

EUROPE AND CENTRAL ASIA

Albania

I. Summary

Albania is used by organized crime groups as a transit country for heroin from Central Asia destined for Western Europe. Seizures of heroin by Albanian, Greek, and Italian authorities declined significantly in 2005, suggesting a possible change in trafficking patterns. Cannabis is also produced in Albania for markets in Europe. The Government of Albania (GoA), largely in response to international pressure and with international assistance, is confronting criminal elements more aggressively but is hampered by a lack of resources and endemic corruption. The new government led by Prime Minister Sali Berisha, in power since September 2005, has stated that fighting corruption, organized crime, and trafficking of persons and drugs is its highest priority. Albania is a party to the 1988 UN Drug Convention.

II. Status of Country

Although Albania is not a major transit country for drugs coming into the United States, it remains a country of concern to the U.S., as Albania's ports on the Adriatic and porous land borders, together with poorly financed and under-equipped border and customs controls, make Albania an attractive stop on the smuggling route for traffickers moving shipments into Western Europe. In addition, marijuana is produced domestically for markets in Europe, the largest being Italy and Greece.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In 2005, the asset forfeiture law, a key tool in the fight against organized crime, began to be successfully implemented, with the filing of eight asset forfeiture cases and the creation of the Agency for the Administration of Sequestered and Confiscated Assets. In 2005, a witness protection working group was set up at the Directorate of the Fight against Organized Crime and Witness Protection. Albania works with its neighbors bilaterally and in regional initiatives to combat organized crime and trafficking, and it is a participant in the Stability Pact and the Southeastern Europe Cooperative Initiative (SECI).

Law Enforcement Efforts and Accomplishments. Albanian police continue their counternarcotics operations, including large drug seizures in Fier, Tirana, and the ports of Vlora and Durres, and have made successful raids in cooperation with Italian authorities. Albanian authorities report that through November 2005, police arrested 229 persons for drug trafficking and 30 for cannabis cultivation. An additional 37 persons are wanted. The police seized 40.8 kilograms of heroin, 5,052.3 kilograms of marijuana, and 1.2 kilograms of cocaine. Police also destroyed 332,018 cannabis plants, and confiscated 7 liters of hashish oil. The quantities of contraband seized by Albanian authorities are just a fraction of the total transiting Albania; the quantities are also quite low compared to quantities of drugs transiting or originating from Albania seized by Italian and Greek authorities. Greek authorities report that from January through September 2005, they confiscated 51.8 kilograms of heroin, 0.8 kilogram of hashish, 4,133.5 kilograms of marijuana, and approximately 0.7 kilograms of cocaine. For the period January through October 2005, Italian authorities report seizing 418.6 kilograms of heroin, and 808.3 kilograms of marijuana.

Corruption. Corruption remains a deeply entrenched problem. Low salaries, social acceptance of graft, and Albania's tightly-knit social networks make it difficult to combat corruption among police, magistrates, and customs officials. The Office of Internal Control (OIC, created with ICITAP assistance and tasked with investigating police corruption) has been instrumental in bringing about the

arrests of several corrupt officers. The OIC reports that it filed 172 criminal reports with the Prosecutor's Office involving 232 police officers in 2005 (through early December). Of these cases, only one involved drug trafficking. The GoA does not, as a matter of policy, encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. Albania has signed, but has not yet ratified the UN Convention Against Corruption.

Agreements and Treaties. Albania is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. An extradition treaty is in force between the United States and Albania. Under this treaty two individuals were extradited to Albania in 2005. Albania is a party to the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation and Production, With the exception of cannabis, Albania is not known as a significant producer of illicit drugs. According to authorities of the Ministry of Interior's Anti-Narcotics Unit, cannabis is currently the only drug grown and produced in Albania and is typically sold regionally. Metric-ton quantities of Albanian marijuana have been seized in Greece and Italy. Cultivation of cannabis persists despite the authorities' eradication efforts. As noted, the Anti-Narcotics Unit destroyed 332,018 cannabis plants in 2005. No labs for the production of synthetic drugs were discovered in 2005. Albania is not a producer of significant quantities of precursor chemicals. The Law on the Control of Chemicals Used for the Illegal Manufacturing of Narcotic and Psychotropic Substances was passed in 2002 and regulates precursor chemicals. Police and customs officials are not trained to recognize likely diversion of dual-use precursor chemicals.

Drug Flow and Transit. Organized crime groups use Albania as a transit point for drug and other types of smuggling, due to the country's strategic location, weak law enforcement and judicial systems, and porous borders. Albania is a transit point for heroin from Central Asia, which is smuggled via the "Balkan Route" of Turkey-Bulgaria-Macedonia-Albania to Italy, Greece, and the rest of Western Europe. A limited amount of cocaine is smuggled from South America to Albania, via the United States, Italy, Spain, or the Netherlands, for internal and external distribution. In 2005, seizures of heroin transiting Albania by the Albanian State Police (ASP), as well as by Italian and Greek authorities, declined significantly, suggesting that patterns of drug trafficking may be changing.

Domestic Programs (Demand Reduction). The Ministry of Health believes that drug use is on the rise, though no reliable data exists on this subject. Local and national authorities collect little data and do not believe the problem is particularly widespread (owing both to the traditional cultural norms and low levels of discretionary income). Nevertheless, the GoA has taken steps to address the problem with its National Drug Demand Reduction Strategy. However, the woefully inadequate public health infrastructure is ill-equipped to treat drug abuse, and public awareness of the problems associated with drug abuse remains low. The Toxicology Center of the Military Hospital, the only facility in Albania equipped to handle overdose cases, reported that it handled about 1,800 patients seeking drug abuse-related treatment in 2005.

IV. U.S. Policy Initiatives and Programs

Bilateral and Multilateral Cooperation. The GoA continues to welcome assistance from the United States and Western Europe. The U.S. is intensifying its activities in the areas of law enforcement and legal reform through technical assistance, equipment donations, and training, including an October 2005 course in "Basic Narcotics Investigation Course" that was conducted by the DEA. The U.S. ICITAP and OPDAT programs played a key role in the establishment of the Office of Internal Control at the Ministry of the Interior, the Organized Crime Task Force, and the Serious Crimes Court and Serious Crimes Prosecution Office, all with the goal of professionalizing the police force, combating corruption, and strengthening the GoA's ability to prosecute cases involving organized crime and illicit trafficking. A key part of the ICITAP program has been improving the security of Albania's

borders, including placing advisors at key ports, providing specialized equipment, and the installation of the Total Information Management System (TIMS) for at border crossing points. Other U.S., EU, and international programs include support for customs reform, judicial training and reform, improving cooperation between police and prosecutors, and anticorruption programs. Albanian law enforcement has a good bilateral relationship with Italian Interforza and has cooperated with Italian law enforcement to carry out narcotics raids in Albania.

The Road Ahead. The new government, in power since September 2005, has made a commitment to making the fight against organized crime and trafficking one of its highest priorities. The U.S., together with the EU, will continue to push the GoA to make progress on fighting illegal drug trafficking, to use law enforcement assistance effectively, and to support legal reform.

Armenia

I. Summary

Armenia is not a major drug-producing country and its domestic abuse of drugs is relatively small. The Government of Armenia (GOAM), recognizing its potential as a transit route for international drug trafficking, is attempting to improve its interdiction ability. Together with Georgia and Azerbaijan, Armenia is engaged in an ongoing UN-sponsored Southern Caucasus Anti-Drug Program (SCAD), which was launched in 2001. Armenia is a party to the 1988 UN Drug Convention.

II. Country Status

As a crossroads between Europe and Asia, Armenia has the potential to become a transit point for international drug trafficking. At present, limited transport traffic between the country and its neighboring states makes Armenia a secondary traffic route for drugs. Armenia Police Service's Department to Combat Illegal Drug Trafficking has accumulated a significant database on drug trafficking sources, routes and the people engaged in trafficking. Scarce financial and human resources, however, limit the Police Service's ability to combat drug trafficking. Drug abuse does not constitute a serious problem in Armenia itself, and the local market for narcotics, according to the police, is not large. The principal drugs of abuse are opium and cannabis. Heroin and cocaine first appeared in the Armenian drug market in 1996 and, since then, there has been a small upward trend in heroin sales, while cocaine abuse has remained flat. The Interdepartmental Committee on Combating Drug Addiction and Drug Trafficking is headed by the Chief of Police of Armenia's Police Services Department.

III. Country Actions Against Drugs in 2005

Policy Initiatives. There have been no new policy initiatives since the enactment on May 10, 2003 of the Law of the Republic of Armenia on Narcotic Drugs and Psychotropic Substances. Implementation of the law; however, has been effective and has led to a number of successes in the battle against narcotics.

Accomplishments. Preventive measures to identify and eradicate both wild and illicitly cultivated cannabis and poppy continued in 2005. A total of 112 tons of hemp and poppy were eradicated (551 kilograms of hemp and 335 kilograms of poppy) during the annual eradication campaign.

Armenian Police participated in "Channel 2005," an annual joint operation that involved 6 countries: Russia, Kazakhstan, Belarus, Kyrgyzstan, Tajikistan, and Armenia. All Armenian law enforcement agencies (Police, National Security Service, Customs, Border Guards, Internal Forces, Ministry of Defense) participate in this six-day operation. During "Channel 2005," 14 drug-related criminal cases were initiated against 16 individuals and 100 grams of different types of drugs, 5 liters of precursors and 69 psychotropic tablets (subutex) were seized in Armenia.

Law Enforcement Efforts. In the first 9 months of 2005, the Armenian Police uncovered 458 criminal drug trafficking cases and 15 cases of criminal drug abuse. In this period more than 14 kilograms of drugs were seized, compared to 12 kilograms for the first 9 months of 2004. The Interagency Unit of Drug Profiling (IUDP) was formed at Zvartnots International Airport and began operations in February 2005.

Corruption. Corruption remains a problem in Armenia. Although the GOAM has taken some steps to develop an anticorruption program, political will and concrete steps toward implementation have not

been adequate. In April 2004 a new Anti-Corruption unit consisting of eight prosecutors was created under the Office of the Prosecutor General of the Republic of Armenia. The work of this unit is directly overseen by the Prosecutor General. As a matter of policy, the GOAM does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions and no government officials have been found to engage in these activities. Armenia has signed, but has not ratified the UN Convention Against Corruption.

Agreements and Treaties. Armenia is party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Lastly, Armenia is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation and Production. Hemp and opium poppy grow wild in Armenia. Hemp grows mostly in the Ararat Valley in the south-western part of Armenia; poppy grows in the northern part of Armenia, particularly in the Lake Sevan basin and some mountainous areas. From September 5 to October 5, 2005, Armenian Police carried out “Hemp and Poppy 2005” an annual measure to find and eradicate cultivated and wild hemp and poppy.

Drug Flow/Transit. The principal transit countries through which drugs pass before they arrive in Armenia include Iran (opiates, heroin) and Georgia (opiates, cannabis, hashish). According to the police, drugs are no longer transiting through the Russian Federation to Armenia. Armenia’s borders with Turkey and Azerbaijan remain closed due to the Nagorno-Karabakh conflict but opiates and heroin are smuggled to Armenia from Turkey via Georgia. When all of Armenia’s borders reopen, the police predict drug transit will increase significantly. It is not clear when border difficulties will be resolved, permitting more open frontiers.

Demand Reduction. The majority of Armenian addicts are believed to be using hashish, followed by heroin and ephedrine. Armenia has adopted a policy of focusing on prevention of drug abuse through awareness campaigns and treatment of drug abusers. These awareness campaigns are implemented and manuals published under the framework of the South Caucasus Anti-Drug (SCAD) Program, funded by the UN Development Program.

A Drug Detoxification Center, which is being funded by the Armenian Ministry of Health and SCAD is scheduled to open in December 2005.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG continues to work with the Government of Armenia to increase the capacity of Armenian law enforcement. Joint activities include development of an independent forensic laboratory, improvement of the law enforcement training infrastructure and establishment of a computer network that will link law enforcement offices within Armenia and between Armenia and the rest of the world.

The Road Ahead. The USG will continue aiding Armenia in its counternarcotics efforts through capacity building of Armenian law enforcement and will continue to engage the government on operational trafficking issues.

Austria

I. Summary

Austria primarily serves as a transit country for drug trafficking along major trans-European routes. Foreign criminal groups from former East Bloc countries, Turkey, West Africa, and Central and South America dominate the organized drug trafficking scene. Drug consumption in Austria is well below west European levels and authorities do not consider it to be a severe problem. Production, cultivation and trafficking by Austrian nationals remain insignificant. The number of drug users is estimated at between 15,000 to 20,000—equaling fewer than 2 addicts per 1,000 inhabitants. According to a 2005 study, there is a lifetime prevalence of drug abuse, primarily cannabis, of approximately 25 percent.

Cooperation with U.S. authorities continued to be outstanding during 2005, leading to significant seizures, frequently involving multiple countries. The March 2005 visit of U.S. ONDCP Chief John Walters to Austria, the autumn 2005 visits of Interior Minister Prokop and Justice Minister Gastinger to Washington, and Chancellor Schuessel's December 2005 meeting with President Bush underscore the close bilateral cooperation between the U.S. and Austria. Austria is a party to the 1988 UN Drug Convention.

II. Status of Country

Austria's drug situation did not see any significant change during 2005. The number of drug-related deaths has fluctuated between 100 and 150 over the past 5 years, but a surge in Vienna's drug deaths earlier this year points to a higher-than-normal overall figure for 2005. The number of drug deaths from mixed intoxication continues to rise. The latest available statistics for 2004 show a 12.6 percent increase in drug-related offenses over 2003, for a total of 24,528 offenses. Of these, 535 involved psychotropic substances and 357 involved precursor materials.

Experts estimate the number of conventional, illicit drug abusers at around 20,000 (0.25 percent of total population). The number of users of MDMA (ecstasy) remained largely stable in 2005, while usage of amphetamines rose during the same period as these substances became increasingly available in nonurban areas. According to a 2005 study, which the Health Ministry commissioned, approximately one fifth of respondents admitted to consumption of an illegal substance. The respondents cited using mostly cannabis with ecstasy and amphetamines in second and third place. Among young adults (ages 19-29), about 25 percent admitted "some experience" with cannabis at least once in their lifetime. According to the study, 2-4 percent of this age group had already used cocaine, amphetamines, and ecstasy, while three percent have had experience with synthetic drugs.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Throughout 2005 the Austrian government retained its "no tolerance" policy regarding drug traffickers, while continuing a policy of "therapy before punishment" for nondealing drug offenders. In a 2005 amendment, lawmakers expanded a 2004 law that permits police to mount surveillance cameras in high-crime public spaces. This law also provides for the establishment of a "protection zone" around schools, pre-schools, and retirement communities. The law entitles police to ban any person suspected of drug dealing within a protection zone from that area for up to 30 days. In reaction to intense public discomfort over an increase in the number of asylum seekers engaged in criminal activity, including drug dealing, the federal government in 2005 enacted tighter asylum legislation and stricter citizenship laws. Following intense public debate in 2005, the government decided to improve quality controls and take a more restrictive approach regarding morphine-

maintenance therapy. Austria included the substance “zolpidem” in the control regime of the National Narcotics Act.

Law Enforcement Efforts and Accomplishments. Comprehensive seizure statistics for 2005 are not yet available. Statistics for 2004 show a marked increase in cannabis and cocaine seizures, and a minor surge in heroin and amphetamine seizures. Ecstasy and LSD confiscations remained stable at 2003 levels. In spring 2005, for the first time, police confiscated ecstasy pills containing certain other chemical substances, in addition to MDMA. Experts stress that the degree of purity and concentration of “ecstasy,” “speed,” and other illegal substances has become increasingly volatile, representing a growing risk factor. Street prices of illicit drugs remained basically unchanged during 2004-2005. One gram of cannabis sold for EUR 7.00 (\$8.20); one gram of heroin for EUR 60.00 to 95.00 (\$70.20-\$111.10); and one gram of cocaine cost EUR 90.00 (\$105.30). Amphetamines sold for EUR 20.00 (\$23.40) per gram, and LSD for EUR 30.00 (\$35.10) per gram. The number of criminal cases involving precursor materials rose by 38 percent, from 93 in 2003 to 128 in 2004. For 2005, officials expect higher seizure figures for heroin and cocaine, and a significant reduction in seizures of ecstasy.

Corruption. As a matter of policy, the GOA does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. The GOA’s public corruption laws recognize and punish the abuse of power by a public official. There are no corruption cases pending, however; the government has not yet prosecuted any cases, which would test the degree of the current law’s enforcement. Austria has signed, but has not yet ratified, the UN Convention Against Corruption.

Agreements and Treaties. An extradition treaty and mutual legal assistance treaty are in force between Austria and the U.S. In 2004, Austria enacted legislation to implement the EU council framework decision on the European arrest warrant and the surrender procedure between member states. On July 20, 2005, the U.S. and Austria signed a protocol implementing the U.S.-EU Extradition Agreement. Austria is a party to the 1988 UN Drug Convention, the 1961 Single Convention, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Vienna is the seat of the United Nations Office on Drugs and Crime (UNODC). Austria is also a “major donor” to the UNODC, with an annual pledge of approximately \$440,000. Austria is a party to the UN Convention Against Transnational Organized Crime and its protocol against trafficking in persons.

Cultivation. Production of illicit drugs in Austria continued to be marginal in 2005. Experts note a minor rise in private, indoor-grown, high-quality cannabis.

Drug Flow/Transit. Foreign criminal groups (e.g. Kurdish clans from Turkey, Albanians, nationals from the former Yugoslavia, West African gangs, and Central and South American gangs) carry out organized drug trafficking in Austria. Counternarcotics officials note a slight decrease in body-packing drug smuggling in favor of other conventional means of transportation. The illicit trade increasingly relies on Central and East European airports, including those in Austria. Trafficking of ecstasy products (originating in the Netherlands) decreased slightly in 2005 from 2004. Illicit trade in amphetamines and trading in cocaine increased. Criminal groups from Poland and Hungary were primarily responsible for amphetamine trafficking while South American and African drug organizations traffic cocaine into Austria.

Domestic Programs/Demand Reduction. Austrian authorities and the public generally view drug addiction as a disease rather than a crime. This is reflected in rather liberal drug abuse legislation and in court decisions. The center-right government made the fight against drug trafficking a major policy goal. At the same time, the government remains committed to measures to prevent the social marginalization of drug addicts. Federal guidelines ensure minimum quality standards for drug treatment facilities. The use of heroin for therapeutic purposes is generally not allowed. Demand reduction puts emphasis on primary prevention, drug treatment, counseling, and so-called “harm reduction” measures, such as needle exchange programs. Ongoing challenges in demand reduction are

the need for psychological care for drug victims and greater attention to older victims and to immigrants. Primary prevention starts at the pre-school level and continues through secondary school, apprenticeship institutions, and out-of-school youth programs. The government and local authorities routinely sponsor educational campaigns both within and outside of educational fora. Overall, youths in danger of addiction are primary targets of new treatment and care policies. Austria has syringe exchange programs in place for HIV prevention. HIV prevalence rate among drug-related deaths slightly increased to 8 percent in 2004, while hepatitis prevalence rates declined. Policies toward greater diversification in substitution treatment (methadone, prolonged-action morphine, and buprenorphine) continued.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Cooperation between Austrian and U.S. authorities continued to be excellent in 2005. Several bilateral efforts exemplified this cooperation. These include joint DEA and BKA (Criminal Intelligence Service) training at the International Law Enforcement Academy; the drafting of a criminal asset sharing agreement between the U.S. and Austria; and DEA support of a BKA plan to initiate Joint Investigative Teams with Balkan countries to combat the flow of Afghan heroin. Austrian Interior Ministry officials continued to consult the FBI, DEA, and Department of Homeland Security on know-how to update criminal investigation structures. The U.S. Embassy also regularly sponsors speaking tours of U.S. counternarcotics experts in Austria. In March 2005, ONDCP Chief John Walters spoke at the UN Commission on Narcotic Drugs, and held bilateral meetings with Austrian National Drug Coordinator Franz Pietsch and other drug policy and treatment experts in Vienna. Walters highlighted the excellent, ongoing cooperation between U.S. and Austrian law enforcement authorities, and he exchanged views with his counterparts on “harm reduction” as a basis for policy. The October 2005 visits to Washington by Interior Minister Prokop and Justice Minister Gastinger, and Chancellor Schuessel’s meeting with President Bush in December 2005, solidified the close U.S.-Austrian law enforcement connection.

Throughout 2005, Austria maintained its lead role within the Central Asian Border Security Initiative (CABSI) and the VICA (Vienna Initiative on Central Asia) project. At the same time, Austria intensified efforts to cooperate with countries in the Balkans. Austria hosted events such as the November 25, 2005 “Western Balkans Summit.” Furthermore, Austria continued to address drug trafficking and related security issues through the “Salzburg Forum”—a recurring ministerial-level security policy meeting which includes representatives from Austria, the Czech Republic, Slovakia, Poland, Hungary, and Italy. Also in 2005, Austria, together with Italy, continued work on a project within the UNODC for reform of the justice system in Afghanistan.

The Road Ahead. The U.S. will continue to support Austrian efforts to create more effective tools for law enforcement. The U.S. will work closely with Austria during its EU Presidency and within other U.S.-EU initiatives, the UN, and the OSCE. A priority remains promoting a better understanding of U.S. drug policy among Austrian officials.

Azerbaijan

I. Summary

Azerbaijan is located along a drug transit route running from Afghanistan and Central Asia to Western Europe, and from Iran to Russia and Western Europe. Domestic consumption and cultivation of narcotics are low, but levels of use are increasing. The United States has funded counternarcotics assistance to Azerbaijan through the FREEDOM Support Act since 2002. Azerbaijan is a party to the 1988 UN Drug Convention.

II. Status of Country

Azerbaijan's main narcotics problem is the transit of drugs through its territory. Azerbaijan emerged as a narcotics transit route several years ago because of the disruption of the "Balkan Route" due to the wars in and among the countries of the former Yugoslavia. According to the Government of Azerbaijan (GOAJ), the majority of narcotics transiting Azerbaijan originates in Afghanistan and follows one of four primary routes:

- Afghanistan-Iran-Azerbaijan-Georgia-western Europe;
- Afghanistan-Iran-Nagorno Karabakh and occupied territories of Azerbaijan-Armenia-Georgia-Western Europe;
- Afghanistan-Iran-Azerbaijan-Russia; or
- Afghanistan-Central Asia-the Caspian Sea-Azerbaijan-Georgia-western Europe.

Azerbaijan shares a 611-km frontier with Iran, and its border control forces are insufficiently trained and equipped to patrol it effectively. Iranian and other traffickers are exploiting this situation. The most widely abused drugs in Azerbaijan are opiates—especially heroin—licit medicines, hemp, ecstasy, hashish, cocaine and LSD. Domestic consumption continues to grow with the official GOAJ estimate of drug addicts reaching 18,000 persons. Unofficial figures are estimated at approximately 200,000 to 300,000, 75 percent of which are heroin addicts. Students make up a large share of total drug abusers at 30-35 percent. The majority of heroin use is in the Lankaran District (64.6 percent), which borders Iran. Drug use among young women has been rising.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The GOAJ has taken the lead on counternarcotics coordination within the GUAM group of countries (Georgia-Ukraine-Azerbaijan-Moldova). As part of this initiative, the GOAJ established the Virtual Law Enforcement Center (VLEC) in Baku and conducted joint narcotics interdiction projects with the other GUAM-member countries. In theory, the center will be organized around an encrypted system of information exchange among the law-enforcement agencies in member countries, with the goal of coordinating efforts against terrorism, narcotics trafficking, small arms, and trafficking in persons. While training for the integrated computer system of the Virtual Law Enforcement Center took place in 2005, the GOAJ has not yet integrated the system into an encrypted system with other GUAM-member states.

Law Enforcement Efforts. During 2005, the Ministry of Internal Affairs registered approximately 1660 cases of drug-related offenses. During the first seven months of 2005, authorities confiscated 205.2 kilograms of narcotics, not including psychotropic substances and drug precursors. The confiscated narcotics included 12 kilograms of heroin, 716 grams of the poppy straw, 19 kilograms of

hashish, 139 kilograms of marijuana, 10 ampoules and 11,073 pills of psychotropic drugs. Between January to June of 2005, the Azerbaijani State Customs Committee investigated 33 drug-related offenses, confiscated 15,722 kilograms of narcotics, including 4,872 kilograms of marijuana, 5 kilograms of hashish, 284 grams of heroin, and 110 psychotropic substances (in the form of ampoules, capsules and tablets). The police lack basic equipment and have little experience in modern counternarcotics methods. Border control capabilities on the border with Iran and Azerbaijan's maritime border units are inadequate to prevent narcotics smuggling.

Corruption. Corruption remains a significant problem. In 2005, the GOAJ adopted a charter for an anticorruption commission and staffed that commission. However, active judges sit as members on the Commission, and according to Azerbaijan's Constitution, only retired judges should sit on the Commission. The Department for Fighting against Corruption (DEFAC) in the Prosecutor General's Office is extremely limited in its powers, is understaffed, and manages its own internal vetting process, which is contrary to international standards. As a matter of government policy, Azerbaijan does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities.

Agreements and Treaties. Azerbaijan is a party to the 1988 UN Drug Convention, to the 1971 UN Convention Against Psychotropic Substances, and to the 1961 UN Single Convention as amended by its 1972 Protocol. Azerbaijan also is a party to the UN Convention Against Corruption, and to the UN Convention Against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms.

Cultivation and Production. Cannabis and poppy are cultivated illegally, mostly in southern Azerbaijan. In at least one instance in the first half of 2005, the Ministry of Internal Affairs raided a marijuana plantation in western Azerbaijan and confiscated approximately 2 million plants. Seven hundred and eighty kilograms of semi-processed hashish were also found and seized.

Drug Flow/Transit. Opium and poppy straw originating in Afghanistan transit to Azerbaijan from Iran, or from Central Asia across the Caspian Sea. Drugs are also smuggled through Azerbaijan to Russia, then on to Central and Western Europe. Azerbaijan cooperates with Black Sea and Caspian Sea littoral states in tracking and interdicting narcotics shipments, especially morphine base and heroin. Caspian Sea cooperation includes efforts to interdict narcotics transported across the Caspian Sea by ferry. Law enforcement officials report that they have received good cooperation from Russia.

Domestic Programs. In November 2005, a conference entitled "Youth Say No to Drugs" was held at Baku Technical College. The event focused on preventing drug addiction among teenagers. The government runs other information programs targeted on the dangers of drug abuse.

IV. U.S. Policy Initiatives and Programs.

Bilateral Cooperation. In 2005 the U.S. Export Control and Related Border Security (EXBS) program continued to provide assistance to the Azerbaijan State Border Service (SBS) and Customs Service. EXBS training and assistance efforts, while aimed at nonproliferation of weapons of mass destruction, directly enhance Azerbaijan's ability to interdict all contraband, including narcotics. During 2005, EXBS sponsored numerous courses for the Border Guard Maritime Brigade and Customs. These courses included: Commodity Identification Training Search and Secure Export Control Enforcement Investigative Analysis Training. This training introduced participants to real-time, hands-on inspections and Border Patrol tactics in the field. EXBS and the SBS hosted the Black Sea/Caspian Maritime Conference on Non-Proliferation and Maritime Domain Awareness. This conference facilitated discussion and sharing of methods in identifying and interdicting vessels suspected of carrying contraband. In August 2005, the U.S. government provided training programs

for the Ministry of Internal Affairs. The programs provided training on highway interdiction to identify vehicles containing narcotics and explosives.

The Road Ahead. The U.S. and Azerbaijan will continue to expand their efforts to conduct law enforcement assistance programs in Azerbaijan. Such programs would include helping the Government of Azerbaijan modernize its criminal records system, training and exchanges for Azerbaijan's law enforcement officials and police officers, and forensic lab development, in addition to counternarcotics/drug enforcement programs. Cooperation between DEA and the GOAJ continues, and the DEA plans to help Azerbaijan increase its counternarcotics capabilities.

Belarus

I. Summary

Belarus continues to grow in importance as a drug-transit country. Local drug use and drug-related crime rates continue to increase. Belarus does not produce drugs for export, though it may be a source of precursor chemicals. With the help of other nations and organizations, Belarus is improving its efforts to combat drug abuse and trafficking, but corruption, and lack of organization, funding and equipment continue to hinder progress. Belarus receives counternarcotics assistance from the EU UNDP program BUMAD (Belarus, Ukraine, Moldova Anti-Drug Program), which seeks to reduce trafficking of drugs into the European Union. The program, which just launched phase two of its three part project, seeks to develop systems of prevention and monitoring, improve the legal framework, and provide training and equipment. It is the most significant counternarcotics program in Belarus at this time. Belarus is a party to the 1988 UN Drug Convention.

II. Status of Country

Drugs increasingly transit Belarus on their way to points east, west and north due to Belarus' porous borders and good railway and road system. This trade is facilitated by Belarus' customs union with Russia, and the resultant lack of border controls between Belarus and Russia. The formation of the Eurasian Economic Community (Belarus, Russia, Kazakhstan, Kyrgyz Republic, and Tajikistan) has the potential to create a broader border-free area, which would further facilitate all types of trafficking. There is no evidence of large-scale drug production in Belarus. The potential exists for Belarus to have a problem with illicit synthetic drug production because of its ample production facilities and the current lack of oversight controls. The completely government-owned chemical industry is allowed to police itself. According to law enforcement officials in neighboring countries, Belarus is a source of precursor chemicals, but officials in Belarus deny this.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Belarus' counternarcotics strategy initiative (The State Program of Complex Measures Against Drug and Psychotropic Substances Abuse and Their Illicit Trafficking for 2001-2005) expired last year. This program aimed to launch preventative and rehabilitation strategies and to suppress illegal trafficking. Government officials confess, however, that the program lacked details of implementation, timeframes, as well as sufficient financial support. The Ministry of Interior had primary responsibility for its implementation, which was never entirely completed. Other institutions involved in reducing drug demand include the Ministry of Health, Ministry of Foreign Affairs, Ministry of Education, Committee on State Security (BKGB), and the State Customs Committee. The State Program will not be renewed. Instead, drug abuse prevention will be incorporated into the Belarusian government's overall national program against crime. While interdepartmental rivalry profoundly inhibits cooperation, Belarus has made some strides in restructuring government agencies to enhance information gathering on drugs. Under the Ministry of Health, the government of Belarus created the legal framework for a National Observatory on Drugs, which aims to link 19 government agencies in order to collect and analyze illicit drug abuse statistics in an effort to combat drug trafficking on a regional level. The Collective Security Treaty Organization launched the first stage of the international anticrime operation "Channel 2005" in Belarus. This cooperative effort between CIS law enforcement officials resulted in the seizure of more than 80 kilograms of narcotics in Belarus in October.

Accomplishments. While Belarus does not face production or cultivation problems, drug use and transit issues must be addressed before Belarus will be in full compliance with the 1988 UN Drug Convention. Government agencies have proposed a set of amendments on drug control to the Belarusian Criminal Code to be included in the national law drafting annual plan for 2006. If the amendments are accepted without change, the legislation will bring Belarus fully in line with the convention.

Law Enforcement Efforts. From January 1 to November 1, 2005, 2,735 people committed 4,707 drug-related crimes. Authorities seized 907 kilograms of drugs during that same time period, but experts, including government officials, agree that this quantity fails to reflect the real quantity of drugs transiting or used in Belarus. Official seizure figures do not reflect the reality of the problem, as it is assumed most drugs transit Belarus undetected. Neighboring countries reported an increase in drugs that came from or passed through Belarus. Enforcement efforts suffer from lack of communication and coordination among agencies. For example, State Security Services refused to allow law enforcement agencies to use a BUMAD-sponsored software program to enhance information sharing. It is the same program that other BUMAD recipients have already adopted and implemented. Belarusian border guards lack the training, and in many cases, the equipment to conduct effective searches. International assistance programs have tried to alleviate this problem, but insufficient supplies and training still plague law enforcement officials' work. Despite these resource problems, the majority of government officials take seriously their efforts to combat drug smuggling. By all accounts officials involved in combating drug trafficking cooperate well with their colleagues in neighboring countries. For example, the lack of a border control between Belarus and Russia creates an easy drug smuggling route. In recognition of this problem, police officials from both countries met in October to discuss ways to more effectively stop drug trafficking across the shared border.

The total amount of drug seizures has declined since last year. Drugs seized from January 1–November 1, 2005 (in kilograms) are as follows: Poppy Straw (608); Marijuana (167); Raw Opium (74.8); Heroin (26.7); Amphetamine/Methamphetamine (18.9); Acetylated Opium (liquid heroin) (6.0); Hashish (4.4); Cocaine (2.0); Hallucinogens (1.2); Methadone (1.1); Depressants (1.0); All Other Drugs (under one kilogram). Belarus continues to have problems with abuse of the extract from poppy straw, which is very popular in Ukraine, Russia, and Belarus. Poppy straw was again the drug seized in greatest quantity in 2005—608 kilograms. There is, however, no evidence of large-scale production of poppies for export. Heroin seizures have skyrocketed after three years of steady decline; this year police seized 26.7kgs. Despite their higher prices, synthetic drugs are growing in popularity due to their longer lasting effects. In 2005, authorities seized 1.1 kilograms of methadone, compared to 682 grams in 2004.

Corruption. Corruption is a problem among border and customs officials, which makes interdiction of narcotics difficult. An anticorruption bill was voted down twice last year was removed from the legislative agenda in 2005. The government did not accept any of the 60 proposals in the bill, which included prosecuting presidential candidates and public servants for corruption. In an effort to curb corruption, however, Belarus is in the process of ratifying the 1999 Council of Europe Civil Law Convention on Corruption. This bill would guarantee compensation to those who suffer damages as a result of corruption. Moreover, if a public official commits corruption, this legislation mandates that the government is liable for providing compensation.

Agreements and Treaties. Belarus is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Belarus is a party to the UN Convention Against Corruption, and the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons and manufacturing and trafficking in illegal firearms.

The international donor community has had repeated difficulties in getting assistance programs registered by the government. In September, a presidential edict greatly restricted all foreign technical assistance, making it nearly impossible to introduce and utilize international aid in Belarus. There have also been attempts by the Belarusian government to tax foreign aid, despite international agreements. These problems have slowed the implementation of international assistance programs. For example, it took several months to register the second part of BUMAD, which resulted in an interruption in program activities and a delayed launch of the second phase.

Cultivation/Production. There is no confirmed drug cultivation or production in Belarus. Belarus, however, does possess the resources necessary to produce precursor chemicals. Neighboring countries allege that Belarus is a source of precursor chemicals, but Belarusian authorities deny this accusation.

