe and professional operational employment of INL/A air assets. This budget will be augmented with funding from various country programs to support specific, dynamic local NAS and cooperating host government missions.

Colombia: A primary concern will be the continued aggressive aerial eradication of Colombian coca and poppy. Further successes in the coca and poppy campaigns are expected to reduce the target population of the illicit crops. The program is expected to be conducted in a hostile environment as narco-terrorists fight back against our spray and support aircraft. Funding in FY 2006 does not cover replacement of destroyed assets.

Bolivia, Peru, and Pakistan: In Bolivia, INL/A will continue to support the Red Devil Task Force (RDTF) efforts to eliminate residual coca and prevent new plantings in the Chapare region. INL/A aviation assets will also support interdiction operations along Bolivia's borders. In Peru, we will continue to support the reduction of coca cultivation, seek to aerially verify the extent of opium poppy cultivation, and support interdiction missions. In Pakistan, INL/A will continue to refine operational procedures and provide logistical support for the helicopters and fixed wing, sensor-equipped aircraft.

Afghanistan: The Administration has proposed to provide aerial support to Afghan manual eradication and interdiction efforts in FY 2005, which likely would continue in FY 2006. The Government of Afghanistan has not asked our support for an aerial eradication program.

Self-sufficiency: The establishment of host country self-sufficiency in counter-narcotics and border security aviation programs will continue to be a priority. In 2005, we are operating with a minimum number of contractor and INL Air Wing staff in Bolivia and Peru required to effectively monitor, and assist as necessary, the daily operations and maintenance activities of the RDTF and the Peruvian National Police. In Colombia, we expect to begin to see results in this area with the COLAR aviation program, as personnel we have trained gain experience and maturity, allowing the gradual reduction of contractor presence. We expect that these advances will begin to permit greater host country management of the assets. We will continue to emphasize technological improvements to maximize productivity and safety of spray platforms while maintaining cost effectiveness.

The Interregional Aviation Support program, augmented by country program funds for location-specific requirements, will continue to provide safe, professional aviation support to counter-narcotics and border security programs worldwide.

INTERREGIONAL AVIATION SUPPORT

INL BUDGET

(\$000)

	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Aviation Support Services Contract	58,775	-	54,695	-	56,075
DOD-Source Parts					
Maintenance and Overhaul	5,000	-	5,000	-	5,000
Operations Support					
Salaries and Benefits	3,300	-	4,000	-	6,000
Field Travel	235	-	235	-	235
Administrative Services and Program Support	-	-	-	-	-
Support	2,000	-	2,000	-	2,000
Base Support at Patrick AFB	690	-	690	-	690
Sub Total	6,225	-	6,925	-	8,925
TOTAL	70,000	-	66,620	-	70,000

International Organizations

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
13,200	5,496	10,000

This account encompasses support to two principal international organizations engaged in counternarcotics: the United Nations Office on Drugs and Crime (UNODC) and the Organization of American States' Inter-American Drug Abuse Control Commission (CICAD). U.S. support to multilateral organizations complements our bilateral programs and allows us to leverage our funds. It also generates increased buy-in and support from other countries for our overall anti-narcotics efforts. Through these multilateral programs, INL is able to address problems on a regional basis and reach areas where it is difficult for the U.S. to operate bilaterally. In addition, these organizations assist the USG in moving the global community toward our strategic CN goals, and measuring that progress. This has been particularly useful in meeting our PART requirements.

UN Office on Drugs and Crime – Drug and Crime Program

Program Objectives and Performance Indicators

Mobilize resources from a wide range of donors to enable the UN Office on Drugs and Crime to develop and implement counternarcotics and crime-control projects in countries where ongoing criminal activities and the production and transit of illicit narcotics, and illegally-diverted precursor chemicals, threaten U.S. interests. These projects are aimed at:

- Improving law enforcement capabilities to investigate major drug traffickers and their organizations;
- Eradicating illicit drug crops;
- Developing alternative livelihoods;
- Combating money laundering and the financing of terrorism;
- Enhancing chemical diversion control capabilities;
- Providing states with the legal tools and expertise to combat and prevent terrorism;

Promoting the ratification and implementation of the UN Convention Against Transnational Organized Crime and its supplementary protocols.

Through delivery and implementation of training segments and modern equipment, enhance law enforcement investigative capabilities to disrupt the activities of crime and drug trafficking syndicates, increase the number of arrests and seizures, and enhance the capabilities of law enforcement agencies to prevent the diversion of precursor chemicals;

Assist states to pass or strengthen legislation to prohibit and penalize illicit drug trafficking, money laundering, terrorist financing, and other ancillary crimes; and to improve mutual legal assistance, extradition, and asset forfeiture cooperation, in compliance with UN drug-control treaties;

Provide technical advice to states on how to improve mutual legal assistance, extradition and asset forfeiture cooperation, with a special focus on countries in Latin America and the Caribbean; upgrade national legislation regarding all aspects of narcotics control in line with international best practices; develop financial intelligence units and tutor financial institutions to prevent money laundering and related financial crimes through placement of international experts to select high-risk countries;

Provide assistance for the development of legal frameworks for chemical diversion control as required by the international drug control conventions, and for the training and equipping of appropriate personnel in order to implement chemical control regimes;

Enhance through alternative development strategies the capabilities of national authorities to prevent, reduce, and eliminate the cultivation of illicit drug crops in countries where ongoing illicit narcotics production threatens U.S. interests;

Reduce cultivation of illicit crops in target areas through increased community-based alternative livelihood programs to former cultivators of illicit narcotic crops in drug cultivation areas in Southeast Asia. This effort will include (where appropriate) the provision of: basic communication and transportation infrastructures; alternative industries appropriate to various communities; credit for alternative income producing projects; and remote sensory and ground-survey data for the purpose of monitoring eradication efforts;

Inhibit international organized crime and its resulting damage to society and individuals through the increased adoption and implementation of the UN Convention Against Transnational Organized Crime (TOC) and its supplemental protocols against human trafficking and migrant smuggling:

Strengthen the legal framework and the operational capacity to investigate prosecute and adjudicate organized crime cases; in-country expert mentors will be placed in select high-risk countries in Latin America, West Africa, and Southeast

Asia and the Pacific to aid in implementing the TOC's component provisions, including modern investigative and analytical practices for law enforcement practitioners, extradition, and the provision of mutual legal assistance;

Help provide states with the legal tools and expertise necessary to combat and prevent terrorism through utilizing criminal justice measures and international cooperation, particularly through the adoption of the 12 universal legal instruments against terrorism;

Supported by technical mentoring from UNODC's Terrorism Prevention Branch, additional states will ratify and implement all universal legal instruments against terrorism.

Program Justification

The United Nations Office on Drugs and Crime (UNODC) is the major multilateral organization providing assistance to combat drugs and crime. It is supported by many countries unable to develop and finance bilateral programs. U.S. support to UNODC complements INL bilateral programs and leverages U.S. funds by promoting increased buy-in and support from a broader array of donor countries. As the only multilateral institution providing technical assistance on a global basis for the development of modern law enforcement, financial regulatory and judicial institutions and practices, UNODC has a unique role in supporting the development of modern national legislation corresponding to obligations set forth by the three UN anti-drug conventions, the UN Convention Against Transnational Organized Crime, the UN Convention Against Corruption, and the 12 universal legal instruments against terrorism. It is the only multilateral organization that possesses both this global reach and the credibility to deliver technical assistance to states seeking to ratify and implement these important instruments.

We will remain consistent advocates of these important international documents in bilateral dialogues and offer direct USG assistance to promote implementation where appropriate, but to reach states where bilateral assistance is either politically inexpedient or practically inefficient, UNODC offers an invaluable multilateral option through which to pursue U.S. objectives. The organization is a steadfast ally in support of strict enforcement efforts against illicit drugs, organized crime, and terrorism, as required under international law.

Program Accomplishments

INL funding supports a wide range of technical assistance and legal reform projects undertaken by UNODC.

UNODC has utilized INL funds to help reduce illicit opium production in traditional growing areas in Southeast Asia. In Laos and Burma --countries of origin for substantial amounts of illicit drugs to the U.S., but where direct USG counternarcotics assistance is either impractical or prohibited due to broader political circumstances —UNODC has provided alternative development assistance that has encouraged thousands of former opium farmers to abandon their illicit crops and engage in legitimate economic activities. These activities

have contributed to the sustained decrease in illicit opium cultivation in Southeast Asia over recent years. In 2004, Burmese opium production, for example, witnessed a decline of 54% with respect to 2002, and in Laos, cultivation has declined by 45% in comparison to 2003.

INL has supported UNODC's efforts to ratify and implement the three UN drug control conventions and their requisite obligations, including through relevant judicial and legislative reforms and direct on-site operational support to prosecution and judicial services in ongoing prosecution and asset forfeiture casework. Specific examples include helping the Commonwealth of Independent States to harmonize relevant national legislation of its 12 member states, in compliance with the UN conventions; assisting the governments of Armenia, Azerbaijan and Georgia to elaborate legislative work plans for adopting necessary counternarcotics legislation; mentoring South African authorities on the establishment of an Asset Forfeiture Unit; and providing other legislative assistance to over two dozen countries.

UNODC performed a crucial role in promoting the rapid entry into force of the TOC, which took place in September 2003, as well as its supplemental protocols to combat human trafficking and migrant smuggling, which entered into force in December 2003 and January 2004, respectively. Ratification and subsequent implementation efforts have including the development of legislative implementation guides, the review of applicable legislation for the development of amendments and revisions to ensure compliance with the TOC, the provision of technical assistance to specialized investigators working in the area of organized crime, and the organization of legislative training and roundtable events for policymakers and other relevant government officials.

Efforts by UNODC to promote the universal ratification and implementation of the 12 legal instruments against terrorism were also significant in 2004. The Terrorism Prevention Branch has provided assistance to over 90 requesting countries, either through country-specific "direct" assistance, which it delivered to 49 countries, or through the organization of sub-regional workshops that reached an additional 45 countries. In addition, more than 500 lawmakers, law enforcement, and other officials were familiarized with the requirements of the international legal instruments against terrorism in these missions.

UNODC has undertaken important chemical control projects in Latin America, and Southeast and Central Asia, major drug producing regions or transit regions for precursor chemicals intended for illicit drug production.

With INL support, UNODC's Global Program Against Money Laundering provided technical assistance on combating money laundering and terrorist financing to more than 40 countries and jurisdictions throughout the world in 2004. On-the-ground mentors stationed in regional centers across the globe have helped governments draft modern anti-money laundering and counter-terrorist finance legislation, train prosecutors and financial investigators, and develop financial intelligence units.

FY 2006 Program

INL support to UNODC programs in FY 2006 will build on ongoing initiatives outlined above.

Global Legal Advisory Program: Funds will support this ongoing program that provides assistance to ensure that parties to the international drug conventions have adequate laws and capacities to enforce treaties. Priorities include establishing the legal framework for drug control in countries recently emerging from conflict; improving mutual legal assistance, extradition and asset forfeiture cooperation; and upgrading model legislation.

Opium Eradication Through Alternative Development in Southeast Asia: These funds will support the further implementation and monitoring of alternative development projects in opium-producing regions in Laos.

Precursor Chemical Control: Funds will be used to continue support to several UNODC regional projects to track the flow of precursor chemicals used to manufacture cocaine, heroin and amphetamine-type stimulants, to train law enforcement officials, and to support the International Narcotics Control Board's global database of precursor chemical shipments and legitimate industrial needs.

Ratification and Implementation of the TOC: INL funds would be obligated to support the extension of TOC mentors into several countries within Western Africa, South East Asia, as well as Latin America to provide intensive training to law enforcement and judicial officials on the criminalization and investigatory standards inscribed in the Convention, as well as its mutual legal assistance provisions.