Drug Flow/Transit. Most serious illicit drugs, especially heroin, enter Belarus from Russia. Drugs also enter Belarus from Ukraine (semi-refined opium); the Baltic states, the Netherlands, Poland (amphetamines); Afghanistan, Caucasian republics, Pakistan, Russia, Tajikistan, Turkmenistan, Ukraine (heroin); Caucasian republics, Ukraine (marijuana); Russia (methadone); Ukraine (poppy straw). Drugs transit Belarus to Poland, Russia (amphetamines); Russia, Western Europe (heroin); Lithuania, Russia (marijuana, poppy straw); Poland, Russia (precursors); Baltic states, Russia (Rohypnol).

The Government of Belarus does not have any significant programs aimed at combating trafficking. Belarusian border guards lack the training, and in many cases the equipment, to conduct effective searches. The BUMAD program is attempting to improve Belarus' border checkpoints and the training of law enforcement personnel. Resource shortages plague the government's efforts in this area.

Domestic Programs (Demand Reduction). Belarus still lacks an effective system of counternarcotics education, though such programs occur at the local level with varying degrees of success. Police officers who work with juvenile crime run drug prevention programs in schools, but lack sufficient training, resources, and nation-wide coordination of curriculum. The BUMAD program aims to formulate a national curriculum and provide training. This year, BUMAD and the GOB launched a counternarcotics information campaign—*You and Me against Drugs*—targeted at youth in Minsk and in the regions. The information campaign for this program included pamphlet distribution, lectures at organized sporting events and the creation of an informational counternarcotics video with famous Belarusian athletes. In addition, the BUMAD-sponsored NGO Mothers Against Drugs (MAD) won the 2005 UN Civil Society Award for its work on developing and implementing drug prevention programs among Belarusian youth, including counseling services, HIV awareness programs, and self-help groups for addicts and their family members.

According to official data, there are approximately 6,100 registered drug addicts in Belarus and 1,250 registered drug abusers. Belarusian experts, however, estimate the real number at 55,000. The many unregistered addicts fear consequences at work, school, and in society if their addiction becomes known. Drug use is heavily criminalized and highly stigmatized by government and in society. The exception is among youth, who have ready access to narcotics at dance clubs, university dormitories and educational facilities. Treatment of drug addicts is generally done in psychiatric hospitals, either as a result of court remand or self-enrollment, or in prisons. The emphasis of all programs is only detoxification and stabilization. NGOs run six rehabilitation centers, which attempt to provide long-term care, including psychological assistance and job training. Financial limitations constrain the breadth of these programs. BUMAD has successfully launched several "Your Choice" one-stop counseling centers in Belarus this year. These centers help injection drug users find medical care, information, and counseling at no cost.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG has not provided narcotics/justice sector assistance to the GOB since February 1997.

The Road Ahead. The USG will continue to encourage Belarus authorities to enforce their counternarcotics laws.

Belgium

I. Summary

Belgium remains an important transit point for a variety of illegal drugs, most significantly ecstasy, cocaine, and heroin. Belgium is among the largest suppliers of ecstasy to the U.S. (much of which is shipped via Canada), and plays a significant role in the transshipment of cocaine from South America to Europe. Usage and trafficking of cocaine in Belgium appear to be on the rise. Belgium is also a transit point for a variety of chemical precursors used to make illegal drugs. Traffickers use Belgium's busy seaports and two international airports to move drugs to their primary markets in the United Kingdom, the Netherlands, and elsewhere in Western Europe, as well as to the United States. Belgium takes a proactive approach to interdicting drug shipments and cooperates with the U.S. and other foreign countries to help uncover distribution rings abroad. Belgian authorities also continued to fight the production of illicit drugs within their borders, shutting down eleven synthetic drug labs in 2005. Belgium is party to the 1988 UN Convention, and is part of the Dublin Group of countries concerned with combating narcotics trafficking.

II. Status of Country

Belgium produces synthetic drugs and cannabis and remains a key transit point for illicit drugs bound for the UK, the Netherlands, and elsewhere in Western Europe, as well as the United States. By most accounts, its status as an important transit point for cocaine is largely due to the shared border with the Netherlands. In virtually all cases of significant cocaine shipping, the end destination for the cocaine is the Netherlands. Colombian trafficking groups continue to dominate in the cocaine exchange in Northern Europe. Increased seizures of cocaine may be an indication there may be a growing demand in Belgium. This common border shared by Belgium and the Netherlands is also responsible for the surge, both in size and number, of clandestine amphetamine and ecstasy laboratories in Belgium since 2000. Airline passenger couriers remained the principal means of transporting small quantities of ecstasy to the United States. Stricter controls have limited the mailing of pills via both express and regular mail from Belgium. Dutch groups control most of the ecstasy production and Belgian officials believe that sea freight is likely used for shipping larger amounts of ecstasy from Belgian ports via third countries to the United States and Canada. Israeli groups continue to be the largest identified distribution network operating globally and specifically in the United States. Several recent investigations have involved the use of containerized cargo. Belgian authorities continue to make a concerted effort to stem the tide of ecstasy headed for the U.S.

Turkish groups continue to control most of the heroin trafficked in Belgium, although the influence of Albanian groups continues to grow. This heroin is principally shipped through Belgium to the UK. Increased seizures of cocaine may be an indication there may be a growing demand in Belgium. Hashish and cannabis remain the most widely distributed and used illicit drugs in Belgium. Although the bulk of the cannabis consumed in Belgium is produced in Morocco, cultivation in Belgium continues to increase. Cannabis seizures have doubled—a trend that may be explained by increased enforcement and coordination efforts with neighboring countries.

Although Belgium is not a major producer of precursor chemicals used in the illicit manufacture of drugs, it is an important transshipment point for these chemicals coming from China to Europe. Precursor chemicals that transit Belgium include: acetic anhydride (AA) used in the production of heroin; piperonylmethylketon (PMK) and benzylmethylketon (BMK), chemical precursors used in the production of ecstasy; and potassium permanganate used in cocaine production.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Belgium's National Security Plan for 2004-2007 cites synthetic drugs and heroin as the top large-scale drug trafficking problems. Of particular concern to Belgium in the next three years will be the importation and transshipment of cocaine and the exportation of synthetic drugs. The National Security Plan calls for attention to be concentrated on shutting down clandestine laboratories for synthetic drugs, on breaking up criminal organizations active in the distribution of synthetic drugs and heroin, and on halting the rise of drug tourism in Belgium. The Federal Prosecutor's Office, established in 2002, works to centralize and facilitate mutual legal assistance requests on drug trafficking investigations and prosecutions.

Accomplishments. Belgian authorities seized 11 laboratories in 2005: five producing ecstasy, five producing amphetamines, and one gamma hydroxybutyrate (GHB) production site. As in past years, all production sites were located along the northern border with the Netherlands. These seizures bring the number of laboratories seized in the past six years to 51. By comparison, only 12 laboratories were seized in the six-year period from 1992 to 1998.

Law Enforcement Efforts. Belgian law enforcement authorities actively investigate individuals and organizations involved with illegal narcotics trafficking. In keeping with Belgium's drug control strategy, efforts are focused on combating synthetic drugs, heroin and cocaine. Belgian authorities continued to cooperate closely with DEA officials stationed in Brussels. During the year Belgium coordinated with the Netherlands to create joint laboratory intervention teams to dismantle drug laboratories safely. Belgium and the Netherlands cooperated on several counternarcotics sweeps during the year to include the raid and seizure of the largest MDMA production facility to date in Belgium. In 2005, Belgium authorities seized more than 8,000 kilograms of cocaine, 93 kilograms of heroin, 435 kilograms MDMA (amphetamines), and 550 kilograms of cannabis/hashish /marijuana. At Brussels' Zaventem International airport in the Brussels region, nonuniformed personnel trained by the Federal Police to help detect drug couriers became increasingly proficient. Belgian authorities continued a proactive approach to searches and inspections of U.S.-bound flights at the airport with limited results. Belgian police attribute this to the additional DHS mandated security controls on these flights. The resources Belgium devotes to the inspection of sea freight, however, appears inadequate. In June of 2005, Belgium and the Netherlands agreed to jointly increase border controls in order to prevent ecstasy and cannabis production from shifting to Belgium. This expanded international cooperation on law enforcement investigations is particularly necessary given evidence that some ecstasy production is migrating from the Netherlands to Belgium and other neighboring states.

Corruption. The Belgian government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Money laundering has been illegal in Belgium since 1993. The country's Financial Intelligence Unit (FIU) (TIF-CIF) is active in efforts to investigate money laundering. No senior official of the Belgian government engages in, encourages or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Corruption is not judged a problem within the narcotics units of the law enforcement agencies. Legal measures exist to combat and punish corruption.

Agreements and Treaties. Belgium is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Belgium is a party to the UN Convention Against Corruption, the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and illegal manufacturing and trafficking in firearms. The United States and Belgium have an extradition treaty and an MLAT. During FY-2005, eight MLAT requests for narcotics case information sharing were submitted between Belgium and the United States. As part of a joint U.S.-EU venture, in December 2004 the U.S. and Belgium signed bilateral instruments implementing the

2003 U.S.-EU Extradition Agreement. Under a bilateral agreement with the United States, as part of the U.S. Container Security Initiative, U.S. Customs officials are stationed at the Port of Antwerp to serve as observers and advisors to Belgian Customs inspectors on U.S.-bound sea-freight shipments.

Cultivation/Production. Belgium's role as a transit point for major drug shipments, particularly ecstasy, is more significant than its own production of illegal drugs. Nevertheless, Belgian authorities believe ecstasy and cannabis production is on the rise. Belgium is surely among the largest exporters of ecstasy for use in the United States. Cultivation of marijuana is increasingly done at elaborate, large-scale operations in Belgium. Two farms, one with 1500 plants, were destroyed during the reporting period. The new police action plan 2004-2007 includes the fight against illegal commerce of cannabis due to the large-scale plantations discovered in the country. The production of amphetamines does not appear to have abated, as evidenced by the seizure of yet another five labs in 2005. Dutch traffickers are also linked to Belgium's production of Amphetamine-Type Stimulants (ATS). As Dutch law enforcement pressure mounts on producers of ecstasy and other ATS in the Netherlands, some Dutch producers either look to Belgian producers to meet their supply needs or to establish their own facilities in Belgium. Authorities report that when Belgian amphetamine production facilities are uncovered, there is often a connection to Dutch traffickers.

Drug Flow/Transit. Belgium remains an important transit point for drug traffickers because of its port facilities (Antwerp is Europe's second-busiest port), its two international airports, highway links to cities throughout Europe, and proximity to the Netherlands. Illicit drugs from Belgium flow to the United Kingdom, the Netherlands and elsewhere in Western Europe, as well as to Canada and the United States. Despite the arrest of an Israeli courier with 10 kilograms of ecstasy in November, Israeli drug traffickers no longer figure so prominently in the export of ecstasy from Belgium and the Netherlands (see above), however, a new trend involves Chinese traffickers shipping precursor chemicals from China to Belgium and the Netherlands. Ultimately, the ecstasy is sent in bulk from Belgium to Chinese or Vietnamese gangs in Canada. These Chinese groups are believed to have largely displaced traditional ecstasy sources. Ecstasy production continues to be controlled by Dutch chemists on either side of the border between Belgium and the Netherlands.

The port of Antwerp continues to be the preferred destination for cocaine imported to Europe, with an official estimate of 20 tons entering the port each year; the actual number is believed to be considerably higher. The flow of cocaine to Belgium is controlled by Colombian organizations with representatives residing in the region. Antwerp port employees are also documented as being involved in the receipt and off-load facilitation of cocaine upon arrival at the port. The predominant cocaine trafficking groups in Belgium are Colombian, Dutch, Surinamese, Chilean, and Israeli. Though not as significant, Albanian and Moroccan traffickers have also been identified. As in many illicit trades, this concept of the cocaine trade is a thesis: other well-informed observers believe that most cocaine enters Europe through Spanish ports. Belgium remains a transit country for heroin destined for the British market. Seizures of the past three years and intelligence indicate that Belgium has also become a secondary distribution and packing center for heroin coming along the Balkan Route. Turkish groups continue to dominate the trafficking of heroin in Belgium and are also known to have become increasingly involved in the distribution of ecstasy and cocaine. The Belgian Federal Police have identified trucks from Turkey as the single largest transportation mechanism for westbound heroin entering Belgium. Moroccan and Algerian groups control most of the cannabis importation overland from France. Turkish criminal organizations involved in heroin trafficking seem to have diversified their activities by starting to export ecstasy. Trucks with ecstasy are sent to Turkey and return to Belgium with heroin. In addition combined consignments of heroin, cannabis with possibly amphetamines and black market cigarettes are exported to the United Kingdom.

Domestic Programs. Belgium has an active counternarcotics educational program that targets the country's youth administered by the regional governments (Flanders, Wallonia, and Brussels). The programs include education campaigns, drug hotlines, HIV and hepatitis prevention programs,

detoxification programs, and a pilot program for “drug-free” prison sections. The Belgian approach directs its programs at individuals who influence young people versus young people themselves. In general, Belgian society think teachers, coaches, clergy, and the like are better suited to deliver the counternarcotics message to the target audience because they already are known and respected by young people.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The United States and Belgium regularly share counternarcotics information. Officials in the Federal Police, Federal Prosecutor’s Office, and Ministry of Justice who work on counternarcotics in the GOB are fully engaged with their U.S. counterparts.

The Road Ahead. The U.S. looks forward to continued close cooperation with Belgium in combating illicit drug trafficking and drug-related crime, with a growing emphasis on systematic consultation and collaboration on operational efforts. The U.S. also welcomes Belgium’s active participation in multilateral counternarcotics fora, such as the Dublin Group, of countries concerned with narcotics trafficking.

Bosnia and Herzegovina

I. Summary

Bosnia and Herzegovina (BiH) remains a small but growing market for drugs, and has emerged as a regional hub for narcotics transshipment. Despite increasing law enforcement cooperation, gradual improvements in the oversight of the financial sector, and substantial legal reform, local authorities are politically divided and enforcement efforts are poorly coordinated. Narcotics trade remains an integral part of the influence wielded by foreign and domestic organized crime figures and ethnic extremists who operate with the tacit acceptance (and sometimes active collusion) of some corrupt public officials. Border controls have improved, but flaws in the regulatory structure and justice system, lack of coordination among police agencies, and a lack of attention by Bosnia's political leadership mean that effective measures against narcotics trafficking and related crimes often do not exist. BiH is still considered primarily a transit country for drug trafficking due to its strategic location along the historic Balkan smuggling routes, weak state institutions, lack of personnel in counternarcotics units, and poor cooperation among the responsible authorities. In November 2005, BiH passed legislation mandating the development of a national counternarcotics strategy and the creation of a state-level body to coordinate the fight against drugs. In 2005, the BiH government launched a public information campaign to raise awareness about the dangers and effects of drugs. BiH is attempting to forge ties with regional and international law enforcement agencies. Bosnia is party to the 1988 UN Convention on Drugs and is attempting to meet the goals of the Convention.

II. Status of Country

Bosnia is not a significant narcotics producer, consumer, or producer of precursor chemicals. BiH does occupy a strategic position along the historic Balkan smuggling routes between drug production and processing centers in South Asia and markets in Western Europe. Bosnian authorities at the state, entity, cantonal and municipal levels have been unable to stem the continued transit of illegal aliens, black market commodities, and narcotics since the conclusion of the 1995 Dayton Peace Accords. Traffickers have capitalized in particular on an ineffective justice system, public sector corruption, and the lack of specialized equipment and training in combating criminal networks that support the illicit drug trade. BiH is increasingly becoming a storehouse for drugs, mainly marijuana and heroin. One of the main routes for drug trafficking starts in Albania, continues through Montenegro, passes through BiH to Croatia and Slovenia and then on to Central Europe. Cocaine arrives mainly from the Netherlands through the postal system.

Information on domestic consumption is not systematically gathered, but authorities estimate BiH is home to 100,000 drug addicts. Anecdotal evidence and law enforcement officials indicate that demand is steadily increasing. No national drug information system focal point exists, and the collection, processing, and dissemination of drug-related data is neither regulated nor vetted by a state-level regulatory body.

III. Country Actions Against Drugs in 2005

Policy Initiatives. On November 8, 2005, the BiH House of Representatives passed legislation designed to address the problem of narcotics trafficking and abuse. This legislation calls on the state-level Ministry of Civil Affairs to develop a comprehensive counternarcotics strategy and requires the Ministry of Security (MoS) to develop a national counternarcotics action plan. It further mandates that the MoS will serve as a state-level counternarcotics coordination body and control confiscated narcotics. The new law also regulates the production and possession of chemical precursors for

synthetic narcotics such as acetic anhydride (AA). This legislation clarifies the responsibilities of law enforcement agencies and places ultimate responsibility with the national government. Bosnia is a state with limited financial resources, but with USG and EU assistance it is attempting to build state-level law enforcement institutions to combat narcotics trafficking and organized crime and to achieve compliance with relevant UN conventions. The full deployment of the State Border Service (SBS) and the establishment of the State Investigative and Protection Agency (SIPA) have improved counternarcotics efforts. Telephone hotlines, local press coverage, and public relations efforts have focused public attention on smuggling and black-marketeering.

Law Enforcement Efforts. Counternarcotics efforts have improved but remain inadequate given suspected trafficking levels. Cooperation among law enforcement agencies and prosecutors is primarily informal and ad hoc, and serious legal and bureaucratic obstacles to the effective prosecution of criminals remain in place. Through September 2005 (latest available statistics), the SBS has filed 32 criminal reports against 40 persons and seized 68 kilograms of marijuana, 27 kilograms of heroin and 9.5 kilograms of cocaine. The Federation Ministry of Interior filed 877 criminal reports against 1,139 suspects. Federation counternarcotics operations have resulted in the seizure of 44 kilograms of marijuana, 41 kilograms of heroin and 220 ecstasy pills. Through November 2005, Republika Srpska ("RS") police have filed 232 criminal reports and arrested 489 persons. RS police operations resulted in the seizure of 7.5 kilograms of marijuana, 1.6 kilograms of heroin, 0.4 kilograms of cocaine and 1,216 ecstasy pills. Through September 2005 (latest available statistics) Brcko District police have filed 14 criminal reports against 17 persons, seized 77 marijuana plants and miniscule quantities of heroine and cocaine.

The State Border Service, with 1,968 officers, is now operational and is responsible for controlling the country's four international airports as well as Bosnia's 55 international border crossings covering 1,551 kilometers. The SBS is considered one of the better border services in Southeast Europe and is one of the few truly multi-ethnic institutions in BiH. However, there are still a large number of illegal crossing points that the SBS does not control, including dirt paths and river fords. Moreover, many official checkpoints are minimally staffed and many crossings remain understaffed. The SIPA, once fully operational, will be a conduit for information and evidence among local and international law enforcement agencies, and will have a leading role in counternarcotics efforts. As of December 2005, SIPA had hired approximately 900 of its proposed 1,700 staff.

Cultivation/Production. BiH is not a major narcotics cultivator. Officials believe that domestic cultivation is limited to small-scale marijuana crops grown in southern and western Bosnia. BiH is also not a major synthetics narcotics producer and refinement and production are negligible. There are indications of increasing production of synthetic drugs, such as ecstasy, on a small, but increasing scale. Though BiH does not have the industrial infrastructure to support large-scale illicit manufacturing, a modest level of synthetic drug production in clandestine labs cannot be ruled out.

Corruption. BiH does not have laws that specifically target narcotics-related public sector corruption and has not pursued charges against public officials on narcotics-related offenses. Organized crime, a few corrupt government officials, and ethnic hard-liners all use the narcotics trade to generate personal revenue. There is no evidence linking senior government officials to the illicit narcotics trade. As a matter of government policy, however, BiH does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. BiH has signed, but has not yet ratified, the UN Convention Against Corruption.

Agreements and Treaties. BiH is a party to the 1988 UN Drug Convention and is developing bilateral law enforcement ties with neighboring states to combat narcotics trafficking. A 1902 extradition treaty between the U.S. and The Kingdom of Serbia applies to BiH as a successor state.

BiH is a party to the UN Convention against Transnational Crime and its protocols against migrant smuggling and trafficking in persons.

Drug Flow/Transit. While most drugs pass through BiH, indigenous organized crime groups are involved in local distribution to the estimated 100,000 drug users in the country. Major heroin and marijuana shipments are believed to travel through BiH by several well-established overland routes, often in commercial vehicles. Local officials believe that Western Europe is the destination for this traffic. Cocaine sales are also reputedly on the rise as the price has dropped. Officials believe that the market for designer drugs, especially ecstasy, in urban areas is rising rapidly. Law enforcement authorities posit that elements from each ethnic group and all major crime “families” are involved in the narcotics trade, often collaborating across ethnic lines. Sale of narcotics is also considered a significant source of revenue used by organized crime groups to finance both legitimate and illegitimate activities. There is mounting evidence of links between, and conflict among, Bosnian criminal elements and organized crime operations in Russia, Albania, Serbia and Montenegro, Croatia, Austria, Germany, and Italy.

Domestic Programs. In BiH there are only two methadone therapy centers with a combined capacity to handle about 160 patients. The limited capacity of the country’s psychiatric clinics, also charged with treating drug addicts, is problematic, as the number of addicts and drug-related deaths in the country rises steadily. It is estimated that between 70 to 80 per cent of drug addicts who undergo basic medical treatment are recidivists. The Bosnian government currently pays for the basic medical treatment of drug addicts, but there are no known government programs for reintegrating former addicts into society. On November 8, the BiH House of Representative adopted a law on the prevention of the use of illegal narcotics. This law includes provisions for treatment, rehabilitation, and increasing public awareness. Canton Sarajevo Public Institute for Alcoholism and Substance Abuse started a public radio campaign discouraging drug usage aimed at youth population. A counternarcotics citizen’s association organized a fund raising concert under the title “NO DRUGS” Program with the participation of popular BiH music groups. nongovernmental organizations including the Parents’ Association Against Drug Abuse have helped send 65 addicts to various residential centers. The Citizen’s Association for Treatment, Support, and Re-Socialization of Drug Addicts (UG-PROI) provides advice and support to drug addicts and their families, and assists in the re-socialization of recovered addicts after treatment. In May 2005, the organization completed the construction of a therapeutic community for the rehabilitation of addicts near Sarajevo on a property donated by a local family. This is the first multidisciplinary center of this kind in the Federation.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. USG policy objectives in BiH include reforming the criminal justice system, strengthening state-level law enforcement and judicial institutions, improving the rule of law, depoliticizing the police, improving local governance, and introducing free-market economic initiatives. The USG will continue to work closely with Bosnian authorities and the international community to combat narcotics trafficking and money laundering.

Bilateral Cooperation. The USG’s bilateral law enforcement assistance program continues to emphasize task force training and other measures against organized crime, including narcotics trafficking. The Department of Justice’s International Criminal Investigative Training Assistance Program (ICITAP) and U.S. Customs programs provided specific counternarcotics training to entity Interior Ministries and the SBS. The Overseas Prosecutorial Development Assistance Training (OPDAT) provides training to judges and prosecutors on organized crime-related matters.

The Road Ahead. Strengthening the rule of law, combating organized crime and terrorism, and reforming the judiciary and police remain top USG priorities. The USG will continue to focus its bilateral programs on related subjects such as public sector corruption and border controls. The USG

will assist BiH with the full implementation of the new national counternarcotics strategy and with the implementation of police reform. The international community is also working to increase local capacity and to encourage interagency cooperation by mentoring and advising the local law enforcement community.

Bulgaria

I. Summary

Bulgaria is a major transit country, as well as a producer of illicit narcotics. Strategically situated on Balkan transit routes, Bulgaria is vulnerable to illegal flows of drugs, people, contraband, and money. Heroin moves through Bulgaria from Southwest Asia, while chemicals used for making heroin move from the former Yugoslavia to Turkey and beyond. It is thought that much of the heroin distributed in Europe is transported through Bulgaria. Marijuana and cocaine are also transported through Bulgaria. The Government of Bulgaria (GOB) has continued to make progress in improving its law enforcement capabilities and customs services; it closed some illegal drug-producing laboratories and recorded a notable increase in seizures. However, while major legal and structural reforms have been enacted, effective implementation remains a challenge. The Bulgarian government has proven cooperative, working with many U.S. agencies, and has reached out to neighboring states to cooperate in interdicting illegal flow of drugs and persons. Nevertheless, Bulgarian law enforcement agencies, investigators, prosecutors and judges require further assistance to develop the capacity to investigate, prosecute and adjudicate illicit narcotics trafficking and other serious crimes effectively. Bulgaria is a party to the 1988 UN Drugs Convention.

II. Status of Country

In the past year, Bulgaria has continued to move from primarily a drug transit country to an important producer of narcotics. According to NGO and government sources, Bulgaria is increasingly a center of synthetic drug production, and synthetic drugs have overtaken heroin as the most widely used drugs in Bulgaria. Amphetamines are produced in Bulgaria for the domestic market as well as for export to Turkey and the Middle East. The Government of Bulgaria has emphasized its commitment to combat serious crime including drug trafficking. Despite some progress towards this goal, there were no convictions of major figures involved in drug trafficking, or other serious related crimes, including organized criminal activity, corruption or money laundering during 2005. Among the problems hampering counternarcotics efforts are poor inter-agency cooperation, inadequate equipment to facilitate narcotics searches, widespread corruption, and an often ineffective judicial system.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The Bulgarian government has continued to implement the National Strategy for Drugs Control adopted by the Council of Ministers in 2003. In 2004, amendments to the Criminal Code abolished a provision that had decriminalized possession of one-time doses of illegal drugs for personal use. The effect of this policy has been to extend harsh penalties for drug possession to users as well as producers and distributors. NGOs, government bodies, and European institutions have disputed the effectiveness of this legislation, with some studies claiming that drug use has actually increased since its adoption. Additional measures started in 2002 and continuing through 2005 included engaging NGOs in counternarcotics partnerships and the establishment of 16 provincial prevention and education centers throughout the country. Unfortunately, national programs for drug treatment and prevention, including the National Center for Addictions, have been consistently underfunded.

Accomplishments. The National Drugs Intelligence Unit, founded in October 2004, has improved coordination between law enforcement agencies by gathering and analyzing information relating to illegal drugs production and distribution. To date, the center has compiled data on over 300 suspected drug traffickers.

Law Enforcement Efforts. From January to November 2005, Bulgarian law enforcement agencies closed three illegal drug-producing laboratories and seized 2240 kilograms of drugs, including 395 kilograms of heroin, 61 kilograms of marijuana, 142 kilograms of cocaine, 1,327 kilograms of synthetic drugs and 2000 vials and 27,598 tablets of other psychotropic substances. Also seized were 192 kilograms of dry and 157 liters of fluid precursor chemicals. Bulgarian services report that the 12.5 percent increase in seizures of synthetic drugs over the same period in 2004 is due to increased demand for Bulgarian-produced synthetic drugs in Southwest Asia.

Corruption. Despite some progress, corruption in various forms in the government remains a serious problem. According to recent polls, the Customs Service is widely considered the most corrupt government agency. In November 2005, 24 Customs officers, including the Deputy Chief of the Customs Service, resigned over allegations of corruption. Despite this, there was no evidence that senior government officials engaged in, encouraged or facilitated the production, processing, shipment or distribution of illegal narcotics, or laundered the proceeds of illegal drug transactions. Bulgaria is not a party to the UN Convention Against Corruption.

Agreements and Treaties. Bulgaria is a party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by its 1972 Protocol, the 1971 Convention on Psychotropic Substances and the 1990 Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime. Bulgaria is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms. The 1924 U.S.-Bulgarian Extradition Treaty and a 1934 supplementary treaty are in force.

Cultivation and Production. The only illicit drug crop known to be cultivated in Bulgaria is cannabis, but the extent of cultivation is not known. It is certainly not very extensive, and is not a significant factor in abuse beyond Bulgaria's own borders. There has been a steady increase in the indigenous manufacture of synthetic stimulant products such as captagon (fenethylamine).

Drug Flow/Transit. Synthetic drugs and heroin are the main drugs transported through Bulgaria. Heroin from the Golden Crescent and Southwest Asia (primarily Afghanistan) has traditionally been trafficked to Western Europe through the Northern Balkan route from Turkey through Bulgaria to Romania. However, Bulgarian authorities have noticed a recent shift in heroin trafficking to more circuitous routes through the Caucasus and Russia to the north and through the Mediterranean to the south. Other trafficking routes crossing Bulgaria pass through Serbia and Montenegro and the Republic of Macedonia. In addition to heroin and synthetic drugs, smaller amounts of marijuana and cocaine also transit through Bulgaria. Precursor chemicals for the production of heroin pass from the Western Balkans through Bulgaria to Turkey and the Middle East. Synthetic drugs produced in Bulgaria are also trafficked through Turkey to markets in Southwest Asia. Principal methods of transport for heroin and synthetics include buses, vans, and cars, with smaller amounts sent by air. Cocaine is primarily trafficked into Bulgaria by air in small quantities and by maritime vessel in larger quantities.

Domestic Programs. Demand reduction has received government attention for several years. The Ministry of Education requires that schools nationwide teach health promotion modules on substance abuse. The Bulgarian National Center for Addictions (NCA) provides training seminars on drug abuse for schoolteachers nationwide. The NCA is in the process of opening prevention and education centers in each of Bulgaria's 28 administrative districts, 16 of which are currently operational. Three universities provide professional training in drug prevention. For drug treatment, there are 35 outpatient units, including 5 specialized methadone clinics which provide treatment to 770 patients. Twelve inpatient facilities nationwide offer 209 beds for more intensive addiction-related treatment. Specialized professional training in drug treatment and demand reduction has been provided through programs sponsored by UNODC, EU/PHARE and the Council of Europe's Pompidou Group.

IV. U.S. Policy Initiatives and Strategies

Bilateral Cooperation. DEA operations for Bulgaria are managed from the U.S. Consulate General in Istanbul. The United States also supports various programs through the State Department, USAID, the Department of Justice (DOJ) and the Treasury Department to support the counternarcotics efforts of the Bulgarian legal system. These initiatives address a lack of adequate equipment (e.g., in the Customs Service), the need for improved administration of justice at all levels and insufficient cooperation among Bulgarian agencies. A DOJ resident legal advisor works with the Bulgarian government on law enforcement issues, including trafficking in drugs and persons. An American Bar Association/Central and East European Law Initiative criminal law liaison attorney advises Bulgarian prosecutors and investigators on cyber-crime and other issues. A Treasury Department representative supports Bulgarian efforts to investigate and prosecute financial crimes, including money laundering. USAID provides assistance to strengthen Bulgaria's constitutional legal framework, enhance the capacity of magistrates and promote anticorruption efforts.

The Road Ahead. The U.S. and Bulgaria will continue to cooperate effectively to improve Bulgaria's capacity to enforce narcotics laws.

Croatia

I. Summary

Croatia is not a producer of narcotics. However, narcotics smuggling, particularly heroin, through the Balkans route to Western Europe remains a serious concern. Croatian law enforcement bodies cooperate actively with their U.S. and regional counterparts to combat narcotics smuggling. Croatia is a party to the 1988 UN Drug Convention.

II. Status of Country

Croatia shares borders with Slovenia, Serbia, Hungary, and Bosnia and Herzegovina, and has a 1,000 km long coastline (4,000 km adding in its 1,001 islands), which presents an attractive target to contraband smugglers seeking to move narcotics into the vast European market. Croatian police have noted a steady increase in smuggling from the east, estimating that 70 to 80 percent of heroin destined for European markets is smuggled through the notorious “Balkans Route.”

III. Country Actions Against Drugs in 2005

Policy Initiatives. Croatia adopted a National Strategy for Narcotics Abuse Prevention in November for the 2006-2012 period, developed with assistance from the European Monitoring Center for Drugs and Drug Addiction (EMCDDA). The Strategy aims to bring demand and supply reduction efforts in line with EU policies and creates a National Information Unit for Drugs to standardize monitoring and the assessment of drug abuse data to facilitate data sharing with the EU’s EMCDDA programs. In November of 2005, draft changes to the criminal code passed the initial reading in the Sabor (parliament). Key provisions include simplifying confiscation of assets of organized criminals and stiffening penalties for corruption. Further parliamentary discussion of these changes is expected in early 2006. At the end of 2005, Croatian authorities initiated a program to change the official health protocol on disbursement of heptanon and other heroin addiction replacement therapy drugs. This initiative was taken to counter the growing abuse of heptanon in Croatia: seizures of illegal heptanon doubled in 2005 compared to 2004.

Accomplishments. Croatia continues to cooperate well with neighboring and other European states to improve the control and management of its porous borders. Cooperation on narcotics enforcement issues with neighboring states is generally described as excellent. In October 2005, Croatian police joined with police from Macedonia, Slovenia, and Serbian police in Operation “Put” (path) to break up an ongoing heroin smuggling operation. Twelve persons (Croatian, Turkish and Macedonian citizens) were arrested and 1.3 kilograms of heroin seized. In another operation, Croatian police worked with their Austrian counterparts to arrest an Albanian national involved in drug smuggling in Croatia.

Law Enforcement Efforts. The Interior Ministry, Justice Ministry and Customs Directorate have primary responsibility for law enforcement issues, while the Ministry of Health has primary responsibility for the strategy to reduce and treat drug abuse. The Interior Ministry’s Anti-Narcotics Division is responsible for coordinating the work of counternarcotics units in police departments throughout the country. The Interior Ministry maintains cooperative relationships with Interpol and an expanding number of neighboring states. Croatian police and Customs authorities continued to coordinate counternarcotics efforts on targeted border-crossing points, although with 189 legal border crossings, the level of coordination was not consistent. Heroin (114 kilograms in 2004 vs. 25 kilograms in 2005), Hashish (53 kilograms in 2004 vs. 6 kilograms in 2005) and marijuana (967 kilograms in 2004 vs. 428 in 2005) seizures fell sharply during the first ten months of 2005 compared

to the same period of 2004. Cocaine seizures, while small absolutely, increased sharply (from 7 kilograms in 2004 to 17.6 kilograms in 2005), amphetamine and ecstasy seizures declined.

Corruption. Narcotics-linked corruption does not appear to be a major problem in Croatia. As a matter of government policy, Croatia does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities. In 2005, two mid-level police officers from the city of Velika Gorica were suspended on allegations of corruption. Also in 2005, a lower level police officer was arrested in the city of Rijeka along with four individuals in a police raid on a street-level drug distribution organization.

Agreements and Treaties. Croatia ratified the UN Convention Against Corruption in April 2005. Croatia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by its 1972 Protocol and the 1971 UN Convention On Psychotropic Substances. Croatia is also a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling, and illegal manufacturing and trafficking in firearms. Extradition between Croatia and the United States is governed by the 1902 Extradition Treaty between the U.S. and the Kingdom of Serbia, which applies to Croatia as a successor state. The Croatian constitution prohibits the extradition of Croatian citizens; however, the Government of Croatia permits its citizens to be extradited to the International Criminal Tribunal for the Former Yugoslavia (ICTY).

Cultivation/Production. Small-scale cannabis production for domestic use is the only narcotics production within Croatia. In 2004, 2,207 cannabis plants were seized. Opium poppies are cultivated on a very small scale for culinary use of the seeds. Because of Croatia's small market and its relatively porous border, Croatian police report that nearly all illegal drugs are imported into Croatia. However, authorities believe that given the existence of ecstasy labs in Bosnia and Herzegovina, it is inevitable that small-scale labs will be discovered in Croatia.

Drug flow/Transit. Croatia lies along part of the "Balkans Route." Authorities believe that up to 80 percent of the heroin from Asian sources travels across this route on its way to the European market. Although not considered a primary gateway, police seizure data indicate smugglers continue to attempt to use Croatia as a transit point for other drugs, including cocaine and cannabis-based drugs. Ecstasy and other pill-form narcotics are smuggled into Croatia from Western Europe in small quantities for domestic use. Police believe that illicit labs in The Netherlands and Belgium are the primary sources.

Demand Reduction. The Office for Combating Drug Abuse is the focal point for coordination of various agencies activities to reduce demand for narcotics. This Office develops the National Strategy for Narcotics Abuse Prevention which was adopted by the government in November for the period of 2006-2012. In July 2004, the Sabor approved some changes to the criminal code allowing courts to mandate therapeutic treatment in some drug addiction cases. According to the Office, Istria County had the highest rate of treated addicts, followed by the Zadar and Sibenik-Knin County. The high rates in Istria did not necessarily reflect high drug abuse rates, but rather an efficient system of their inclusion in treatment due to good cooperation between drug abuse prevention centers and general practitioners. In 2004, 5,768 persons underwent drug addiction treatment, which is 1.6 percent more than in the previous year. But the number of the first-time seekers of addiction treatment, which has been sliding since 2001, dropped another 12 percent to 1,619 in comparison with the previous year. The number of new opiate addicts, which stood between 800 and 1000 annually for the past several years, dropped further to 732 in 2004. However, due to reorganization of addiction prevention centers, these positive results may have more to do with an unstable system of reception of addicts, than the actual decline in numbers. Approximately 72 percent of the overall number of addicts was addicted to heroin. Over 47 percent were infected with hepatitis C which was a significant drop from the 72 percent last year, and 0.5 percent were HIV positive. The number of deaths caused by overdose continued to rise. There

were 108 drug related deaths in 2004, of which 76 died of overdose—a 22 percent increase compared to the year before.

Demand reduction programs are coordinated by national Office for Combating Drug Abuse. The Ministry of Education requires drug education in primary and secondary schools. Additional major drug abuse prevention and public awareness programs are run by the Ministry of Defense, the Ministry of Public Health, the Ministry of Justice, and the Ministry of Interior. Other ministries and government organizations also run outreach programs to reach specific constituencies such as pregnant women. The state-run medical system offers treatment for addicts, but slots are insufficient to accommodate all those needing treatment. The Ministry of Health operates in-patient detoxification programs as well as 14 regional outpatient methadone clinics. The government of Croatia spent 34 million Kuna (approx \$5,484,000) for demand reduction related activities in 2004. The Government of Croatia has created county-level expert advisory groups that will work with local governments to counternarcotics abuse and serve as incubators for policy initiatives. In Varazdin, the advisory group is piloting a random drug testing program for high school students.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The primary objectives of U.S. initiatives in Croatia are to offer assistance with the development of skills and tools among Croatian law enforcement agencies to improve their ability to combat organized crime and narcotics trafficking and to improve Croatian law enforcement agencies' abilities to work bilaterally and regionally to combat trafficking. Having achieved basic objectives ahead of schedule, U.S. assistance for police reform efforts under the ICITAP (DoJ) program was refocused on combating organized crime. In April, U.S. DEA special agents joined with ICITAP trainers to help Croatian police develop confidential source management skills. In October, Croatian police formed the first joint police-prosecutor task force to target a criminal organization allegedly involved in drug trafficking. In addition, Croatian police have been regular participants in training programs at the U.S.-funded International Law Enforcement Academy in Budapest as well as follow-on training in Roswell, New Mexico. Under the Export Control and Border Security (EXBS) program, police and customs officers have been trained on risk analysis methodologies and new equipment has been donated to help improve at-the-border detection of smuggled contraband. In January 2005, Customs officials who had recently received EXBS training in detecting concealed compartments in vehicles and shipping containers seized 700 kilograms of marijuana hidden in a truck.

Road Ahead. For 2006, U.S. expert training teams will join in-country U.S. trainers to help Croatian police develop skills in complex case management, undercover operations, anticorruption investigations, and detecting financial crimes including money laundering. In addition, resident advisors will continue to assist the Ministry of Interior in improving police and prosecutor cooperation in complex narcotics and organized crime cases. Additional training and detection equipment donations planned for 2006 under the EXBS program will have ancillary benefits for Croatia's fight against narcotics trafficking, particularly in the areas of interagency cooperation and border management.

Cyprus

I. Summary

Although Cypriots do not produce or consume significant amounts of narcotics, an increase in local drug use continues to be a concern. The Government of Cyprus traditionally has had a low tolerance toward any use of narcotics by Cypriots and continues to employ a public affairs campaign to remind Cypriots that narcotics use carries heavy costs, and users risk stiff criminal penalties. Cyprus' geographic location and its decision to opt for free ports at its two main seaports continue to make it an ideal transit country for chemicals between the Middle East and Europe. To a limited extent, drug traffickers use Cyprus as a transshipment point due to its strategic location and its relatively sophisticated business and communications infrastructure. Cyprus monitors the import and export of dual-use precursor chemicals for local markets. Cyprus customs authorities have implemented changes to their inspection procedures, including computerized profiling and expanded use of technical screening devices, such as portal monitors to deter those who would attempt to use Cyprus free ports for narcotics smuggling. A party to the 1988 UN Drug Convention, Cyprus strictly enforces tough counternarcotics laws, and its police and customs authorities maintain excellent relations with their counterparts in the U.S. and other governments.

II. Status of Country

Cyprus' small population of soft-core drug users continues to grow. Cannabis is the most commonly used drug, followed by heroin, cocaine, and MDMA (ecstasy), which are available in major towns. Reports of narcotics-related overdoses in 2004 were as follows: seven (7) confirmed heroin deaths (two of which also had cannabis in their system); one (1) confirmed ecstasy death; one (1) unconfirmed heroin death; and one (1) unconfirmed cocaine death. Overall, the number of overdose related deaths remained constant in 2005. The use of cannabis and ecstasy by young Cypriots and tourists continues to increase. Cypriots themselves do not produce or consume significant quantities of drugs. Dual-use precursor chemicals transit Cyprus in limited quantities, although there is no hard evidence that they are diverted for illegal use. Cyprus offers relatively highly developed business and tourism facilities, a modern telecommunications system, and the ninth-largest merchant shipping fleet in the world.

Drug-related crime, still low by international standards, has been steadily rising since the 1980's. According to the Justice Ministry, drug-related arrests and convictions in Cyprus have doubled since 1998. Cypriot law proscribes a maximum prison term of two years for drug users less than 25 years of age with no prior police record. In late 2005, the Courts began to refer most first-time offenders to rehabilitation centers rather than requiring incarceration. Sentences for drug traffickers range from four years to life, depending on the substances involved and the offender's criminal record. In an effort to reduce recidivism as well as to act as a deterrent for would be offenders, Cypriot courts have begun sentencing distributors to near maximum prison terms as allowed by law. For example, in the second half of 2004, the Greek Cypriot courts began sentencing individuals charged with distributing heroin and ecstasy (MDMA) to much harsher sentences, ranging from 8 to 15 years. Cypriot law allows for the confiscation of drug-related assets as well as the freezing of profits, and a special investigation of a suspect's financial records.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In May 2004, Cyprus became a member of the European Union (EU). To meet EU regulations, Cyprus established the Anti-Drug Council, which is responsible for national drug

strategies and programs. The council is chaired by the Health Minister and is composed of heads of key agencies with an active role in the fight against drugs. As the national coordinating mechanism on drug issues in the country, the Council's mandate includes the planning, coordination and evaluation of all actions and programs and interventions. The Council acts as a liaison between the Republic of Cyprus and other foreign organizations concerning drug-related issues, as well as having the responsibility for promoting legislative or any other measures in an attempt to effectively counter the use and dissemination of drugs. Moreover, the Cyprus Anti-Drug Council is the responsible body for the strategic development and implementation of the National Drugs Strategy and the National Action Plan on Drugs aligned with the EU Drugs Strategy. The Cyprus Police, Drug Law Enforcement Unit, (DLEU) is the lead Police agency in Cyprus charged with combating drug trafficking in Cyprus.

Law Enforcement Efforts. Through the first 11 months of 2005, the Cyprus Police Drug Enforcement Unit opened 561 cases and made 675 arrests. Of those arrested 465 were Greek Cypriot while 211 were foreign nationals. The police also participated in three controlled deliveries with authorities from Greece, South Africa and the United Kingdom and dismantled four drug-trafficking organizations operating within Cyprus. They also seized 155 kilograms of cannabis, 332 cannabis plants, 5 kilograms of cannabis resin (hashish), one kilogram and 300 grams of cocaine, 12,835 tablets and 5.7 grams of MDMA (ecstasy), 17.5 tablets and 1.5 grams of amphetamines, 792 grams of opium, and 953 grams of heroin. Turkish Cypriots have their own law enforcement organization, responsible for the investigation of all narcotics-related matters. They have shown a willingness to pursue narcotics traffickers and to provide assistance when asked by foreign law enforcement authorities.

Corruption. As a matter of policy, the Government of Cyprus does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Cyprus is a party to the 1988 UN Drug Convention, the 1961 Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Cyprus is a party to the UN Convention against Transnational Organized Crime and its three protocols, and is a signatory to the UN Convention against Corruption. An extradition treaty and an MLAT are in force between the United States and Cyprus. Cyprus also became a member of the EU in May 2004.

Cultivation/Production. Cannabis is the only illicit substance cultivated in Cyprus, and it is grown only in small quantities for local consumption. The Cypriot authorities vigorously pursue illegal cultivation.

Drug Flow/Transit. Cypriot authorities believed that there was no significant retail sale of narcotics occurring in Cyprus; however, with new statistics on arrests and seizures of narcotics, this theory has changed. Last year, arrests of Cypriots for possession of narcotics with intent to distribute were significantly higher than the number of arrests of nonCypriots on similar charges. The number of Turkish Cypriots arrested for the distribution of narcotics in Cyprus in 2005 was roughly the same or below 2004 levels. There is no production of precursor chemicals in Cyprus, nor is there any indication of illicit diversion. Dual-use precursor chemicals manufactured in Europe do transit Cyprus to third countries. The Cyprus Customs Service no longer has the responsibility of receiving manifests of transit goods through Cyprus. This responsibility now rests with the Cyprus Ports Authority. Goods entering the Cypriot free ports of Limassol and Larnaca can be legally re-exported using different transit documents, as long as there is no change in the description of the goods transported.

Domestic Programs (Demand Reduction). Cyprus actively promotes demand reduction programs through the school system and through social organizations. Drug abuse remains relatively rare in Cyprus. Marijuana is the most commonly encountered drug, followed by heroin, cocaine, and ecstasy, all of which are available in most major towns. Users consist primarily of young people and tourists. Recent increases in drug use have prompted the Government to promote demand reduction programs

actively through the school system and social organizations, with occasional participation from the DEA office in Nicosia. Drug treatment is available.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives/Bilateral Cooperation. The U.S. Embassy in Cyprus, through the regional DEA office, works closely with Cypriot police to coordinate international narcotics investigations and evaluate local narcotics trends. Utilizing its own regional presence, DEA assists the new coordination unit in establishing strong working relationships with its counterparts in the region. DEA also works directly with Cypriot customs, in particular, on development and implementation of programs to ensure closer inspection and interdiction of transit containers.

The Road Ahead. The USG receives close cooperation from the Cypriot Office of the Attorney General, the Central Bank, the Cyprus Police, and the Customs Authority in drug enforcement and anti-money laundering efforts. In 2006, the USG will continue to work with the Government of Cyprus to strengthen enforcement of existing counternarcotics laws and enhance Cypriot participation in regional counternarcotics efforts. DEA regularly provides information and insight to the GOC on ways to strengthen counternarcotics efforts. New laws to empower members of the Drug Law Enforcement Unit in their fight against drug traffickers are currently before Parliament.

Czech Republic

I. Summary

Illegal narcotics are imported to, manufactured in, and consumed in the Czech Republic. Marijuana, both imported, and to a much lesser extent grown locally, is used more than any other drug. The consumption of recreational drugs such as marijuana and ecstasy continues to grow, particularly among youth. According to the EU, Czech marijuana usage is now the highest in Europe. The usage and addiction rates of heroin and pervitine have stabilized or slightly decreased; the level of cocaine use remains very low. The Czech Republic is a producer of ephedrine, a precursor for Amphetamine-Type Stimulants (ATS) and a producer of lysergic acid, ergometrine and ergotamine, used for production of LSD. The Czech Republic is a party to the 1988 UN Drug Convention.

II. Status of Country

Several factors make the Czech Republic an attractive country for groups in the drug trade. These factors include: its central location, the closure of most of the traditional customs posts along the nation's borders as part of EU accession in 2004, low detection rates for laundered drug money, low risk of asset confiscation, and relatively short sentences for drug-related crimes. The maximum sentence for any drug-related crime is 15 years imprisonment. The Czech National Focal Point for Drugs and Drug Addiction is the main body responsible for collecting, analyzing and interpreting data on drug use. Earlier this year the Interior Ministry issued its action plan: National Drug Policy Strategy 2005-2009. According to a pan-European (EU) study, the rate of marijuana use in the Czech Republic is the highest in Europe, with 22.1 percent of young adults having used the drug within the previous twelve months. Czechs were also the most likely to have ever used marijuana in their lifetimes. Consumption of ecstasy and Pervitine was among the highest in the EU. Czech officials believe that the number of IV drug users has largely remained steady or has slightly declined.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Drug policy remains a contentious issue in Czech domestic politics. The Christian Democratic Party, a junior member of the governing coalition, has endorsed a “war on drugs” and called for sharply punitive enforcement policies. The new Criminal Code passed in 2005, however, draws a sharp distinction between the use of “soft” drugs, such as marijuana and ecstasy, and “hard” drugs, such as heroin and Pervitine. Although a measure that would have decriminalized marijuana failed in Parliament earlier in 2005, the Criminal Code fully envisions a markedly more liberal approach to soft drugs in order to focus resources against drugs considered more damaging. The current National Drug Strategy flatly states that drug users will not be a priority target of police operations. Current planning focuses enforcement operations against organized criminal enterprises and efforts to reduce addiction and their associated health risks. The National Drug Headquarters is the main organization within the Interior Ministry responsible for major drug investigations, but the Deputy Police President has noted publicly that it is seriously understaffed. The drug unit of the Czech Customs Service assumed responsibility in 2005 for monitoring the Czech Republic's modest licit poppy crop, a function previously performed by the Ministry of Agriculture.

Accomplishments/Law Enforcement. In 2005, the National Drug Headquarters, together with the Custom Service, seized 36.3 kilograms of heroin; 19,010 ecstasy pills; 5.3 kilograms of methamphetamine, 103 kilograms of marijuana, 1,780 cannabis plants, 4.6 kilograms of hashish, and 10 kilograms of cocaine. They also found 261 laboratories for methamphetamine production compared

to 105 in 2004. The seizure statistics for ecstasy and hashish showed decreases, methamphetamine and cocaine seizures represented a significant increase over the totals registered in 2004.

The National Drug Headquarters also scored some significant successes in 2005. In November 2005, for example, a ten-member group of pervitine producers were arrested following a long-term sting operation. The arrests put an end to an operation that had generated perhaps millions of dollars in illicit revenues. The Drug Headquarters also successfully investigated and prosecuted several members of ethnic-Albanian drug gangs involved in the distribution of heroin and other drugs.

According to the police statistics for 2005, 2209 people were investigated for drug related crimes. 2156 suspects were investigated for unauthorized production and possession of narcotics and psychotropic substances and “poisons”. 184 were investigated for drug possession for personal use, and 53 others were investigated for spreading addiction.

According to the statistics provided by the Ministry of Justice for 2005, the state prosecuted 2430 suspects and indicted 2157 others for drug related crimes. 203 were indicted for drug possession for personal use and 91 were indicted for spreading addiction. Courts have convicted 1326 people; there were 60 convictions for drug possession for personal use and 32 for spreading addiction.

Statistics for year 2005 show that most of the convicted criminals (51 percent) receive conditional sentences, i.e., (if they regularly attend mandated treatment, their sentences are suspended) for drug related crimes and only one third of convicted criminals are actually sentenced to serve time. Only 13 percent of this latter group receives sentences higher than 5 years. The majority (74 percent) of those given prison sentences receive from 1 to 5 years. There was a significant trend in Czech legal practice to give additional penalties such as financial penalties (28 percent of all convicted) and assets forfeiture (6 percent). Compared to 2004 there were no punishments such as public service.

Corruption. As a matter of government policy, the Czech government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. A current provision in Czech law permits possession of a small amount of certain drugs, but fails to define a “small amount”. Leaving this determination to the individual officer offers strong possibilities for corruption and malfeasance. To avoid any possible confusion and to eliminate possibilities for corruption, the Police President and Supreme Public Prosecutor issued internal regulations designed to clarify elements of the drug law that some feared allowed policemen too much discretion in whether to pursue drug cases. In 2004/05 a few police officers committed drug-related crimes: there were 4 cases of production and distribution of drugs, and 1 case of trafficking. Ten police officials were convicted of similar offenses in 2003 and four in 2002. The Czech Republic has signed, but has not yet ratified, the UN Convention Against Corruption.

Agreements and Treaties. The Czech Republic is a party to the 1988 UN Drug Convention and the World Customs Organization’s Convention on Mutual Administrative Assistance for the Prevention Investigation and Repression of Customs Offenses. An 1926 extradition treaty, as supplemented in 1935, remains in force between the United States and the Czech Republic. The U.S. the Czech Republic are in the process of negotiating a new extradition treaty. The Czech Republic has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime.

Drug Flow/Transit. According to the head of Police counternarcotics squad, heroin trafficking in the country is largely under the control of ethnic Albanian groups that import their product from Afghanistan. During the course of the year the counternarcotics squad registered several major successes against these groups. Heroin is transported in the Czech Republic primarily using modified vehicles. Cocaine, on the other hand remains relatively rare in the Czech Republic, and frequently is imported through Western Europe. Pervitine is a synthetic methamphetamine primarily produced in homes and laboratories. Besides Czech citizens, Russian-speaking organized crime groups are

frequently implicated in the Pervitine trade, as well as Bulgarian nationals and citizens of former Yugoslav states. Pervitine is often exported to surrounding countries. Ecstasy remains a favorite drug of the “dance scene,” and comes to the country primarily from the Netherlands, Belgium, Poland, and Bulgaria. Seizures of ecstasy tablets more than doubled in 2004 over 2003. A trend toward larger-scale growth of cannabis plants in hydroponic laboratories continued in 2004, along with a similar growth in the potency of the drug produced (up to 20 percent THC). In the greater Prague area, three such large scale facilities were discovered in 2004.

Domestic Programs (Demand Reduction). The main components of Czech demand reduction plans include primary prevention along with treatment and re-socialization of abusers. This strategy entails a variety of programs which include school-based prevention education, drug treatment and needle exchange programs, and partnerships with local NGOs. Within the context of the National Strategy, the government has established benchmarks for success. Some of these include stabilizing or reducing the number of “problem” (“hard”) drug users, reversing the trend in the Czech Republic toward rising recreational and experimental drug use, and ensuring the availability of treatment centers and social services. In 2004, the state budget provided 206 million Czech Crowns, or \$8.3 million to national drug programs and an additional 82 million Crowns, or \$3.3 million came from the regional budgets and 63 million Crowns, or 2.5 million from local/district budgets.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. covers Czech Republic drug issues through the DEA office in Berlin, which maintained an extremely active and cooperative relationship with Czech counterparts. The State Department has given grants for counternarcotics education and has provided equipment and training for customs officers.

The Road Ahead. The U.S. and the Czech Republic will continue their active cooperation as the Czech Republic implements its National Drug Policy Strategy document for 2005-2009.

Denmark

I. Summary

Denmark's strategic geographic location and status as one of Northern Europe's primary transportation points make it an attractive drug transit country. The Danes cooperate closely with their Scandinavian neighbors, the European Union (EU), and the U.S. government (USG) against the transit of illicit drugs, and Denmark plays an increasingly important role in helping the Baltic States combat narcotics trafficking. Danish authorities assume that their open border agreements and high volume of international trade will inevitably allow some drug shipments to transit Denmark undetected. Nonetheless, regional cooperation has contributed to substantial heroin and increased cocaine seizures throughout the Scandinavian/northern Baltic region. Denmark is a party to the 1988 UN Drug Convention.

II. Status of Country

Drug traffickers use Denmark's excellent transportation network to bring illicit drugs to Denmark for domestic use and for transshipment to other Nordic countries. Evidence suggests that drugs from the Balkans, Russia, the Baltic countries and central Europe pass through Denmark en route to other EU states and the U.S., although the amount flowing to the U.S. is relatively small. Police authorities do not believe that entities based or operating in Denmark play a significant role in the production of drugs or in the trading and transit of precursor chemicals.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Legislation creating stiffer penalties for narcotics-related crime was enacted in March 2004 and raised the maximum jail sentence for serious drug-related crimes from ten to sixteen years. In 2003, legislation allowing the use of undercover operations and informants was approved. Danish police view this legislation as an important tool in combating and infiltrating organized crime groups operating in Denmark, particularly in dealing with the criminality of the biker gangs Hells Angels and Banditos—both involved in illegal drugs. Although seldom used, undercover operations are permitted in Denmark with a court order when investigating crimes punishable by terms of more than six years in prison. Informants are used more for intelligence purposes than to secure actual evidence through sting-type operations in criminal investigations. Danish legislation passed in late 2002 requires persons carrying cash or instruments exceeding 15,000 Euros (approximately \$17,850) to report the relevant amount to customs upon entry to or exit from Denmark. This law has led to Danish customs proactively intercepting illegal money.

Law Enforcement Efforts. During 2005, there was a significant increase in cocaine seizures. Cocaine investigations are the current top priority of counternarcotics police efforts in Denmark. The Danish National Police commissioner issued a statement that the increase in cocaine seizures can be attributed to "police efforts to fight organized crime and with the systematic police investigations aimed at criminal groups and networks which are involved in drug crime." The police commissioner vowed to continue "goal-oriented and systematic efforts to fight organized crime in close cooperation with the European police unit at Europol and foreign police authorities." This case has been linked to a 43 kilograms seizure of cocaine in Estonia, the largest cocaine seizure in Baltic history. Police also targeted members of the Hell's Angels and Banditos biker gangs by increased enforcement of tax laws. Authorities brought 31 cases of tax evasion against members of the biker gangs resulting in fines up to DKK 4,000,000 (\$727,272). Biker gangs are major factors in the drug trade. Heroin availability in Denmark has fluctuated based on the heroin production levels in Afghanistan. Heroin trafficking is

controlled by Serbian and Albanian nationals. Final crime statistics for 2005 are not yet available, but are expected to show increased heroin seizures over 2004. In May 2005, after a Copenhagen Police Department investigation, the Spanish Guardia Civil seized 2,500 kilograms of marijuana destined for distribution in Denmark. During the same month, another 638 kilograms of marijuana was seized by Spanish authorities at the Spanish/French border based on information provided by Copenhagen police. Suspects in Denmark were arrested in connection with both of these seizures.

Corruption. As a matter of government policy, Denmark does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities.

Agreements and Treaties. Denmark is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. Denmark also is a party to the UN Convention against Transnational Organized Crime and its protocol against trafficking in women and children, and is a signatory to the UN Convention against Corruption. The USG has a customs mutual assistance agreement, and an extradition treaty with Denmark.

Cultivation/Production. There is no substantial narcotics cultivation or production in Denmark. Only small MDMA (ecstasy) production labs are known to exist in the country and these are vigorously pursued, shut down, and their operators prosecuted.

Drug Flow/Transit. Denmark is a transit country for drugs on their way to neighboring European nations and, in small quantities, to the U.S. The ability of the Danish authorities to interdict this flow is slightly constrained by EU open border policies. The Danish Police report that the continuous smuggling of cannabis to Denmark is typically carried out by car or truck from the Netherlands and Spain. Amphetamines are typically smuggled from the Netherlands via Germany to Denmark and there distributed by members of the Hell's Angels and Banditos biker gangs.

Domestic Programs. Denmark's Ministry of Health estimates that in 2003 (most recent data available) there were approximately 25,500 drug addicts in the country, including 900 to 1,200 seriously addicted individuals. Seventy-five percent of heroin addicts at that time were on methadone maintenance. The 2003 governmental action plan against drug abuse, built upon existing programs, offers a multi-faceted approach to combating drug addiction. Its components consist of prevention, medical treatment, social assistance, police and judicial actions (particularly against organized crime), efforts to combat drug abuse in the prison system, and international counternarcotics cooperation.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. goals in Denmark are to cooperate with the Danish authorities on drug-related issues, to assist with joint investigations, and to coordinate USG counternarcotics activities with the eight countries of the Nordic-Baltic region. The USG enjoys excellent cooperation with its Danish counterparts on drug-related issues. In October 2005, the Embassy's defense attaché and DEA organized a briefing by the United States Coast Guard (USCG) and DEA in Washington, D.C. for senior Danish officials. This briefing addressed the Danish government's interest in using the Danish Navy, which possesses limited police powers, to support counternarcotics missions in Danish waters, as well as the Caribbean basin to combat the increasing quantities of cocaine being shipped from South American to Europe and the United States.

The Road Ahead. Danish enforcement efforts will be strengthened by new legislation that authorizes police to use informants and conduct undercover operations. The 2004 accession of the Baltic States to the EU signals the impending weakening of international barriers to travel and commerce of all sorts. The introduction of visa-free travel from the new EU member states has increased the opportunity for

smuggling. The Danes will seek to expand their cooperative efforts to successfully meet the new smuggling threat. At the same time, the USG will continue its cooperation with Danish authorities and work to deepen joint efforts against drug trafficking.

Estonia

I. Summary

Frequent arrests of drug traffickers and seizures of record amounts of drugs on Estonia's borders indicate that the drug transit through Estonia is increasing; and it also is an indication of the increasing efficiency of the counternarcotics efforts of Estonian law enforcement agencies. Monitoring agencies agree that Estonia has higher-than-average drug-related delinquency and HIV infection rates. Estonia is a party to the 1988 UN Drug Convention.

II. Status of Country

Estonia has one of the highest HIV infection growth rates in Europe. As of December 1, 2005, 5,028 cases of HIV have been registered, 586 of which were registered in 2005. AIDS has been diagnosed in 89 people, 19 in 2005. Intravenous drug-users (IDUs) and their partners form the largest share of newly registered HIV cases

III. Country Actions Against Drugs in 2005

Law Enforcement. The closure of three synthetic drug labs within six months in 2005, along with seizures of drug precursors and detentions of drug traffickers in possession of refined drugs, indicates that synthetic drugs are produced in Estonia. In April 2005, police discovered an extensive narcotics trafficking network near Tallinn and seized 0.7 kilograms of precursor chemicals. In the first six months of 2005 police seized nearly three times more drugs than in the same period of the previous year. In October Estonian law enforcement, in cooperation with U.S. law enforcement agents, seized 40 kilograms of high-quality cocaine in Tallinn and detained four Israeli citizens in connection with drug trafficking.

Domestic Programs/Demand Reduction. In 2005, changes were introduced to the state legal framework regulating drug-related issues. On April 13, 2005, the Estonian Parliament adopted the Amendment to the Law on the Narcotic Drugs and Psychotropic Substances Act (ALNDPSA), which came into force in May 2005. The ALNDPSA harmonizes domestic legislation with EU narcotics regulations and brings Estonian law into compliance with the 1988 UN Drug Convention. The ALNDPSA provides the Estonian Drug Monitoring Center with the authority to collect data on drugs and drug addiction and to establish a national drug treatment registry.

In 2005, the GOE continued implementation of the National Strategy on the Prevention of Drug Dependency 2004-2012. Combating the drug trade and reining in domestic consumption continue to be high priorities for all Estonian law enforcement agencies as well as for several government ministries. Under the current Government Coalition Agreement, which was adopted in April 2005, the GOE has announced it will focus on prevention of drug addiction and HIV/AIDS.

On December 1, 2005, the GOE adopted a national anti-HIV/AIDS strategy for 2006-2015 which aims to bring about a steady downward trend in the spread of HIV as well as to improve the quality of life of people living with the disease. The strategy pays special attention to programs for various at-risk groups, including intravenous drug uses (IDUs).

Corruption. As a matter of government policy, Estonia does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Estonia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Estonia is also party to the 1990 Council of Europe (COE) Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime. The U.S. and Estonia share a 1924 extradition treaty, supplemented in 1934 and an MLAT that entered into force in 1998. Estonia is a party to the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and illegal manufacturing and trafficking in firearms.

IV. U.S. Policy Initiatives and Programs

The Road Ahead. The U.S. and Estonia will continue to work together to suppress narcotics trafficking and reduce the drug dependency of drug abusers.

Finland

I. Summary

Finland is not a significant narcotics-producing or trafficking country. However, drug use and drug-related crime has increased over the past decade. Finland's constitution places a strong emphasis on the protection of civil liberties, and this sometimes has a negative effect on law enforcement's ability to investigate and prosecute drug-related crime. Electronic surveillance techniques such as wiretapping are generally prohibited in all but the most serious investigations. Finnish political culture tends to favor demand reduction and rehabilitation efforts over strategies aimed at reducing supply. Police believe increased drug use may be attributable to the wider availability of narcotics in post-cold war Europe, increased experimentation by Finnish youth, cultural de-stigmatization of narcotics use, and insufficient law enforcement resources.

While there is some overland narcotics trafficking across the Russian border, police believe existing border controls are mostly effective in preventing this route from becoming a major trafficking conduit into Finland. Estonian organized crime syndicates are believed responsible for most drug trafficking into Finland. Estonia's accession to the Schengen Treaty has complicated law enforcement efforts to combat narcotics trafficking. Asian crime syndicates have begun to use new air routes between Helsinki and Asian cities like Bangkok to facilitate trafficking-in-persons, and there is some concern that these routes could be used for narcotics trafficking as well. Finland is a major donor to the UNDCP and is active in counternarcotics efforts within the EU. Finland is a party to the 1988 UN Drug Convention.

II. Status of Country

Narcotics production, cultivation, and the production of precursor chemicals in Finland is relatively modest in scope. Most drugs that are consumed in Finland are produced elsewhere, and Finland is not a source country for the export of narcotics abroad. Estonia, Russia, and Spain are Finland's principal sources for illicit drugs. Finnish law criminalizes the distribution, sale, and transport of narcotics; the GoF cooperates with other countries and international law enforcement organizations regarding extradition and precursor chemical control.

The overall incidence of drug use in Finland remains low (relative to many other western countries); however, drug use has increased over the past decade. Cocaine is rare, but amphetamines, methamphetamine, synthetic "club" drugs, and heroin and heroin-substitutes can be found. Finland has historically had one of Europe's lowest cannabis-use rates, but cannabis seizures have increased since 2004. Police attribute this to new smuggling routes from southern Spain, a popular tourist destination for Finns and home to a Finnish "migr," a kibbutz-like rural community. Ecstasy, GHB, ketamine ("Vitamin K") and other MDMA-type drugs are concentrated among young people and associated with the club culture in Helsinki and other large cities. Social Welfare authorities believe the introduction of GHB and other date rape drugs into Finland has led to an increase in sexual assaults. Finnish law enforcement authorities admit that resource constraints and restrictions on electronic surveillance and undercover police work complicate efforts to penetrate the ecstasy trade. Changing social and cultural attitudes toward drug use also contribute to this phenomenon.

Heroin use began to increase in Finland in the late 1990's, but seizures have declined since 2004. . In August 2005, Finnish Customs at the Vaalimaa Border Station, Finland, which is located at the Russian border seized 55 kilograms of heroin. This is largest reported heroin seizure in Finland's history. Typically, heroin is smuggled to Scandinavia by vehicle using the Balkan route, through

Germany and through Denmark to the rest of Scandinavia. This seizure documents a new route used with Finland being the first point of entry to the EU and Scandinavia.

Abuse of Subutex (buprenorphine) and other heroin-substitutes seems to have replaced heroin abuse to some extent. France remains the major source for Subutex. According to police, French doctors can prescribe up to three weeks supply of Subutex. Finnish couriers travel frequently to France to obtain their supplies which are then resold illegally with a high mark-up. Possession of Subutex is legal in Finland with a doctor's prescription, but Finnish physicians do not readily write prescriptions for Subutex unless patients are actually in a supervised withdrawal program.

According to Finnish law enforcement, there are approximately two dozen organized crime syndicates operating in Finland; most are based in Estonia or Russia. Since Estonia's entry into the Schengen Region, Estonian travelers to Finland are no longer subject to routine inspection at ports-of-entry, making it difficult to intercept narcotics. The police report that a drug dealer in Helsinki can phone a supplier in Tallinn, and within three hours a courier will have arrived in Helsinki via ferry with a shipment of drugs. Although Estonian syndicates control the operations, many of the domestic street-level dealers are Finns. In the past, the Estonian rings primarily smuggled Belgian or Dutch-made ecstasy into Finland, but beginning in 2003, larger quantities of Estonian-produced ecstasy began hitting the Finnish market, although the quality (and market value) is lower. Estonian smugglers also organize the shipment of Moroccan cannabis from Southern Spain to Finland. The police report that cooperation with Estonian law enforcement is excellent, and both countries maintain permanent liaison officers in the other.

Russian organized crime syndicates remain active inside Finland. Russian traffickers based out of St. Petersburg are the primary suppliers of heroin, although Estonians are now active in this area as well. The police are increasingly concerned about Asian crime groups using new air routes from Helsinki to major Asian cities like Bangkok as a narcotics smuggling route. Asian syndicates are already using these routes for trafficking-in-persons. Finland's Frontier Guard will post a permanent liaison officer to Beijing in 2006 to better monitor this phenomenon.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Finland's comprehensive policy statement on illegal drugs was issued in 1998; the statement articulated a zero-tolerance policy regarding narcotics. However, a 2001 law created a system of fines for simple possession offenses rather than jail time. The fine system enjoys widespread popular support and is chiefly used to punish youth found in possession of small quantities of marijuana, hashish, or ecstasy. Some Finnish authorities have expressed concern that this system sends a mixed message to Finns about drug use and would prefer stiffer penalties. There is limited political and public support for demand reduction through stronger punitive measures, however. In 2005, Parliament passed a law expanding the authority of the Frontier Guard to cover the entire country (not just immediate border areas), thereby enhancing the Guard's ability to combat narcotics trafficking.