Global Program Against Money Laundering: It is impossible to effectively stem the flow of illicit drugs without attacking the profitability of the industry. Towards that objective, INL will continue to support UNODC's continuing global efforts to enhance effective legal and regulatory regimes against money laundering and terrorist financing. These funds will be used to support the placement of resident mentors in selected countries to assist in bringing their money laundering and counter-terrorist finance laws and regulations up to international financial standards, for the development of financial intelligence units (FIUs), and for training for prosecutors, regulators, investigators, and judges in the implementation of the legislation. Funding will also be provided to expand the computer based anti-money laundering training program as well as to participate in the development of an "FIU in a box" initiative that enable small jurisdictions to cooperate with more than 100 other FIUs in the global combat against transnational crime and terrorism.

Ratification and Implementation of 12 Legal Instruments Against Terrorism: Funds would be used to support the extension of assistance to additional countries, possibly including Bahamas, Ukraine, and Sierra Leone. Additional concrete measures to be undertaken include the development of national action plans for recipient countries implementing the conventions and the production of an updated legislative guide to assist policymakers responsible for incorporating the conventions into practice.

Inter-American Drug Abuse Control Commission (OAS/CICAD)

Program Objectives and Performance Indicators

Improve counternarcotics performance by OAS Member States.

CICAD provides training and technical assistance to most of the (34) OAS Member States. Much of this assistance is designed to address performance or systemic weaknesses identified by the Multilateral Evaluation Mechanism (MEM) – a peer review system that permits the OAS to measure progress by individual countries and collectively within the Americas in areas such as: 1) national coordination efforts, policies and strategies, 2) legislative frameworks, 3) drug abuse prevention, demand reduction, treatment and 4) supply reduction (anti-smuggling, chemical control, money laundering control). Measure: The MEM tracks progress on fulfilling recommendations; a decrease in the number of reiterated recommendations and completion of recommendations measures progress – the rate of reiterated recommendations will indicate the level of progress being made towards long-term goals.

Increase counternarcotics cooperation in the Western Hemisphere.

Drug trafficking and organized crime are transnational threats requiring close cooperation and information sharing among neighboring states. CICAD promotes active and practical cooperation among the countries of the Western Hemisphere. CICAD promotes practical cooperation against drug production, trafficking (particularly cross-border and maritime smuggling), money laundering (including terrorist financing), arms trafficking, chemical diversion, and youth gangs. To ensure that Member States are equipped with appropriate modern legal tools to confront organized crime and to provide a common legal framework to support mutual legal assistance, CICAD has produced - and periodically updates - model regulations. Measures: Increase in number of countries participating in regional cooperation mechanisms, conventions, and programs. In FY 2006, CICAD should have produced new regulations on special investigative techniques for combating organized crime.

Make progress in the inter-American region to curb money laundering and chemical diversion.

CICAD has updated its model legislation on money laundering and chemical control, and will move forward in FY 2005 and 2006 to promote their adoption hemisphere-wide. INCLE funds will be used to provide training and technical support to governments, legislators, regulators and judicial authorities. Measure: Increase in number of countries with updated legislation/regulations. Decrease in number of countries designated by FATF as non-cooperating jurisdictions (NCCT) within the region.

Program Justification

The Inter-American Drug Abuse Control Commission, the drug control arm of the Organization of American States (OAS), is the premier counterdrug forum for the Western Hemisphere. It is also one of the most effective entities within the OAS. The Commission meets semi-annually to review policies and cooperative efforts. CICAD's Executive Secretariat supports the Commission and uses INCLE funding to operate the MEM and to provide technical advice, program support and training to the Member States. INCLE funds also support governmental experts groups that exchange information and experiences, and that develop action plans on money laundering, firearms trafficking, chemical diversion, maritime drug trafficking, and demand reduction. The Secretariat also provides a central resource and coordination point for hemispheric statistics and information, legal standards, and research.

The MEM provides each country with an objective diagnostic of the weaknesses in its anti-drug strategies, programs and laws, and identifies ways in which the countries can improve regional and international cooperation. These assessments validate individual country requirements for technical and material support, allowing INL and other international donors to better prioritize assistance. The MEM system also keeps pressure on individual governments by reporting publicly on progress (or lack thereof).

Much of CICAD's success has been due to sustained U.S. foreign policy efforts to promote a strong anti-drug coalition and sense of shared responsibility among the countries of the Western Hemisphere. Active participation by the U.S. interagency community in specialized CICAD activities has been critical to achieving high standards of performance as well as keeping CICAD's efforts relevant to U.S. counterdrug agencies. CICAD has been instrumental in developing hemispheric solidarity on the drug issue and to putting an end to finger pointing between "supplier" and "consumer" nations. Hemispheric efforts are guided by the Summit of the Americas-mandated "Anti-Drug Strategy in the Americas."

INCLE funding will be used for projects, training and technical assistance that advance the goals of the hemispheric drug strategy, including: development of sound national anti-drug policies and programs, promulgation of modern laws and regulations, elimination of drug production and drug abuse, and control of chemical diversion, arms trafficking, and money laundering. CICAD programs complement INL's bilateral programs and fill gaps in multinational support efforts (e.g., on alternative development projects in the Andes). INL has encouraged close collaboration between CICAD technical staff and U.S. Embassy program managers.

While the OAS has become more engaged in counterterrorism and other security-related matters since 2001, drug trafficking remains a major preoccupation for all 34 OAS Member States. Because of its recognized expertise in areas such as money laundering and arms trafficking control, CICAD has emerged as an important player in the hemispheric response to terrorism, partnering with the OAS' Committee Against Terrorism (CICTE) to confront terrorist financing. Under the OAS reorganization to take place in CY 2005, CICAD will be

a major arm of a new “Department of Multidimensional Security,” and will likely take on new functions.

Program Accomplishments

INL funding has permitted CICAD to:

- Design and implement the MEM, which included a template for a comprehensive national drug program;
- Develop model regulations for chemical and weapons diversion and money laundering;
- Assist 25 countries to draft National Drug Plans and establish national drug councils and establish drug information systems in 21 Latin American and Caribbean countries;
- Develop a standardized drug use prevalence evaluation tool (now applied in 19 countries); design a methodology for estimating the social and economic costs of the drug problem;
- Establish an Andean counter-drug intelligence training center in Lima, Peru;
- Introduce hundreds of judges, prosecutors, bankers and regulators to financial crimes identification, investigation, and prosecution; train thousands of customs, police, coast guard, port officials, and maritime officers;
- Conduct a study on port and maritime trafficking patterns, laws, agreements, and interdiction;
- Produce a manual on chemicals used in illicit drug production, including guidance on safety and prepare a guide that defines the key elements of a pharmaceutical control system;
- Implement a new model for alternative development in the Andes and the Caribbean including, e.g., introduction of high-yielding disease resistant varieties of cacao and banana;
- Apply a satellite-based mapping tool (GLEAM) to evaluation of land use in areas of illicit cultivation and design of alternative development interventions;
- Develop standards of care for treating drug dependence (applied now in 15 member states); establish guidelines for building a comprehensive national drug treatment system; incorporate drug prevention and treatment into nursing curricula of 15 universities; launch an on-line graduate degree program in drug addiction studies;

- Provide drug training for youth counselors, gang intervention workers, criminal justice and prison officials, family prevention workers and healthcare professionals;

CICAD's work has been highlighted in the Summit of the Americas process, where Heads of State entrusted CICAD to develop and implement the Anti-Drug Strategy of the Americas and the MEM. Through CICAD efforts, all OAS Member States are now party to the 1988 UN Drug Convention. As documented in the MEM process, CICAD has been successful in moving the 34 OAS Member States forward in developing strong national anti-drug programs, policies, and laws.

FY 2006 Program

In FY 2006, sustained funding is needed to continue to support the implementation of the hemispheric drug strategy, including the operation of the MEM. Much of the funding will be devoted to providing technical support and training to address shortcomings in country anti-drug programs identified by the MEM. It will also support expansion of CICAD's practical demand-side, supply-side and legal development programs. INL funding will be used to support programs in the following priority areas:

Multilateral Evaluation Mechanism (MEM): funding will be used for analysts, travel of experts, processing costs and follow-on training and technical support to OAS Member States. In 2005, the Commission will examine ways to make the MEM even more effective and to reduce costs of the mechanism to permit more funding to be directed towards implementing recommendations.

Strengthening national drug control commissions: Funds will be used for activities aimed at assisting governments to develop drug strategies, national coordinating bodies, national analytical centers and systems.

Legal development: Funds will be used to support the experts group charged with updating model legislation – including a new model on special investigative techniques to combat organized crime. Funds will also support orientation programs for legislators and judges on the model laws.

Supply Reduction Efforts: Funds will be used by the Secretariat to build on preliminary work in the areas of maritime and port security, customs controls, and cooperation/communication among law enforcement entities throughout the Americas, including best practices guidelines, such as the International Port Security System (IPSS), and exploration of new technologies and public-private partnerships. In eradication, CICAD will continue its spray-monitoring program to establish the safety and effectiveness of aerial application of herbicides. Funding will also support ongoing alternative development projects.

Demand reduction and youth programs: Funds will be used to build effective national drug awareness/education programs, conduct epidemiological surveillance (according to hemispheric standards), train nurses and other health professionals in drug treatment, and support development of an English-language version of the on-line Masters Program in drug

abuse prevention. Includes demand reduction training, adoption of minimum standards of treatment, and policy and program development for at-risk populations, e.g. street children and youth gang members.

Maintenance of a hemispheric data collection system: Funds will support continued operation of the Hemispheric Observatory on Drugs that maintains a centralized, dependable source of demand and supply statistics to track progress in the Hemisphere; also, complete work on the standardized methodology for estimating social and economic costs of the drug problem.

International Organizations					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
UNODC	8,600	-	3,996	-	6,000
OAS/CICAD	4,600	-	1,500	-	4,000
<i>Total</i>	13,200	-	5,496	-	10,000

Demand Reduction/Drug Awareness

Budget Summary (000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
5,000	9,920	3,000

Program Objectives and Performance Indicators

Select foreign countries will be able to apply “best practices” and new prevention and treatment technologies that are scientifically sound and effective at the national and community levels.

Training and technical assistance delivered and effectively utilized by public/private sector demand reduction organizations in Central/South America and Southeast Asia, resulting in new or enhanced programs that significantly reduce drug use and delay onset of first use in target populations.

Regional institutions that foster dissemination and utilization of “best practices” and scientific knowledge about effective prevention and treatment technologies will be established to better enable foreign countries to improve demand reduction services.

Technology transfer centers established or enhanced in Eastern Europe, Southeast Asia, Latin America, and the Middle East/Southwest Asia; delivery and implementation of core training curriculum, utilization of new prevention and treatment technologies will result in significant reductions of drug use in target populations.

The international community will be better educated about U.S. policies, programs, and successes in combating drug abuse.

Provision of one regional-level seminar each in Latin America and Southwest Asia for U.S. embassy officials and key foreign government and NGO leaders resulting in increased understanding of, and support for, U.S. international anti-drug policies and programs.

Multilateral alliances will be established to build public support and political will to combat drug trafficking and abuse, develop support for U.S. foreign anti-drug policies and initiatives, and improve America’s image overseas.

Training, technical assistance, web sites, newsletters, and knowledge exchange forums delivered and effectively utilized in Southwest/Southeast Asian and Andean region countries by public/private sector agencies, civil society, and grassroots organizations resulting in reduced drug use and delayed onset of first use.

International program accomplishments and lessons learned will be utilized to benefit both U.S. and foreign demand reduction services.

A research-based demonstration program on community/anti-drug coalitions will be successfully replicated in Peru. Evaluations of this program will document effective approaches, strategies, policies and technologies as “best practices” that can be used to improve service delivery in demand reduction programs worldwide.

Two long-term, outcome-based evaluations of INL demand reduction training programs (Mexico, Thailand) will be conducted and disseminated.