Law Enforcement Efforts. The police report that arrests and seizures in 2005 remained stable (statistics are not yet available). Law enforcement focuses limited police resources on major narcotics cases and significant traffickers. Finland in 2005 continued its impressive record of multilateral cooperation. Finnish police maintain liaison officers in ten European cities (six in Russia).

Corruption. As a matter of government policy, Finland does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Finnish officials do not engage in, facilitate, or encourage the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Official corruption is not a problem in Finland. There have

been no arrests or prosecutions of public officials charged with corruption or related offenses linked to narcotics in Finnish history.

Agreements and Treaties. Finland is a party to the 1988 UN Drug Convention, and its legislation is consistent with all the Convention's goals. Finnish judicial authorities are empowered to seize the assets, real and financial, of criminals. Finland is also a party to the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Finland is a party to the UN Convention against Transnational Crime, and is a signatory to the UN Convention Against Corruption. A 1976 bilateral extradition treaty is in force between the United States and Finland. Finland signed the bilateral instrument of the EU-U.S. Extradition Treaty in 2004; however, the Parliament has not yet ratified the treaty, and some Parliamentarians have linked this nonratification to discomfort with certain U.S. rendition practices, which some believe might violate. Finland has also concluded a Customs Mutual Assistance Agreement with the United States. Finland is a member of the major Donor's Group within the Dublin Group. The vast majority of Finland's financial and other assistance to drug-producing and transit countries has been via the UNODC.

Cultivation/Production. There were no reported seizures of indigenously cultivated opium, no recorded diversions of precursor chemicals, and no detection of illicit methamphetamine, cocaine, or LSD laboratories in Finland in 2004; reports for 2005 are not yet available. Finland's climate makes cultivation of cannabis and opium poppy almost impossible. Local cannabis cultivation is believed to be limited to small-scale, indoor hydroponic culture. The distribution of 22 key precursor chemicals listed by international agencies is tightly controlled.

Drug Flow/Transit. Hashish and ecstasy are the drugs most often seized by Finnish police. Finland is not a major transit country for narcotics. Most drugs trafficked into Finland originate in or pass through Estonia. Finnish authorities report that their land border with Russia is well guarded on both sides to ensure that it does not become a major transit route.

Domestic Programs (Demand Reduction). The central government gives substantial autonomy to local governments to address demand reduction using general revenue grants. Finnish schools in 2005 continued to educate students about the dangers of drugs. Finland's national public health service offered rehabilitation services to users and addicts. Such programs typically use a holistic approach that emphasizes social and economic reintegration into society and is not solely focused on eliminating the subject's use and abuse of illegal drugs. The government was criticized in 2005 for failure to provide adequate access to rehabilitation programs for prison inmates.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives/Bilateral Cooperation. The U.S. has worked with Finland and the other Nordic countries through multilateral organizations in an effort to combat narcotics trafficking in the Nordic-Baltic region. This work has involved U.S. assistance to and cooperation with the Baltic countries and Russia. Finland in 2005 participated in a DEA-sponsored regional drug enforcement seminar.

The Road Ahead. The U.S. anticipates continued close cooperation with Finland in the fight against narcotics. The only limitations to such cooperation will likely be the smaller resource base that Finnish law enforcement authorities have at their disposal.

France

I. Summary

France is a transshipment point for drugs moving into, from and within Europe. Given France's shared borders with trafficking conduits such as Spain, Italy, and Belgium, France is a natural distribution point for drugs moving toward North America from Europe and the Middle East.

France's colonial legacy in the Caribbean, its proximity to North Africa, and its participation in the virtually Europe-wide Schengen open border system, contribute to its liability as a transit point for drugs, including drugs originating in South America. France's own large domestic market of predominantly cannabis users is, of course, attractive to traffickers as well. Specifically, in descending order, cannabis originating in Morocco, cocaine originating in South America, heroin originating in southwest Asia, and ecstasy (MDMA) originating in the Netherlands and Belgium all find their way to France.

Increasingly, traffickers are also using the Channel tunnel linking France to Great Britain as a conduit for drugs from mainland Europe to the UK and Ireland. With numbers of drug arrests and seizures increasing again in 2004 (latest figures), Government of France (GOF) counternarcotics initiatives in 2005 included increased cooperation with neighboring countries and Morocco and facilitating confiscation of traffickers' assets. France is a party to the 1988 UN Drug Convention.

II. Status of Country

Cannabis users are the largest group of drug users in France, according to official French statistics. By contrast, users of the next most popular drugs, heroin and cocaine, account for approximately four percent and two percent of users respectively.

The number of fatal drug overdoses decreased in 2004 compared to 2003, continuing a trend that began in 1995 (with the exception of a small up-tick in 2000). There were only 69 deaths due to drug overdose in 2004, compared to 89 in 2003, indicating a 22 percent decrease.

III. Country Actions Against Drugs in 2005

Policy Initiatives. France's drug control agency, the Mission Interministerielle de la Lutte Contre la Drogue et la Toxicomanie (MILDT, or the Interministerial Mission for the Fight Against Drugs and Drug Addiction), is the focal point for French national drug control policy. Created in 1982, MILDT coordinates the 19 ministerial departments that have a role in establishing, implementing, and enforcing France's domestic drug control strategy. The French also participate in regional cooperation programs initiated and sponsored by the European Union.

Late in 2004, France launched a five-year action plan called "Programme drogue et toxicomanie" (Drug and Addiction Program) to reduce significantly the prevalence of drug use among the population and lessen the social and health damage caused by the use and trafficking of narcotics. In 2005, as part of that plan, the French Government launched a 38 million euro national information campaign as well as a program to boost France's medical treatment for cannabis and heroin users/addicts. The plan also provided funding (up to 1.2 million euros) for France's contributions to EU and UN counternarcotics programs in four priority areas: Central and Eastern Europe, Africa, Central Asia, and Latin America/Caribbean. While France's bilateral counternarcotics programs focus on the Caribbean basin, special technical bilateral assistance has also been provided to Afghanistan through France's Development Agency (AFD). Ten million euros went to training Afghan

counternarcotics police and to fund a crop substitution program that will boost cotton cultivation in the provinces of Konduz and Balkh.

Law Enforcement Efforts. French counternarcotics authorities are efficient and effective. In 2005, French authorities made several important seizures of narcotics. In addition, they dismantled fifteen drug rings across France, with a total of 90 arrests. French authorities report that France-based drug rings appear to be less and less tied to one product, and are also increasingly involved in other criminal activity such as money laundering and clandestine gambling. Some of the larger 2005 seizures include: On January 3, French Customs stopped a tractor-trailer arriving in France from Spain. A search revealed over 4.5 tons of hashish within a cargo of sand. On January 11, French authorities at the Belgian border seized 14 kilograms of heroin from a Spanish vehicle. On January 17, French authorities seized 15 kilograms of heroin and 1 kilogram of cocaine from the luggage of two passengers as they arrived at the train station in Lille from Belgium. On November 1, Interior Ministry officials carried out a large raid involving over 160 officials. The raid, in the Drome department of southeastern France, led to the seizure of 17.6 kilograms of heroin and yielded 43 arrests. On December 2, French Customs officials at Lyon airport seized 24 kilograms of cocaine hidden in packets of dog biscuits and Chinese noodles. There were several other important seizures throughout France.

Corruption. As a matter of government policy, the Government of France does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities.

Agreements and Treaties. France is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. The USG and the French government have bilateral narcotics-related agreements in place, including a 1971 agreement on coordinating action against illegal trafficking. France and the U.S. share an extradition treaty and an MLAT. The U.S. also has a Customs Mutual Assistance Agreement (CMAA) with France. France is a party to the UN Convention Against Corruption, and the UN Convention on Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation/Production. French authorities believe the cultivation and production of illicit drugs is not a problem in France. France cultivates opium poppies under strict legal controls for medical use, and produces amphetamines as pharmaceuticals. It reports its production of both products to the International Narcotics Control Board (INCB) and cooperates with the DEA to monitor and control those products. According to authorities, there are no significant ecstasy laboratories in France, although there may be some small kitchen labs.

Drug Flow/Transit. France is a transshipment point for illicit drugs to other European countries. France is a transit point for Moroccan cannabis (hashish) and South American cocaine destined for European markets. Most of the heroin consumed in or transiting France originates in southwest Asia (Afghanistan) and enters France via the Balkans after passing through Iran and Turkey. New routes for transporting heroin from southwest Asia to Europe are developing through Central Asia and Russia and through Belgium and the Netherlands. West African drug traffickers (mostly Nigerian) are also using France as a transshipment point for heroin and cocaine. These traffickers move heroin from both Southwest Asia and Southeast Asia (primarily Burma) to the United States through West Africa and France, with a back-haul of cocaine from South America to France through the United States and West Africa. Law enforcement officials believe these West African traffickers are stockpiling heroin and cocaine in Africa before shipping it to final destinations. There is no evidence that significant amounts of heroin or cocaine enter the United States from France. Most of the South American cocaine entering France comes through Spain and Portugal. However, officials are seeing an increase in cocaine

coming directly to France from the French Caribbean, giving impetus to the creation of the Martinique Task Force—a joint effort with Spain, Colombia, and the UK. Most of the ecstasy in or transiting France is produced in the Netherlands or Belgium.

Domestic Programs. MILDT is responsible for coordinating France's demand reduction programs. Drug education efforts target government officials, counselors, teachers, and medical personnel, with the objective of giving these opinion leaders the information they need to assist those endangered by drug abuse in the community. The government is continuing its experimental methadone treatment program. Although the public debate concerning decriminalizing cannabis use continues, the French government is opposed to any change in the 1970 drug law, which criminalizes usage of a defined list of illicit substances, including cannabis. There are currently 85,000 persons taking Subutex in France now, and 25,000 on methadone.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives/Bilateral Cooperation. U.S. and GOF counternarcotics law enforcement cooperation remains excellent, with an established practice of information sharing. Since October 2001, the DEA's Paris Country Office (CO) and OCRTIS (French Central Narcotics Office) have been working together on operations that have resulted in the seizure and/or dismantling of 25 operational, or soon-to-be-operational clandestine MDMA (Ecstasy) laboratories, the arrests of more than 44 individuals worldwide, and 16 lab seizures in the United States, two in France, three in Germany, two in Australia, and one each in Ireland, New Zealand and Spain.

French Naval vessels operating in the eastern Caribbean Sea cooperate with Joint Interagency Task Force South (JIATF-S) by conducting counternarcotics patrols. They have seized several drug-laden vessels. During the spring, French Naval Forces conducted a large counternarcotics operation concurrent with JIATF-S involving several warships northeast of the Leeward Islands in the southern North Atlantic Ocean.

The Road Ahead. The United States will continue its cooperation with France on all counternarcotics fronts, including through multilateral efforts such as the Dublin Group of Countries Coordinating Narcotics Assistance and UNODC, and look forward to their signing the Caribbean Regional Maritime Counterdrug Agreement.

Georgia

I. Summary

Georgia has the potential to be a transit country for narcotics flowing from Afghanistan to western Europe. In 2004 and 2005, however, there were no transit-size seizures of narcotics. Subutex, a licit pharmaceutical produced in France, is moving from Europe to Georgia and has quickly become the drug of choice for intravenous drug users. Breakaway territories not controlled by Government of Georgia (GOG) South Ossetia and Abkhazia also provide additional routes for drugs flow and other contraband. The GOG has taken steps to make their borders less permeable with USG support. There have been notable improvements in border control on the Black Sea coast with Turkey and along the Russian border. These border control improvements have resulted in an increase in the seizure of contraband goods, and, to a lesser extent, of narcotics. Statistics on seizures, arrests, and prosecutions for narcotics-related crime in the country are poorly kept. Georgia is a party to the 1988 UN Drug Convention and receives assistance from the UN Office for Drug Control and Crime Prevention (UNODC).

II. Status of Country

Georgia's geography and transit status between Europe and Asia make it a potential narcotics trafficking route. Asian-cultivated narcotics destined for Europe probably enter Georgia from Azerbaijan via the Caspian sea and exit through the northern Abkhaz or Southern Ajaran land and water borders. Thinly staffed ports of entry and confusing and restrictive search regulations encourage traffickers to use Trans-International Route trucks as their main means for westward-bound narcotics trafficking in the region. Judging from Ministry of Internal Affairs (MOIA) statistics, there does not appear to have been transit-sized seizure of drugs moving west in 2004 or 2005. There were, however, two smaller seizures of heroin at the Red Bridge crossing point with Azerbaijan in December 2005. Conversely, licit drugs, namely Subutex, are trafficked from Europe in small quantities via used-car trade routes, where vehicles acquired in Western Europe are driven through Greece and Turkey destined for Georgia. There have been public reports of major seizures of Subutex, a synthetic opiate analog used in drug treatment in France, entering the country for domestic consumption. Anecdotal evidence indicates a growing problem. The GOG is working with France to limit the diversion of Subutex to Georgia for abuse.

III. Country Actions Against Drugs in 2005

Law Enforcement Efforts. Arrests for narcotics offenses decreased slightly from 2004 to 2005, though seizures increased. According to the MOIA, its counternarcotics unit uncovered 1,702 drug-related cases, compared to 1,763 in the previous year. According to GOG statistics, heroin, cocaine, marijuana, and raw opium seizures all rose in 2005, but quantities seized were small (raw opium 38 kilograms). Since 2001, the Southern Caucasus Anti-Drug Program has been implementing projects that address the strengthening of interdiction capacities at sea ports and land borders, and the development of compatible systems of intelligence gathering and analysis.

Corruption. After the 2003 Rose revolution, the GOG declared war against corruption and still remains committed to this effort. A considerable number of corrupt former government and law enforcement officials were arrested, their property was confiscated, and large fines were levied. The government is working on civil service, tax and law enforcement reforms aimed at deterring and prosecuting corruption. It is also building a professional police force and streamlining the bureaucracy. As a result of the counter corruption campaign, the head of a police sub-station, and some customs

employees were arrested and charged for bribery. A number of policemen and high-ranking officials, including the Georgian Consul to Ivory Coast and an employee of Chamber of Control were also recently arrested for drug trade in Georgia. Georgia is not a party to the UN Convention against Corruption.

Agreements and Treaties. Georgia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substance and the 1961 UN Single Convention as amended by the 1972 Protocol. Georgia has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime.

Cultivation and Production. Given the small amount of low-grade cannabis grown for domestic use, Georgia does not appear to be a significant producer of narcotics. There is no other known narcotics crop or synthetic drug production in Georgia. Although Georgia has the technical potential to produce precursor chemicals, it has no known capacity for presently producing in significant quantities.

Drug Flow/Transit. The GOG has no reliable statistics on the volume of drugs transiting through Georgia. MOIA figures appear to indicate the absence of transit size seizures in 2004 and 2005. Prices for drugs in Georgia are currently estimated at the wholesale price of \$100-\$120 for one gram of heroin. The decrease in price for heroin was (in 2004 it was \$150-\$200) mainly caused by emergence of a new synthetic drug on Georgian Market—Subutex. According to law enforcement officials, Subutex appears to have replaced heroin as the main intravenous drug of choice: 65 percent of drug addicts have switched to Subutex in the last 3 years. One tablet of Subutex can be dissolved into an injectable solution for seven to eight people. One “hit” costs approximately \$12-\$15.

Demand Reduction. There are no widely accepted figures for drug dependency in Georgia. Press reports indicate at least 350,000 drug users in Georgia during 2005; the government puts the number at 240,000. Any increase in drug consumption is probably due to the growing popularity of Subutex.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. In 2005, the USG continued assistance on procuracy reform, anticorruption efforts, money laundering, writing a new criminal procedure code, upgrading the forensics lab, remodeling the police academy and introducing a new curriculum, fighting human trafficking, and equipping the patrol police with modern communication equipment.

The Road Ahead. The GOG is capable of fighting the transit of narcotics through its territory. Ongoing efforts by the USG to help the GOG to strengthen its borders have already resulted in some narcotics seizures and indicate a greater willingness by the GOG to address drug trafficking at entry points.

Germany

I. Summary

Although not a major drug producing country, Germany continues to be a consumer and transit country for narcotics. The government actively combats drug-related crimes and focuses on prevention programs and assistance to drug addicts. In 2005, Germany continued to implement its Action Plan on Drugs and Addiction launched in 2003, with a specific focus on prevention. Cannabis is the most commonly consumed illicit drug in Germany. Continuing a trend from recent years, the consumption of amphetamines and cannabis increased in 2004. The use of cocaine and ecstasy also rose in 2004, whereas the use of heroin decreased slightly. In the first half of 2005, the numbers of drug-related deaths were up only 1.3 percent over the figures for the first half of 2004. The number of first-time users of illicit drugs dropped 6 percent in the first half of 2005 compared to the first half of 2004. Organized crime continued to be heavily engaged in narcotics trafficking. The number of drug-related crimes has increased continuously in the last ten years, with a rise of 11 percent in 2004, compared to 2 percent in 2003. Germany is a party to the 1988 UN Drug Convention. The Federal Criminal Investigative Service (BKA) publishes an annual narcotics report on illicit drug related crimes, including data on seizures, drug flows, and consumption. Their report was a key source document for this report. The most recent complete German drug statistics available cover the year 2004, although a few series are available covering the first half of 2005.

II. Status of Country

Germany is not a significant drug cultivation or production country. However, Germany's location at the center of Europe and its well-developed infrastructure make it a major transit hub. Ecstasy transits from the Netherlands through Germany to Eastern and Southern Europe. Heroin transits Germany from Eastern Europe via the Balkan route to Western Europe, especially the Netherlands. Cocaine transits through Germany from South America, the Netherlands, and for the first time in 2004 to a more than marginal degree from African states, such as Ghana and Nigeria. Germany is a major manufacturer of pharmaceuticals, making it a potential source for precursor chemicals used in the production of illicit narcotics.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Germany continues to implement the Health Ministry's "Action Plan on Drugs and Addiction" adopted by the cabinet in 2003. The action plan establishes a comprehensive multi-year strategy to combat narcotics. The key pillars are (1) prevention, (2) therapy and counseling, (3) survival aid as immediate remedy for drug-addicts, and (4) interdiction and supply reduction. The National Drug Commissioner at the Federal Health Ministry continues to coordinate Germany's national drug policy. A new Drug Commissioner was nominated in November 2005 after the parliamentary elections September 18. The agreement of the new CDU/CSU—SPD coalition that took power in November 2005 lists key policy issues of the new German government and confirms the action plan as the new Coalition's counternarcotics strategy.

Law Enforcement Efforts. German law enforcement agencies scored numerous successes in seizing illicit narcotics and arresting suspected drug dealers. The number of cases of cocaine, opium, heroin, amphetamine, and ecstasy seizures increased in the first half of 2005 compared to the first half of 2004, while the numbers of crack (Crystal Form of Cocaine) seizures dropped; the amounts of cocaine and crack seized rose, while the amounts of heroin, opium, amphetamine, and ecstasy seized went down. German law enforcement agencies scored numerous successes in seizing illicit narcotics and

arresting suspected drug dealers. The Customs Criminal Police established a telephone hotline in March 2005 for anonymous tips regarding illegal smuggling of goods, including narcotics. According to the Customs Criminal Police, since establishment of the hotline callers have provided useful tips for a number of investigations. In one of the largest German narcotics trafficking investigations of the last 50 years, the State Criminal Investigative Service of North Rhine-Westphalia disrupted a ring of Lebanese cocaine traffickers with world-wide operations after a four year investigation. Brazilian officials arrested twenty ringleaders in Sao Paulo, Brazil, in July 2005. Since the beginning of the investigation in 2001, law enforcement agencies in several EU countries have arrested over 200 members of this ring, and seized 1100 kilograms of cocaine, worth over 110 million Euros.

Corruption. As a matter of government policy, Germany does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. A 1978 extradition treaty and a 1986 supplement treaty are in force between the U.S. and Germany. The U.S. and Germany signed a Mutual Legal Assistance Treaty in Criminal Matters (MLAT) on October 14, 2003, which the Bundestag is expected to ratify in 2006. The MLAT has also been sent to the U.S. Senate for ratification. In addition, the U.S.-EU Agreement on Mutual Legal Assistance and Extradition is expected to improve further the U.S.-German legal cooperation. Negotiations on the U.S.-German implementing instrument to the U.S.-EU MLAT were concluded in January 2006 and the instrument is expected to be signed later in 2006. The U.S.-German MLAT and the U.S.-EU Agreements on Mutual Legal Assistance and Extradition, once they are ratified and implemented, will simplify and expedite law enforcement cooperation. There is a Customs Mutual Legal Assistance Agreement (CMAA) between the U.S. and Germany. In addition, Germany is party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Germany signed the UN Convention against Transnational Organized Crime, and the UN Convention against Corruption. Ratification of both conventions is pending.

Cultivation and Production. Germany is not a significant producer of hashish or marijuana. The BKA statistics reported that all ten synthetic drug labs seized in Germany in 2004 were small and not equipped for large production.

Drug Flow/Transit. Germany's central location in Europe and its well-developed infrastructure make it a major transit hub. Traffickers smuggle cocaine from South America and from Africa to and through Germany to other European countries. Heroin from Afghanistan transits from Eastern Europe to Western Europe, especially to the Netherlands. Cannabis is trafficked to Germany mainly from the Netherlands. Frankfurt Airport is still a major trans-shipment point for ecstasy destined to the U.S. and other drugs coming into Europe.

Domestic Programs/Demand Reduction. The Federal Ministry of Health continues to be the lead agency in developing, coordinating, and implementing Germany's drug policies and programs. Drug consumption is treated as a health and social issue. Policies stress prevention through education. The ministry is expanding Internet-based information and other prevention programs. Addiction therapy programs focus on drug-free treatment, psychological counseling, and substitution therapy. Results of a heroin-based treatment pilot project to treat seriously ill, long-term opiate addicts are expected in 2006.

In 2005, there were 25 "drug consumption rooms" in Germany supplementing therapy programs to offer so called "survival aid." German Federal law requires personnel at these sites to provide medical counseling and other professional help, and to supervise the addicts to assure an orderly process, while they take a medically approved dosage of their drug of abuse. The 2004 International Narcotics Control Board (INCB) Annual Report noted that the establishment of "drug injection rooms" raises "legal and ethical" issues as they are "legal facilities for the purpose of facilitating behavior that is

both illegal and damaging.” In July 2005, the second German-French working conference hosted by the French and German Drug Commissioners was held in France to discuss cross-border cooperation to prevent the consumption of cannabis and to treat cannabis addicts. Germany and Switzerland are conducting a bilateral assistance project called “Realize it” to help juvenile cannabis consumers to stop using the drug. Germany, together with four other European countries, also participates in a research project on the treatment of young cannabis addicts.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. German agencies routinely work very closely with their U.S. counterparts in joint investigations, using the full range of investigative measures, such as undercover operations. German-U.S. cooperation to stop diversion of chemical precursors for cocaine production continues to be close (e.g., Operations “Purple” and “Topaz”). A DEA liaison officer is generally assigned to the BKA headquarters in Wiesbaden to facilitate cooperation and joint investigations. Two DEA offices, the Berlin Country Office and the Frankfurt Resident Office, facilitate information exchanges and operational support between German and U.S. drug enforcement agencies. BKA and DEA also participate in a tablet exchange program to compare samples of ecstasy pills.

The Road Ahead. The U.S. will continue its cooperation with Germany on all bilateral and international counternarcotics fronts, including the Dublin Group of Countries Coordinating Narcotics Assistance and the UNODC.

Greece

I. Summary

Greece is a “gateway” country in the transit of illicit drugs. Although not a major transit country for drugs headed for the United States, Greece is part of the traditional “Balkan Route” for drugs flowing from drug producing countries in the east to drug consuming countries in Western Europe. Greek authorities report that drug abuse and addiction continue to climb in Greece as the age for first-time drug use drops. Drug trafficking remains a significant issue for Greece in its battle against organized crime. Investigations initiated by the DEA and its Hellenic counterparts suggest that a dramatic rise has occurred in the number and size of drug trafficking organizations operating in Greece. The DEA and Hellenic Authorities conducted numerous counternarcotics investigations during the year, which resulted in significant arrests, narcotics seizures, and the dismantling of major drug trafficking organizations. A number of judges were charged and at least nine were dismissed for allegedly taking bribes in exchange for favorable judgments or early prison release of defendants, including accused drug traffickers. Greece is a party to the 1988 UN Drug Convention.

II. Status of Country

With an extensive coastline border, numerous islands, and land borders with other countries through which drugs are transported, Greece’s geography has established it as a favored drug transshipment country on the route to Western Europe. Greece is also home to the world’s largest merchant marine fleet. It is estimated that Greek firms own one out of every six cargo vessels and control 20-25 percent of cargo shipments worldwide. The utilization of cargo vessels is the cheapest, fastest and most secure method to transport multi-ton quantities of cocaine from South America to distribution centers in Europe and the United States. Greece is not a significant source country for illicit drug production, although marijuana cultivation operations have increased slightly. The marijuana that is produced in Greece is usually destined for the domestic market. Hellenic Authorities recently arrested an individual who was mailing anabolic steroids, which were later found to have originated in Russia, from Greece to the United States. (Use of anabolic steroids is legal in Greece. However, it is illegal to ship them to countries where they are categorized as a controlled substance.)

III. Country Actions Against Drugs in 2005

Policy Initiatives. Greece participates in the Southeast European Cooperative Initiative’s (SECI) anticrime initiative, in the work of the regional Anti-Crime Center in Bucharest and in its specialized task force on counternarcotics. Enhanced cooperation among SECI member states has the potential to disrupt and eventually eliminate the ability of drug trafficking organizations to operate in the region.

Law Enforcement Efforts. Several notable joint U.S./Hellenic counternarcotics investigations occurred during 2005 with significant arrests and seizures. Following a two-year investigation, the DEA, in cooperation with Hellenic and Macedonian authorities, seized 6,500 kilograms of hashish and 1,088 kilograms of ephedrine in January 2005. The hashish and ephedrine were co-mingled in a containerized shipment of rice, which originated in Pakistan. The hashish was destined for North America, while the ephedrine was destined for Southeast Asia. In October 2005, the DEA and Hellenic Authorities dismantled a marijuana trafficking organization that was responsible for distributing metric ton quantities of marijuana throughout Greece for over a decade and was growing marijuana in greenhouses in Central Greece. Hellenic Authorities executed search warrants on the greenhouses and several residences used by the organization, resulting in the arrest of six individuals and the seizure of 840 marijuana plants, 105 kilograms of processed marijuana, 21 kilograms of

marijuana seeds, scales and packaging materials. According to Hellenic Authorities, this was the largest marijuana cultivation operation ever seized in Greece. The Hellenic National Police reported that through November 2005, 10,204 kilograms of hashish, 278 kilograms of heroin, and 39 kilograms of cocaine were seized by authorities, and 11,411 individuals were arrested in connection with the above seizures.

Narcotics seizures increased considerably in 2005. In November, authorities in the Western Macedonia region reported seizing three times the hashish seized in 2004. National seizures of heroine and cocaine were also reported to have increased over 2004 seizures. Police and customs authorities report a decline in drug trafficking on the Greece-Turkey border, attributed to more stringent enforcement, including vehicle X-rays on the Turkish side of the border. Nigerian drug organizations smuggle heroin and cocaine through the Athens airport, and increasingly through the Aegean islands from Turkey. A small portion of these drugs is smuggled into the United States.

Corruption. Officers and representatives of Greece's law enforcement agencies are generally under-trained, underpaid, under-appreciated, and overworked. Although this atmosphere has the potential to breed corruption, the level of corruption in the law enforcement agencies is relatively low with regard to narcotics and narcotics-related money laundering. Regarding the judiciary, at least nine judges were dismissed and as many as 50 judges are being prosecuted for allegedly taking bribes in exchange for favorable judgments or early prison release for a variety of defendants, including accused drug traffickers. As a matter of government policy, Greece neither encourages nor facilitates illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances or the laundering of proceeds from illegal drug transactions. No known senior official of the GOG engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Greece is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. An agreement between Greece and the United States to exchange information on narcotics trafficking has been in force since 1928, and an extradition treaty has been in force since 1932. A mutual legal assistance treaty and an extradition treaty between the U.S. and Greece are in force. The United States and Greece also have concluded a customs mutual assistance agreement (CMAA). The CMAA allows for the exchange of information, intelligence, and documents to assist in the prevention and investigation of customs offenses, including the identification and screening of containers that pose a terrorism risk. Greece has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption.

Cultivation/Production. Cannabis, cultivated in small amounts for local consumption, is the only illicit drug produced in Greece.

Drug Flow/Transit. Greece is part of the "Balkan Route" and as such is a transshipment country for heroin refined in Turkey, hashish from the Middle East, and heroin and marijuana from Southwest Asia. Metric ton quantities of marijuana and smaller quantities of other drugs are smuggled across the borders from Albania, Bulgaria, and the Republic of Macedonia. Hashish is off-loaded in remote areas of the country and transported to Western Europe by boat or overland. Larger shipments are smuggled into Greece in shipping containers, on bonded Trans-International Route trucks, in automobiles, on trains, and in buses. A small portion of these drugs is smuggled into the United States, including Turkish-refined heroin that is traded for Latin American cocaine, but there is no evidence that significant amounts of narcotics are entering the United States from Greece.

Domestic Programs (Demand Reduction). Drug addiction continues to climb in Greece. According to the National Documentation Center for Narcotics and Addiction run by the Mental Health Research Institute of the Medical School of the University of Athens, 8.6 percent of the Greek population between 12 and 64 years of age report that they have used an illegal substance one or more times in

their life. The most commonly used substances are chemical solvents, and marijuana and heroin. There has been a surge in the illegal use of tranquilizers and, to a lesser extent, ecstasy pills, that reflects developments in the growing European synthetic drug market. The GOG estimates that there are between 20,000 and 30,000 addicts in Greece of whom about 19,000 are addicted to heroin, with the addict population growing.

The Organization Against Narcotics (OKANA) is the state agency that coordinates all national treatment policy in Greece. It has the capacity to treat 3,923 persons in 40 therapeutic rehabilitation centers, of which 25 offer “drug free” programs, seven offer methadone substitution programs, and 8 offer buprenorphine substitution programs. The average number of addicts treated in 2004 was 2,783, and the total number of those who received therapeutic treatment was 5,160. OKANA has 64 prevention centers in 47 of the 52 regions in Greece, and treated 1,824 addicts in “drug free” therapeutic programs in 2004, down from 1,967 in 2003. About 3,000 persons have been registered in waiting lists for substitution programs. OKANA plans to extend its program to other regions and to open it to more addicts, but its plans are threatened by strong local reactions against the establishment of such treatment centers. In June 2005, the Mayor of Athens, in collaboration with the national broadcasting organization and the drug rehabilitation organization KETHEA, presented plans for a new rehabilitation/detoxification center to be opened in Athens.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. In 2005, an American Professor of Clinical Psychiatry and Director of the Center for Criminality & Addiction Research, Training & Application at UC San Diego was awarded a Fulbright scholarship to develop curricula and direct workforce development trainings for treatment of addiction.

The Road Ahead. The United States continues to encourage the GOG to participate actively in international organizations focused on narcotics assistance coordination efforts, such as the Dublin Group of narcotics assistance donor countries. The DEA will continue to organize regional and international conferences, seminars, and workshops with the goal of building regional cooperation and coordination in the effort against narcotics trafficking.

Hungary

I. Summary

Hungary continues to be a primary narcotics transit country between Southwest Asia and Western Europe, due to its unique combination of geographic location, a modern transportation system, and the unsettled political and social climate in the former Yugoslavia. Since the collapse of communism, Hungary has transformed into a significant consumer of narcotics as well. Drug abuse, particularly among persons under 40 years of age, rose dramatically during the 1990s and continues to increase. The illicit drugs of choice in Hungary are heroin, marijuana, amphetamines, and ecstasy (MDMA). In addition, the abuse of opium poppy straw, barbiturates and prescription drugs containing benzodiazepine is growing. In the lead-up to its accession to the European Union in May 2004, Hungary adopted and amended much of its narcotics-related legislation to ensure harmonization with relevant EU narcotics law. Since 2004, the Ministry of Youth, Family, Social Affairs and Equal Opportunity has held primacy over all matters related to narcotics issues. Hungary continues to expand efforts to collect narcotics data. The center to collect data was established in February 2004 to report valid, comparable and reliable data on drug abuse trends to the European Monitoring Center For Drugs And Drug Addiction. Hungary is a party to the 1988 UN Drug Convention.

II. Status of Country

Throughout 2005, Hungary continued to be a major transit route for illegal narcotics smuggling from Southwest Asia and the Balkans into Western Europe. Traditional routes in the Balkans that had been disrupted due to instability in the Former Republic of Yugoslavia are again being utilized to transport narcotics. Hungarian Ministry of Interior and Border Guard officials reported narcotics smuggling to be especially active across the Ukrainian, Romanian and Serbian borders. Foreign organized crime, particularly those from Albania, Turkey, and Nigeria, control the transit and sale of narcotics in Hungary. Concurrently, Hungarian drug suppliers and criminal networks are getting stronger as well and involve an increasing number of immigrants and ethnic minorities. Officials report the increasing seriousness of Hungary's domestic drug problem, particularly among teens and those in their twenties, who have benefited from the country's strong, if unequal, economic performance.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The National Drug Prevention Institute (NDPI) was set up in 2000 to provide technical and financial support for drug action teams in cities with populations over 20,000. The NDPI encourages the creation of local fora composed of officials of local government institutions, law enforcement agencies, schools and nongovernmental organizations. The objective is to create local drug strategies, customized for local needs. As of December 2005, there were 96 counternarcotics fora throughout Hungary. The GOH has employed programs for combating drug use at schools since 1992, however, given the shortage of police trainers and funding, there is a continuing increase in drug dealing at schools. Research findings from the National Drug Data Collection Center and the Ministry of Youth, Family, Social Affairs and Equal Opportunity indicate that the share of those experimenting and using drugs is on a steady increase. One in five youths (1/3 who are under age 14) have tried marijuana. The drugs of choice are marijuana, ecstasy, and to a lesser extent LSD.

Accomplishments. Expanded investigative authorities and cooperation between the Hungarian Border Guards and the Hungarian National Police, coupled with investigative agreements with neighboring countries, have also played a significant role in increasing Hungary's ability to interdict shipments of

narcotics. Despite these successes, Hungary continues to be a significant transshipment point for narcotics destined for, and sent from, Western Europe.