Program Justification

Demand reduction efforts aim to reduce the use and abuse of illicit drugs worldwide. The need for demand reduction is reflected in escalating drug use that takes a devastating toll on the health, welfare, security, and economic stability of all countries. Recognizing this threat, a key objective of the National Security Presidential Directive (NSPD # 25) on International Drug Control Policy urges the Secretary of State to “expand U.S. international demand reduction assistance and information sharing programs in key source and transit countries.” As opposed to drug production and trafficking, the NSPD addresses rising global demand for drugs as the principal narcotics-related threat to the U.S. As outlined in the NSPD, drug trafficking organizations and their linkages to international terrorist groups also constitute a serious threat to U.S. national security by generating money that increasingly threatens global peace and stability. Demand reduction assistance has subsequently evolved as a key foreign policy tool to address the inter-connected threats of drugs, crime and terrorism.

In addition, President’s *National Strategy for Combating Terrorism* directs us to “work with moderate and modern governments in the Muslim world to reverse the spread of extremist ideology and those who seek to impose totalitarian ideologies on our Muslim allies and friends.” Collaboration in Afghanistan and Asia with our network of 400 Muslim-based, anti-drug programs enables us to provide alternatives to radical schools that recruit young terrorists and to reduce drug consumption that fuels the coffers of terrorist groups. This network has provided us with rare access to mosques and madrassahs in volatile regions thereby enabling us to establish a *prevention component* to the “War on Terror.”

Finally, foreign countries recognize the vast U.S. experience and efforts in reducing drug demand. In return for cooperation with supply reduction efforts, many drug producing and transit countries request U.S. assistance with demand reduction technology, since drug consumption also has debilitating effects on their society and children. Demand reduction assistance thereby helps secure foreign country support for U.S.-driven supply reduction efforts, while at the same time reducing drug consumption in that country and thereby cutting-off a major source of terrorist financing.

Program Accomplishments

An outcome-based evaluation of the long-range impact of INL-funded training for over 200 treatment programs in Peru revealed that the training reduced any drug use from 90% to 34% among clients in the participating treatment programs. Similar significant reductions were reported for cocaine use (30% to 8%), cannabis use (37% to 13%), and coca paste use (62% to 22%). Following publication and dissemination of an INL-funded, research-based demonstration program for high-risk youth in Peru, the Italian government contributed \$850,000 to the project, while the Government of Luxembourg contributed nearly \$500,000 to extend the project to adolescent girls. Foreign governments continue to engage their own national institutions, communities, and resources to address demand for illicit drugs as a result of INL-funded training and technical assistance. This technical assistance enabled Chile and Brazil to extend school-based prevention programs to over 1 million students, while Thailand's prevention program increased its reach to 500,000 students. INL-funded two regional demand reduction symposiums in Malaysia that resulted in the commitment of 500 Afghanistan mullahs to cooperate with the United States on providing mosque-based, drug prevention and intervention services. Likewise, leading Indonesian mullahs developed plans to collaborate with the United States on providing drug prevention and outreach services through mosques and madrassahs. INL-funded assistance has provided new updated curricula to 24 existing Drug Abuse Resistance Education (D.A.R.E.) programs around the globe. This retraining initiative allows the new D.A.R.E. curricula to reach over 3 million children and their parents.

FY 2006 Program

INL assistance will give particular attention to cocaine producing and transit countries in Latin America, address the recurring amphetamine-type stimulant (ATS) epidemic in Southeast Asia, and address the heroin threat from Asia, Afghanistan and Colombia. An expanded area of focus will be the Middle East and South Asia where over 400 Muslim-based anti-drug programs are members of an INL-sponsored civil society/drug prevention network. The role of demand reduction in addressing the HIV/AIDS epidemic has become more readily apparent as the recent worldwide increases in this epidemic are primarily concentrated in at-risk populations such as intravenous (IV) drug users. The role of drug treatment in decreasing rates of drug use and relapse now takes on critical importance to U.S. foreign assistance efforts because of its proven ability to decrease IV drug use. INL will strengthen Vietnamese, Africa and Russian drug abuse treatment capabilities to address the dual threats of drug addiction and HIV/AIDS through the establishment of model treatment networks based on best practices identified through INL-funded research.

The FY 2006 program is divided into three general categories. Two projects, instituted in 2003, comprise the *coalition and network building* program. These projects have a three-year time limit. The *training and technical assistance* program, begun in 1990, will impose a four-year limit on all countries for receiving such assistance. Experience has shown that this period of time is sufficient for countries to implement self-sustaining programs based on training concepts, in addition to allowing enough time for accomplishment of outcomes such as sustained reductions in drug use by target populations. The *research and demonstration*

programs initiative that began in 2000 have a three/four-year time limit in order to allow the program to become self-sufficient and perfect “best practices” that can be subject to rigorous scientific evaluation. The evaluation component of these programs (by independent sources) continues for at least two years after program funding terminates in order to reliably assess sustained, long-term change (outcome).

Coalition and Network Building

Drug-Free Community Coalitions: Funding will support the formation and enhancement of effective drug-free community coalition programs in key drug producing countries that assist civil society/grassroots organizations in fighting illegal drugs. These public/private sector coalitions work towards reducing substance abuse among youth, enhancing intergovernmental collaboration, and strengthening collaboration among organizations and agencies in both the private and public sectors. Funds will provide for 4 technical assistance sessions each in 2 Andean region countries identified in the INCSR by the President as major drug producing countries. The planned life of this initiative is three years, after which the coalitions will be effective vehicles for reducing drug consumption and related violence in their respective countries. A new cycle of assistance for other Latin American countries and regions around the globe will commence in 2008.

Muslim-based Anti-Drug Network: Funding will be utilized to continue the creation of anti-drug outreach and aftercare centers in volatile Muslim regions where the U.S. needs to increase access to civil society such as Afghanistan, Iraq, southern Philippines and Thailand, Indonesia, and remote sections of Pakistan. These centers will be established in mosques and madrassahs in collaboration with the INL/Colombo Plan network of Muslim-based anti-drug programs/civil society organizations in the Middle East and South/Southeast Asia, which includes the participation of 500 Afghan mullahs.

This initiative is designed to reduce drug consumption that fuels the coffers of terrorist organizations, cut into the recruitment base of terrorist organizations, enhance America’s image in Muslim countries, and provide youth in at-risk areas with alternatives to radical or terrorist indoctrination centers. It addresses a key priority in the President’s *National Strategy for Combating Terrorism* that directs us to “work with moderate and modern governments in the Muslim world to reverse the spread of extremist ideology and those who seek to impose totalitarian ideologies on our Muslim allies and friends.” Funding will cease after three years, at which time the centers will become firmly established in volatile regions, helping to reduce the high rates of drug use, relapse, and drug-related violence in their target populations.

Training and Technical Assistance

Regional Training Centers: INL funding will provide support for its strategically located, sub-regional demand reduction training centers in Brazil, Colombia, the Czech Republic, and Thailand with the aim of better disseminating the President’s new goals and priorities for demand reduction, in addition to the use of “best practices” and science-based prevention and treatment methods to reduce drug consumption and related violence. Short-term success will

be measured by replication of the training in their home countries by 700 demand reduction providers who will receive training in 2006. It is anticipated that these centers will receive diminishing resources over the next two years and be fully self-sufficient by 2008, at which time participating countries will have utilized training technology to establish demand reduction programs that achieve sustained reductions in drug use and related violence in targeted areas. These centers (co-funded by other international organizations and donor countries) are an economical way to provide comprehensive assistance to several countries in a region that suffer and share similar drug abuse problems.

Drug Policy Training: At the policy level, INL will devote funding for year-two of a three-year seminar series to educate the international community about U.S. policies, programs and successes in combating drug use. Two, regional seminars in major drug producing/trafficking Asian countries will be conducted by INL and White House/ONDCP for U.S. embassy officials and government/non-government officials who are recipients of INL/NAS funding. The seminars are also designed to ensure that U.S. Embassies and other foreign recipients of INL assistance design their programs in accordance with the President's goals and priorities for demand reduction and science-based principles. The planned life cycle of this seminar series is three years, at the end of which participating countries will have a deeper appreciation/understanding of, and support for, U.S. foreign anti-drug policies and programs.

Knowledge Exchange Forums: Funding will be devoted to recurring regional and international drug prevention and treatment conferences (attended by the key leaders and decision-makers from the public and private sectors) to mobilize international opinion and cooperation against the drug trade, encourage governments to develop and implement strong anti-drug policies and programs, strengthen support for USG anti-drug policies/programs and existing UN conventions, and disseminate the latest science-based information on effective methods to reduce drug consumption and prevent onset of use. Funding will support one international (Mexico) and one regional forum (Asia). These events will include funding from other donor countries and international organizations to reflect an emphasis on increased multilateral collaboration.

Bilateral Training: FY 2006 funds will provide targeted training and technical assistance for major drug producing and transit countries in Central/South America, Asia, Eastern Europe, Russia, and Africa on science-based demand reduction methods to reduce drug use and related violence. Training topics will cover model programs such as national anti-drug media campaigns, parent support groups, relapse prevention/aftercare methods, school and peer-based prevention programs, and correctional-based treatment services. Bilateral training and technical assistance initiatives are funded for 4 years per country to allow for short-term transfer and long-term retention of knowledge, implementation of training concepts and technology with fidelity, establishment of self-sustained programs, and sufficient time to allow for achievement of long-range outcomes such as reduction in drug use in a given target country or population.

Research and Demonstration Programs

Model Program Development and Dissemination: This initiative will support the development and evaluation of research-based prevention and treatment programs whose accomplishments can be used to improve treatment and prevention services in the U.S. and abroad. Funding will be used to create and evaluate research-based demonstration programs in key drug producing/trafficking countries and disseminate the most promising results within the U.S. and overseas to improve demand reduction service delivery worldwide. For FY 2006, support for year-two of a three-year community/anti-drug coalition demonstration program will be continued in Peru. Likewise, continued funding will be provided for a community-based treatment intervention program for drug-abusing, high-risk youth in Peru. This later program includes co-funding from Italy and Luxembourg. It is anticipated that each demonstration program will require funding through 2007, at which time the program will be self-sufficient and information on each program's promising practices will be disseminated worldwide.

Outcome-based Evaluations: Additional funding will be devoted to the third year of outcome-based evaluations of the long-range impact (reduced drug use and recidivism) of INL-funded training in Mexico (school-based prevention) and Thailand (community- and corrections-based treatment). Each evaluation will last three years (until 2006) to allow for reliable and valid assessments of sustained, long-term impact.

Demand Reduction					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Coalitions and Networks	1,300	-	2,000	-	500
Research & Demonstration Programs	1,200	-	1,500	-	935
Training & Technical Assistance	2,500	-	6,420	-	1,565
<i>Total</i>	5,000	-	9,920	-	3,000

Trafficking in Persons

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
12,000	4,960	5,000

Program Objectives and Performance Indicators

Five countries strengthen and enforce their new or existing anti-trafficking laws.

Three anti-trafficking task forces established and/or equipped to carry out investigations and prosecutions.

Three police academies incorporate anti-trafficking curriculum into their basic and mid-level training program.

Two national trafficking in persons hotlines established.

Three countries establish adequate protection facilities for trafficked victims.

Program Justification

Trafficking in persons is a rapidly growing transnational crime that preys mainly on the poor, uneducated, and powerless. This modern-day form of slavery involves both sexual and labor exploitation, adopting such forms as indentured servitude, debt bondage, chattel slavery and peonage. Estimates vary, but at least 600,000 people, primarily women and children, are annually trafficked across borders worldwide, of which tens of thousands are brought into the United States.

Profits from trafficking in persons fund the expansion of international crime syndicates, foster government corruption, and undermine rule of law. In addition to the individual misery wrought by this human rights abuse we believe there is a connection to organized crime and the grave security threats such as drug and weapons trafficking. Trafficking in persons is one of the most lucrative criminal enterprises and is closely connected with money laundering, drug trafficking, document forgery and human smuggling. The Office to Monitor and Combat Trafficking in Persons gives foreign assistance grants to increase the capacity of governments and non-governmental organizations to improve law enforcement's investigation and prosecution of this crime as well as to protect the victims.

Program Accomplishments

Below are some highlights of programs with prior year funding from the Trafficking in Persons Office.

In El Salvador, two TIP Office anti-trafficking projects with the Salvadoran Institute for the Protection of Minors (ISNA) resulted in increased victim rescues and trafficking-related arrests. The ISNA trained operators of an existing smuggling hotline to distinguish trafficking so they could assist potential trafficking victims and gather information about trafficking networks. In addition, the ISNA produced and aired radio advertisements to educate listeners about trafficking and the hotline. The ISNA assisted the El Salvador Border Police in its first ever sting operation. A total of 13 traffickers were arrested and 15 minors rescued from commercial sexual exploitation.

In Bangladesh, an international organization, with TIP Office funding, provided training to 250 members of the Bangladesh Rifles, 250 members of the Bangladesh Police and 625 members of the Ansar and Village Defense Party to improve capacity of the criminal justice system. Training sessions focused on working with trafficking survivors, developing victim-centered interview techniques, intercepting traffickers, and enhancing community mobilization. To ensure sustainability, the training sessions included “train- the-trainer” components and provided law enforcement institutions with equipment.

After receiving training by the Department of Justice/ICITAP and the International Organization for Migration with funding from the TIP Office, Indonesian courts in three provinces convicted 15 traffickers during the first nine months of 2004 using the Child Protection Act. These courts also imposed tougher sentences, including one 13-year jail term for a trafficker. These cases were brought to court as a result of training for local law enforcement

For Fiscal year 2004, the Trafficking Office used INCLE funds to support over 42 programs benefiting approximately 35 countries around the world.

FY 2006 Program

INCLE assistance will primarily target countries in Tiers 2 (especially the Watchlist countries) and 3 of the 2005 Trafficking in Persons Report as well as less developed countries in Tier 1 and countries not listed in the report but which have a growing problem or a demonstrable need for resources. As the ESF Global TIP fund will focus on prevention, protection, and reintegration, priorities for INCLE funds will focus exclusively on building capacity of criminal justice sectors to investigate, prosecute, and convict traffickers as well as promote cooperation between law enforcement and civil society for victim protection. In the context of witness protection, INCLE will complement MRA funds that support voluntary repatriation of victims to their country or city of origin. Project proposals will be coordinated with the relevant bureaus and then vetted through the Senior Policy Operating Group on Trafficking in Persons’ (SPOG) review process to ensure compliance with USG policy, and avoid redundancy in USG agency anti-trafficking programming.

The Trafficking Office proposes to allocate approximately \$3.7 million in INCLE funds towards investigative and prosecutorial capacity-building initiatives which may include: providing technical training for police, prosecutors, judges, and immigration officials; developing and implementing anti-trafficking curriculum at national academies; providing equipment (computers, other communication technologies, audio/visual equipment, vehicles, crime lab instruments, and forensic evidence collection or rape kits) to support specialized units, and establishing national TIP hotlines. Priority countries based primarily on Tier ratings in the 2004 TIP Report include: Argentina (2), Belize (2WL), Brazil (2), Dominican Republic (2 WL), Ecuador (3), Guyana (3), Panama (2), Peru (2 WL), Uruguay (No tier), Thailand (2 WL), Philippines (2 WL), Vietnam (2 WL), Laos (2 WL), Afghanistan (2), Bangladesh (3), India (2 WL), Pakistan (2 WL), Chad (No Tier), Ethiopia (2 WL), Kenya (2WL), Malawi (2 WL), Mauritania (2 WL), Mozambique (2), Niger (2), Nigeria (2 WL), Senegal (2 WL), South Africa (2), Tanzania (2 WL), Uganda (2), Zambia (2 WL), Sri Lanka (2), Egypt (2), and Morocco (1). The TIP Office will select ten priority countries based on level of commitment of governments to improve their efforts.

The Trafficking Office proposes to allocate approximately \$500,000 towards strengthening criminal justice and civil society collaboration such as training NGOs to be victim-witness advocates in courts; creating victim assistance offices or spaces within a police station staffed by a local service provider organization; and supporting pilot programs to reduce demand for sex trafficking victims. Another area of interest is to pilot programs that train medical personnel about trafficking as well as how to gather forensic evidence. Depending on the quality of proposals, five countries will be selected from the following list of countries: Argentina (2), Panama (2), Paraguay (2 WL), Peru (2 WL), Venezuela (3), Bangladesh (3), India (2 WL), Nepal (2), Pakistan (2 WL), Kenya (2WL), Tanzania (2 WL), and Uganda (2).

The Trafficking Office proposes allocating approximately \$500,000 to support special initiatives in the prevention area which may include a mapping project for a particular region that looks at trafficking hot spots compared to available services to combat trafficking. This will allow a better allocation of USG resources. Another possible initiative is to support training of Foreign Service National staff in two regions who carry the institutional knowledge of anti-trafficking policy and programming efforts of US embassies to ensure proper compliance with USG anti-trafficking policies with regard to reports and programs.

The remaining \$300,000 will go towards INL's administrative support costs.

Trafficking in Persons					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Prosecution Program	7,000	-	2,500	-	4,000
Protection Program	4,000	-	2,000	-	500
Prevention Program	1,000	-	460	-	500
<i>Total</i>	12,000	-	4,960	-	5,000

Anti Crime Programs

Fighting Corruption

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Actual	FY 2006 Request
3,000	6,746	5,000 ²

Program Objectives and Performance Indicators

INL has in recent years pursued a mix of diplomatic, policy, and programmatic efforts designed to achieve the following anticorruption objectives: increasing the number of governments committed to implementing comprehensive regimes to address their corruption problems; increasing international cooperation among governments in the fight against corruption; increasing the number of countries where political will exists to pursue high-level corrupt actors and problems; and developing innovative methods to tackle corruption that show measurable effect.

INL advances these objectives through a four-pillar approach. These four pillars, articulated in various Department reports to Congress over the past few years pursuant to the International Anticorruption and Good Governance Act, include the following:

Uniting Governments Under Common Anticorruption Commitments : The USG opens the door to enhanced cooperation through the creation of global anticorruption goals and standards. This, in turn, encourages the sharing of best practices, builds trust and relationships between cooperating countries, and ultimately increases the effectiveness of USG government and other aid programs that assist these efforts.

Related objectives:

Increased number of reports issued annually by mutual evaluation mechanisms.

Increased number of countries have signed and ratified the United Nations Convention Against Corruption.

Helping Governments Meet or Exceed Those Commitments : The fight against corruption begins at the national and local levels. Where pockets of political and/or popular will exist, the USG can assist governments in taking effective action against corruption. This includes, *inter alia*, helping governments take a wide range of actions to address corruption, such as

² Includes \$3 million for Anticorruption Compacts in FY 2006.

enforcing anticorruption laws and instituting preventive measures within the public administration. The U.S. is also beginning through the G8 Anticorruption Compacts, the Millennium Challenge Account (MCA), and other multilateral initiatives to reward those countries that are committed to effectively rooting out corruption.

Related objectives:

Increased number of countries publicly adheres to and enforces No Safe Haven policies.

Launch innovative regional initiatives in APEC and the Middle East to strengthen the political commitment of governments to fight corruption.

Mobilizing Popular Will and Private Sector Action : Popular will is the best expediter of political will against corruption. The USG can help enhance popular will in other countries by helping encourage civil society, the media, and the private sector to be active in the fight against corruption, increase transparency in governments, and increase integrity in the private sector.

Related objective:

Targeted countries have improved scores in anticorruption and transparency indices.

Leading By Example : The USG has been a leader in the fight against corruption by promoting integrity within our own country and making our actions an example for the world. The international community can benefit from our examples, particularly regarding efforts to deny safe haven in the U.S. to corrupt officials, prevent U.S. multinational business from bribing overseas, enforce corruption laws, promote good public/corporate governance, and build tools and institutions to prevent corruption.

Related objectives:

Implementation and balanced use of the new presidential proclamation to deny entry into the United States by corrupt officials, those who corrupt them, and their dependents.

Participating as an evaluated party in two (OAS, COE) multilateral anticorruption monitoring mechanisms.

Program Justification

The Administration has made the international fight against corruption one of its top foreign policy priorities. The USG has clear foreign policy and national security interests in seeing corruption addressed on an international scale. Corrupt interests continually hamper global economic activity of American firms, interfere with the accomplishments of USG foreign assistance goals and programs, facilitate the continuing growth of transnational crime and

international criminal organizations, and threaten democracy. Terrorists thrive on corruption, using it to facilitate the laundering of funds and the illicit trade of weapons, passports, drugs, and persons; obtain sensitive information from government sources; and move money and themselves across borders to find safe havens.

Program Accomplishments

Uniting Governments Under Common Anticorruption Commitments: Over the past several years, INL has helped negotiate and develop several significant regional multilateral anticorruption commitments, including the United Nations Convention Against Corruption (UNCAC), the Inter-American Convention Against Corruption (IACAC), Council of Europe conventions, Stability Pact compact, the Asia Pacific Economic Cooperation (APEC) Initiative to Fight Corruption and Ensure Transparency, and, presently, the OECD/UNDP Middle East and North Africa (MENA) “Good Governance for Development for Arab States” Initiative. INL continues to make it a top priority to encourage other governments to sign, accede to, or ratify the UNCAC, which was opened for signature in December 2003 and currently signed or ratified by over 120 nations, including the U.S. From a diplomatic perspective, the biennial ministerial Global Forum on Fighting Corruption (GF) process is by far the most high-level existing intergovernmental forum for promoting the fight against corruption, and INL continues to lead U.S. efforts to develop and define that process. Former Attorney General John Ashcroft and Secretary of Commerce Donald Evans led senior delegations to GF Ministerials in 2001 and 2003. President Bush provided a statement of support to Governments participating in previous GF Ministerials.

Helping Governments Meet or Exceed Those Commitments: INL has focused its attention and resources on promoting implementation of multilateral anticorruption commitments (e.g., monitoring mechanisms) and helping develop effective governmental approaches to preventing corruption (e.g., addressing corruption within the criminal justice system through the legal profession and private bars). INL has provided or led USG experts and assistance to help over sixty countries implement anticorruption commitments through mechanisms within the Organization of American States (OAS), Council of Europe, Stability Pact Anticorruption Initiative for Southeast Europe, APEC, the OECD/UNDP “Good Governance for Development for Arab States” Initiative, and the ADB/OECD Asian Anticorruption Initiative. INL has also targeted anticorruption advisors and technical assistance to help governments address weaknesses discovered during these evaluation processes. INL continues to lead U.S. law enforcement-related anticorruption assistance, particularly to help countries build their capacities to investigate and prosecute corruption cases. Over the past three years, INL further developed the capability to react rapidly to unexpected Embassy requests for anticorruption assistance to new governments or governments exhibiting strong and unusual political will to address corruption.

INL has recently led efforts with State regional bureaus and USAID to develop a coordinated and holistic anticorruption pilot assistance program that can be targeted to countries that exhibit strong political will to address corruption problems, a program called the anticorruption assistance Compacts. With INCLE and other U.S. funding sources, the Department expects that Compact will be operational soon in Georgia, Nicaragua, Nigeria,

and Peru.

Mobilizing Popular Will and Private Sector Action: INL has developed and funded innovative technical assistance programs that help build the popular will against corruption and promote integrity within the private sector. Recent examples include the development of a Culture of Lawfulness educational program in several countries targeted at middle-school students and support to develop a corporate governance blueprint for Russian businesses.

Leading By Example: INL has led recent USG interagency participation, including the Department of Justice, Department of the Treasury, Department of Commerce, Office of Government Ethics, and others, in key multilateral mechanisms to observe U.S. anticorruption, and has helped effectively showcase our efforts as a model for other countries. INL also led efforts to advance the “No Safe Haven” policy through implementation of a Presidential Proclamation to deny entry to the corrupt, those who corrupt them, and their dependents, signed in early 2004. The G-8 member countries, in the 2003 Evian Declaration and reinforced in the 2004 Sea Island Declarations, committed to the “No Safe Haven” policy, designed to deny safe haven to the corrupt, those who corrupt them, and their assets. World leaders at the Special Summit of the Americas and APEC made a similar commitment in January and November 2004, respectively.