Law Enforcement Efforts. Close cooperation continued in 2005 between the Hungarian Border Guards and the Hungarian National Police. Subsequent to the accession of Hungary to the European Union, the Hungarian Ministry of Interior had prepared a unified drug interdiction strategy for the Hungarian National Police and Border Guards for the period 2005-2012 in line with the requirements of the EU drug strategy. The stated goals of this strategy are to (1) guarantee the security of the society, (2) combat the illegal production and smuggling of drugs and precursors, (3) facilitate joint actions with the EU member countries, and (4) to combat production, trading and consumption of synthetic drugs. Nevertheless, the number of criminal drug cases has continued to increase dramatically. Much of the increase is attributed to the transition from penalty-based court and social systems to treatment-based court and social systems that are alleged to have eliminated negative individual consequences for drug use. Seizures of ecstasy and cocaine continued to increase between 2004 and 2005.

Corruption. As a matter of government policy, Hungary neither encourages nor facilitates the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. The Hungarian government enforces its laws against corruption aggressively, and takes administrative steps (e.g., re-assignment of border guards) to reduce the temptation for corruption whenever it can. A challenge to determining the scope and success of Hungarian efforts to combat corruption is the treatment of corruption-related information and prosecution as classified national security information.

Agreements and Treaties. Hungary is party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Hungary is a party to the UN Convention against Corruption, and has signed the UN Convention against Transnational Organized Crime. An extradition treaty and MLAT are in force between the U.S. and Hungary. Ratification of the UN Convention against Transnational Organized Crime is expected in 2006.

Cultivation/Production. GOH authorities report that marijuana is cultivated in Western Hungary. Ecstasy (MDMA) and LSD may also be manufactured locally. However, to date no production laboratories have been discovered. All other illegal narcotics are smuggled into Hungary.

Drug Flow/Transit. Albanians, Turks and Nigerians, who have been resident in Hungary for many years, are involved in drug trafficking in Hungary. Budapest's Ferihegy international airport continues to be an important stop for cocaine transit from South America to Europe. Synthetic drugs such as ecstasy (MDMA) are transported into Hungary, frequently via car, from the Netherlands and other Western European countries.

Domestic Programs. Hungarian ministry officials report the domestic drug problem continues to be significantly higher among youth between the ages of 12-25. As a result, drug prevention programs are taught to teachers as part of their normal educational training within the educational system. The life skills program is the largest of the counternarcotics programs and was developed in the early nineties with USIA assistance. Through 2005, the fifteen year program has trained nearly 12,000 teachers and educators. Community-based prevention efforts are primarily focused on the teen/twenties age group and provide information about the dangers of substance abuse, while emphasizing active and productive lifestyles as a way of limiting exposure to drugs. Within Hungary there are approximately 230 healthcare institutions that care for drug patients. The Ministry of Health continues to establish and fund drug outpatient clinics in regions where such institutes are not yet available. By 2005, only one region (out of nineteen) in Hungary still did not have a drug outpatient clinic. An amendment to Hungarian counternarcotics legislation, which went into effect in March 2003, was designed to shift the focus of criminal investigations from consumers to dealers. Before this amendment was enacted,

Hungarian civil rights leaders claimed that the Hungarian narcotics law, among the toughest on users in Europe, subjected even casual users to stiff criminal penalties while traffickers often escaped prosecution. The amendment allows police, prosecutors, and judges to place drug users in a 6-month government-funded treatment or counseling program instead of prison. Drug addicts are encouraged to attend treatment centers while casual users are directed to the prevention and education programs. The amendment also provides judges with more alternatives and flexibility when sentencing drug users. Due to the continuing increase in the rate of drug use, as well as drug-related crime in Hungary, the GOH has become dissatisfied with the results of the treatment-focused system and is currently considering a return to the punishment-based deterrence system. As a result, beginning in December 2004, the constitutional court began to scale back treatment programs and focus again on prison sentences. However, the State Secretary for Drug Affairs has reconfirmed her commitment to alternative treatment programs. In 2005, the GOH continued to provide access to several needle exchange dispensers in Budapest to guarantee inexpensive, sterile needles for drug users.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The primary USG focus in support of the GOH counternarcotics efforts is through training and cooperative education at the ILEA. In addition, DEA maintains a regional office in Vienna that is accredited to Hungary and works with local and national Hungarian authorities.

The Road Ahead. The USG continues to support and encourage Hungarian legislative efforts to stiffen criminal penalties for drug trafficking offenses, and will continue to support the GOH law enforcement efforts through training programs and seminars at ILEA, as well as through specialized in-country programs. The DEA office in Vienna continues its cooperative efforts with the Hungarian National Police to streamline the flow of actionable investigative information.

Iceland

I. Summary

Icelandic authorities do not have to confront significant levels of drug production or transit. There is some production of marijuana plants for local consumption, but that is pretty much all. Their focus is thus on stopping importation and punishing distribution and sale, with a lesser emphasis on prosecuting for possession and use. Along with the government, secular and faith-based charities organize abuse prevention projects and run respected detoxification and treatment centers. Iceland is a party to the 1988 UN Drug Convention.

II. Status of Country

Illegal drugs and precursor chemicals are not produced in significant quantities in Iceland. The harsh climate and lack of arable soil make the outdoor cultivation of drug crops almost impossible. Icelandic authorities believe that the production of drugs, to the extent it exists, is limited to marijuana plants—now grown in quantities adequate to satisfy virtually all domestic demand, and the occasional small-time amphetamine laboratory. In late December 2005 police confirmed that they had heard of Icelandic marijuana on the market in Copenhagen, but no further information was available regarding this apparently new phenomenon. Most illegal drugs in Iceland are smuggled in through the mail, inside commercial containers, or by airline passengers. The chief illicit drugs entering Iceland, mainly from Denmark, are cannabis and amphetamines, with the latter becoming increasingly common during the past two years as part of a trend of stimulant drug use that also involved heightened levels of cocaine in circulation. According to authorities there were 87 cases of importation of drugs and precursors in 2005 (latest available National Commissioner of Police figures).

Results of the third European School Survey Project on Alcohol and Other Drugs, conducted in 2004, showed that controlled substance use among Icelandic adolescents has decreased significantly in recent years, and that students currently completing secondary school have used drugs less during their school years than did earlier cohorts. Appraisals of Reykjavik in 2004 and 2005 by the Icelandic Center for Social Research and Analysis, a nonprofit research center that specializes in youth research, supported a conclusion that drug use in Iceland has declined.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The Public Health Institute of Iceland, established in 2003, is responsible for alcohol and drug abuse prevention programs on behalf of the government. The institute is part of the Nordic Council for Alcohol and Drug Research, which promotes and encourages a joint Nordic research effort on drug and alcohol abuse.

Programs are funded through an alcohol tax, with allocations overseen by the independent national Alcohol and Drug Abuse Prevention Council (ADAPC). The institute collects data; disseminates information on use of intoxicants; supports health improvement projects; and funds and advises local governments and nongovernmental organizations working primarily in prevention. During the year the institute made grants worth \$485,000 to a total of 52 groups and projects across the country.

Reykjavik Customs continued with a national drug education program developed in 1999 and formalized in an agreement with the state (Lutheran) church in 2003. As part of the program, an officer accompanied by a narcotics sniffing dog informs students participating in confirmation classes about the harmful effects of drugs and Iceland's fight against drug smuggling. Parents are invited to

the meetings in order to encourage a joint parent-child effort against drug abuse. Customs officials also use the meetings to distribute an educational multimedia CD dealing with drug awareness.

In spring 2005, European Cities against Drugs launched a new Europe-wide drug prevention program geared toward teenagers that is based on the conclusions of an Icelandic research program on drug prevention. The Icelandic program, Drug Free Iceland 1997-2002, was launched by the City of Reykjavik and resulted in a substantial reduction in teen drug use between 1998 and 2004. The European program, Youth in Europe, will be based on key results from the Icelandic project and emphasize the importance of organized leisure activities, as well as time spent with parents, as the Icelandic study showed that these reduced the likelihood of drug use. The program will study drug use in 10 European cities, compare different prevention methods, and attempt to motivate institutions, authorities, schools and the urban public to confront the drug menace. The program is sponsored by the pharmaceutical company Actavis Group, headquartered in Iceland, and is administered and coordinated by the City of Reykjavik, the University of Iceland, and Reykjavik University. A Reykjavik city council member and a medical doctor head the program's steering committee, and the President of Iceland, Mr. Olafur Ragnar Grimsson, is the honorary "patron" of the project.

Law Enforcement Efforts. Through November 2005, Keflavik Airport (KEF) authorities made 33 seizures of controlled narcotics compared to 60 for the same period in 2004. Authorities have documented a substantial upward trend in narcotics apprehensions in Iceland over the past several years (from 1,385 in 2003, to 1,671 in 2004, and 1,754 as of December 13, 2005). While one explanation may be escalating drug use, that runs counter to survey results, reported above. Another explanation is increased enforcement against possession. Police nationwide have intensified surveillance in public places and initiated searches of suspicious individuals. Nationwide drug seizure enforcement highlights include:

- In January, KEF Customs arrested two men after finding 4 kilograms of amphetamines concealed in a hidden compartment in a suitcase. This is the largest amount of amphetamines ever confiscated at one time at KEF.
- In January and May, a Norwegian Customs expert in training drug-sniffing dogs conducted courses for Icelandic police and customs officials. Authorities contend that the dogs' success rate in finding narcotics has significantly improved since the adoption of Norwegian methods. Customs and police deployed drug-sniffing dogs to popular outdoor festivals on a holiday weekend in early August to deal with drug distribution among attending youths. Police credit their stricter law enforcement and the deployment of the drug-sniffing dogs for approximately 100 arrests made at the festival, a large increase from previous years.
- In March, KEF police seized 800 grams of cocaine from a woman in her sixties who had hidden it in a wig.
- In May and June, Reykjavik District Court convicted nine people in connection with one of the most wide-ranging narcotics cases in the history of Iceland, involving the smuggling of approximately 7.7 kilograms of amphetamines and 2,000 doses of LSD on a cargo ship. The defendants received punishments ranging from a fine to six-and-a-half years in prison (later reduced by the Supreme Court to four years in return for the defendants' cooperation with the investigation). Icelandic police discovered an additional 4,000 doses of LSD in a suitcase. The suitcase belonged to one of the defendants in the cargo ship smuggling incident. It had been seized by Dutch authorities from the defendant's apartment in the Netherlands. Dutch authorities simply overlooked the secreted drugs. This surprising find resulted in the single largest confiscation of LSD ever in Iceland.

- In June, an Icelandic court sentenced two Lithuanians to three years in prison for smuggling 4 kilograms of amphetamines to Iceland on a passenger ferry arriving in Seydisfjordur (East Iceland) from Denmark via the Faeroe Islands. The men had hidden the drug in a specially outfitted storage space inside a beam under their vehicle.
- Also in June, five men and a woman were sentenced to one to two years in prison for attempting to smuggle 1,000 ecstasy pills and 130 grams of cocaine, which they had concealed in hollow candles, in through KEF.
- In December, KEF security arrested a man with 3 kilograms of hashish in his suitcase, the largest amount seized at the airport this year.
- In December, police arrested a man in southern Iceland on charges of possessing 165 cannabis plants and about 5 kilograms of marijuana.

Despite the increased number of violations, law enforcement expects the total amount of narcotics seized to be lower overall. The amount of amphetamines authorities expect to have seized at year's end will be almost the same as in 2004 or about 16 kilograms. During the year, police seized at least 1,200 ecstasy pills, down from around 7,500 seized in 2004; and confiscated approximately 3,200 cannabis plants, almost as many as in the previous four years combined (latest available National Commissioner of Police figures). Through November, KEF authorities seized a total of 2.7 kilograms of hashish, 800 grams of cocaine, and 3.9 kilograms of amphetamines

The National Police Commissioner has expressed concern about attempts at infiltration by Eastern European gangs and criminals from the Baltic States. In the past, police have cooperated with Nordic officials to prevent the entry of biker gang members supposedly attempting to import their criminal operations into Iceland; there were no new biker gang incidents this year.

Corruption. The country does not, as a matter of government policy, encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior official of the government is known to engage in, encourage, or facilitate the illicit production or distribution of such drugs or substances, or to be involved in the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Iceland is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs as amended by its 1972 Protocol. Iceland has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. An extradition treaty is in force between the U.S. and Iceland.

Drug Flow/Transit. Authorities consider Iceland a destination country for narcotics smuggling rather than a transit point. There have been no major seizures of transit shipments during the year and only rare seizures of such shipments in previous years.

Domestic Programs (Demand Reduction). Heroin abuse is virtually unknown in Iceland. Cannabis is the prevalent drug among persons under 20, while older addicts are partial to injecting morphine. Ecstasy, cocaine (but not crack cocaine), and particularly amphetamines are popular on the capital region's weekend club scene. Most alcohol and drug abuse treatment is taken on by the National Center of Addiction Medicine (SAA). Founded in 1977 by a group of recovered addicts who wished to replicate the rehabilitation services they had received at the Freeport Hospital in New York, SAA now receives roughly two thirds of its annual budget from the government. It makes detoxification and inpatient treatments available free to Icelandic citizens. While there can be waiting lists for long-term addicts, especially men, there are none for teenagers. SAA's main treatment center estimate for the number of admitted patients in 2005 is around 2,100, which is down by several hundred from previous

years. SAA has had to reduce some services due to rising costs in excess of government funding. Its emergency reception center closed at the beginning of 2005 due to lack of funding but reopened in early December 2005 after receiving a promise of private funding from seven Icelandic corporations. Some 300 drug addicts annually (often those with complicating psychiatric illnesses) go to the National-University Hospital. In addition, individuals with less acute problems may turn to Samhjalp or Byrgid, two Christian charities that use faith-based approaches to treating addiction.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The DEA office in Copenhagen and the Regional Security Office in Reykjavik have a good working relationship with Icelandic law enforcement personnel for the purpose of cooperating on narcotics investigations and interdiction of shipments. In the past year the Embassy's Regional Security Office has worked closely with the Icelandic Border Police on implementing advanced screening techniques, scrutinizing identity documents, and developing intelligence on traffickers. The USG's goal is to maintain the good bilateral law enforcement relationship that has facilitated the exchange of intelligence and cooperation in narcotics cases.

The Road Ahead. The U.S. will continue efforts to strengthen exchange and training programs to further improve law enforcement with Iceland.

Ireland

I. Summary

The Republic of Ireland is not a transshipment point for narcotics to the United States, nor is it a hub for international drug trafficking. According to Government of Ireland (GOI) officials, overall drug use in Ireland continues to remain steady, with the exception of cocaine use, which continued its upward trend. Seizures have also increased as traffickers attempt to import drugs in larger quantities. The GOI's National Drug Strategy aims to significantly reduce drug consumption through a concerted focus on supply reduction, prevention, treatment, and research. In 2004, the GOI signed the European Arrests Warrant Act 2003, allowing Irish police to have suspects detained by foreign police and extradited to Ireland for trial, and the Criminal Justice Act, enabling Irish authorities to investigate international criminality in close cooperation with EU member states. Ireland is a party to the 1988 UN Drug Convention.

II. Status of Country

Ireland is not a transit point for drugs to the United States, but it is occasionally used as a transit point for narcotics trafficking to other parts of Europe, including across its land border to Northern Ireland. Ireland is not a significant source of illicit narcotics, though in a single raid in 2004, officials found a quantity of precursors intended to manufacture around Euro 500 million worth of ecstasy and amphetamines.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The GOI continued to implement drug abuse strategies it established in its National Drug Strategy for 2001-2008. Its goal is to “to significantly reduce the harm caused to individuals and society by the misuse of drugs through a concerted focus on supply reduction, prevention, treatment and research.” By 2003, substance abuse programs were a part of every school curriculum in the country and the GOI launched the National Awareness Campaign on Drugs. The campaign featured television and radio advertising, and lectures by police, supported by an information brochure and website, all designed to promote greater awareness and communication about the drug issue in Ireland. Regional Drug Task Forces (RDTF), set up to examine drug issues in local areas, were fully operational throughout the country. The GOI established a review procedure to measure how effectively each department in the government is internally implementing the National Drug Strategy. The GOI released the results and recommendations of this review in June 2005. It found that 49 of the 100 actions set out in the strategy published in 2001 are completed or almost so, progress has been made in 45 of them, and six need considerably more progress. The review made rehabilitation of drug users a fifth pillar of the strategy, and recommended greater availability of needle exchanges and increased resources for community policing. A Working Group was set up to develop a strategy for the provision of integrated drug rehabilitation services. The GOI announced a National Drug-Related Deaths Index on September 27. The index will provide an accurate estimate of people who die directly from drugs and an accurate estimate of people who die as a result of the consequences of drug use.

Accomplishments. Seizures in 2003 had reached Euro 121 million, three times the goal set in the National Drug Strategy for that year. (Figures for 2004 and 2005 are not yet available). The Justice Minister attributed this both to the increase in usage and improvements in law enforcement. The Irish Police continued to cooperate closely with other national police forces, which in one such case resulted in the arrest in Spain of 11 people and the seizure of over four tons of cocaine, worth an

estimated Euro 330 million. Authorities believe the cocaine was intended for distribution to other European countries, including Ireland.

Law Enforcement Efforts. Although official statistics are not yet available for 2005, the Irish Police confirmed that drug-related arrests remained constant over the previous three years. There are normally 7,000-8,000 arrests annually, including the approximately 450 arrests made by the National Drug Unit (NDU) each year. The NDU's arrests tend to include most of the large seizures, but local police also have had success. For example, in 2005 the local police in Limerick seized various narcotics totaling over Euro five million, including a May 13 seizure of 150 kilograms of cannabis resin with an estimated market value of over Euro one million. Each year, 60-65 percent of arrests for drug-related offenses nationwide tend to be for simple possession, 20-25 percent are for possession with the intention to sell, and the remainder of arrests are related to obstructing drug arrests or forging prescriptions.

During 2005, arrests and prosecutions included the seizure on March 22, of 200 kilograms of cannabis with an estimated street value of Euro 1.5 million during a search of a house in the Malahide area of Dublin. A man jailed in April 2004 for possession of nearly Euro 16 million worth of cocaine and cannabis had his prison sentence increased from five to seven years by the Court of Criminal Appeal in March. A man who was caught by police with Euro 108,000 worth of heroin and cocaine in 2004 was jailed for six years by the Dublin Circuit Criminal Court. In July 2005, three men were arrested following the seizure of 20 kilograms of cocaine, worth Euro 1.5 million, in Portlaoise. In August 2005, a truck driver, found in possession of cannabis and cocaine with a combined value of over Euro 15 million was jailed for 10 years at Dublin Circuit Criminal Court. In August 2005, the NDU recovered cocaine worth Euro 4.5 million in a raid on a house in Dublin. Police believe that a major drug gang used the house as a base to prepare, mix and package an average of eight kilograms of uncut cocaine every two weeks for the past year for distribution across south Dublin. The cocaine recovered had a purity of almost 80 percent, compared to the average street-level purity of between 25 percent and 30 percent. In August 2005, as part of the result of an ongoing investigation, police and customs officials seized 1.2 tons of cannabis resin in Kildare valued at Euro 10 million. This resulted in the arrest and detention of three Irish men and a Spaniard under Section 2 of the Drug Trafficking Act. In Dublin, on the same day, police seized some 20 kilograms of cocaine, worth Euro 1.5 million. In October 2005, during a planned raid on a crack manufacturing operation in Dublin, police seized 900g of cocaine, 300g of crack cocaine and drug paraphernalia. The drugs had an estimated street value of Euro 150,000. On the same day, police and customs service officers seized 15 kilograms of cocaine, worth Euro 1.2 million, from baggage at Dublin airport, and arrested two women in a follow-up operation.

Corruption. As a matter of government policy, Ireland does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Senior officials of the government do not engage in, encourage, or facilitate the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. An MLAT between the United States and Ireland, signed in January 2001, is now in force. An extradition treaty between Ireland and the United States is also in force. Ireland is a party to the 1998 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Ireland has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption.

Cultivation/Production. Only small amounts of cannabis are cultivated in Ireland. There is no evidence that synthetic drugs were produced domestically this year.

Drug Flow/Transit. Among drug abusers in Ireland, cocaine, cannabis, amphetamines, ecstasy (MDMA), and heroin are the drugs of choice. A Council of Europe report on organized crime, published in January, said Ireland had the highest rate of ecstasy and amphetamine use in Europe and the second highest rate of cocaine abuse. The UN Office on Drugs and Crime (UNODC) World Drug Report 2005, published in June, placed Ireland in joint third place (out of 30 European countries) for cocaine use and in joint sixth place for ecstasy use. Cocaine comes primarily from Colombia and other countries in Latin America and the Caribbean. Heroin, cocaine, ecstasy, and cannabis are often packed into cars in either Spain or the Netherlands and then brought into Ireland for distribution around the country. This distribution network is controlled by 6 to 12 Irish criminal gangs based in Spain and the Netherlands. Herbal cannabis is primarily imported from South Africa.

Domestic Programs (Demand Reduction). There are 7,100 treatment sites for opiate addiction, exceeding the GOI's National Drug Strategy target of 6,500 treatment sites. The Strategy also mandates that each area Health Board have in place a number of treatment and rehabilitation options. For heroin addicts, there are 65 methadone treatment locations. Most clients of treatment centers are Ireland's approximately 14,500 heroin addicts, 12,400 of which live in Dublin. In 2004, the GOI undertook an evaluation of drug treatment centers' ability to cope with the leveling off of heroin use and the increase of other drugs. Four pilot projects to tackle cocaine use were announced in January 2005, following a number of reports which indicate that abuse of the drug has increased substantially in recent years. The four projects are aimed at different types of drug users in Dublin's inner city and Tallaght and will differ in their approaches to dealing with cocaine abuse. The projects will include diversionary therapies aimed at mainly intravenous users, group drug counseling, individual drug counseling, and cognitive behavior therapy.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. In 2005, the United States continued legal and policy cooperation with the GOI, and benefited from Irish cooperation with U.S. law enforcement agencies such as the DEA. Information sharing between U.S. and Irish officials continued to strengthen ties between the countries.

The Road Ahead. U.S. support for Ireland's counternarcotics program, along with U.S. and Irish cooperative efforts, continues to work to prevent Ireland from becoming a transit point for narcotics trafficking to the United States.

Italy

I. Summary

The Government of Italy (GOI) is firmly committed to the fight against drug trafficking domestically and internationally. The Berlusconi government continues its strong counternarcotics stand with capable Italian law enforcement agencies. Italy is a consumer country and a major transit point for heroin coming from the Near East and southwest Asia through the Balkans as well as for cocaine originating from South America enroute to western/central Europe. Domestic and Italy-based foreign organized crime groups are heavily involved in international drug trafficking. GOI cooperation with U.S. law enforcement agencies continues to be exemplary. Italy is a party to the 1988 UN Drug Convention.

II. Status of Country

Italy is mainly a narcotics transit and consumption country. Law enforcement officials focus their efforts on heroin, cocaine, and hashish. Possession of small amounts of illegal drugs is an administrative, not a criminal, offense, but drug traffickers are subject to stringent penalties. Although Italy produces some precursor chemicals, they are well controlled in accordance with international norms, and not known to have been diverted to any significant extent. Law enforcement agencies with a counternarcotics mandate are effective.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Italy continues to combat narcotics aggressively and effectively. The Berlusconi government has made combating drug abuse a high priority, although its focus is more on prevention, improved treatment, and rehabilitation than criminalization of abusers. A draft law submitted to Parliament in late 2003 would change this approach, eliminating the legal distinction between hard and soft drug use as well as decreasing the tolerance for possession of a “moderate quantity” of drugs, making possession and personal use of drugs illegal. At a minimum, drug users would be compelled to enter treatment or face administrative penalties such as suspension of driving licenses or passports. Above certain prescribed levels, violators would face criminal charges, including 6-20 years in prison, and fines ranging from \$22,000 to over \$220,000. Deliberations on this law began in 2004 and continued through 2005 in the Senate Justice Committee. At the multilateral level, Italy contributed \$12 million to the UN Office for Drug Control and Crime Prevention (UNODC), making it one of the largest donors to the UNODC budget. Italy also supported U.S. key objectives at the UN commission on narcotic drugs.

Law Enforcement Efforts. Comparing data from January to October 2005, seizures of cocaine and hashish have increased, while those of heroin and marijuana have decreased. As of October 2005, the Italian police apprehended 18,000 people on narcotics-related offenses and seized approximately 27,000 kilograms of narcotics (1,168.4 kilograms of heroin; 3,714.4 kilograms of cocaine; 19,947.5 kilograms of hashish; and 2,024.1 kilograms of marijuana) and 284,310 MDMA tablets. The major nationalities of those arrested were Moroccan, Tunisian, Albanian, Algerian, Nigerian, Spanish, Senegalese, and Colombian.

In October 2005, the Italian police led an international drug bust involving five countries (Italy, Spain, Argentina, France, and the Netherlands) that netted about 1.5 tons of cocaine and over 120,000 ecstasy tablets; at least 60 people were arrested. Also in October, the Italian Carabinieri (military police) busted an organized crime-led international drug trafficking network based in southern Italy. Over 40

individuals were arrested and about 100 others were put under investigation. The fight against drugs is a major priority of the National Police, Carabinieri, and financial police counternarcotics units. The counternarcotics units of the three national police services are coordinated by the Central Directorate for Drug Control Prevention (DCSA). Working with the liaison offices of the U.S. and western European countries, DCSA has 19 drug liaison officers in 18 countries that focus on major traffickers and their organizations. Additional drug liaison positions were created in Tehran, Iran and Tashkent, Uzbekistan. Investigations of international narcotics organizations often overlap with the investigations of Italy's traditional organized crime groups (e.g. the Sicilian Mafia, the Calabrian N,drangheta, the Naples-based Camorra and the Puglia-based Sacra Corona Unita). During a two-year investigation leading to a major drug bust in early 2005, Italian officials confirmed working links on drug trafficking between the Mafia, N,drangheta, and Camorra.

Additional narcotics trafficking groups are Nigerian, Albanian, and other Balkan organized crime groups responsible for smuggling heroin into Italy, while Colombian, Dominican and other South American trafficking groups are involved in the importation of cocaine. Italian law enforcement officials employ the same narcotics investigation techniques used by other western countries: informants, extensive court-ordered wire-tapping of phones and e-mail accounts, undercover operations and controlled deliveries under certain circumstances. Adequate financial resources, money laundering laws, and asset seizure/forfeiture laws help ensure the effectiveness of these efforts.

Corruption. As a matter of government policy, Italy does not encourage or facilitate the illicit distribution of narcotics or the laundering of proceeds from illegal drug transactions. No senior official of the government of Italy engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Corruption exists in Italy although it rarely rises to the national level and it does not compromise investigations. When a corrupt law enforcement officer is discovered, authorities take appropriate action. Penalties range from 6 months to 5 years in prison, depending on the charge.

Agreements and Treaties. Italy is a party to the 1961 UN Single Convention as amended by its 1972 Protocol, as well as the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Italy has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime, which is still being examined by the Justice Ministry. Italy has signed, but has not yet ratified the UN Convention Against Corruption. Italy has bilateral extradition and mutual legal assistance treaties with the U.S., which will be affected by the new U.S.-EU mutual legal assistance and extradition treaties agreed to in 2003. Italy and the U.S. have concluded negotiations on the instruments to implement the U.S.-EU treaties, and it is expected that they will be signed in early 2006.

Cultivation/Production. There is no known cultivation of narcotics plants in Italy, although small-scale marijuana production in remote areas does exist, but is mainly for domestic consumption. No heroin laboratories or processing sites have been discovered in Italy since 1992. However, opium poppy grows naturally in the southern part of Italy, including Sicily. It is not commercially viable due to the low alkaloid content. No MDMA-ecstasy laboratories have been found in Italy.

Drug Flow/Transit. Italy is a consumer country and a major transit point for heroin coming from southwest Asia through the Balkans en route to western and central Europe. A large percentage of all heroin seized in Italy comes via Albania. Albanian heroin traffickers work with Italian criminal organizations as transporters and suppliers of drugs. Heroin is smuggled into Italy via automobiles, ferryboats and commercial cargo. Albania is a source country for marijuana destined for Italy. During 2002-2004, Italian law enforcement agencies seized 15, 907 kilograms of marijuana originating in Albania. Italian seizures of Albanian marijuana in 2004 (801 kilograms) were significantly lower than 2003 levels (9,258 kilograms).

Almost all cocaine found in Italy originates with Colombian and other South American criminal groups and is managed in Italy mainly by Calabrian-based organized crime groups. Multi-hundred kilogram shipments enter Italy via several seaports concealed in commercial cargo. Although the traditional Atlantic trafficking route is still in use, stepped-up international scrutiny and cooperation are forcing traffickers to use alternative avenues. Italian officials have detected traffickers using transit ports in Nigeria, Togo, and Ghana where drugs are off-loaded to smaller fishing vessels that ultimately reach Spain and other Mediterranean approaches. Cocaine shipments off-loaded in Spain and the Netherlands are eventually transported to Italy and other European countries by means of vehicles. Smaller amounts of cocaine consisting of grams to multi-kilogram (usually concealed in luggage) enter Italy via express parcels or airline couriers traveling from South America.

Ecstasy found in Italy primarily originates in the Netherlands and is usually smuggled into the country by means of couriers utilizing commercial airlines, trains or vehicles. Italy is also used as a transit point for couriers smuggling ecstasy destined for the United States. A method used by trafficking groups in the past has been to provide thousands of ecstasy tablets to couriers in Amsterdam concealed in luggage. The couriers then travel by train or airline to Italy facilitated by the EU's open borders. Once in Italy, the couriers are provided an originating airline ticket from Italy to the U.S. disguising the couriers, recent travel from a source country, thereby reducing the chance of scrutiny by law enforcement authorities in the U.S.

Hashish comes predominantly from Morocco through Spain, entering the Iberian Peninsula (and the rest of Europe) via sea access points using fast boats. Hashish also is smuggled into Italy on fishing and pleasure boats from Lebanon. As with cocaine, larger hashish shipments are smuggled into Spain and eventually transported to Italy by vehicle.

Domestic Programs/Demand Reduction. The GOI promotes drug prevention programs using abstinence messages and treatment aimed at the full rehabilitation of drug addicts. The Italian Ministry of Health funds 557 public health offices operated at the regional level while private nonprofit NGOs operate another 1,430 social communities for drug rehabilitation. Of the 500,000 estimated drug addicts in Italy, 159,000 receive services at public agencies and approximately 15,000 are served by smaller private centers. Others either are not receiving treatment or arrange for treatment privately. The Berlusconi government continues to promote more responsible use of methadone at the public treatment facilities. For 2005, the Italian Government budgeted \$141 million for counternarcotics programs run by the health, education, and labor ministries. Seventy-five percent of this amount is dedicated to the different regions and the remaining 25 percent is for national programs.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. and Italy continue to enjoy exemplary counternarcotics cooperation. The DEA Administrator visited Italy in April 2004 to discuss counternarcotics issues with both Italian law enforcement and ministry level officials. During 2005, the DEA continued the Drug Sample Program with the GOI, which consists of the analysis of seized narcotics to determine purity, cutting agents and source countries. From January-November 2005, the DEA received approximately 140 samples of heroin, cocaine and ecstasy. DEA recently expanded this program to the countries of Slovenia, Croatia and Albania. The sample collection from these countries and others in the Balkan region is essential in determining production methods and trafficking trends that ultimately impact Italy. The DEA independently conducted drug awareness programs at international schools in Rome and Milan. The DEA also provided training to Italian counterparts in the areas of asset forfeiture, undercover operations, and forensic chemistry.

The Road Ahead. The USG will continue to work closely with Italian officials to break up trafficking networks into and through Italy as well as to enhance both countries' abilities to apply effective demand dampening policies. The Italian authorities are considering an invitation by the Government

of Afghanistan's "Drug Czar" to assign a drug liaison officer in Kabul, Afghanistan. Italy also maintains a large liaison office in Albania made up of Carabinieri, Finance Police, and National Police to assist Albanians interdicting narcotics originating there and destined for either Italy or other parts of Europe.

Kazakhstan

I. Summary

Kazakhstan continues to be an important narcotics transit country, especially for drugs coming out of Afghanistan. The Ministry of the Interior's Committee on Combating and Controlling Narcotics estimates that approximately 1,400 tons of Afghanistan's opium will move through Kazakhstan this year via the northern Afghan route (Uzbekistan-Kyrgyzstan-Kazakhstan). It is also estimated that approximately 10 percent of these drugs will be sold in Kazakhstan. According to data provided by the Committee, more than 19 tons of narcotics, including 130 kilograms of heroin, have been seized since the beginning of this year. Kazakhstan is a party to the 1988 UN Drug Convention.

II. Status of Country

While there is some cultivation of narcotic crops and production of narcotics in Kazakhstan, it is primarily a transit country. Although Kazakhstan's existing small-scale cultivation of marijuana and opium suggest that it could become a major producer of narcotics in the future, evidence continues to suggest that local production is minimal at present. The Committee on Combating and Controlling Narcotics' statistics for the first nine months of 2005 show that the annual "Operation Poppy" campaign only eradicated approximately 15,271 square meters of illicit poppy and marijuana cultivation. There were no discoveries of laboratories for the production of narcotics.

The Committee for National Security (KNB) has uncovered two new routes of movement for opiates and heroin transiting the country: Kyrgyzstan-Kazakhstan-China-Australia and Afghanistan-Tajikistan-Kazakhstan-Russia-Japan. In addition, the KNB continues to monitor the long established route through Kazakhstan-Russia to western Europe. During the KNB's operation "Trap" this year, more than 1,250 kilograms of opium and more than 200 kilograms of heroin were seized from an internationally operated narcotics ring led by a Kazakhstani citizen of Tajik descent. The ring laundered the proceeds received from the sale of narcotics by creating fictitious contracts supposedly related to the sale of wheat and flour. The KNB traced this laundered money to bank accounts in Germany and the Baltic countries. In an August 2005 article published in a *Izvestiya-Kazakhstan* newspaper, a KNB official was quoted as saying that the investigation of only one of these bank accounts turned up more than \$1.6 million from the sale of narcotics, which had been transferred abroad. The KNB continues to investigate the international narcotics and money laundering ring.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Presently, Kazakhstan is in the fifth year of its five-year plan to fight drug trafficking. On March 3, 2004, the President signed a decree that established the Committee on Combating and Controlling Narcotics within the Ministry of the Interior. This DEA-like office coordinates efforts among law enforcement entities, analyzes developing trends in the trafficking and consumption of narcotics, initiates legal reform and drafts statutes pertaining to the narcotics problem in Kazakhstan, interacts with the mass media and the press to inform the public on counternarcotics efforts taken by the Committee and other governmental agencies, and engages with international counterparts through the local branch of Interpol. The Committee's staff is comprised of 580 officers. The Committee has been operational for more than a year, and it is already responsible for more than its present staff can handle. According to the Head of the Committee, Vice Minister Vyborov, only 13 officers are engaged in significant investigative work related to the elimination of major narcotics trafficking. Vice Minister Vyborov also noted that the work of the Committee over the last year has increased five times and that the Committee's staff must tackle a variety of tasks ranging from

submitting tenders for narcotics search equipment to conducting undercover work. The MIA requested \$16.5 million for its new three-year counternarcotics program including over \$5 million for first-year operations in 2006.