FY 2006 Program

Anticorruption Compacts

The G-8 anticorruption assistance Compacts are a new initiative that helps to fight corruption in a way that strengthens political will, rewards performance, and yields demonstrable results. By attacking corruption on multiple fronts with the strong commitment of the highest levels of government, rather than one sector at a time, the Compacts seek to raise the bar across government institutions and make transparency efforts in different sectors mutually reinforcing. The Compacts will require governments to commit in writing to reform in key areas that promote transparency and help prevent corruption, including management of public finances, public procurement, and engaging civil society. In exchange, countries will receive assistance targeted to these areas. The Compacts will include metrics to monitor achievement of these goals. The U.S. continues to work within the G-8 and with all four G-8 Compact countries to develop operational action plans and coordinate technical support for these pilots. The \$3,000,000 requested will fund the second year’s effort in at least four countries: Georgia, Nicaragua, Nigeria, and Peru. Assistance for each pilot country will likely focus on training, equipment and technology (including e-systems) needed to establish and maintain fiscal transparency and accountability systems, rules-based public procurement systems, effective enforcement and oversight institutions, and free and active civil society anticorruption efforts.

Other Programs

In addition to the Compacts, FY 2006 funds will be used to expand the Middle East Governance for Development (GfD) Network, an Arab-led effort which was recently

launched in the Dead Sea, Jordan in February 2005, with the G-8, UNDP, OECD and World Bank, to create an intergovernmental anticorruption forum. The forum would work towards developing capacity, tools, and systems -- such as national action plans, stronger laws, codes of conduct, and better trained investigators, prosecutors, and judges -- to detect, prosecute and enforce corruption cases. As part of the GfD Initiative, President Bush pledged to help Arab nations that embrace clear standards of economic, political, and social reform. FY 2006 funds will also be used to help APEC developing economies implement their commitments related to the APEC Leaders' Santiago Commitment and Anticorruption Course of Action. The "Santiago Commitment and APEC Course of Action" requires member countries to: deny safe haven to officials and individuals guilty of public corruption, those who corrupt them, and their assets; implement anticorruption policies and practices consistent with the UN Convention Against Corruption; implement the APEC Transparency Standards, with particular emphasis on government procurement and customs procedures; encourage collaboration to fight corruption and ensure transparency, including through cooperation with other multilateral and regional intergovernmental institutions; and develop innovative training and technical assistance programs to fight corruption and ensure transparency.

FY 2006 funds would additionally be used to pay contributions/dues to support two multilateral monitoring mechanisms -- the Council of Europe's Group of States Against Corruption (GRECO) and the OAS Follow-up Mechanism -- that promote implementation of anticorruption commitments in dozens of countries. FY 2006 funds will further be used through the United Nations or regional organizations to help countries that have ratified the new United Nations Convention Against Corruption to implement the convention's prevention and criminalization chapters.

Alien Smuggling

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
400	1,000	1,600

Program Objectives and Performance Indicators

INL will work with our international partners to interdict and halt alien smuggling as far from our borders as possible. Our efforts will focus on attacking criminal smuggling organizations at all points of their organizational structure. INL will also help coordinate the activities of the interagency anti-smuggling community in their efforts to disrupt major alien smuggling rings which operate both domestically and overseas. The capacity to identify and respond to threats posed by alien smugglers and traffickers will be strengthened by the establishment in the Intelligence Reform and Terrorism Prevention Act of 2004 (Section 7202) of the interagency Human Smuggling and Trafficking Center. Intelligence information will be collected, analyzed, and disseminated on alien smuggling and human trafficking.

Strategic assessments and other products will be produced, target folders will be developed on the top alien smuggling organizations, and investigations will be opened against major smuggling and trafficking organizations with a nexus to the United States.

Program Justification

The smuggling of illegal migrants, which can serve as a vehicle for terrorist entry into the United States, is a major national security concern. Identifying, disrupting and dismantling criminal networks, especially those that can be used by extremist groups, has become a high priority for U.S. authorities. The creation of the Human Smuggling and Trafficking Center reflects the U.S. Government's concerns about the separate but related problems of alien smuggling, human trafficking and terrorist mobility, and the increasing sophistication of criminal networks with global reach.

The U.S. government has adopted a strategy for deterring and preventing the flow of illegal aliens into the United States that places great emphasis on disrupting alien smuggling organizations as far from our shores as possible. This means that the fight against alien smuggling must begin in foreign lands where our influence and law enforcement authorities are more limited. Weak foreign law enforcement institutions, corrupt public officials, and inadequately trained police make it imperative that guidance and technical assistance be provided to illegal alien source and transit countries. Without adequate technical assistance many of these countries will continue to contribute to the stream of illegal aliens entering the United States. This stream, if uncontrolled, will allow foreign nationals with terrorist links to slip into the United States undetected.

Program Accomplishments

INL has provided law enforcement training on combating alien smuggling to over three hundred foreign officials in the past three years. The Bureau provided funding to conduct a training course for mid-level managers in developing countries on ways to combat international migrant smuggling and illegal migration. The course was designed to provide technical, legal, and managerial training to enhance the participating foreign officials' ability to implement border security professionally and effectively. INL also provided funding to deliver a training course designed to provide senior instructors and training managers with the skills to develop and manage basic immigration law enforcement training.

In response to the migrant smuggling, trafficking and terrorist mobility challenges and to further our anti-alien smuggling objectives, INL helped create the inter-agency Human Smuggling and Trafficking Center (HSTC). This initiative brings together federal agency representatives from the policy, law enforcement, intelligence, and diplomatic arenas to work together on a full-time basis to achieve increased progress in addressing human smuggling, human trafficking, and smuggler support of clandestine terrorist travel, particularly in terms of converting intelligence into effective enforcement, diplomatic and assistance actions. The Center fosters greater integration and overall effectiveness in U.S. government enforcement and other response efforts and can promote intensified efforts by foreign governments and international organizations to combat migrant smuggling and trafficking in persons. The Center Charter has been signed, the facility has been built and agencies are starting to assign personnel. The HSTC has already produced a number of strategic assessments and other intelligence products, and has contributed to the dismantling of several major smuggling organizations, including networks that smuggled special interest aliens. It hosts the NSC Interagency Working Group on Alien Smuggling and Trafficking and chairs two of its sub-groups. The HSTC has also established a classified website to help disseminate intelligence.

INL purchased computers for the Government of Ecuador to use at the international airport in Quito. Funding was also provided to detail a team of attorneys to Ecuador to provide guidance on strengthening alien smuggling legislation. INL also funded an alien smuggling conference for Caribbean immigration and police officials as part of our effort to focus more attention on our "third border." Lastly, INL coordinated and helped fund a program on border controls at an OAS (CICTE) conference in El Salvador where the participants explored the links between alien smuggling and terrorism.

The first alien smuggling vetted unit ever funded by the USG was established in Quito, Ecuador. This unit was established in Ecuador because of the large number of aliens smuggled into the United States from and through Ecuador. The maritime movement of illegal aliens, including third country national special interest aliens, from Ecuador to Guatemala and then through Mexico into the United States was of particular concern. Shortly after the establishment of the vetted unit, it arrested and helped prosecute seven alien smugglers responsible for the smuggling of 112 migrants in a fishing trawler. More recently, the unit was instrumental in the apprehension of several major alien smugglers of national

interest and the disruption of their organizations. It continues to make significant inroads in the criminal smuggling networks that dominate Ecuador and contribute to official corruption.

FY 2006 Program

INL will continue to support the development of the Human Smuggling and Trafficking Center. Properly resourced, the Center will be the focal point for interagency efforts to address terrorist travel, and serve as a clearinghouse for all information from all Federal agencies in support of the U.S. strategy to prevent the facilitation of clandestine terrorist mobility, human smuggling and human trafficking. It will provide strategic assessments, broadly disseminate information, identify issues that would benefit from enhanced interagency attention, coordinate or support interagency and international initiatives, and be a central U.S. Government point-of-contact for foreign allies. The HSTC will also support the anti-terrorist mobility efforts of the National Counter-terrorism Center. Funds for this program will be used for administrative and operational needs, and to hire support staff to provide the framework for a team of detailed foreign affairs, law enforcement and intelligence officers who will turn intelligence into action. These funds will also be used to help prepare the annual report to Congress regarding vulnerabilities in the U.S. and foreign travel systems.

During FY 2006, the HSTC will grow to its full capacity staffing level. It will produce strategic assessments to better inform and target law enforcement, diplomacy and foreign assistance efforts. It plans to further develop its classified website and create unclassified but secure intranet websites to effectively disseminate information. It will promote and facilitate intelligence driven operations, investigations and prosecutions against smugglers and traffickers, resulting in disruption of smuggling organizations, networks and pipelines. This will also adversely affect criminal support for terrorist travel. The HSTC also plans to facilitate a national alien smuggling conference to enhance interagency information sharing.

Border Security

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
767	533	650

Program Objectives and Performance Indicators

INL will continue to assist selected countries to strengthen their border control regimes so as to make it more difficult for criminals and terrorists who threaten the interests of the United States to pass through without being detected and apprehended. INL will help priority countries to improve their port and airport security practices, through education initiatives, training, and technical assistance. The strengthening of security at ports and airports will help to prevent criminal and terrorist acts that could have an adverse impact on trade and transportation with the United States. INL has set goals for border security to include: conducting training to improve the proficiency of customs, immigration, and other border control officials; installing entry/exit systems at selected airports and seaports; assisting in the development of passport issuance systems with biometric capabilities; the purchase of computers and software for immigration authorities at the international airports; providing funding to the International Organization for Migration (IOM) for capacity building programs; and providing funding to the Organization of American States (OAS) counter-terrorism subcommittee to improve port security practices through a program of technical assistance. INL will also help improve integration and coordination among various law enforcement entities at the borders.

INL will help priority countries to modernize and improve their customs and immigration controls so that they can more tightly regulate the movement of cargo and people. Border security improvements will enhance law enforcement cooperation, reduce corruption, increase revenue collections, and strengthen rule of law in developing countries.

Performance measures will include better law enforcement controls and intelligence; increased identification and apprehension of criminals; reduced threat to the supply chain; and less illegal movement of aliens destined for the United States.

Program Justification

Porous borders are a threat to developing countries, as well as to the United States. Lax border controls greatly enhance the ability of international criminals, smugglers, and terrorists to expand their operations and avoid these controls, suborn them through corruption, negate them with falsified documentation, or overwhelm them. In many countries, effective control of the movement of persons, vehicles, and cargo across national

borders is non-existent. Border control officials are poorly trained and equipped and inspections facilities are substandard.

As the first line of defense for many countries, stiff border controls provide substantial deterrence to smugglers and other criminals. They can force them into other, less attractive, routes, provoke traffickers into taking measures that raise their operational costs, and make traffickers more vulnerable to law enforcement countermeasures. Borders are also the points at which to collect important intelligence. Information gleaned from seizures, arrests, and documents can provide leads useful to making even bigger cases that help dismantle major international criminal syndicates. Successful enforcement at the border is also a powerful instrument for generating greater public support for fighting transnational crime.

Program Accomplishments

Program accomplishments have been numerous. Our goal is to strategically utilize funding to ensure the most impact in this critical area. These are but a few of the critical program accomplishments:

- **Jamaica** – Installation of an entry/exit system at selected airports and seaports.
- **Belize** – Development of a passport issuance system with biometric capabilities.
- **Honduras** – Development of a passport issuance system.
- **Ecuador** – Purchase of computers and software for immigration authorities at the international airport in Quito.
- **Latin America** – Funding provided to the OAS to sponsor border visits to the United States for selected law enforcement officials from Brazil, Argentina, and Paraguay.
- **Bahamas** – Funding provided to the IOM to provide technical assistance to the Government of the Bahamas to improve their migration management practices.
- **Latin America** – Funding provided to the OAS for port security training in the Western Hemisphere.
- **East Africa** – Funding provided to the IOM for a capacity building program to control irregular migration in Kenya and Tanzania.
- **Latin America** – Funding provided to the OAS counter terrorism subcommittee to improve port security practices through a program of technical assistance.