According to Vice Minister Vyborov, Kazakhstan needs stricter legal punishments for those involved in drug trafficking and the sale of narcotics, especially to minors. During a Governmental meeting chaired by the Prime Minister, the Minister of the Interior announced that 2,626 people had been convicted of narcotics-related charges in 2004, but one in every four was given a suspended sentence. He also stressed the prevalence of repeat offenders, noting that every fifth offence was committed by a previously-convicted criminal. Furthermore, he noted that only one of the 316 criminals convicted in 2004 for serious narcotics offenses received the maximum sentence of 15 years of imprisonment. On average, narcotics dealers only receive a sentence of three years imprisonment. Moreover, a majority of convicted criminals are paroled and released early without serving a complete sentence. In order to address these shortcomings, the MIA initiated changes to the Law of the Republic of Kazakhstan on “Narcotics, psychotropic substances, precursors, and countermeasures to illegal consumption” in 2005. More specifically, the Committee’s recommendations include stricter sentences for narcotics barons and narcotics dealers, as well as more regulated procedures for the destruction of seized narcotics to eliminate its leakage back into the market. The Prime Minister supported these proposed changes and promised the MIA that the GOK will expedite the amendments to the legislation. This legislative initiative is part of the first stage of the Government’s counternarcotics program for 2006-2014.

Another major policy initiative taken by the Committee is the creation of an internal narcotics checkpoint system entitled “Narcotics Boundaries.” The Committee plans to establish six checkpoints to search vehicles on six major highway intersections and three checkpoints at railroad stations. Construction of the structures at these checkpoints will be directly funded by INL or via an INL grant to UNODC. The GOK has allocated more than \$700,000 for the “Narcotics Boundaries” program. According to Vyborov, each of the nine “Boundary” posts will be manned by a Committee officer, a road patrol officer, a migration police officer, and a dog handler.

On July 8, 2005, the GOK signed the “Additional Protocol to the Memorandum of Understanding on Narcotics Control and Law Enforcement between the Government of the United States of America and the Government of the Republic of Kazakhstan” (ALOA). This agreement established a framework for the implementation of projects designated to improve the capacity of Kazakhstani law enforcement agencies to combat narcotics trafficking and organized crime. The agreement includes the provision of technical assistance aimed at improving the ability of the Ministry of the Interior’s counternarcotics forces to apprehend narcotics and other contraband transiting through Kazakhstan and to improve the collection and reporting of crime statistics with an emphasis on those statistics and regions germane to the evaluation of GOK progress in the fight against narcotics trafficking.

Accomplishments. The Committee on Combating Narcotics, whose sole responsibility is fighting narcotics, is in the final stages of adopting a “Master Plan for the Control of Illicit Drugs and Organized Crime.” The Central Asia Regional Information Coordination Center (CARICC) is a \$6.5 million, four-year, UNODC project. The Center's main objective is to develop and promote regional cooperation in counternarcotics efforts between Azerbaijan, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, and Uzbekistan. The Center, which will be based in Almaty, will house a shared database of regional intelligence and will produce operational intelligence and strategic assessments concerning narcotics trafficking and related crimes.

Law Enforcement Efforts. The GOK claims to have seized more than 19 tons of various narcotics (raw marijuana, etc.), including 130 kilograms of heroin. Seizures are for the first nine months of 2005. Since the beginning of 2005, more than 15 undercover operations were led by the Committee. Seven major organized criminal groups and four smuggling rings with ties to other organized crime groups in the Southern-Kazakhstan region, the Eastern-Kazakhstan region, and the city of Almaty

were apprehended and charged with illicit narcotics activities. More than 64 kilograms of heroin were seized from one of these groups in April 2005. After a six-month covert operation, Committee officers seized a substantial load of heroin, its largest seizure of 2005, hidden in a truck transporting tomatoes. In August 2005, the Committee also seized four loads of marijuana, each weighing more than a ton. The annual project "Operation Poppy," which combines intelligence collection, interdiction of smugglers, eradication of cultivation, and demand reduction was conducted from May 20 until October 20, 2005. More than 1,800 officers from the Ministry of the Interior, 141 officers from Customs, and 99 officers from the Committee for National Security combined their efforts in undertaking the operation. As a result, 3,803 individuals, including 88 CIS citizens from outside Kazakhstan, were detained for the production, processing, and trafficking of narcotics. "Operation Poppy" also concentrated on the control and seizure of psychotropic substances and precursors. Overall, this operation led to 83 criminal convictions related to the abuse of psychotropic and controlled substances, which represents almost a 25 percent increase over 2004. In addition to these arrests, more than 15,271 square meters of illicit poppy and marijuana were eradicated, and 4,607 other drug related arrests were made, which is more than a 100 percent increase over last year (2,134 cases in 2004).

In an April 2, 2005, interview with the *Kazakhstanskaya Pravda* newspaper, the Head of the KNB stated that there are no heroin-producing laboratories operating on the territory of Kazakhstan. He also noted that southern Kazakhstan has become a new hub for narcotics trafficking and one of the most critical regions in the country's counternarcotics efforts. In March 2005, after two years of cooperation with Tajik and Russian colleagues, the KNB dismantled an international narcotics trafficking ring based in the southern Kazakhstan city of Shymkent. As a result, 268 kilograms of raw opium and 66 kilograms of heroin were seized. The KNB Head added that the group had utilized a warehouse in Shymkent to store heroin entering Kazakhstan from Uzbekistan and Kyrgyzstan. After being re-packaged in the warehouse, the heroin was transported in hidden car compartments to Russia. The KNB also raided several auto shops in Shymkent that had begun specializing in the construction of hidden compartments for vehicles. During the first three months of 2005, law enforcement officials in southern Kazakhstan seized 238 kilograms of opium, and 37 kilograms of heroin. During the same time period in 2004, officials in the region only apprehended 31 kilograms of opium and 45 kilograms of heroin. Similarly, the number of narcotics addicts in the southern region increased by 100 percent in the last year. Most of these drug addicts are young, with the average age of addicts being 14-15 years old. The youngest drug addict presently going through a rehabilitation program in the region is eight years old.

Law enforcement circles in Kazakhstan are also seriously concerned about the expansion of synthetic drugs. In 2005, the KNB seized more than 36,000 ecstasy pills. All synthetic drugs seized in the country were produced outside of Kazakhstan. Despite this increase in nonopiate narcotics, heroin still remains the drug of choice in Kazakhstan.

Corruption. The significant corruption in Kazakhstan inevitably is a factor hampering the country's war on drugs. Nonetheless, there appears to be an increasing effort to apprehend law enforcement officials involved in corruption. Corruption charges were brought against 15 individuals from the Ministry of the Interior for illegal actions involving their operations with narcotics. Police officers are required to destroy all narcotics after their use as court evidence, but it is likely that much of these seized narcotics return to circulation via corrupt law enforcement officials. During the first eight months of 2005, 29 out of 39 state officials accused of corruption were convicted based on evidence provided by KNB. Among the accused are a district mayor, three judges, 23 police officers, and two Financial Police officers. In all cases, the perpetrators were sentenced to jail terms and were immediately terminated from their government positions. One of these cases involved a former police officer from the western region of Kazakhstan who was arrested for selling heroin and sentenced to ten years imprisonment in a maximum-security prison. While these efforts demonstrate that the GOK is at

least beginning to address corruption among law enforcement officials combating narcotics, given the money involved in drug trafficking, it is likely that corruption will continue to be an issue of grave concern. Kazakhstan is not a party to the UN Convention Against Corruption.

Agreements and Treaties. Kazakhstan is party to the 1988 UN Drug Convention, 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Kazakhstan also is a party to the UN Convention Against Transnational Organized Crime. Kazakhstan has signed the Central Asian counternarcotics Memorandum of Understanding with UNODC. The Kazakhstan national counternarcotics law, passed in 1998, specifically gives the provisions of international counternarcotics agreements precedent over national law (Article 3.2).

Cultivation/Production. Marijuana grows wild on about 1.2 million hectares of southern Kazakhstan, with the largest single location being in the Chu Valley. It is estimated that 97 percent of the marijuana sold in Central Asia originates in Kazakhstan. The production of opium and heroin remains minimal. In the first nine months of 2005, the Committee on Combating Narcotics identified 164 cases of the illicit cultivation of opium poppies and marijuana. In August 2005 operatives from the Committee on Combating Narcotics apprehended a 40 year old resident of the Chu Valley who had harvested more than one ton of marijuana for sale, and seized another ton of marijuana from a separate Chu Valley resident. These cases were the biggest marijuana seizures this year.

Drug Flow/Transit. Kazakhstan continues to be an important transit country, especially for drugs coming out of Afghanistan. The law enforcement officials of Kazakhstan estimate that one-third of Afghanistan's 4,200 tons of heroin will pass through Kazakhstan this year and that 10 percent of this heroin will remain in Kazakhstan to be consumed by local addicts. The main routes for narcotics coming into Kazakhstan continue to run through Tajikistan and Kyrgyzstan.

Domestic Programs. Kazakhstan's increasing prosperity has also created a new market for artificial drugs, particularly ecstasy and amphetamines. These drugs are particularly popular among the patrons of the country's 700 night clubs. Nonetheless, the growing popularity of these drugs poses much less a threat to Kazakhstan than does the country's ever-expanding heroin problem. Opiate addiction continues to increase in the country, likely due to the large amount of heroin and opium transiting Kazakhstan. During the first nine months of 2005, it was estimated that there were approximately 52,137 drug addicts in Kazakhstan (47,000 in 2004). The GOK has sponsored several drug awareness programs since the beginning of this year. These programs were initiated as part of a pilot project on combating narcotics among the underage and teenage population.

IV. U.S. Policy Initiatives and Programs

Despite its continued problems of drug trafficking and drug abuse, Kazakhstan has made considerable progress. Given Kazakhstan's great potential as a partner in the fight against narcotics, the overall goal of the United States is to develop a long-term cooperative relationship between the police and investigative services of the United States and those of Kazakhstan. This relationship will enhance the professional skills of officers and improve the organization and management of GOK law enforcement services thereby increasing their effectiveness in the fight against illegal narcotics. All assistance provided by the U.S. in 2005 was intended to further this larger long-term goal. To allow for the more efficient inspection of trucks and vehicles, State Department Counternarcotics assistance (INL) provided an inspection hangar at the Ulken counternarcotics checkpoint this year. The Ulken checkpoint is approximately 400 km northeast of Almaty. The construction was completed in October 2005 and is located on a major highway with a constant flow of trucks and vehicles from Kyrgyzstan, Tajikistan, and Uzbekistan. Ulken will serve as a model for two internal MIA checkpoints in Kyzyltu and Beineu that INL will equip, and for the remaining five checkpoints which UNODC will construct with INL funds. INL continued to cooperate with the Border Guard Service. As part of a larger project aimed at combating narcotics trafficking in Kazakhstan, INL provided search equipment for the Aul

and Zheshkent Border Guard posts on the Russian-Kazakhstani border. During joint discussions of funds and projects for 2006, the Border Guards requested that we change our focus from working on the Russian-Kazakhstani border to working on the Kyrgyz-Kazakhstani border. The Border Guards felt that it made more sense to concentrate on controlling the traffic of incoming narcotics from Kyrgyzstan as opposed to controlling the outflow of narcotics from Kazakhstan to Russia.

The Road Ahead. Kazakhstan is making serious efforts to end its status as a narcotics transit country. The GOK is working to refine its laws related to narcotics, to develop its police services and to cooperate with the international community and regional partners. Furthermore, it is better targeting its approach to counternarcotics work, is trying to curb corrupt law enforcement officials, and is establishing stricter punishments for drug-related crimes. Corruption, failure to devote sufficient resources to training and equipment, and a weak infrastructure remain serious problems, but trends are encouraging.

Kyrgyz Republic

I. Summary

The Kyrgyz Republic is a significant transit country for drugs originating in Afghanistan and destined for Russian, western European and American markets, with several of the main drug trafficking routes out of Afghanistan running directly through the Kyrgyz Republic. Particularly in the city of Osh and its surrounding regions, drug trafficking has become an ever-increasing source of income and employment.

However, there is minimal domestic production of illicit narcotics or precursor chemicals in the Kyrgyz Republic. During the calendar year 2005, the Government of the Kyrgyz Republic (GOKG) attempted, with limited resources, to combat drug trafficking and locate and prosecute offenders. The GOKG recognizes that the drug trade is a serious threat to its own stability and is continuing efforts to focus on secondary and tertiary drug-related issues such as money laundering, drug-related street crime, and corruption within its own government ranks. The Drug Control Agency (“DCA”) has introduced legislation that would make first time offenders eligible for treatment instead of incarceration. The legislation will go before the Kyrgyz Parliament in January 2006. Although there are no official statistics for 2005, the Ministry of Health reports that approximately 90 percent of known HIV and AIDS cases are related to intravenous drug use. The Kyrgyz Republic is a party to the 1988 UN Drug Convention. In August 2005, a new director was appointed to the DCA, and he has taken an innovative approach to the reorganization of the agency.

II. Status of Country

The Kyrgyz Republic is one of the poorest successor states of the former Soviet Union, relying on a crumbling infrastructure and suffering from a lack of natural resources or significant industry. Unlike some of its Central Asian neighbors, the Kyrgyz Republic does not have a productive oil industry or significant energy reserves. The south and southwest regions, the Osh and Batken districts, are primary trafficking routes used for drug shipments from Afghanistan. The city of Osh, in particular, is the main crossroads for road and air traffic and a primary transfer point for narcotics into Uzbekistan and Kazakhstan and on to markets in Russia, Western Europe, and to a minor extent, the United States. The Kyrgyz Republic is not a major producer of narcotics; however, cannabis, ephedra and poppy grow wild in many areas.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Despite the GOKG’s best efforts, public confidence is very low with regard to the GOKG’s ability to address important concerns of its citizens such as unemployment, unpaid salaries, inadequate health care, corruption, and rising crime. The result has been public apathy towards government initiatives such as counternarcotics programs, cynicism about government corruption, and a growing dependency on a shadow economy that includes drug trafficking, street sales, and usage. While the GOKG has been a supporter of counternarcotics programs, it is still struggling to deliver a clear and consistent counternarcotics strategy to either the Kyrgyz people or the international community. The former State Commission for Drug Control and the established Kyrgyz Drug Control Agency (DCA) (funded by the USG, and implemented by UNODC), along with the Ministry of Interior initiatives have been fighting a losing battle against drug trafficking. There have been some positive indications that perhaps the tide is beginning to turn.

Law Enforcement Efforts/Accomplishments. The DCA, established in 2003, coordinates all drug enforcement activities in the Kyrgyz Republic. The DCA estimates that through November, there were 4326 kilograms of illicit narcotics seized (569 kilograms more than during the first 11 months of last year—2004). The DCA also reports that they detected 151 crimes, including 138 drug crimes (83 crimes more than during the 11 months of last year—2004). To stop illegal activities of transnational organized drug crime, the DCA closely cooperates with relevant competent bodies of Russia, Kazakhstan, and Tajikistan. They conduct joint operations and “external controlled deliveries” of drugs.

One of the operations the Channel Operation had as its major goal to block the "northern route" and to improve mechanisms of cooperation of law enforcement, customs, border guard and security institutions. The “Channel” operation seized 28,577 kilograms of drugs, including 3,386 kilograms of heroin, 24,731 kilograms of marijuana, 25 kilograms of precursors. The “Zaslon 2” operation started in October 2004, and lasted for six months. It was financed by the Drug Enforcement Administration and supported by the Ministry of Interior of Uzbekistan. The DCA was in charge of the operation on the territory of Kyrgyzstan coordinating activities of the Customs Service, Border Guards, National Security Service, and the Ministry of Internal Affairs. As a result of this operation, law enforcement bodies seized 174 kilograms of different drugs on the territory of Kyrgyzstan, including 45 kilograms of heroin and 129 kilograms of opium.

Corruption. The GOKG does not facilitate the production, processing, or shipment of narcotic and psychotropic drugs or other controlled substances, and does not discourage the investigation or prosecution of such acts. The GOKG takes legal and law enforcement measures to prevent and punish public corruption. During the spring and summer months of 2005 a number of investigations were launched into corrupt activities within the DCA that resulted in the replacement of the director of the DCA and three of its command staff in August 2005. Corruption is one of the single most important deterrents to effective Kyrgyz law enforcement efforts; reform efforts continued in the late fall of 2005.

Agreements and Treaties. The Kyrgyz Republic is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. It is also a party to the Central-Asian Counter Narcotics Protocol, a regional cooperation agreement encouraged by the UN. The Kyrgyz Republic is a party to the UN Convention Against Corruption Convention, the UN Convention Against Transnational Organized Crime, the Protocol Against Trafficking in Persons, and the Protocol against Migrant Smuggling.

Drug Flow/Transit. The Kyrgyz Republic shares a common border with China, Kazakhstan, Uzbekistan, and Tajikistan. Mountainous terrain, poor road conditions, and an inhospitable climate for much of the year make detection and apprehension of drug traffickers more difficult. These isolated passes are some of the most heavily used routes for drug traffickers. Border stations located on mountain passes on the Chinese and Tajik borders are snow-covered and un-staffed for up to four months of the year. Government outpost and interdiction forces rarely have electricity, running water or modern amenities to support their counternarcotics efforts.

Afghanistan is the major source of opium and heroin, which pass through the Kyrgyz Republic through a so-called “Northern Route.”. The GOKG and the State Commission for Drug Control (SCDC) had previously identified four separate routes for drug trafficking: the Kyzyl-Art route across the southernmost part of the Kyrgyz Republic and onward to Osh and the Ferghana Valley and Uzbekistan; the Batken Route stretching to the far western and most remote areas bordering Tajikistan and Uzbekistan; the Altyn-Mazar route that follows a similar path into the Ferghana Valley; and a fourth route overlapping some of these routes and beginning in the city of Khojand on the Tajik border. All of these routes originate somewhere on the 1000-kilometer Tajik border and consist of

footpaths, minor roads, and only a few major thoroughfares. The GOKG estimates that there may be over 100 different paths smugglers use to move narcotics and contraband across Kyrgyz borders.

International Organizations and Law Enforcement bodies of the Kyrgyz Republic estimate that 80 metric tons of heroin enter Russia and Europe by way of Central Asian countries. Every year up to 3-5 metric tons of heroin (or 30-50 metric tons of opium) transits Kyrgyzstan. Most of these drugs come to Russia and Western European countries along the “northern route.” The fact that 34 citizens of Kyrgyzstan were arrested in Russia for drug crimes is a solid indication of the nature of this traffic. Availability of local sources of cannabis and ephedra complicates the drug situation in Kyrgyzstan. According to UNODC data, the total area of wild cannabis is more than 6,000 hectares, which results in the production of 4,248 metric tons of marijuana (or 148 metric tons of high quality hashish). Opium acreage and production are negligible. Drug dealers use almost every transportation means for drug delivery. Drugs are hidden among goods, food, objects, personal items, body cavities, home appliances, vehicles, and containers.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. The USG supports a Customs Post in the village of Kyzyl-Art on the Tajik border. This \$250,000 “model” project, funded by State Department Narcotics assistance (INL), will be equipped with modern detection equipment and will be manned on a 24-hour basis. The construction phase of the project was finished in September 2005, and the training phase (final) should be completed in early 2006. State Department narcotics assistance (INL) also supported a project which purchased vehicles, office, laboratory and communications equipment for the Ministry of Justice, the Ministry of Interior, the Customs Service and the Procurator’s office. This \$465,000 project has assisted the GOKG to reduce the number of drug related crimes. The USG is also the only donor to a \$6.3 million UNODC project that helped establish an overall Drug Control Agency in the Kyrgyz Republic.

The Road Ahead. The USG will continue to assist the GOKG in their counternarcotics efforts through prosecutorial, customs and law enforcement training and logistical support. The USG will continue working with the GOKG to provide direct support and training to their law enforcement and customs canine services. The development of a master plan for counternarcotics activity in Kyrgyzstan will continue, hopefully, to a successful conclusion in the near future.

Latvia

I. Summary

Drug use in Latvia is characterized by continued prevalence of synthetics. The overall results from Latvian government attempts to combat narcotics distribution and use remains mixed. Ecstasy is the most common narcotics in Latvia, though amphetamines, cannabis, heroin, cocaine and LSD can also be found. Patterns of heroin use, in previous years Latvia's most serious narcotics problem, are changing. Recreational drug use is shifting to ecstasy due to the latter's low cost, as well as national information campaigns highlighting the dangers of intravenous drug use. Though Latvia experienced an increase in drug-related criminal cases and prosecutions this past year, a lack of law enforcement resources continues to hinder efforts to combat narcotics use. Latvia is party to the 1988 UN Drug Convention.

II. Status of Country

Two sophisticated marijuana production facilities were shut down by the Organized Crime Enforcement Department. The marijuana was destined for the Riga market and not for distribution abroad. Latvia itself is not a significant producer of precursor chemicals, but Customs officials believe that a significant quantity of diverted "pre-precursors" originate in Belarus and transit Latvia en route to other countries. Heroin is sold at "retail" in public places such as parks, in the city center, or more discreetly, in private apartments; selling tactics and methods constantly change. Amphetamines are distributed in venues that attract youth, such as nightclubs, discotheques, gambling centers and raves. Recent seizures and arrests indicate that Latvians themselves are becoming more involved—not just in the trading of cannabis—but also in its production for local distribution. Organized crime groups also engage in both wholesale and retail trade in narcotics. Through the first nine months of 2005, Latvian police seized 28.64 grams of heroin, compared to 494.38 grams the previous year. Recreational drug use has increased with Latvia's growing affluence, with amphetamines, cannabis, cocaine, and ecstasy all reflecting an increase in usage.

III. Country Actions Against Drugs in 2005

Policy Initiatives. On August 17, 2005, the Cabinet of Ministers approved the State Program for the Restriction and Control of Addiction and the Spread of Narcotic and Psychotropic Substances (SPRCASNPS) for the years 2005 to 2008. This national strategy lists as its priorities: reducing the spread of drug abuse, especially among young people; increasing the possibilities for rehabilitation and re-socializing for drug addicts; reducing crime related to drug abuse and distribution, as well as drug trafficking; eliminating and preventing the harm caused to the general development of the Latvian state by drug addiction and drug related crime. Latvia's passage of the SPRCASNPS was in response to criticisms that it lacked a clear division of authority between municipalities and the state regarding budget and competencies.

Law Enforcement Efforts. The total number of drug-related crimes increased from 814 in the first nine months of 2004 to 877 in the same period of 2005. The 2005 drug-related crime statistics include 852 crimes related to sales, purchasing, possession, and repeated illegal use of narcotics; as well as ten crimes related to large-scale drug contraband. In the first nine months of 2005, the amount of seized marijuana, hash, ecstasy pills, and LSD increased compared to 2004 figures. Poppy straw, heroin, and cocaine seizures dropped in the first nine months, while amphetamines and methamphetamines seizures remained approximately the same. The total number of persons arrested for driving while under the influence of narcotics has steadily increased, with 2005 showing the highest number of

arrests to date (283 for 2005 as compared to 255 for 2004). This is due in part to the recent government crack down on intoxicated and impaired drivers. Prosecutions of drug-related cases have steadily increased over the past several years. In the first six months of 2005, the General Prosecutor's office opened 573 narcotics-related criminal offense cases, as compared to the 523 for the entire year of 2004. Of the cases opened by the Prosecutor General's Office, 355 have been completed and sent up for trial. In December of 2005, the police seized the largest amount of methamphetamines in Latvia to date. Latvian customs officers, in cooperation with the police, detained a courier on the Lithuanian border, whose arrest led to the discovery of 2.98 kilograms of methamphetamines in the courier's home. The police believe the courier to be associated with organized criminal elements in Latvia. Ecstasy seizures increased five times from 4,385 tablets in 2004 to 20,945 tablets in 2005. Marijuana seizures also increased five-times from 5.8 kilograms in 2004 to 25.38kg in 2005. Hashish seizures increased almost ten-times from 139.62g in 2004 to 1331.32g in 2005, and LSD increased quite sharply from 79.5 units in 2004 to 2190 units in 2005. Ephedrine seizures dropped from 658.05g in 2004 to 18.46g in 2005; heroin seizures dropped from 494.38g in 2004 to 28.64g in 2005; and poppy straw seizures dropped from 103.13kg in 2004 to 58.68kg in 2005.

The Latvian government acknowledges that Latvian law enforcement needs to show better results for its counternarcotics efforts, even with resource and funding difficulties. The new national strategy to address drugs takes this into account and has stated the government's intent to increase funding, personnel, and education for law enforcement. Currently, however, the police are not able to fully investigate all narcotics reports, especially routine reports of individual usage or abuse in private or club settings.

Corruption. Latvia's Anti Corruption Bureau (KNAB) was established in 2003 to help combat and prevent public corruption and has grown in its effectiveness and scope. In 2005 the KNAB uncovered and investigated potential abuses in Latvia's sworn Bailiff System. In 2005 the KNAB opened 34 new criminal cases, and 24 have been passed to the General Prosecutor's office, slightly more than 2004. Although there are allegations that Customs Officers and Border Guards sometimes conspire with smuggling rings, the USG has no evidence of drug-related corruption at senior levels of the Latvian government.

Agreements and Treaties. Latvia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. A 1923 extradition and a 1934 supplementary extradition treaty currently are in force between the U.S. and Latvia. On December 7, 2005, Latvia and the United States signed a new extradition treaty and Mutual Legal Assistance protocol, which will require ratification. Latvia is a party to the UN Convention against Corruption, and to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms.

Drug Flow/Transit. Narcotic substances are frequently smuggled into Latvia from Lithuania, principally by ground transport. Seaports are used mainly to transship drugs destined for sale elsewhere. Latvia is not a primary transit route for drugs destined for the United States. Most drugs transiting Latvia are destined for the Nordic countries or Western Europe. Latvian police report that seventy percent of drugs entering the Nordic countries move through Latvia, Estonia and then on to the Nordic countries, often taking advantage of frequent ferry service along the Baltic and Scandinavian coasts. Heroin is primarily trafficked via Russia from Central Asia.

Domestic Programs. The new national strategy, announced in 2005, addresses demand reduction, education, and drug treatment programs. For the year 2005, the following have been achieved: a coordination mechanism for institutions involved in combating drug addiction (involving eight ministries); monitoring of the work program of the EMBDDA on the national level; a system for monitoring court directed treatment for addicted offenders; educational events for teachers and

parents, as well as updated educational materials and informative booklets; inclusion of information on drug addiction into school curriculums; a pilot program for teaching prevention of drug addiction, alcohol abuse and smoking; pilot programs on drug addiction for local governments; education programs for members of the armed forces; mechanisms for information exchange amongst relevant institutions; an increase in the number of employees in the regional offices of the Organized Crime Enforcement Department under the State Police; and a course on “Problems of Narco-criminality” to be studied as part of the Master’s program at the Police Academy. In addition to the State Narcotics Center, Latvia has established four regional narcotics addiction treatment centers in Jelgavas, Daugavpils, Liepajas, and Straupes. There are rehabilitation centers in Riga and Rindzeles, and youth rehabilitation centers in Jaunpiebalga and Straupe respectively.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The United States maintains assistance on liaison programs in Latvia that focus on investigating and prosecuting drug offenses, corruption, and organized crime.

The Road Ahead. The United States will continue to pursue and deepen cooperation with Latvia, especially in the areas of law enforcement and prosecution. The United States will expand efforts to coordinate with the EU and other donors to ensure complementary and cooperative assistance and policies with the government of Latvia. The United States will also encourage Latvia to work with regional partners to advance the mutual fight against narcotics trafficking.

Lithuania

I. Summary

In 2005, Lithuania increased the efficiency of law enforcement counternarcotics efforts, improved drug-consumption research capabilities, and strengthened implementation of the National Drug Addiction Prevention and Drug Control Program at the federal and municipal levels. Lithuania remains a transit route for heroin and other illicit drugs from Asia and Russia to Western Europe. Lithuania produces synthetics for both domestic use and export. The most popular drugs for domestic consumption include synthetics, poppy straw extract, heroin, and cannabis. Lithuania's domestic drug trade is estimated at LTL 500 million (\$172 million) and growing. The number of registered drug addicts and drug-related crimes increased in 2005. Law enforcement cooperation between the U.S. Government and the Government of Lithuania is very good. Lithuania is a party to the 1988 UN Drug Convention.

II. Status of Country

Synthetic narcotics, poppy straw extract, heroin, and cannabis are the most popular illicit drugs in Lithuania. Heroin is smuggled into Lithuania from Central Asia and the Balkans. Cocaine imports from South America transit Western Europe into Lithuania and then on to neighboring countries. Organized crime groups operating in central and western Lithuania smuggle illegal narcotics and psychotropics, especially ecstasy, into other Western European countries, including Norway, Germany, Ireland, and the United Kingdom. The number of people seeking initial treatment for drug addiction increased from 10.3 cases per 100,000 inhabitants in 2003 to 12.2 cases per 100,000 inhabitants in 2004. Nearly 73 percent of registered drug addicts are younger than 35 years old, 90 percent live in cities, and 20 percent are women. Lithuania had 943 registered cases of HIV in October 2005, an increase of 133 from October 2004. Approximately eighty percent of those registered with HIV contracted the disease through intravenous drug use.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The national Narcotics Control Department (NCD), established in 2004, commissioned its first survey of drug use in Lithuania. The study found that 8.2 percent of Lithuania's residents had used drugs at least once in their lifetime, with those 15-34 years old significantly more likely than those 35-64 years old to have tried drugs at least once (14.1 percent and 3.8 percent respectively.) The NCD, in cooperation with the Nordic Council of Ministers, also initiated a drug prevention and education project targeted at reducing the sale and use of illicit narcotics in bars and clubs. Lithuania approved a Drug Prevention Action Plan for 2006 under the overall National Drug Addiction Prevention and Drug Control Program adopted in 2004. In 2005, the parliament designated this program as critical to Lithuania's long-term national security.

Law Enforcement Efforts. Lithuanian law enforcement registered 1,313 drug-related crimes as of November 2005, a slight increase over the 1,121 registered during the same period in 2004. In 2004, Lithuanian law enforcement detained 869 persons for criminal acts related to the possession or sale of narcotic and psychotropic substances. In the first ten months of 2005, law enforcement detained 845 persons. As of November 2005, police and customs had seized 545 kilograms of poppy straw, 76 liters of poppy straw extract, 59 kilograms of cannabis, 48 kilograms of hashish, and 5,500 ecstasy tablets. They also impounded small quantities (less than five kilograms each) of heroin, cocaine, amphetamines, methamphetamines, LSD, hallucinogenic mushrooms, various psychotropic drugs, and precursors. In 2005, the police shut down a laboratory producing high-quality amphetamines. They

confiscated 769 grams of amphetamine and three kilograms of BMK (1-phenyl-2-propanon), an amphetamine and methamphetamine pre-cursor, from the laboratory site. The Customs Service initiated fourteen pre-trial investigations related to narcotics smuggling in 2005.

In May 2005, law enforcement officials on the Latvian border seized 23 kilograms of hashish hidden in a passenger car. Swedish and Lithuanian law enforcement cooperated to stop a drug smuggling group that included five Lithuanians and had attempted to transport 130 kilograms of hashish and 3.5 kilograms of amphetamine from Lithuania to Sweden. Russian and Lithuanian law enforcement officials busted a criminal group that transported heroin and amphetamine to Russia, arresting three individuals and seizing 30 grams of heroin and one kilogram of amphetamine. In October 2005, Norwegian law enforcement detained three Lithuanians for transporting 56 kilograms of rohypnol tablets. In December 2005, Lithuanian police participated in a joint operation with Ireland and France to arrest a Lithuanian arriving in Ireland by car ferry with 113,000 ecstasy pills concealed in his car bumper. The Lithuanian court system heard 1,111 drug-related cases in 2005, with a 75 percent conviction rate. Those convicted of trafficking or distribution face prison terms of five to eight years.

Corruption. Lithuania does not encourage or facilitate illicit production of controlled substances or money laundering. Lithuania has established a broad legal and institutional anticorruption framework, but low-level corruption and bribery continue to be the basis of frequent political scandals. There were no reports involving Lithuanian government officials in drug production or sale or in the laundering of drug proceeds.

Treaties and Agreements. Lithuania is a party to the 1988 UN Drug Convention, the 1971 UN Convention against Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Lithuania also is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms. An extradition treaty and mutual legal assistance treaty are in force between the U.S. and Lithuania. Lithuania has signed, but has not yet ratified, the UN Convention against Corruption.

Cultivation/Production. Illicit laboratories in Lithuania produce amphetamines for both local use and export. Lithuania is not a major cultivator of illicit narcotics, but law enforcement regularly finds and destroys small plots of cannabis and opium poppies used to produce opium straw extract for local consumption. In 2005, police, in cooperation with customs agents, eradicated 10,089 square meters of poppies and 286 square meters of cannabis.

Drug Flow/Transit. Poppy straw is transported through Lithuania to Kaliningrad and Latvia. Marijuana and hashish arrive in Lithuania from the east and the west, by land and sea (e.g., from Morocco). Heroin comes to Lithuania by the Silk Road (Afghanistan, Pakistan, Tajikistan, Uzbekistan, Kazakhstan, Russia, Belarus) or the Balkan road (via the Balkans and Central or Western Europe). From Lithuania, heroin leaves by ferry or car to Scandinavian countries, Poland, and Kaliningrad. Cocaine arrives in Lithuania from Central and South America via Germany, the Netherlands, and Belgium. Amphetamines arrive from Poland and the Netherlands. Amphetamines from Lithuania are usually transported by truck to Sweden and Norway through Poland, Germany and Denmark. Most ecstasy tablets come by land or sea from the Netherlands. Iceland was a new destination for amphetamines and cocaine in 2005. The United States is occasionally a destination country for synthetic narcotics, primarily ecstasy, from Lithuania.

Domestic Programs (Demand Reduction). Lithuania operates five national drug dependence centers and ten regional public health centers, and attempts to reduce drug consumption through education programs and public outreach, especially in schools. In 2005, twenty rehabilitation centers and seventeen addict rehabilitation communities operated in Lithuania. The Prisons Department operates a rehabilitation center for incarcerated drug addicts, and allocated LTL 780,000 (\$280,000) in 2005 to purchase equipment and fund activities to prevent drug trafficking, train officials, and educate prison.