- **Asia** – Funding provided to the Asian Development Bank to assist developing countries in Southeast Asia with their efforts to improve port security and to comply with the requirements of the International Ship and Port Facility Code.

FY 2006 Program

INL will continue to support the OAS counter terrorism committee in its efforts to improve law enforcement training and border controls in the Western Hemisphere. This will be done through a series of different initiatives to include airport and seaport security training, law enforcement workshops, border and port security vulnerability assessments, and document security programs. Strengthening entry-exit controls at selected foreign airports, land border points, and seaports will also be a priority. Programs designed to improve document security will also receive attention. These programs may focus on identity documents and passport issuance systems.

Effective border control programs depend on having adequate training, visa regimes, and equipment, including automated systems to track the movement of cargo and people through ports of entry. Through our border assessments, INL will identify vulnerable countries and will work with them to upgrade their border control systems, including assisting them to improve travel document issuance systems and customs controls. Funds will also support conferences and organizations working to improve and enhance border security.

Cyber Crime, Intellectual Property Rights and Critical Infrastructure Protection

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
2,650	3,300	2,750

Program Objectives and Performance Indicators

INL training and technical assistance programs facilitate USG assistance and cooperation with key foreign nations on matters involving cybercrime, critical information infrastructure protection (CIIP), and IP violations. Increased assistance and cooperation between USG and foreign governments and agencies has been accomplished through INL's training and technical assistance programs that assist foreign nations draft effective laws and build strong enforcement capacities. INL will continue to participate in a range of USG diplomatic initiatives aimed at strengthening international standards and cooperation in combating crime.

In the area of cybercrime, INL continues to build the capacity of foreign law enforcement partners through training and technical assistance programs targeted at identifying, investigating, prosecuting, and preventing crimes committed through the criminal misuse of IT. Improved foreign cooperation between USG and foreign law enforcement officials and increased successful domestic and foreign prosecutions of criminals misusing IT has demonstrated the program's success. In the area of international CIIP, INL will continue to expand outreach beyond the circle of allies, measured by an increase in the number of nations and multilateral and multinational organizations embracing enhanced cybersecurity policies and practices. These outreach programs assist foreign nations secure critical information infrastructures and therefore fill gaps that can be exploited by transnational criminals and other entities that threaten our national security

Finally, in the area of IP crimes, INL's training and technical assistance programs combat IP violations by building capacity among border and customs officials, investigators, law enforcement officials, prosecutors, and judges whom are confronted with IP violations.

Program Justification

IP crime – IP crime presents a growing threat to innovative sectors of the US economy. Losses to the US copyright, patent, and trademark industries, in areas such as hard goods, optical media, and pharmaceuticals have been staggering. One particularly troubling phenomenon is the growing involvement of transnational crime groups, and potentially terrorist groups, in IP crime. These groups have the potential to outstrip the capabilities of

hard-pressed law enforcement to counter them. As a signatory to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, the USG is committed to a global enforcement effort to eliminate safe havens for online pirates and other IP criminals. Although INL has long been engaged on issues related to protection of IP, the explosion in IP crime and the growing sophistication of IP criminals has led INL to ramp up its resources dedicated to this issue. As co-chair of the inter-agency training coordination group (TCG), which includes both government and industry participation, INL promotes foreign training and technical assistance projects targeted to foreign nations where IP violations are most severe. INL's assistance includes seminars on developing TRIPS compliant laws, and also on training police officers, investigators, prosecutors, and judges to combat IP crime. Since much of the growth of violations of IP rights is fueled by the criminal misuse of IT (e.g., online piracy) there is a significant overlap with INL's mission to fight cybercrime.

Cybercrime – the criminal misuse of IT has increased exponentially in the last several years. Cybercrimes can include activities such as fraud, child pornography, and extortion, through which IT is a means for carrying out the elements of the crime, and also activities such as hacking, intrusion, and denial of service attacks, in which information networks are themselves targeted. As one of the first nations to sign the Council of Europe Convention on Cybercrime - the first multilateral treaty dedicated to cybercrime - the USG is one of the international leaders in promoting mutual cooperation, effective laws, and strong enforcement institutions. INL provides training and technical assistance to foreign law enforcement personnel to identify, investigate, prosecute, and prevent high-tech crimes. Given the nascence of cybercrime in many developing nations, INL's assistance includes enabling USG subject matter experts to give key nations legislative drafting advice. INL also participates in developing USG policy positions on cybercrime in organizations such as the G-8, the Council of Europe, Asia Pacific Economic Cooperation (APEC), the Organization of American States (OAS), and the United Nations.

In the realm of cybersecurity, the vast expansion of the Internet and the spread of IT have created new challenges for the USG in the areas of law enforcement, national security, and national economic security. Hacking, denial of service attacks, and viruses disseminated through information networks are increasing exponentially. The President has responded to this challenge by directing the issuance of the first National Cyberspace Strategy. The Strategy recognizes that the interdependence of infrastructures across communications, energy, finance, trade, and transportation sectors means that a physical or cyber attack on the critical information infrastructures of one nation will likely impact other nations. Consequently, U.S. national security depends not only on U.S. CIIP efforts within U.S. borders, but also on the capabilities and cooperation of foreign nations whose infrastructure the U.S. government and industry interact with. The National Strategy contains a strong international outreach component, focusing on the promotion of watch-and-warning networks and a global culture of cybersecurity. Within the Department of State, INL has responsibility for law enforcement related CIIP issues. INL has already stepped up to support CIIP outreach by providing training and technical assistance to key partner nations. INL expects an increase in the demand for training to combat cybercrime with the expansion of USG outreach to developing nations. INL will continue to target our resources in

consultation with US agencies such as Commerce, Treasury, Justice and Homeland Security, which have strong and evolving responsibilities in the areas of cybercrime and cybersecurity.

Program Accomplishments

As the State Department's designated coordinator for federal law enforcement overseas assistance, INL is the funding source for almost all USG "cop-to-cop" law enforcement training and has the State Department lead on law enforcement with respect to IP rights. With respect to intellectual property rights, INL funds training and technical assistance programs to investigators, law enforcement personnel, prosecutors, judges, and other foreign officials and policy makers who investigate, prosecute, punish, and prevent violations of intellectual property rights. These training and technical assistance programs are funded through a congressional appropriation to INL's Foreign Operations budget. The amount of this appropriation was \$2.5 million in FY2004 and increased to \$3 million in FY2005.

INL selects the training and technical assistance programs through criteria and metrics designed to identify countries/regions where inadequate laws or weak enforcement fail to protect the intellectual property rights of American rights holders. Additionally, consideration is given to whether training and technical assistance programs will lead to actual reductions in intellectual property violations and the overall needs necessary to reduce intellectual property violations and develop a strategy to fill in the identified gaps. Finally, under the terms of the appropriation, the INL reports to Congress on the use of the appropriated funds and details the results achieved through these expenditures.

The training and technical assistance programs are selected by INL through the consideration of criteria and metrics designed to identify gaps in countries/regions that threaten intellectual property rights. More particularly, INL determines the needs necessary to reduce intellectual property violations and identifies a strategy to fill in the gaps through training and technical assistance programs. In making funding decisions, INL considers input from the TCG, USTR's Special 301 Report, U.S. industry, and U.S. missions to ensure the assistance is targeted to fit long-range planning goals.

Similarly, in the field of cybercrime, INL was able to support stepped-up activities by the Department of Justice in advising key nations in the APEC and OAS regions in designing effective laws, in training foreign police and prosecutors in cyber investigations, and in related CIIP activities. INL has also continued to help advance our diplomatic objectives through participation in bilateral discussions with close allies, and with multilateral organizations like the OAS, the Council of Europe, APEC, the G-8, and the United Nations.

FY 2006 Program

INL will continue to fight IP crime through increased funding for foreign law enforcement training and technical assistance. INL will be consulting closely with industry groups to ensure that INL's assistance does not duplicate or overshadow industry efforts. These industry groups have urged INL to provide additional law enforcement training to fill critical

gaps in their own efforts to assist foreign countries in fighting IP crime. As such, INL seeks not only to increase the numbers of such programs, but also to better integrate input and participation from private industry into our long term IP assistance plans. The countries INL is particularly likely to work with to build institutions to address IPR challenges include Brazil, Hungary, Mexico, Paraguay, Poland, and Ukraine.

INL will continue to participate as part of the Department of State Inter-Agency Working Group on CIIP international outreach activities. This will include working with our closest allies to facilitate sector-to-sector relationships and connectivity between law enforcement, as well as expanding our circle of contacts to selected countries and multilateral organizations. INL expects to fully coordinate its activities with the Department of Homeland Security and other U.S. agencies. INL expects an increase in demand for training and technical assistance to combat the criminal misuse of IT to increase throughout the range of existing INL programs. INL will provide assistance either by training to fight cybercrime itself, or by assistance in fighting substantive crimes such as money laundering and child pornography that are furthered through use of IT. In particular, INL expects demands for assistance from developing nations to increase in response to the success of the Council of Europe Convention on Cybercrime as a global model. INL will also work to meet the demand from OAS member states as they advance their regional strategy to fight criminal misuse of information technology. INL expects to work closely with DHS and DOJ in assessing existing cybercrime training offerings for their effectiveness, and with DS/ATA in determining how our crime fighting and anti-terrorist cyber training can complement each other.

INL believes that its efforts, as outlined above, are making a significant contribution the United States' fight against cybercrime, IP violations, and breaches of information infrastructures. In each of the areas cited, INL has increased its efforts in recognition of the growing importance of these issues to U.S. interests.

Financial Crimes and Money Laundering

Budget Summary (\$ 000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
1,000	3,500	3,000

Program Objectives and Performance Indicators

Denying funds to terrorist organizations is a national security priority. Thwarting terrorist financing requires the development of robust anti-money laundering regimes that contain the legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets. INL will continue to promote and develop activities and programs that will strengthen global cooperation against financial crime and terrorist financing. We will work with foreign governments to establish or update enforcement and regulatory tools and to implement international anti-money laundering/anti-terrorist financing standards. INL will encourage and assist in the formation of financial intelligence units (FIUs), and enhance their ability to share critical financial intelligence by providing technical assistance to those countries that have adequate and appropriate anti-money laundering laws and regulations in place and by encouraging them to become members of the Egmont Group of FIUs. INL also will continue to support the expansion of Trade Transparency Units, modeled on FIUs, and strengthen nascent regional technical assistance/training programs in the Pacific and Central America to provide efficient use of scarce resources.

The numbers of successful investigations and prosecutions abroad of important terrorist financing and money laundering cases will increase. There will be an increase in the number of jurisdictions in compliance with international anti-money laundering standards, including the Financial Action Task Force (FATF) Special Nine Recommendations on Terrorist Financing, as reflected by mutual and other evaluations conducted by FATF and other international standard-setting and peer review bodies.

There will be an increase in the number of countries that have criminalized terrorist financing. There will be an increase in the number of effective FIUs. There will be an expanded network of Trade Transparency Units in operation in countries of most concern. The network will combat the misuse of trade in money laundering and terrorist financing. There will be additional long-term mentors provided to the Pacific Island and Central America regional programs, based on the Caribbean Anti-money Laundering Program (CALP) model, and initiated in FY05.

Program Justification

Financial crime, terrorist financing, and money laundering pose a significant national security threat not only to the United States but also globally. These activities have the

power to corrupt officials, distort economies, skew currency markets, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes, such as trade-based money laundering, that until very recently has frequently eluded law enforcement. Experts estimate that global money laundering exceeds \$1 trillion per year and continues to grow through a variety of new innovative schemes only limited by the imagination of criminals and their organizations. Terrorists, on the other hand, have essentially stopped using the formal financial sector globally and have turned to alternative remittance systems, such as hawala and cash couriers, systems that pose significant challenges to law enforcement. Our ability to conduct foreign policy, promote our economic security and prosperity, and safeguard our citizens is hindered by these threats to democracy and free markets.