In 2005, Lithuania increased funding to the National Drug Prevention and Control Program by twenty percent, from LTL 10.2 million (\$3.51 million) to LTL 12.2 million (\$4.21 million) and allocated LTL 15.25 million (\$5.25 million) to the 2006 Action Plan. The national police department strengthened prevention and control measures at public events including concerts and holiday celebrations, arresting several individuals for selling illicit drugs. In 2005, the police also organized a “Drug Prevention Week” for about 600 school children from around the country.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Law enforcement cooperation between the United States and Lithuania is very good. In 2005, the United States continued to support Lithuania’s efforts to strengthen its law enforcement bodies and improve border security. The United States sponsored a conference in Lithuania on drug prevention and treatment with participation of speakers from the Department of Health and Human Services and the White House Office of National Drug Control Policy. Lithuanian Customs opened negotiations with a U.S.-based logistics company for assistance in narcotics detection and interdiction.

The Road Ahead. The United States looks forward to continuing its close cooperative relationship with Lithuania’s law enforcement agencies. In 2006, the United States will continue to promote increased Lithuanian attention to the drug problem and will support activities aimed at preventing the production and trafficking of illicit narcotics. A U.S. priority will be to encourage Lithuania to focus on the role of communities, parents and schools in drug abuse prevention and on strengthening counseling and other services as part of drug treatment programs.

Macedonia

I. Summary

Macedonia is neither a major producer nor a major regional transit point for illicit drugs. The government made some progress in combating drug trafficking in 2005; however, illicit drug transshipments through Macedonia increased, as did drug use. The quantity of drugs seized in 2005 decreased on average in some categories (heroin and marijuana) but increased in others (cocaine and psychotropic substances). The inter-ministerial counternarcotics commission completed its draft counternarcotics strategy and action plan, but the plan had not been approved by year's end. The organized crime unit of the Ministry of Interior (MOI) began operating in early 2005, and Macedonian law enforcement authorities cooperated closely with regional counterparts in counternarcotics operations. However, counternarcotics operations often were hindered by ineffective inter-agency coordination and planning, as well as by inadequate criminal intelligence. Macedonia is a party to the 1988 UN Drug Convention.

II. Status of Country

Macedonia lies along one of several overland routes used to deliver Southwest Asian heroin (through Turkey) to Western Europe. This route also is used to deliver hashish and marijuana produced in Albania to Turkey, where it is exchanged for heroin that is then transported to Western European markets. Small amounts of marijuana are grown in Macedonia, mainly for personal use. Macedonia is not known to produce precursor chemicals. Police and Customs officers check on the possible diversion of precursors at the borders. Cocaine was not transported to or through Macedonia in significant quantities. Trafficking in synthetic drugs appeared to increase in 2005.

III. Country Actions Against Drugs in 2005

Policy Initiatives. By year's end, the GOM's inter-ministerial National Commission for Prevention of Illicit Drug Trafficking and Abuse had completed a draft national strategy and action plan for demand reduction and combating drug trafficking. The Commission expected the draft plan would be reviewed and approved by the government before June 2006. Unfortunately, the plan did not include any provision for adequate funding for implementation of the plan. In addition, the GOM revised and submitted for parliamentary approval draft laws to further strengthen control of narcotic drugs, psychotropic substances, and medical and chemical precursors. The government expected both laws would aid in implementing the 2004 Law for Control of Precursors. In May 2005, the Minister of Health established and chaired a working group to prepare a draft National Strategy and Action Plan for Prevention, Treatment and Harm Reduction related to drug abuse for 2006-2012. By year's end, the strategy document was in the final phase of preparation.

Accomplishments. The Witness Protection Law was adopted in May 2005, nearly completing the legal framework for combating organized crime and drug trafficking. At year's end, the parliament was reviewing the Law on Intercepting Communications, which would enhance the ability of prosecutors to use wiretaps as evidence in criminal proceedings.

The MOI's Organized Crime Unit, which included a sector for combating illegal drug trafficking and a criminal intelligence cell, began operations in early 2005. However, inadequate MOI intelligence regarding narcotics trafficking hampered counternarcotics efforts.

The Customs Administration continued to strengthen its intelligence units and mobile teams. Anecdotal evidence suggests that rivalries between Customs and the Border Police hampered effective counternarcotics operations in some instances.

Law Enforcement Efforts. According to MOI statistics, criminal charges were brought against 283 persons involved in 228 cases of illicit drug trafficking. The ministry also reported that 428 misdemeanor charges were brought against 449 individuals for “using narcotic drugs.” Police seizures of heroin and marijuana in 2005 were on average lower than in the previous year. Seizures of other drugs such as cocaine and other psychotropic substances were much higher, although overall quantities seized were relatively low.

The MOI reported the following quantities of drugs and psychotropic substances seized: nearly 70 kilograms of heroin (10 percent of the quantity reported seized in 2004); 196 kilograms of marijuana (36 percent of the 2004 figure); just over 3 kilograms of hashish; 11 kilograms of cocaine (over 100 times higher than in 2004); 3,206 ecstasy tablets (nearly 300 times higher than in 2004); 107,000 diazepam tablets; nearly 2 kilograms of paracetamol and cocaine mixture; 93 morphine hydrochlorine ampules; 2,865 cannabis sativa plants (6 times higher than in 2004) 2,220 poppy plants; and 2.5 kilograms of dry poppy. Macedonian police disrupted one international distribution operation at the Blace border crossing with Kosovo, seizing 9 kilograms of Turkish heroin bound for Kosovo.

Corruption. Corruption is prevalent in Macedonia. Low salaries and high unemployment help to foster graft among law enforcement officials. The judiciary remains weak and is frequently accused of corruption. Macedonia’s Anti-Corruption Commission accused the Public Prosecutor of showing little interest in prosecuting high-profile corruption cases, although there was no concrete evidence of high-level corruption related to drug trafficking, it is probably reasonable to presume that some occurs. As a matter of policy and practice, the government of the Republic of Macedonia does not encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions. Macedonia has signed, but has not yet ratified, the UN Convention against Corruption.

Agreements and Treaties. Macedonia is a party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. A 1902 Extradition Treaty between the United States and Serbia, which applies to Macedonia as a successor state, governs extradition between Macedonia and the United States. Macedonia is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling.

Cultivation/Production. Macedonia is not a major cultivator or producer of illicit narcotics. There are no reports of local illicit production or refining of heroin or illegal synthetic drugs. Only one pharmaceutical company in the country was authorized to cultivate and process poppy. Authorized poppy production is reported to the Ministry of Health, which shares that information regularly with the Vienna-based International Narcotics Control Board. Marijuana cultivation in southeast Macedonia continued to present a challenge to authorities.

Drug Flow/Transit. Macedonia is on the southern variant of the Balkan Route used to ship southwest Asian heroin to the western European consumer market. Drug gangs used heavy trucks, vans, buses and cars to transport the bulk of the drug shipments. The quantity of synthetic narcotics trafficked in Macedonia in 2005 appeared to increase, largely due to the low cost of such drugs. Most synthetic drugs aimed at the Macedonian market originated in Bulgaria and Serbia, and arrived in small amounts by vehicle.

Domestic Programs (Demand Reduction). Official Macedonian statistics regarding drug abuse and addiction are unreliable, but the government estimated there were between 6,000-8,000 drug users in the country, reflecting an increase in domestic drug use. The most frequently used drug was marijuana, followed by heroin and ecstasy.

Macedonia has one state-run outpatient medical clinic for drug users that dispenses methadone to registered heroin addicts. During 2005, the Ministry of Labor and Social Affairs opened three day care centers for drug addicts, and was seeking professional training assistance for the staff members of the centers. The Ministry of Health reported the opening of six new drug treatment centers, and anticipated opening an additional 10 centers in 2006. In-patient treatment in specialized facilities consisted of detoxification, accompanied by medicinal/vitamin therapy, as well as limited family therapy, counseling and social work. Follow-up services after detoxification, or social reintegration programs for treated drug abusers, were inadequate. Educators and NGOs continued to support programs to increase public awareness of the harmful consequences of drug abuse, targeting drug use among youth in particular. The Ministry of Science and Education continued its counternarcotics use information campaign at the primary and secondary school level.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. During the year, DEA officers worked closely with the Macedonian police to support coordination of regional counternarcotics efforts. In one case, Macedonian, Greek and U.S. DEA officers cooperated to disrupt a drug trafficking operation at the border crossing point between Macedonia and Greece in southern Macedonia. The successful operation resulted in the seizure of 10.5 kilograms of high-quality cocaine intended for the Greek market. MOI police, financial police, customs officers, prosecutors, and judges received State Department-funded training in anti-organized crime operations and techniques. U.S. Customs officials continued to provide technical advice and assistance to Macedonian Customs and the MOI's Border Police.

The Road Ahead. Macedonia's porous borders and the growing influence of regional narcotics trafficking groups suggest the country will continue to face increased transit rates of illegal drugs, which is likely to boost drug use domestically. DEA officials expect increased use by traffickers of Macedonia as a "warehousing" base during transshipments. The United States government, through law enforcement training programs, will continue to strengthen the ability of the police, prosecutors and judges to monitor, arrest, prosecute, and sanction narcotics traffickers. Working with our EU and other international community partners, we will press for implementation and funding of the national counternarcotics strategy and a permanent secretariat for the National Commission. We also will work with the GOM and our international partners to strengthen the criminal intelligence system, and to improve the government's ability to provide reliable statistics on drug use and arrests, prosecutions and convictions of traffickers.

Malta

I. Summary

The Republic of Malta does not play a significant role in the shipment, processing or production of narcotics and psychotropic drugs and other controlled substances. Surveys indicate that illicit drug use is confined to a small segment of the population. The Maltese Government dedicated significant time and effort over the past several years updating Malta's laws and criminal codes in preparation for accession to the European Union that occurred on May 1, 2004. As a result, Malta's criminal code is in harmony with the goals and objectives of the 1988 UN Drug Convention, to which Malta is a party. The Malta Police Drug Unit and the National Drug Intelligence Unit (NDIU) continue to improve their capabilities. Success is perhaps best illustrated by the upward trend in seizures of heroin, cocaine, ecstasy, and cannabis resin over the last five years. This trend is the result of improved coordination and communications among all agencies involved in controlling drugs.

II. Status of Country

Malta, an island nation of 399,000 between Sicily and North Africa, is a minor player in global production, processing, and transshipment of narcotics and other controlled substances. There is no evidence to indicate that Malta's role in the worldwide drug trade will change significantly in the near future. Because Malta's population is small, unwanted trends are relatively easy to detect and deter. However, with daily flights, numerous cruise ship calls, a large commercial port, numerous illegal immigrants, and frequent international travel by a large percentage of Maltese, Malta is not isolated. The drug problem is generally limited to the sale and use of consumer quantities of illegal drugs. There has been a recent increase in the abuse of recreational drugs such as ecstasy and also an increased use and trafficking of illicit drugs by persons under eighteen. Cultivation activity is limited to the growing of less than a few hundred cannabis plants per year.

Malta does not produce or possess significant amounts of precursor or essential chemicals nor does it have chemical manufacturing or trading industries that conduct considerable trade with drug producing regions. There are a number of generic pharmaceutical firms operating in Malta, but no evidence of pilferage or diversion from the production side. There are stringent legislative controls of the pharmaceutical sector and the Maltese Health Department conducts inspections and review of company records.

III. Country Actions Against Drugs in 2005

Since the drug problem in Malta is not widespread, enforcement agencies are able to focus a large percentage of their resources on preventing the smuggling of drugs into Malta. Police and Customs personnel have had significant success through the profiling and targeting of suspected passengers transiting the airport. The Police and the Armed Forces work together to monitor, intercept and interrupt sea borne smuggling of illegal drugs. Maltese Custom officials have worked to become more adept at detecting and preventing the movement of drugs through the Malta Freeport, a daunting task given the volume of containers moving through the Freeport. Port authorities have shown the ability to respond quickly when notified by foreign law enforcement of intelligence related to transshipment attempts.

Law Enforcement Efforts. There was no significant seizure of property related to drug crimes in 2005. However, current Maltese law provides the necessary provisions for asset forfeiture of those accused of drug-related crimes. In 2005, the Malta Police Force Drug Squad seized several vehicles,

boats, and cash property. In the first 10 1/2 months of 2005, Maltese authorities seized 6.4 kilograms of cocaine (.15 kilogram); 15.4 kilograms of heroin (.77 kilogram); 7 kilograms of cannabis products (36 kilograms), and 15,309 ecstasy pills (6071). (Figures in parenthesis represent 2004 full-year seizures.)

Corruption. The USG is not aware of any widespread corruption of public officials associated with illegal drug activities and does not have evidence that a serious corruption problem exists within the ranks of enforcement agencies. Maltese law contains the necessary provisions to deal effectively with official corruption. In 2002 the country's Chief Justice and two fellow judges were arraigned on corruption charges for taking bribes from inmates convicted on drug charges. Investigative agencies used newly-granted wiretapping authority to identify the judges involved and gather evidence that they were planning to accept bribes in exchange for reducing the sentences of several individuals appealing the terms of their drug convictions. This case is an important example both of the Government's willingness to properly apply anticorruption laws and as a signal to the Maltese people that the social elite are not "untouchable". The final outcome in this case is pending appeals filed on behalf of the defendants.

Agreements and Treaties. Malta is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Malta is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. Malta has signed, but has not yet ratified, the UN Convention against Corruption. In June of 2004, the U.S. and Malta successfully negotiated a Maritime Counter-Narcotics Cooperation Agreement. This agreement concerns cooperation to suppress illicit traffic in narcotic drugs and psychotropic substances by sea and is intended to assist the interdiction of the flow of drugs through Mediterranean shipping lanes. Malta and the U.S. are currently negotiating a Proliferation Security Initiative (PSI) Ship Boarding Agreement. If negotiations on the Ship Boarding Agreement are successful, then it and the Counter Narcotics Cooperation Agreement may be sent to the Maltese Parliament for ratification at the same time. Malta and the U.S. cooperate in extradition matters under the 1931 US-UK Extradition Treaty. In November 2005, Malta and the United States concluded bilateral negotiations for a new extradition treaty and for a mutual legal assistance treaty.

Drug Flow Transit. There is no indication that Malta is a major trafficking location. The Malta Freeport container port is a continuing source of concern due to the volume of containers that passes through its vast container terminal. The USG has provided equipment and training as part of nonproliferation and border security initiatives that also have enhanced Malta's ability to monitor illicit trafficking through the Freeport. This should improve detection and act as a deterrent to narcotics traffickers seeking to use container-shipping activity at the Freeport as a platform for drug movements through the country. Malta serves as a transfer point for travelers between North Africa and Europe. There are cases of heroin being smuggled into Malta, hand-carried by visitors from North African countries (Libya, in particular). Traditionally, Malta's drug problems involved the importation and distribution of small quantities of illegal drugs for individual use. In 2005, three significant seizures indicated a trend toward "distribution by organization." Specifically, police determined that the products were intended for sale at street level by loosely affiliated individuals. Malta has the world's eighth largest ship registry, which makes it a likely player in future ship interdiction scenarios.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. Customs has provided several training courses in Malta over the last two years. Under the Export Control and Border Security assistance program at Embassy Valletta, the U.S. continues to work closely with port officials to improve their ability to monitor and detect illegal shipments. In 2005, a Coast Guard Attaché was assigned to Embassy Valletta to improve coordination and training with the Maltese Maritime Enforcement Squadron. Training focuses on maritime search

and seizure techniques as well as on the proper utilization and operation of two recently donated 87' state-of-the-art patrol boats. In May 2005, DEA conducted a four-day training seminar for Maltese law enforcement agencies. Topics included surveillance techniques, raid techniques, information sharing, and interdiction tactics. The joint effort to provide training, support and assistance to GOM law enforcement agencies has clearly improved the Maltese enforcement ability to profile individuals possibly involved with trafficking and/or in possession of dangerous drugs. The number of arrests and seizures for drug related offenses has steadily increased, indicating that Maltese authorities want to battle the drug problem within their own country and benefit from close USG cooperation.

The Road Ahead. The U.S. and Malta will continue to work on narcotics control issues, benefiting the performance and interests of both parties.

Moldova

I. Summary

Drug usage within Moldova remains a concern; although the number of officially registered addicts decreased, the importation of synthetic drugs and psychotropic substances increased, despite the fact that consistently poor economic conditions make Moldova a relatively unattractive market for narcotics sales. To date, 2005 statistics regarding the quantity of hemp and poppy plants seized doubled in comparison with the same period of last year and heroin seizures increased by more than four times. There was also a noticeable increase in the seizures of psychotropic substances, especially ecstasy. Moldova is not a significant producer of narcotics or precursor chemicals. The number of criminal proceedings this year indicates a noticeable increase in cases sent to trial. Moldova is a party to the 1988 UN Drug Convention.

II. Status of Country

Moldova is an agricultural country with a climate favorable for cultivating marijuana and opium poppy. Annual domestic production of marijuana is estimated at several thousand kilograms. By November of 2005, authorities seized and destroyed 16,688 kilograms of hemp plants and 18,418 kilograms of poppy plants. The market for domestically-produced narcotics remains small. The importation of synthetic drugs continues to grow as evidenced by the increase quantities of ecstasy and other psychotropic substances seized this year. Domestic drug traffickers remain closely connected to organized crime in neighboring countries. Moldova is not a factor in the regional production of any precursor chemicals. During the first 10 months of 2005 the Ministry of Internal Affairs (MIA) discovered 8 cases of medical personnel prescribing narcotic and psychotropic substances in violation of the established regulations.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In November 2005 the Parliament amended the articles pertaining to narcotics control in the Criminal Code (CC), Criminal Procedure Code (CPC) and the Administrative Offences Code (AOC), which brought the legislation in line with the provisions of Article 3 of the 1988 UN Drug Convention. The maximum penalty in the CC for narcotics trafficking was increased from 12 years to 20 years in prison. The CC was amended to include six new articles that covers a wider range of drug-related crimes. The articles from the CPC related to wiretapping, intercept of communications and correspondence, were greatly improved to allow the use of these techniques for the entire range of drug related crimes, versus only especially grave offenses before November 2005. The AOC was amended to include a more detailed description of drug-related offenses. In 2005 the Anti-Drugs Department of the MIA was transferred from the Directorate to Combat Organized Crime to the Directorate of the Judicial Police, which also incorporates the Criminal Police Department. This change was considered significant by the MIA, because the regional counternarcotics investigators are now directly subordinated to the Anti-Drugs Department, instead of reporting to a different department. Unfortunately, this change also brought a reduction of the number of law enforcement personnel within the Anti-Drugs Department, which decreased from 103 to 75 officers nationwide, with 12 officers at headquarters in Chisinau supporting 63 in the regions. Moldova also continues to pursue—with U.S. support—anticorruption, counternarcotics and border control initiatives that supplement counternarcotics efforts.

Law Enforcement Efforts. Moldovan authorities initiated at least 1,846 drug-related cases in the first 10 months of 2005, as compared to 2,140 total cases for the entire year of 2004. This year, 558

kilograms of poppy straw and 9 liters of opium were seized, compared with 460 kilograms of poppy straw and 13.5 liters of opium for the same period of 2004. Heroin seizures increased by 4 times in 2005: 870 grams were seized during the first 10 months of 2005, while only 202 grams were seized during the first 11 months of 2004. Seizures of ecstasy almost tripled: 326 pills in 2005 and 124 pills in 2004. Concerns over Moldova also focus on the fact that historically, many transit countries have become user countries over time. Moldova will need to invest significant resources in education, border enhancement, and further law enforcement initiatives to stem the growth of its user population. Narcotic drug seizures and lab destructions remain high priorities for the counternarcotics units. The Anti-Drugs Department found and destroyed 38 clandestine labs this year compared with 11 labs in 2004. MIA officials also continue to work with the Prosecutors to ensure quality cases are pursued. During the first 10 months of 2005, 98.8 percent of the cases reported were sent forward for prosecution, with 78.7 percent going to trial. During the entire year of 2004, 99 percent of those reported were forwarded for prosecution, resulting in 70.5 percent of cases going to trial.

Corruption. Corruption, on all levels, is a major systemic problem within Moldova. Despite repeated pledges by the Government of Moldova to eradicate corruption, corruption appears to be pervasive, permeating all levels of society from the judicial and political processes to education and health care to business. The Center for Combating Economic Crimes and Corruption (CCECC) is the law enforcement agency responsible for investigating corruption allegations, including those related to narcotics-related public corruption. It has been accused of political bias in its investigations, although not specifically with regard to narcotics cases. As a matter of government policy, Macedonia neither encourages nor facilitates illicit production or distribution of narcotics or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Moldova is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances and the 1961 UN Single Convention. Moldova is also a signatory of the Strasbourg Convention of 1990 and the 1999 International Convention for the Suppression of the Financing of Terrorism, and cooperates in accordance with these agreements where resources and abilities permit. Moldova is a party to the UN Convention on Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. Moldova has signed, but has not ratified, the UN Convention against Corruption

Drug Flow/Transit. Seizures this year increased and they indicate that Moldova remains primarily a trans-shipment country for narcotics. Information provided by the MIA indicates that two of the predominant heroin routes are from Ukraine through Moldova to Western Europe, and from Turkey through Romania and Moldova into the Commonwealth of Independent States. The MIA continues to express concern about the increased use of heroin and ecstasy and has indicated that in the near future Moldova may become a target of international drug trafficking networks, especially those trafficking heroin.

Domestic Programs. As of November 2005 the number of officially registered addicts was 8,247, which is a decrease compared with the same period of 2004 (8,527). The MIA conducted 5,515 raids and operations in 2005, organized 7,013 meetings with vulnerable groups and published 312 preventive advertisements in the media. Treatment is an option for only the wealthiest of offenders. These rehabilitation programs continue to suffer from lack of financial resources and dilapidated facilities, which restrict rehabilitation and treatment efforts by the Moldovan government.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG's counternarcotics program remains focused around Department of State (INL) Bureau activities. In March 2005, the United States provided narcotics interdiction training for the Moldovan police, customs officials and employees of the Information and Security Service. The training focused on tactical vehicle stops, drug identification, parcel interdiction and

secret compartments, jet way interdiction, ground transportation interdiction, case development and international controlled deliveries. INL supported travel abroad by Moldovan police investigators, customs officials and border guards to attend the International Law Enforcement Academy (ILEA) in Budapest for basic law enforcement training, which included sessions on combating organized crime, drug trafficking, human trafficking, money laundering and corruption. INL also organized an ILEA Roswell Advanced Management training for ILEA graduates from Moldova focused on drug and human trafficking. Ongoing USG training and equipment initiatives are designed to improve the abilities of police to investigate and infiltrate organized crime and narcotics syndicates. Other training programs related to counternarcotics include customs and border improvement programs, aimed at strengthening Moldovan border controls and reducing the flow of illegal goods through Moldova.

The Road Ahead. Moldova and the U.S. will continue to work closely on narcotics control issues.

Netherlands

I. Summary

With its extensive transportation infrastructure and some of the most active maritime ports in Europe, the Netherlands is one of the leading distribution points for illegal drugs to and from Europe. A significant percentage of the cocaine consumed in Europe enters first through the Netherlands, and the country remains one of the leading international producers of ecstasy (MDMA), although production seems to be declining substantially. The current Dutch center-right coalition has made measurable progress in implementing a five-year strategy (2002-2006) against production, trade and consumption of synthetic drugs. According to the public prosecutor's office, the number of ecstasy tablets seized in the U.S. that could be linked to the Netherlands dropped to 0.2 million in 2004 from 1.1 million in 2003 and 2.5 million in 2002. This number does not take into account the amount of ecstasy seized in Canada that is destined for the U.S. Operational cooperation between U.S. and Dutch law enforcement agencies is excellent, despite some differences in approach and tactics. In July 2005, ONDCP Director John Walters and Dutch Health Minister Hans Hoogervorst signed an agreement between their two agencies to exchange scientific and demand reduction information. The Netherlands actively participates in DEA's El Paso Information Center (EPIC). The 100 percent close inspection at Schiphol airport on inbound flights from the Caribbean and some South American countries has resulted in a dramatic decline in the number of drug couriers. Dutch popular attitudes toward soft drugs remain tolerant to the point of indifference. The Government of the Netherlands (GONL) and the public view domestic drug use as a public health issue first and a law enforcement issue second. The Netherlands is a party to the 1988 UN Drug Convention.

II. Status of Country

The central geographical position of the Netherlands, with its modern transportation and communications infrastructure, one of the world's busiest container ports in Rotterdam and one of Europe's busiest airports, makes the country an attractive operational area for international drug traffickers and money launderers. Production of ecstasy and marijuana is significant; although significant ecstasy production has shifted outside the country—particularly to neighboring European states and perhaps to Canada. There is also production of amphetamines and other synthetic drugs. The Netherlands also has a large (legal) chemical sector, making it an opportune location for criminals to obtain or produce precursor chemicals used to manufacture illicit drugs.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The National Crime Squad ("Nationale Recherche" or NR), which officially started functioning in January 2004, had a very successful year in 2005. Not only did it make the largest cocaine seizure ever in the Netherlands, it also dismantled the largest ecstasy laboratory ever found in the country (see below for more details).

Cannabis. As announced in the 2004 "Cannabis Letter", the Dutch Government has given top priority to discouraging "drug tourism" and cannabis cultivation, particularly in the southern border regions. In November 2005, Justice Minister Donner sent the Second Chamber an assessment of the government's cannabis policy, highlighting the most important developments:

- Dutch authorities in Maastricht will shortly begin a trial project to offer local residents special access passes to coffeeshops. The Netherlands permits sale of cannabis in coffeeshops under vigorous controls and conditions. The objective of the

Maastricht trial is to cut down on drug tourism from neighboring countries. If successful, the experiment will be expanded.

- In October 2005, Justice Minister Donner proposed amending the Opium Act to make it easier for local governments to close down premises where drugs are sold illegally. Currently, closure of such “drug premises” is possible with a judge’s order, but only if there is concrete evidence they are causing a serious public nuisance.
- The public prosecutor’s office and the police in the southern provinces of Brabant and Limburg have started a pilot project targeting the criminal organizations behind illegal cannabis cultivation, rather than merely focusing on individual growers.
- In anticipation of parliamentary ratification of the bilateral law enforcement cooperation treaties with Germany and Belgium, practical measures have been taken to reduce drug trafficking in border regions. Cross-border surveillance has been intensified and license numbers of drug tourists are being exchanged.
- To implement the EU framework decision on illegal drug trafficking of November 2004, the Government currently is drafting a proposal raising the sentence for large-scale cannabis cultivation and illegal cannabis trafficking “either (in organized form) or not in organized form” from 4 to 6 years’ imprisonment.
- The 2004 National Drug Monitor, published by the Trimbos Addiction Institute in April 2005, showed that recent (within the last-month) cannabis use among young people aged 12-18 dropped from 11 percent in 1996 to 9 percent in 2003. Lifetime prevalence (ever-used) of cannabis in this age group dropped from 22 percent to 19 percent over the same period. In 2004, Trimbos began a 3-year mass-media publicity campaign, subsidized by the Health Ministry, to discourage cannabis use among young people.
- The average THC content in Dutch-grown cannabis (“Nederwiet”) was a very high 20 percent in 2003-2004, and appears to be stabilizing at between 17 and 20 percent. The State Institute for Health and Environment (RIVM) has been ordered to investigate acute health risks of cannabis with high THC levels. Results of this study are expected in March 2006.
- A July 2005 study estimated the total number of coffeeshops in the Netherlands at 737 at the end of 2004, down from 754 in 2002. Only 22 percent of the 483 Dutch municipalities allow coffeeshops within their cities—70 percent do not allow any at all. Half of all coffeeshops are located in the five largest cities. On average, coffeeshops are checked by the authorities four times per year, and criteria for operating such shops usually are well observed.

In a November 28, 2005 letter to the Second Chamber, Health Minister Hoogervorst stated that legal sales of medicinal cannabis by pharmacies have largely failed. He said the policy to allow medicinal sales in pharmacies could only be effective if an official cannabis-based medicine were registered. Hoogervorst intends to end the experiment if the pharmaceutical industry fails to develop such a medicine within one year. Since March 2003, doctors have been allowed to prescribe medicinal cannabis for their chronically ill patients. The Health Ministry’s Bureau for Medicinal Cannabis buys the cannabis from two official growers, confirms quality and organizes the distribution.

Cocaine Trafficking. In July 2005, the Justice Ministry expanded prosecutions of South American and Caribbean cocaine couriers at Schiphol airport. Previously, the government only prosecuted couriers carrying 3 kilograms or more of cocaine; couriers carrying smaller quantities were sent home (to save the Dutch taxpayer the expense of “lodging” them in prisons). Under the new policy, couriers

carrying 1.5 or more kilograms are prosecuted. Government officials expect to prosecute all couriers, regardless of quantity carried, by January 2006. This has become possible because of the dramatic decline in the number of couriers due to the stricter controls. During a Justice Ministry budget debate in November 2005, the Second Chamber questioned the high amount of money spent annually on the 100 percent checks: 27 million Euros by Justice, and 6.5 million Euros each by the military police and Customs. In early 2006, the Justice Ministry will publish an assessment of the Schiphol drug policy, including a long-term plan.

In September 2005, Justice Minister Donner signed agreements with his Colombian and Venezuelan counterparts on intensified cooperation in combating cocaine trafficking to Europe. In June 2005, the Justice Ministry agreed to resume sharing the list of all “blacklisted” Schiphol couriers with DEA’s El Paso Intelligence Center (EPIC) after a two-month hiatus due to Dutch concerns over privacy protections. To date, approximately 5,300 courier names have been provided to EPIC. In August 2005, the Rotterdam police seized 4,500 kilograms of cocaine—the largest cocaine seizure ever in the Netherlands. The cocaine, hidden inside two large steel cable spools, was worth an estimated \$273 million. The investigation involved close cooperation with DEA offices in Spain, Belgium, and the Netherlands. Cooperation among Dutch, German and Spanish police led to the seizure of 1,650 kilograms of cocaine at the Port of Rotterdam in November. The cocaine, with an estimated street value of \$60 million, was hidden in tins of asparagus and red peppers.

Ecstasy. In July 2005, Justice Minister Donner submitted to the Second Chamber an interim evaluation of the Government’s 2002-2006 ecstasy action plan. The report, which covers the period up to 2004, indicated positive effects, such as increased seizures, increased apprehensions, and completed investigations. (For more details, see section on cultivation/production.)

On November 29, 2005, the National Crime Squad (NR) and the FIOD-ECD fiscal and economic investigation service dismantled the largest ecstasy lab ever found in the Netherlands. The professional lab was found in Nederweert (southern Limburg province), and was estimated to have had a production capacity of 20 million ecstasy tablets. The police also found more than 300 liters of PMK (the precursor for ecstasy) and a small quantity of MDMA powder and amphetamine. In addition, more than 50,000 liters of chemicals were discovered at a different location. Six people were arrested, all of them from Limburg province. The investigation, which began in May 2005, was carried out in close cooperation with German and Belgian authorities. This was the first ecstasy lab discovered in 2005; previously, only amphetamine laboratories had been found this year.

Accomplishments. The new National Crime Squad (NR) has proved very effective in drug investigations, and resulted in closer cooperation with the DEA. In July 2005, the national police (KLPD) assigned a liaison officer to China to work on joint precursor chemical investigations. In addition to working directly with the Chinese, the Netherlands is an active participant in the INCB/PRISM (A multilateral control effort) project’s taskforce.

Law Enforcement Efforts. The Health Ministry coordinates drug policy, while the Ministry of Justice is responsible for law enforcement matters relating to local government and the police are the responsibility of the Ministry of Interior. At the municipal level, policy is coordinated in tripartite consultations among the mayor, the chief public prosecutor and the police. The Dutch Opium Act punishes possession, commercial distribution, production, import, and export of all illicit drugs. Drug use, however, is not an offense. The act distinguishes between “hard” drugs that have “unacceptable” risks (e.g., heroin, cocaine, ecstasy), and “soft” drugs (cannabis products). Trafficking in “hard drugs” is prosecuted vigorously and dealers are subject to a prison sentence of up to 12 years. When trafficking takes place on an organized scale, the sentence is increased by one-third (up to 16 years). Sales of small amounts of cannabis products (under five grams) are “tolerated” (i.e., not prosecuted, even though technically illegal) in “coffeeshops” operating under regulated conditions (no minors on premises, no alcohol sales, no hard drug sales, no advertising, and not creating a “public nuisance”).

The Dutch National Police (KLPD) and the National Prosecutors office continue to give high priority to combating the illegal drug trade. The National Crime Squad (Nationale Recherche—NR), a branch of the KLPD, became operational on January 1, 2004; two of the NR's primary missions are investigating of smuggling and cross border trade in cocaine and heroin, and investigating the production and trade of synthetic drugs. As part of the bilateral "Next Steps" law enforcement negotiations, DEA has obtained increased access to the NR office in The Hague, which focuses on cocaine investigations, and is working toward a similar relationship with the NR office in Helmond, which focuses on synthetic drugs. In September 2004, DEA assigned an additional special agent to The Hague Country Office, increasing the office's manpower to six, the largest it has ever been.

The Netherlands has accelerated efforts to collaborate on joint-law enforcement operations with its neighbors. On May 27, 2005, the Dutch government signed the Prum treaty with Belgium, Luxembourg, Germany, Austria, France, and Spain, promoting broad police cooperation across borders. In March, the Netherlands signed the Germany-Dutch Treaty, which will go into effect in 2006 and allow for common police patrols and controls in the border area between the two countries. The Benelux treaty, (the Netherlands, Belgium and Luxembourg), signed in June 2004 and enacted in February 2005, provides for increased cross-border police cooperation between the three countries. In June of 2005, Belgian and Dutch authorities agreed to jointly increase border controls in order to prevent ecstasy and cannabis production from shifting to Belgium. This expanded international cooperation on law enforcement investigations is particularly necessary given evidence that some ecstasy production is migrating from the Netherlands to neighboring states.

All foreign law enforcement assistance requests continue to be sent to the DIN (International Network Service), a division of the NR. The DIN has assigned two liaison officers to assist DEA and other U.S. law enforcement agencies. Since the reorganization into the NR, the DIN has allowed DEA and other liaison officers to contact one of the five NR offices directly with requests. In addition, DEA has been allowed to contact regional police offices on a case-by-case basis. This policy has permitted better coordination during ongoing enforcement actions, such as controlled deliveries and undercover operations. Under Dutch law enforcement policy, prosecutors still control most aspects of an investigation. Dutch police officers must get prosecutor concurrence to share police-to-police information directly with foreign liaison officers. This can hamper the quick sharing of information, which could be used proactively in an ongoing investigation. However, the quick sharing of police-to-police information is improving as a result of the increased access for DEA agents with NR units. This improved information sharing led to the seizure of approximately 4,500 kilograms of cocaine and the dismantling of a Colombian cocaine transportation cell operating in the Netherlands and Spain in September 2005. Dutch law enforcement has also become much more willing to undertake controlled delivery operations with DEA. In fiscal year 2004, the Dutch did not accept any requests from DEA for controlled delivery operations. In FY 2005, the Dutch and DEA conducted 10 inbound controlled deliveries of cocaine. This trend is continuing with three controlled delivery operations attempted so far in FY 2006. Most of these controlled deliveries are small amounts of cocaine (less than five kilograms) contained in parcels being sent from South America or the Caribbean.