Program Accomplishments

In the past several years, INL has implemented an aggressive program to combat international financial crime and money laundering, with an increasing emphasis on terrorist financing. Between FY 2002 and FY2004, INL provided approximately \$10 million in training and technical assistance programs that delivered courses to bank regulators, bankers, law enforcement, prosecutorial and judicial personnel, and financial intelligence unit personnel from 123 governments. A multi-agency team of experts representing the Departments of State, Treasury, Justice, and Homeland Security, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and the Federal Reserve Board of Governors delivered the training and technical assistance. INL provided \$ 2 million to support the President's East Africa Counter-Terrorism Initiative. In addition, INL provided contributions to multilateral organizations such as the Financial Action Task Force (FATF), the Caribbean Financial Action Task Force (CFATF), the Asia/Pacific Group on Money Laundering (APG), the Council of Europe (MONEYVAL), the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG), the South American Financial Action Task Force (GAFISUD), the Organization of American States Inter-American Commission on Drug Abuse Control (OAS/CICAD) and other regional bodies such as the Pacific Island Forum, to support anti-money laundering efforts. The members of these bodies have made a commitment to meet international anti-money laundering standards and undergo mutual evaluations by their peers. Our contributions assist in supporting the ongoing operations of these bodies, as well as funding for special programs, such as mutual evaluation training seminars.

During 2000-2005, INL also participated in the development of the FATF's Non-Cooperating Countries and Territories (NCCT) program to identify jurisdictions not cooperating in the fight against money laundering. All 23 jurisdictions that FATF identified as NCCTs were the subject of U.S. Treasury Department advisories, warning all U.S. financial institutions to exercise enhanced scrutiny of financial transactions with the listed NCCTs. INL provided training and technical assistance to nearly all these jurisdictions to help them correct the deficiencies identified by the FATF. With the help of this assistance, FATF removed four of them from the list in 2001, eight in 2002, an additional two in 2003,

three in 2004, and three in February 2005. Only three countries remain on the FATF NCCT list.

In addition, INL participated in the FATF Extraordinary Plenary on the Financing of Terrorism held in Washington, D.C. on October 29-30, 2001. As a result of this meeting, FATF expanded its mission beyond money laundering and now also focuses on a worldwide effort to combat terrorist financing. INL and SCT chair an interagency process to identify the countries most vulnerable to terrorist financing activities around the world. The Bureau is a central contributor to assessing the anti-terrorist financing needs of these countries, developing implementation plans for them, and funding anti-terrorist financing technical assistance programs so they can combat this threat. INL also participates in many of the training programs.

FY 2006 Program

With the Department of Homeland Security, INL will continue to support the nascent innovative concept of Trade Transparency Units (TTUs) to respond to the increasing propensity of criminals and terrorists to move funds outside of formal financial sectors through use of alternative remittance systems and falsified trade data. The concept borrows from the international network of FIUs that examine financial intelligence. A similar TTU network is envisioned that will analyze countries' trade data, searching for anomalies indicating trade fraud, money laundering and/or terrorist financing. In 2006, INL will continue to provide training and equipment to set up TTUs in strategic countries. The first countries to have expressed an interest in participating in this initiative are those in Latin America that are combating the Black Market Peso Exchange and those in South Asia that are susceptible to trade-based money laundering and terrorist financing. Funds have been approved in the FY05 budget to support the creation of at least three TTUs and the training of their personnel. The intent is to garner an internationally agreed upon framework for coordinating information-sharing between TTUs and a timeline for the system's implementation worldwide; establish several countries with fully equipped TTUs with the legal and regulatory authority to share information internationally; reduce the use of trade and alternative remittance systems as a means to finance terrorism and launder crime proceeds; and, increase arrests, prosecutions, and convictions of those involved in terrorist financing and money laundering.

In 2006, INL will strengthen the new regional technical assistance/training programs in Central America and the Pacific Island region. These programs, modeled on the Caribbean Anti-money Laundering Program (CALP), are an economical way to provide comprehensive training and technical assistance to several countries in a region that share similar terrorist financing and money laundering problems. The programs will include installing resident advisors and support staff to work in key areas needed to bring the anti-money laundering/anti-terrorist financing regimes in the regions up to international standards by assisting in drafting laws and regulations, and by training regulators and law enforcement officials, including prosecutors and judges.

INL is committed to assisting countries that want to establish new Financial Intelligence Units (FIUs), particularly countries that have the requisite legal framework but lack the fiscal resources to purchase the necessary, but expensive, software and hardware. In FY06, INL will fund an innovative “FIU in a Box” initiative that will develop scaled-down software that will enable small FIUs to collect, analyze and disseminate financial intelligence to domestic law enforcement and to other FIUs globally. These “FIUs in a Box” will enable jurisdictions that lack fiscal and human resources to become active players in the global effort to thwart money laundering and terrorist financing at a fraction of the current cost to develop a full-scale FIU.

In FY 2006, INL will aim its training and technical assistance programs toward regions and countries that need to improve their ability to combat terrorist financing, financial crimes, and money laundering. Training will focus on: tracking, freezing, and seizing terrorist assets; developing anti-terrorist financing and anti-money laundering laws and regulations that meet international standards; training bank supervisors to ensure compliance with regulations; developing anti-money laundering/anti-terrorist financing examination procedures; providing law enforcement with financial investigative skills; and, training prosecutors to develop terrorist finance and money laundering cases.

INL will also fund the placement of intermittent and long-term advisors in countries to assist in the development of legislative frameworks, regulatory schemes and FIUs. INL will continue to work closely with other USG agencies to provide this assistance, including the FBI, Justice, Treasury, Secret Service, FinCEN, Customs Service, Internal Revenue Service, the FDIC, the Federal Reserve Board of Governors, and the OCC. It is expected that training will focus on the countries considered to be most vulnerable to terrorist financing and any remaining NCCT jurisdictions. In addition, assistance will be provided to many emerging jurisdictions that are in need of technical assistance to develop anti-money laundering laws to protect their economy and financial services sector against financial crime and terrorism.

INL will continue to support multinational anti-money laundering organizations, such as the FATF, other anti-money laundering bodies, such as the APG, MONEYVAL, CFATF, the Financial Action Task Force Against Money Laundering in South America (GAFISUD), the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG), OAS/CICAD, and the UN Global Program Against Money Laundering, as well as the new FATF-style regional bodies (FSRB) in Central Asia and the Middle East. In particular, INL wants its assistance to ensure that the FATF-style regional bodies incorporate anti-terrorist financing training into their anti-money laundering criteria, that they conduct a steady stream of mutual evaluations of their members, and that they train a core of evaluators to conduct these evaluations.

INL Anticrime Programs					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Fighting Corruption	3,000	-	3,046	-	2,000
Anti-Corruption Compacts	-	-	3,700	-	3,000
<i>Sub Total</i>	3,000	-	6,746	-	5,000
Alien Smuggling	400	-	1,000	-	1,600
Border Security	767	-	533	-	650
Cyber Crime, Intellectual Property Rights and Critical Infrastructure Protection	2,650	-	3,300	-	2,750
Financial Crimes and Money Laundering	1,000	-	3,500	-	3,000
G-8 and Lyon Group	500	-	-	-	-
Law Enforcement and Police Science	2,200	-	-	-	-
Rule of Law	-	-	-	-	-
Program Development and Support	807	-	-	-	-
<i>Total</i>	11,324	-	15,079	-	13,000

International Law Enforcement Academies (ILEA)

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
14,500	12,734	13,500

Program Objectives and Performance Indicators

National law enforcement capabilities will be strengthened and stronger linkages between U.S. law enforcement entities, foreign law enforcement authorities, and future criminal justice leaders will be established thereby resulting in greater cooperation between U.S. and foreign law enforcement authorities and more successful investigation and prosecution of more important cases abroad.

ILEA curriculum will encourage graduates to interact with other alumni regionally and internationally to address law enforcement issues.

ILEA graduates will adopt methods and technologies learned at the academies to conduct successful criminal investigations.

ILEA curriculum will continue to be modified to respond to emerging transnational criminal trends in terrorism, corruption and trafficking in persons.

ILEA alumni will be actively engaged in training others, either at their national academies or on-the-job.

Specific areas of growing international criminal activity will continue to be addressed by presenting training on counterterrorism, corruption, and trafficking in persons to combat these trends.

Modified Core curriculum designed to counter international criminal trends - with no fewer than 35 hours (from 20 hours in FY 2004) of training on counterterrorism, corruption, trafficking in persons, and related topics - will be implemented in FY 2005.

Ten high-level specialized courses (from 6 courses in FY 2004) will be introduced to address the same international criminal trends as the core curriculum at the regional academies.

The total number of students' trained at all four academies will be approximately 2,400.

Areas for future expansion of the ILEA program to cover regions that are not currently addressed such as South America will continue to be explored.

Program Justification

International Law Enforcement Academies (ILEAs) help advance U.S. interests through international cooperation while promoting social, political, and economic stability by combating crime. To achieve these goals, the ILEAs provide high-quality training and technical assistance, support institution building and enforcement capability, and foster relationships of American law enforcement agencies with their counterparts in the regions they serve. The ILEAs encourage strong partnerships among regional countries to address common problems associated with criminal activity. The ILEAs also develop an extensive network of alumni--who will become the leaders and decision-makers in their respective countries--to exchange information with their U.S. counterparts and assist in transnational investigations.

The Department of State works with the Departments of Homeland Security, Justice, Treasury, and with foreign governments to implement the ILEA program. The regional ILEAs offer three different types of programs: the Core program, specialized training courses, and regional seminars, all targeted at mid-level officials in the police and criminal justice services of strategic countries throughout the world. State's primary roles are to provide foreign policy guidance to the ILEA Directors, ensure availability of adequate funding to support ILEA operations, and provide oversight that will ensure that U.S. foreign policy objectives are achieved.

The ILEAs will continue to be a dynamic training program, providing relevant, timely, and quality training against the backdrop of diverse and often shifting regional economic, social and political environments and in anticipation of and response to constantly changing international crime-related challenges such as terrorism, corruption, financial fraud and money laundering, alien smuggling, trafficking in persons, and organized crime.

Program Accomplishments

The Bureau of International Narcotics and Law Enforcement Affairs (INL) has established ILEAs in Hungary, Thailand, Botswana, and New Mexico. To date, these ILEAs have trained over 15,350 officials from over 68 countries.

The ILEA in Budapest, Hungary, opened in 1995 and has trained over 9,224 officials from Central, Southern European countries as well as Russia and the former Soviet Union. ILEA Bangkok in Thailand opened in 1999 and has trained over 3,485 officials from the Association of Southeast Asian Nations (ASEAN) and the Peoples Republic of China (PRC). The permanent facility for ILEA Bangkok was completed in May 2004. ILEA Gaborone in Botswana opened in FY 2001 and has since trained over 1,390 officials from the Southern African Development Community (SADC). It now operates from its permanent facility, which was completed in early FY 2003. INL opened a graduate style ILEA in Roswell, New

Mexico in late FY 2001 and has trained over 1,265 international criminal justice officials who had graduated from the regional academies.

With Costa Rica's failure to ratify the agreement to establish an ILEA there, INL will focus negotiation efforts in strategic Central/South American countries – such as El Salvador, Ecuador and Peru – to establish an ILEA for this region. In FY 2004, a training Needs Assessment conference was held in Quito for countries that would attend ILEA Latin America. A follow-up Key Leaders conference will be held in Panama early FY 2005 to validate the training needs assessment findings. These steps are essential for ILEA curriculum development and run parallel with the negotiation efforts to determine a location for the new ILEA in Latin America.

FY 2006 Programs

INL will continue to support the work of the established ILEAs in Bangkok, Budapest, Gaborone, and Roswell. INL will also continue to encourage ILEA alumni to be actively engaged in training other instructors and mentors in methods and technologies learned at the academies, either at their national academies or on-the-job. This in turn will open and strengthen lines of communications to conduct joint investigations, and to share information with US counterparts.

INL will continue negotiations to establish a new ILEA in Latin America. If established, the Latin American ILEA is expected to deliver its full training program in FY 2006. Similar to the other regional ILEAs curricula, the ILEA will offer a mid-level management core program for law enforcement and criminal justice officials as well as specialized courses for police, prosecutors, and judicial officials. The training program will concentrate on attacking the most salient crime threats in the region, including drug trafficking; alien smuggling; trafficking in persons; money laundering, terrorist financing, and financial crimes; and accountability in government, as well as enhancing the ability of law enforcement to anticipate and respond to terrorist threats. These courses will be upgraded to adjust to the nuances of these criminal activities as identified by ILEA needs assessments.

INTERNATIONAL LAW ENFORCEMENT ACADEMIES					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Bangkok, Thailand	2,900	-	2,795	-	2,995
Budapest, Hungary	600	-	709	-	750
Gaborone, Botswana	2,700	-	3,755	-	3,855
Roswell, New Mexico	7,105	-	5,000	-	5,000
Latin America	1,195	-	475	-	900
Total	14,500	-	12,734	-	13,500

Civilian Police and Justice Program

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
2,700	2,678	2,700

Program Objectives and Performance Indicators

The overall program objectives are to continue developing and enhancing the U.S. capacity to participate in international civilian police components of peacekeeping missions and respond to complex security operations; and to assist in strengthening the capabilities of the United Nations (UN), the Organization for Security and Cooperation in Europe (OSCE), and other regional organizations and countries to address police, justice, and prison development issues in areas emerging from conflict.

The FY 2006 program will sustain INL's capacity to manage and oversee the recruitment, selection, training, equipping, deployment and support for uniformed and non-uniformed U.S. civilian police, trainers and advisors overseas participating in and supporting peacekeeping missions and complex security operations. The program will also:

- Maintain a capacity to deploy U.S. police, law enforcement advisors, justice and corrections experts.
- Sustain certification of the basic U.S. training program across the U.S. and further develop relationships with federal, state and local law enforcement associations, organizations and unions.
- Promote high quality, standardized civilian police peacekeeping training and interoperability between U.S. and other civilian police by inviting police from selected countries to participate in the basic U.S. training program.
- Continue to strengthen INL management and oversight capabilities by further developing options to address complex security operations, including well-defined response and support timetables and capacities.
- Ensure USG-funded goods and services are obtained through full, open and timely procurement that provides maximum efficiency and benefit to U.S. taxpayers.

Program Justification

U.S. participation in complex security operations and international civilian police missions overseas is expected to continue in FY 2006. INL will sustain a capacity to deploy and support experienced U.S. police, justice and corrections personnel assigned to Kosovo, Serbia and Montenegro, Sierra Leone, Liberia, Haiti, Afghanistan and Iraq. The support contracts awarded in 2004 will provide a mechanism to conduct rapid competition and deployment of experienced members or former members of the U.S. law enforcement, justice and corrections community to support U.S. foreign policy interests in post-conflict regions around the world. Each contractor maintains databases of 2,000 interested and qualified individuals for this purpose. The FY 2006 program will maintain the program as an important component of the INL mission and will include:

- World-wide logistical and support systems for the rapid deployment of U.S. police to complex, international security operations;
- Capacity to provide timely and qualitative construction services and support activities, including technical aspects of construction assessment, design and oversight in difficult, hazardous, and hostile environments;
- Enhanced relationships with U.S. law enforcement associations, organizations, and unions to increase participation of active-duty law enforcement personnel in CIVPOL missions overseas.

Deployment of U.S. police and law enforcement and criminal justice advisors can range from short-term assessments, training and advisory activities requiring only a few weeks; to long-term secondments of a year or more to operational missions in dangerous and volatile environments that include authority to carry weapons and perform the full range of law enforcement functions. To prepare for such operations, U.S. law enforcement personnel are given a standard course of training applicable to all deployments. Special equipment and materials, briefings, training and medical precautions needed to accommodate a particular operating environment are provided immediately prior to an actual deployment. Such equipment may include communications equipment, uniforms and other clothing, medical supplies and protective gear to meet conditions in the particular area of operation, and camping gear in the event lodging accommodations are not available. While this program may fund short-term and urgent requirements for law enforcement expertise and field activities, the long-term operational support needed to maintain U.S. police in actual operations continues to be provided from other regional or special accounts, line-item appropriations, or funds made available from supplemental budgets.

The FY 2006 program sustains logistical capabilities to ensure a rapid and timely U.S. response to requests from the UN or other international organizations to contribute American police and/or advisors to address a special circumstance or participate in an international effort to assist a country emerging from a crisis situation. Key elements of this capacity are maintained by existing services contractors and include transporting U.S. personnel and equipment; pre-positioning field support items for rapid deployment; providing security,

emergency medical support and evacuation services; providing operational transportation and communications capabilities; and administrative and logistical support in the field.

FY 2006 funds will also sustain outreach efforts to U.S. local, state, and federal law enforcement, agencies and professional associations for the purpose of attracting and encouraging more law enforcement interest and participation in international police missions. Oversight and management efforts will continue to strengthen capacities to assess, conceptualize, plan, prepare, implement, manage, and evaluate U.S. participation in complex security operations and international peacekeeping missions.

Program Accomplishments

- INL manages three contractors to support program implementation, each with a database of 2,000 police, law enforcement advisors and justice experts to support requirements in ten countries; and funds a liaison position at the U.S. Mission to the UN in New York, a police training advisor, and agreements with other U.S. agencies to provide training and justice sector expertise overseas.
- INL implements programs that support international efforts to establish, train and equip the 6,350-member Kosovo Police Service; provide training expertise to establish the approximately 3,000-member East Timor Police Service; and deliver training events for over 30,000 existing local police in Bosnia, Croatia, Macedonia, Serbia and Montenegro, and Haiti.
- INL provides 500 International Police Liaison Officers (IPLOs), 271 police trainers, 53 prison advisors, and 3 justice advisors to support the Multi-National Security Transition Command – Iraq (MNSTC-I) and international efforts to re-establish, re-organize and train approximately 135,000 Iraqi police, in addition to other supporting police and law enforcement organizations, to prepare the new government of Iraq to provide effective internal security.
- INL constructed and manages the Jordan International Police Training Center (JIPTC) being utilized to train 35,000 Iraqi police by the end of CY 2005; and is on track to train 50,000 Afghan National Police, 12,000 border police, and 2,600 highway patrol personnel in seven INL-constructed regional training centers and one central training center in Afghanistan by the end of CY 2005.
- INL implements programs designed to train judges and prosecutors in Kosovo, Bosnia, Afghanistan and Iraq to assist with judicial reform and reconstruction in post conflict environments.
- INL provides the U.S. contribution of 25 U.S. police to the CIVPOL component of the United Nations Stabilization Mission in Haiti, and provides training and technical assistance designed to enhance the Haitian government's efforts to re-establish Haitian National Police and criminal justice functions.

- INL supports peacekeeping and justice reform in Liberia through the contribution of 20 U.S. police officers to the CIVPOL component of the United Nations Mission in Liberia, funding for police academy development, the donation of non-lethal equipment for the Liberian National Police, and bilateral technical assistance for the courts, judiciary and prosecution services.

FY 2006 Program

Building on resources provided to support this program over the last four years, the FY 2006 budget sustains INL's capacity to identify, train, equip, pre-position, deploy and support law enforcement personnel who participate in an overseas mission for one year. Three companies provide the capabilities to support INL worldwide police, justice, and corrections programs as a result of full and open competition. The FY 2006 program will sustain standardized organizational structures, operating procedures, code of conduct, ethics standards, and systems needed to effectively manage this complex program. Through these efforts, U.S. police will have the opportunity to participate in specialized law enforcement training that is designed to meet U.S. Police Officer's Standards and Training (POST) in-service training requirements needed to keep their police credentials up to date. In addition, officers receive basic and advanced instruction that is unique to the organizational and operational challenges presented by international missions. The FY 2006 program sustains an INL training coordinator, and a position established at the U.S. mission in New York responsible for working with the UN Department of Peacekeeping Operations. The FY 2006 program maintains personnel and resources dedicated to supporting INL capabilities to address peacekeeping and complex security matters and provide management and oversight of police, justice and prison programs.

Program Development and Support

Budget Summary (\$000)

FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
13,850	13,850	14,000

Program Justification

The Bureau of International Narcotics and Law Enforcement Affairs (INL) is charged with developing strategies and programs to achieve international counternarcotics and criminal justice foreign-policy objectives. INL maintains a cadre of both domestic and overseas program and technical experts to carry out a wide range of initiatives. Washington personnel functions include, but are not limited to: international narcotics control and law enforcement policy formulation and implementation; coordination of policies and programs with other USG agencies and with other governments and international organizations; budget and financial management activities; program administration and analysis including development, implementation, oversight and evaluation of overseas programs; contract, procurement and information systems support; field assistance visits to Embassy Narcotics Affairs Sections and Law Enforcement Sections to review, analyze and make recommendations on programs, funds control and procurement; sponsoring regional policy and program management conferences and seminars; and, developing and providing training programs both domestically and overseas for embassy and INL personnel.

The Program Development and Support (PD&S) account funds the domestic administrative operating costs associated with the Washington-based INL staff. Over three-quarters of the PD&S budget request is programmed for salaries and benefits of U.S. Direct Hire (USDH) employees, personal services contracts, rehired annuitants and reimbursable support personnel. Currently, INL funding supports a Washington-based staff of 112 U.S. direct hire positions, 21 personal-services and 18 non-personal services contractor personnel, and 20 employees on detail from, or assigned to, other USG agencies. Eleven additional domestic positions support the Interregional Aviation Support program, but are funded from the Interregional Aviation Support account. Ten positions in the INL Office of Anticrime Programs are funded from the Department of State D&CP account.

Field travel for the INL personnel based in Washington is funded from the PD&S account. This is an essential component of the bureau's program, needed for program development, implementation, oversight and review, as well as for the advancement of international counternarcotics and criminal justice foreign policy objectives. PD&S funds are utilized to maintain a reliable and secure information resource management system and operating infrastructure to enable bureau employees to pursue policy objectives and complete work

requirements effectively and efficiently. In addition, funding for the following expenses ensure an adequate level of administrative support to allow the bureau to function effectively: office equipment rental, telephone services, printing and reproduction, miscellaneous contractual services (Information Management non-personal services contractor personnel, INL office renovation expenses, etc.), materials, supplies, furniture, furnishings and equipment.

FY 2006 Program

The PD&S budget request for FY 2006 is intended to cover the annual, government-wide cost of living increase, in-grade step increases and promotions that occur during that fiscal year. It is also intended to cover the annualized portion of wage increase for positions that INL plans to fill during FY 2006 to improve program oversight and expanded programs. In addition the PD&S budget covers costs for field travel and transportation costs; equipment rentals, communications and utility expenses; printing and reproduction; miscellaneous contractual services; and furniture, furnishings and equipment.

Program Development and Support					
INL BUDGET					
(\$000)					
	FY 2004	FY 2004 Supp	FY 2005	FY 2005 Supp	FY 2006
Personnel Compensation	8,830	-	8,830	-	7,000
Personnel Benefits	2,050	-	2,050	-	1,680
Field Travel and Transportation	560	-	560	-	1,051
Equipment Rentals, Communications and Utility Expenses	205	-	205	-	114
Printing and Reproduction	185	-	185	-	49
Miscellaneous Contractual Services	1,915	-	1,915	-	3,729
Materials and Supplies	75	-	75	-	242
Furniture, Furnishings and Equipment	30	-	30	-	135
Total	13,850	-	13,850	-	14,000