The Dutch Government also took significant steps at the policy and operational levels to target the more significant international drug trafficking organizations active in the country. In 2005, the National Crime Squad (NR) began operations to better coordinate Dutch investigations with a focus on large organizations. In early July, the NR announced the arrests of 10 members (including the leader) of an international organization believed to be responsible for a significant percentage of all MDMA production in the Netherlands. Seizures from this organization have included 25,000 liters of precursor chemicals, enough to make 375,000,000 tablets worth an estimated \$7.5 billion in retail street value. The NR attributes the doubling of the price of precursors since 2004 to seizures against this organization—a mark of its market dominance. Also, Dutch targeting of Israeli-based trafficking

organizations has had a demonstrable impact; they are no longer dominant players in the ecstasy trade originating from the Netherlands.

The 100 percent checks on inbound flights from the Caribbean and some South American countries continue at Schiphol Airport. The manpower required to conduct these 100 percent checks remains a major monetary expense and logistical challenge for the authorities at Schiphol. The program negatively affects the number of flights targeted for outbound checks, and as a result, the number of outbound drug couriers going to the United States arrested at Schiphol remains low.

Double Dutch. This is a joint initiative between Dutch Customs, ICE, and CBP, that is led and coordinated by ICE. The operation targets drug smuggling via commercial air carriers departing Schiphol International Airport in Amsterdam for various U.S. airports. On selected flights, Dutch Customs conducts 100 percent outbound examinations of cargo, baggage, passengers, and flight crews, as do ICE and CBP upon the flight's arrival in the U.S. The rationale behind 100 percent exams on both sides is intended to preclude the possibility of internal conspiracies.

Mercure. From November 3-10, 2004, the Office of the ICE Attache/The Hague participated in Operation Mercure II, a World Customs Organization-sponsored, multinational initiative designed to target synthetic drug smuggling from 21 European countries via airfreight, courier services, and letter/parcel post packages bound for the United States, Australia, and Canada. The European countries include: Belgium, Denmark, Germany, France, Hungary, Ireland, Poland, Spain, Sweden, The Netherlands, United Kingdom, Estonia, Greece, Slovenia, Finland, Austria, Portugal, Lithuania, Italy, Luxembourg, Czech Republic, and Switzerland.

Mercure II, based at Europol in The Hague, ran for 24 hours a day for the duration of the operation. The primary focus of Mercure II was for European customs organizations to attempt to intercept packages containing controlled substances and facilitate controlled deliveries to the U.S., Canada, and Australia.

The operation resulted in approximately 175 referrals to the U.S. Of these, only one resulted in an ICE/DEA controlled delivery of 47,250 ecstasy tablets in New York, although CBP did effect numerous seizures of anabolic steroids at JFK. Most of the referrals were recommendations for examination in the U.S., which obviously usually met with negative results for controlled substances.

Corruption. The Dutch government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions. No senior official of the Dutch government engages in, encourages or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Press reports of low-level law enforcement corruption appear from time to time but the problem is not believed to be widespread or systemic. In November 2005, 140 officers of the special Schiphol CargoHarc drug team staged a preventive security control action of the airport's baggage basement, searching for drugs and other potential criminal activities. The action did not result in any arrests.

Agreements and Treaties. The Netherlands is party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 Single Convention on Narcotic Drugs as amended by the 1972 Protocol. The Netherlands is a member of the UN Commission on Narcotics Drugs and the major donors group of the UNODC. The Netherlands is a leading member of the Dublin Group of countries coordinating drug-related assistance. The Netherlands is a signatory to the UN Convention against Corruption, and is a party to the UN Convention on Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling.

The U.S. and the Netherlands have fully operational extradition and mutual legal assistance agreements (MLAT).

Cultivation and Production. Although commercial (indoor) cultivation of hemp is banned, about 80 percent of the Dutch cannabis market is Dutch-grown marijuana (“Nederwiet”). A 2004 national police report of the Dutch drug market estimated the Netherlands has between 17,000-22,000 cannabis plantations producing about 68,000-99,000 kilograms of “Nederwiet.” In 2004, 2,261 hemp plantations were dismantled, up from 1,867 in 2003. Domestic Dutch cannabis production in 2005 remains quite significant. Although the Dutch government has given top priority to the investigation and prosecution of large-scale commercial cultivation of Nederwiet, tolerated coffeeshops appear to create the demand for such cultivation. To end the controversial policy of allowing “front-door” cannabis sales in coffeeshops, but banning “back-door” deliveries, a Second Chamber majority urged the Government in October 2005 to approve a trial program regulating cannabis cultivation. Proponents, including the Mayors of Amsterdam and Maastricht, argued that the measure would end large-scale home cultivation, in which organized crime plays an important role. Justice Minister Donner and Interior Minister Remkes strongly opposed the experiment on the grounds that it would violate international treaties to which the Netherlands is committed. The matter remains under consideration.

The Netherlands remains one of the largest producers of synthetic drugs, although the National Crime Squad (NR) has noted a production shift to Eastern Europe. According to the NR, there also appears to be a shift from ecstasy to amphetamine production. According to a July 2005 report by the National Crime Squad (NR), 197 ecstasy suspects were arrested in 2004, down from 214 in 2003. The NR seized 11,120 liters of chemical precursors compared to 11,453 liters in 2003. The NR completed 60 criminal investigations in 2004 and 40 in 2003. The Fiscal and Economic Investigation Service (FIOD-ECD) completed 23 investigations in 2004 and 19 in 2003. The total number of ecstasy tablets with an alleged Dutch connection confiscated by U.S. authorities continued to drop from almost 2.3 million tablets in 2002, and 1.1 million in 2003, to about 0.2 million in 2004. The number of registered ecstasy tablets seized in the Netherlands totaled 5.6 million in 2004, compared to 5.4 million in 2003.

According to the same NR report, 2004 drug seizures around the world that could be related to the Netherlands involved more than 10 million MDMA tablets (2003: 12.9 million) and more than 1,000 kilograms (2003: 870 kilograms) of MDMA powder. MDMA (powder and paste) seizures in the Netherlands in 2004 dropped to 303 kilograms from 435 kilograms in 2003. The number of dismantled production sites in the Netherlands for synthetic drugs dropped to 29 in 2004 from 37 in 2003. Of the 29 production sites, 13 were for amphetamine and 11 for ecstasy production, and 5 were meant for ecstasy tableting.

Drug Flow/Transit. The Netherlands remains an important point of entry for drugs to Europe, especially cocaine. According to a November 2003 report by the National Crime Squad, an estimated 40,000-50,000 kilograms of cocaine are smuggled annually into the Netherlands, of which about 20,000 kilograms enter via Schiphol and the remainder via seaports and road from Spain (Dutch cocaine use is estimated at 4,000-8,000 kilograms annually). The Dutch government has stepped up border controls to combat the flow of drugs, including the successful Schiphol Action Plan. Cocaine seizures in the Netherlands dropped to 12,387 kilograms in 2004, of which about 8,155 kilograms were seized at Schiphol. The government has expanded the number of container scanners in the port of Rotterdam and at Schiphol airport. Controls of highways and international trains connecting the Netherlands to neighboring countries have also been intensified.

Demand Reduction. The Netherlands has a wide variety of demand and harm-reduction programs, reaching about 80 percent of the country’s 26,000-30,000 opiate addicts. The number of opiate addicts is low compared to other EU countries (2.6 per 1,000 inhabitants); the number has stabilized over the past few years; the average age has risen to 40; and the number of overdose deaths related to opiates has stabilized at between 30 and 50 per year. According to the Dutch government, needle supply and exchange programs have kept the incidence of HIV infection among intravenous drug users relatively low. Of the addicts known to the addiction care organizations, 75 percent regularly use methadone.

According to the 2004 National Drug Monitor, the out-patient treatment centers registered some 29,173 drug users seeking treatment for their addiction in 2003, compared to 27,768 in 2002. The number of cannabis addicts seeking treatment rose to 4,485 in 2003 from 3,701 in 2002, but the number of opiate addicts seeking treatment dropped from 16,043 in 2002 to 15,195 in 2003. Statistics from drug treatment services show a sharp increase in the number of people seeking help for cocaine addiction, from 6,103 in 2000 to 9,216 in 2003. About 65 percent of addicts seeking help for cocaine problems are crack cocaine users.

Prevention. A network of local, regional and national institutions organize drug prevention programs. Programs target schools in order to discourage youth drug use, and use national mass media campaigns to reach the broader public. The Netherlands requires school instruction on the dangers of alcohol and drugs as part of the health education curriculum. The “healthy living” project, developed by Netherlands Institute of Mental Health and Addiction (the Trimbos Institute) continues to run in about 75 percent of Dutch secondary schools. The three-year cannabis information campaign launched in 2004 by the Health Ministry and the Trimbos Institute warning young people (12-18 years old) about the health risks of drugs also continues. The 24-hour national Drug Info Line of the Trimbos Institute has become very popular.

Heroin Experiment. In June 2005, Ministers Donner and Hoogervorst informed the Second Chamber that projects providing free heroin to hard-core drug addicts would be expanded to another 15 municipalities, for which 7 million Euros would be made available over the next few years. Amsterdam, Rotterdam, The Hague, Utrecht, Groningen and Heerlen already have such projects, which include a total of 300 addicts. In total, 980 addicts could be “treated” with the extra money.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. and Dutch law enforcement agencies maintained excellent operational cooperation, with principal attention given to countering the Netherlands’ role as a key source country for MDMA/ecstasy entering the U.S. The U.S. Embassy in The Hague has made the fight against the ecstasy threat one of its highest priorities. Dutch law enforcement has dramatically improved its acceptance of controlled delivery operations with the DEA but continues to resist use of undercover operations in investigations of drug traffickers. They are also reluctant to admit the involvement of large, international drug organizations in the local drug trade and do not use their asset forfeiture rules often. The fourth bilateral law enforcement talks, which were held in Washington in April 2005, resulted in additional agreements to the “Agreed Steps” list of actions to enhance law enforcement cooperation in fighting drug trafficking. The U.S. is also working with the Netherlands to assist Aruba and the Netherlands Antilles in countering narcotics trafficking. The 10-year FOL agreement between the U.S. and the Kingdom for the establishment of Forward Operating Locations (for U.S. enforcement personnel) on Aruba and Curacao became effective in October 2001. Since 1999, the Dutch Organization for Health Research and Development (ZonMw) has been working with NIDA on joint addiction research projects. We have also noted improved and expedited handling of extradition requests.

The Road Ahead. We expect U.S.-Dutch bilateral law enforcement cooperation to intensify in 2006. The bilateral “Agreed Steps” process will continue to promote closer cooperation in international investigations, including ecstasy and money laundering cases. In particular, increased access for DEA agents to NR drug units is expected to result in enhanced police-to-police information sharing and coordination. The Dutch government’s ecstasy Action Plan is expected to result in further improvements in Dutch counternarcotics efforts. The Dutch synthetic drug unit, which now is part of the National Crime Squad, will continue to make concrete progress. The stationing of the Dutch liaison officer in China in July 2005 is expected to increase cooperation among the U.S., China and the Netherlands on precursor chemicals.

Norway

I. Summary

Norway's illicit drug production remained insignificant in 2005. Norway continued to tightly control domestic sales, exports and imports of precursor chemicals. The volume of drugs seized increased despite a decline in the number of drug seizures as the police continued to focus attention on bulk drug suppliers rather than individual abusers. Of the 2005 seizures, cannabis accounted for 43 percent followed by amphetamines (20 percent) and benzodiazepines (16 percent). Other drugs accounted for 21 percent of seizures. The police continued to step up efforts to track and intercept drugs in transit. Norway is a party to the 1988 UN Drug Convention.

II. Status of Country

Norwegian illicit drug production remained insignificant in 2005 mainly due to Norway's tight regulations governing domestic sales, exports and imports of precursor chemicals and Norway's unfavorable climate for drug production. However, Norway remained a popular market and transit country for drugs produced in Central/Eastern Europe and elsewhere. Looking ahead, Norway is unlikely to become a significant source for diverted dual-use precursor chemicals because of the country's prohibitive regulatory framework and strong law enforcement.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In 2005, the Ministries of Health and Social Affairs continued their joint Narcotics and Alcohol Abuse Treatment and Prevention Reform program. The national government, represented by the regional health enterprises, has the responsibility for treatment and prevention of narcotics and alcohol abuse. The principal aim of state centralization is to provide improved and uniform health and counseling services for drug and alcohol abusers countrywide.

On January 31, 2005, the Ministry of Social Affairs opened the first injection control room (in Oslo) for drug addicts; more are slated to follow. The rationale for the injection rooms is to remove the drug addicts from the streets and to provide addicts with sterilized injection needles in a controlled environment. The Ministry of Social Affairs has also arranged counternarcotics conferences in Oslo on themes including Norwegian Cities against Narcotics, with officials from major Norwegian cities attending.

The national government unveiled a drugs status report on July 25, 2005, as a progress report on Norway's 2003-2008 Counter-Narcotics Action Plan (see below). Then-Social Affairs Minister Dagfinn Hoeybraaten underscored that the Norwegian Government's counternarcotics policy remains comprehensive and coordinated. He called for continued international cooperation to combat drug abuse and stated that increased rehabilitation of drug offenders was a priority in Norway. Meanwhile, the joint Narcotics Action Committee (established by the Ministries of Health and Social Affairs in 2003) continued its work on government narcotics policy. According to the committee's mandate, it will evaluate preventative strategies and propose drug rehabilitation and treatment measures. The committee is also mandated to study the premises behind current narcotics policy and propose long-range policy changes.

The Norwegian Police Directorate (PST), a part of the Justice Ministry, continued to implement Norway's 2003-2008 Counter-Narcotics Action Plan, with the police carrying out an increasing number of countrywide drug raids. The PST has at its disposition one helicopter that is used in narcotics investigations, specifically in tracking narcotics criminals. The PST's 2003-2008 Action

Plan, unveiled in October 2002, carries forward plans and initiatives to meet the objectives of the 1988 UN Drug Convention. The PST Plan focuses on reducing domestic drug abuse, identifying and curbing illicit drug distribution, and curbing drug abuse among drivers of motor vehicles.

Norway's Customs and Excise Directorate (CED) continued its counternarcotics efforts. The CED has now been equipped with mobile X-Ray scanners that can detect drugs, illegal firearms and alcohol in vehicles passing major border crossings. The CED continued implementing its own counternarcotics plan aimed at curbing drug imports, and seizing illicit drug money and chemicals used in narcotics production. The CED continues to coordinate its efforts with the police and the Coast Guard.

Law Enforcement Efforts. According to statistics compiled by the Norwegian police crime unit (NEW KRIPOS), which was re-organized as of January 1, 2005, the number of drug seizures in 2005 dropped by eight percent to an estimated 22,300 cases from 24,108 in 2004. But NEW KRIPOS notes that volumes of some seized drugs rose (e.g., cocaine) as the police continued to focus attention on bulk drug suppliers rather than individual abusers. In November, the police seized a record haul of cocaine (nearly 200 kilograms) onboard a South American ship docking in a Norwegian industrial port. Of the seizures made in 2005, cannabis accounted for 43 percent, amphetamines 20 percent, benzodiazepines 16 percent, and other drugs accounted for 21 percent of total seizures. In 2004 (the most recent year in which figures were available) the number of persons charged with narcotics offenses remained virtually unchanged from the prior year—37,259 in 2004—the latest available figure) compared to 36,657 in 2003—perhaps reflecting a tendency for police to focus attention on bulk drug suppliers. In order to discourage the use of narcotics substances, Norwegian law enforcement authorities have continued to make coordinated raids at border crossings against smuggling rings and to impose heavy fines relating to narcotics offenses. In a move to improve law enforcement, the Ministry of Justice gave permission in 2005 to use bugging devices to track down narcotics offenders.

Corruption. Norway does not encourage or facilitate illicit production or distribution of narcotics or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions. Senior government officials do not engage in, encourage, or facilitate illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. According to Norway's penal code, corruption of Norwegian and foreign officials is a criminal offense.

Agreements and Treaties. Norway is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Norway is also a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms, and has signed, but has not yet ratified, the UN Convention Against Corruption. Norway has an extradition treaty and customs agreement with the U.S. Norway remains a member of Interpol, the Dublin group, and the Pompidou group.

Cultivation/Production. In 2005, insignificant amounts of illicit crop plant cultivation were discovered. Very small quantities of Norwegian-grown hashish/cannabis concealed as potted plants in private premises were detected. While there is concern that narcotics dealers may establish mobile laboratories to convert chemicals into drugs, the police did not uncover significant synthetic drug production in 2005.

Drug Flow/Transit. According to the police crime unit NEW KRIPOS, the 2005 inflow of illicit drugs remained significant in volume terms with cannabis, heroin, benzodiazepines, ecstasy, amphetamines and khat topping the list. Most illicit drugs enter Norway by road from other European countries including the Baltic states, the Netherlands, Belgium, Germany, Spain, Central, the Balkans and other countries in Eastern Europe and Asia. As in the past, some drugs have been seized in commercial vessels arriving from elsewhere on the European continent and from Central/South

America. A record quantity of cocaine (nearly 200 kilograms) was seized onboard a South American ship that docked in Norway in November.

Domestic Programs (Demand Reduction). Government ministries and local authorities continue to initiate and strengthen counternarcotics abuse programs. According to the Ministries of Health and Social Affairs, the reduced number of drug-related deaths suggests that these programs have been successful. While the maximum penalty for a narcotics crime in Norway is 21 years imprisonment, penalties for carrying small amounts of narcotics are mild.

IV. U.S. Policy Initiatives and Programs

DEA officials consult with Norwegian counterparts when required.

The Road Ahead. Norway and the U.S. will continue to cooperate on narcotics related issues both bilaterally and in international fora, especially the EU.

Poland

I. Summary

Poland has traditionally been a transit country for drug trafficking. However, improving economic conditions and increased ease of travel to Western Europe have increased its significance as a consumer market and a producer of amphetamines. Illicit drug production and trafficking are closely tied to organized crime. Poland is a party to the 1988 UN Drug Convention.

II. Status of Country

Poland has traditionally been a transit country for drug trafficking. However, improving economic conditions and increased ease of travel to Western Europe have increased its significance as a consumer market and a producer of amphetamines. Illicit drug production and trafficking are closely tied to organized crime, and, while Polish law enforcement agencies have been successful in breaking up organized crime syndicates involved in drug trafficking, criminal activities continue to become more sophisticated and global in nature. Poland finalized a National Program for Counteracting Drug Addiction in July 2002, and in 2004 allocated a budget for its implementation. Cooperation between USG officials and Polish law enforcement has been consistent and outstanding, and Poland's EU accession has accelerated the process of GOP diligence on narcotics policy.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The National Program for Counteracting Drug Addiction (National Program), which covers the period 2002-2005, brought Poland into compliance with the 2000-2004 EU Drugs Strategy. The National Program is a comprehensive and realistic plan focusing on prevention, supply reduction, treatment, and monitoring. MONAR, a nongovernmental organization, is the main actor in the implementation of the National Program. In 2005, the National Program budget was decreased slightly from \$3.6 million in 2004 to \$3.2 million. In addition, individual ministries and local governments continue to finance the program's activities out of existing counternarcotics budgets.

Law Enforcement Efforts. DEA agents visit Poland regularly and in 2005, worked closely with the Polish National Police in numerous narcotics investigations targeting drug trafficking organizations that import controlled substances into Poland, as well as those that export controlled substances to the United States. The National Bureau for Drug Addiction is well-known for its openness and cooperation in discussing drug-related issues. During 2005, Polish police shut down 18 major amphetamine-producing laboratories. Many of these were in the Warsaw region, with two in Katowice and others scattered throughout Poland. To fight international crime, the use of informants, telephone taps, and controlled deliveries are now all permitted by Polish law, and a witness protection program is in place.

Corruption. A comprehensive inter-ministerial anticorruption plan is in existence that contains strict timelines for legislative action and for the implementation of strict and transparent anticorruption procedures within each individual ministry. Instances of small-scale corruption bribery, smuggling, etc., are prevalent at all levels within the customs service and among police. In April and May, the Central Bureau of Investigation (CBS) offices in Lodz and Poznan were closed and the Director of the CBS, Janusz Golebiewski resigned. An inspection at the CBS in Lodz revealed that over the last several years over 120 kilograms of narcotics disappeared from CBS custody, while in Poznan an inspection revealed that CBS officers were trading top-secret operational information. The number of cases investigated and successfully prosecuted relative to the number of reported incidents, however,

remains low. The U.S. Government has worked closely with the Polish National Police to improve police training on ethics and corruption, and has presented several training courses on the subject under a Law Enforcement LOA.

Agreements and Treaties. Poland has fulfilled requirements to harmonize its laws with the EU's Drug Policy. Poland is a party to the UN Convention on Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and illegal manufacturing and trafficking in firearms. Poland has signed, but has not yet ratified, the UN Convention Against Corruption. Poland is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention, as amended by the 1972 Protocol. An extradition treaty and MLAT are in force between the U.S. and Poland. In May 2004, Poland became a full member of the Dublin Group of countries coordinating narcotics assistance.

Drug Flow/Transit. While synthetic drugs are manufactured in Poland (the precursors are usually imported from other countries), heroin, hashish, and cocaine frequently transit Poland en route to Western Europe. Ecstasy transits Poland en route to both Western Europe and the United States. There are also North-South routes transiting or leading to Poland. Polish police believe that most of the drugs transiting Poland are headed to Germany and the United Kingdom. Sea-based shipping routes are also utilized; some of the largest seizures in Poland have taken place at the Baltic port of Gdansk. Police, however, report that they lack a basis to estimate with any precision the amount of illegal drugs transiting through Poland.

Domestic Programs (Demand Reduction). Demand reduction objectives of the National Program include reducing the spread of drug use, limiting the spread of HIV infections connected with drug use, and improving the quality and effectiveness of treatment. The program also seeks to improve training and coordination between various Polish law enforcement authorities, including the CBS and the border guards. The CBS has made the controlling and monitoring of precursors the Bureau's top priority. The Law on Counteracting Drug Addiction also requires the Ministry of Education to provide a drug prevention curriculum for schools and to provide support for demand reduction projects based on a community approach. The Ministry of Education requires all schools to incorporate a drug prevention curriculum in their programs, however, schools are able to modify and tailor their drug prevention curriculum to meet individual school needs. To assist teachers with this task, the Ministry has a Center for Psychological and Didactic Assistance which offers professional training and programs to develop drug prevention curriculum.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. The USG believes that targeting training to assist the Polish law enforcement community with more effective investigation and detection techniques continues to be the best way to serve U.S. interests. DEA-conducted seminars and train-the-trainer programs will continue and will be part of the 2006 bilateral activities. Enhancing operational cooperation through joint investigations and travel assistance to Polish law enforcement officers will also continue.

Bilateral Cooperation. The DEA maintains close contact and holds numerous operational liaison meetings with Polish law enforcement officials, and cooperates with two full-time agents from the Federal Bureau of Investigation posted in Warsaw. In 2006, DEA plans to have two full time agents posted to Warsaw. In 2005, the U.S. International Criminal Investigative Training and Assistance Program (ICITAP) conducted a training of senior level police officials, such as regional commanders and deputy commanders, on Code of Ethics and Anti-Corruption Strategy. This training was part of a series of highly successful courses presented at the National Police Training Center under a Law Enforcement Assistance Letter of Agreement (LOA) signed in November 2002 by the U.S. and Poland.

The Road Ahead. Poland's accession to EU membership on May 1, 2004 played a key role in sharpening the GOP's attention to narcotics policy. The EU is by far the largest donor to Poland's counternarcotics activities, which serves as a motivating force for even closer collaboration between Poland and its neighbors to the East and the West. GOP priorities for 2006 will continue to include better educational campaigns addressed to specific target groups (including media campaigns, and a 'peer campaign' for children and students) and continuing the pilot program for the assessment of the quality of medical, rehabilitation, and health harm reduction treatments provided by various institutions. Authorities will also continue to focus on the creation of a strategy for counteracting drug addiction at the local (township) level.

Portugal

I. Summary

Portugal is a significant gateway into Europe for drug shipments from South America and North Africa. Hashish remains the most prevalent drug used in Portugal, with cocaine and heroin also taking a heavy human and economic toll. Overall drug seizures in Portugal in 2004-2005, as compared to 2003-2004, significantly increased. For example, seizures of cocaine increased 146 percent and heroin increased 35 percent. Seizures of hashish diminished by 8 percent. Portugal actively participates in international counternarcotics programs. U.S.-Portugal cooperation on drugs has included visits to Portugal by U.S. officials and experts, training of law enforcement personnel, and assistance in establishing rehabilitation programs. Portugal is party to the 1988 UN Drug Convention.

II. Status of Country

Drug smugglers use Portugal as a gateway to Europe, their task made easier by open borders between the Schengen Agreement countries and by Portugal's long coastline. South America was the primary source in 2004-2005 for cocaine arriving in Portugal, largely from Brazil and Venezuela, both of which have large resident Portuguese populations. Other primary source countries in 2004-2005 were Morocco and Spain, especially for hashish. Cocaine and heroin enter Portugal by car, commercial aircraft, truck containers, and maritime vessels. The Netherlands, Spain and Belgium are the primary sources of ecstasy in Portugal. Drug abuse within the Portuguese prison system continues to be a major concern for authorities.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Portugal decriminalized drug use for casual consumers and addicts on July 1, 2001. The law makes the "consumption, acquisition, and possession of drugs for personal use" a simple administrative offense. In March 2002, Portugal created the Maritime Authority System and the National Maritime Authority. This authority, in coordination with other law enforcement agencies, combats drug trafficking in coastal waters and within Portugal's Exclusive Economic Zone (EEZ). Portugal is planning to open its doors soon to the European Maritime Safety Agency (EMSA).

Law Enforcement Efforts. Portugal has seven separate law enforcement agencies that deal with narcotics: the Judicial Police (PJ), the Public Security Police (PSP), the Republican National Guard (GNR), Customs (DGAIEC), the Immigration Service (SEF), the Directorate General of Prison Services (DGSP), and the Maritime Police (PM). The PJ is a unit of the Ministry of Justice with overall responsibility for coordination of criminal investigations. According to the 2004 annual report drawn up by the PJ, the Portuguese law enforcement forces arrested 5,086 individuals for drug-related offenses in 2004. 2,235 were traffickers and 2,851 were "traffickers/consumers." Most were Portuguese citizens, followed by a number of nationalities, such as Cape Verdeans (368), Angolans (68), Venezuelans (66), Spanish (57), Bissau-Guineans (42), and Brazilians (41).

The 2005 PJ semi-annual report indicates a significant increase of drugs seized in the first half of 2005 compared to the first half of 2004. Seizures increased by 104 percent for heroin, 363 percent for cocaine, and 59 percent for ecstasy. Hashish seizures decreased by about 24 percent. The PJP 2005 semi-annual report indicates the following monetary seizures related to narcotics: 1.8 million Euros in cash, 212 thousand Euros in assets and the equivalent of Euro 426 thousand in foreign currency.

In December 2005, a joint investigation by the PJ and the Spanish Internal Revenue Service Agency (Agencia Tributaria Espanhola) led to the seizure of a UK-flagged fishing vessel called "The Guiding

Light.” Upon the boat’s attempt to dock in Portugal, officials seized huge quantities of hashish. Three British citizens were arrested, and the cargo was recovered.

In November 2005, the PJ seized more than 230 kilograms of cocaine in Lisbon’s harbor. The drug, coming from South America, was disguised in a container carrying furniture.

Also in November 2005, Portuguese Customs Patrol made three important seizures of cocaine—two at the Lisbon airport and one at the Madeira airport. Two Venezuelans and one Italian were arrested. All three flights originated in Caracas.

Corruption. As a matter of government policy, Portugal does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. No senior Portuguese officials are known to be involved in, or encourage, such activities.

Agreements and Treaties. Portugal is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Portugal is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. Portugal has signed, but has not yet ratified, the UN Convention against Corruption. A Customs Mutual Assistance Agreement (CMAA) has been in force between Portugal and the U.S. since 1996. Portugal and the U.S. are parties to an extradition treaty dating from 1908. Although this treaty does not cover financial crimes, drug trafficking or organized crime, certain drug trafficking offenses, are deemed extraditable in accordance with the terms of the 1988 UN Drug Convention. On July 14, 2005, the U.S. and Portugal signed agreements on extradition and mutual legal assistance pursuant to the U.S.-EU Agreements on these subjects. These will modernize the criminal law relationship between the U.S. and Portugal. Portugal has signed, but has not ratified, the UN Convention against Transnational Crime.

Drug Flow/Transit. Portugal’s long, rugged coastline and its proximity to North Africa offer an advantage to traffickers who smuggle illicit drugs into Portugal. In some cases, traffickers are reported to use high-speed boats in their attempts to smuggle drugs into the country. The U.S. has not been identified as a significant destination for drugs transiting through Portugal, but in recent years, U.S. border officials have found an increasing number of Portuguese citizens trying to smuggle in khat. The U.S. embassy in Lisbon is aware of at least 50 such cases.

Domestic Programs. Responsibility for coordinating Portugal’s drug programs was moved to the Ministry of Health in 2002. The Government also established the Institute for Drugs and Drug Addiction (IDT) by merging the Portuguese Institute for Drugs and Drug Addiction (IPDT) with the Portuguese Service for the Treatment of Drug Addiction (SPTT). The new IDT gathers statistics, disseminates information on narcotics issues and manages government treatment programs for narcotic addictions. It also sponsors several programs aimed at drug prevention and treatment, the most important of which is the Municipal Plan for Primary Prevention. Its objective is to create, with community input, locality-specific prevention programs in thirty-six municipal districts. IDT runs a hotline and manages several public awareness campaigns. Regional commissions are charged with reducing demand for drugs, collecting fines and arranging for the treatment of drug abusers. A national needle exchange program was credited with significantly reducing the spread of HIV/AIDS and hepatitis, although HIV infections resulting from injections are still a major concern in the Portuguese prison system.

Portugal is currently bringing forward a new National Drugs Strategy: 2005-2012, with an intermediary impact assessment scheduled for 2008. The new strategy builds on the EU’s Drugs Strategy 2000-2004 and Action Plan on Drugs 2000-2004. The Portuguese strategy focuses on reducing drug use, drug dependence and drug-related health and social risks. The system will include prevention programs in schools and within families, early intervention, treatment, harm reduction, rehabilitation, and social reintegration measures. Drug demand reduction measures take into account

the health-related and social problems caused by the use of illegal psychoactive substances and of poly-drug use in association with legal psychoactive substances such as tobacco, alcohol and medicines.

In law enforcement cooperation, the program aims at strengthening cooperation among all security forces within Portugal as well as within the 25 EU member states. The program also will intensify law enforcement cooperation with Portugal's countries of interest, largely in Africa and South America.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. DEA-Madrid cooperates closely with the Portuguese authorities on U.S.-nexus drug cases. The Portuguese Customs Bureau cooperates with the U.S. under the terms of the 1996 CMAA.

The Road Ahead. Continuing cooperation between the U.S. and Portugal on narcotics law enforcement will aid in attacking drug trafficking networks. Portugal's ratification of the MLAT and its participation in the Container Security Initiative will assist in the seizures of narcotics in maritime cargo containers.

Romania

I. Summary

Romania is not a major source of narcotics; however, Romania serves as a transit country for narcotics from Southwest Asia to Central and Western Europe. It is also a developing route for the transit of synthetic drugs from Western and Northern Europe to the East. In 2005, Romania made several major drug seizures. Romania worked to implement its 2004-2005 National Anti-Drug Strategy and finalized the National Anti-Drug Strategy for 2005-2012 which was drafted to comply with EU standards. Romania is a party to the 1988 UN Drug Convention.

II. Status of Country

Romania lies along the Northern Balkan Route, which is used to move heroin and other opiates from Southwest Asia to Central and Western Europe. Romania also lies along a developing route for the transit of synthetic drugs from Western and Northern Europe to the East. A large amount of precursor chemicals transit Romania from West European countries en route to Turkey. Heroin and marijuana are the primary drugs consumed in Romania; however, the use of synthetic drugs such as MDMA (ecstasy) also increased among segments of the country's youth. According to estimates by Romanian authorities, domestic heroin consumption remained level in 2005, due in part to a country-wide campaign against the use of intravenous drugs because of the danger of the spread of HIV

III. Country Actions Against Drugs in 2005

Policy Initiatives. Romania recently completed hiring personnel for a new legally-required integrated system for prevention and treatment services at the national and local level. The 47 Drug Prevention and Counseling Centers throughout the country are furnished, staffed and capable of providing treatment. However, the occupancy rate is below expectations because of the low quality of the services provided to patients. The General Directorate for Countering Organized Crime (DGCCO) operates at both the central and local level, with 15 brigades assigned next to the local Appeal Courts and 27 county offices for combating organized crime and narcotics. Joint teams of police and social workers carry out educational and preventive programs against drug consumption. Romania plays an active role in the Bucharest-based Southeast European Cooperative Initiative (SECI) Center's Anti-Drug Task Force.

Law Enforcement Efforts. In the first eleven months of 2005, Romanian authorities seized 906.1 kilograms of illegal drugs, including 284.8 kilograms of heroin, 109.7 kilograms of cocaine, 6.2 kilograms of opium, 493.9 kilograms of cannabis and 32,309 amphetamine and derivatives pills. The number of drug-related offenses increased 5 percent in 2005, up to 1,495 crimes. Between January and October 2005, the Romanian authorities identified 145 organized groups of drug traffickers composed of 653 individuals. The Prosecutor's Offices opened 1,105 criminal cases related to drug and precursor crimes, in which 1,828 individuals were investigated.

Corruption. Corruption remained a problem within the Romanian government, including in the judiciary branch and with law enforcement. Existing legislation, which allowed drug dealers to receive smaller sentences in exchange for providing information about other drug criminals, contributed to the development of bribery between police and drug criminals. In conjunction with renewed emphasis on the Code of Ethics, which provides strict rules for the professional conduct of law enforcement, the government created an Anti-Corruption Unit within the Ministry of the Administration and Interior to monitor compliance with the Code. The Anti-Corruption Unit conducted several internal undercover

operations targeting suspected corrupt police officers. While no policemen were officially convicted on corruption charges, numerous administrative sanctions were imposed. As a matter of government policy, however, Romania does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Romania is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Romania is a party to the UN Convention against Corruption and to the UN Convention against Transnational Organized crime and its protocols against trafficking in persons, migrant smuggling, and illegal manufacturing and trafficking in firearms. Both an extradition and a mutual legal assistance treaty are in force between Romania and the United States.

Cultivation/Production. Not applicable.

Drug Flow/Transit. Illicit narcotics from Afghanistan and Central Asia enter Romania both from the north and east, and through its southern border with Bulgaria. Land transportation methods include both cargo and passenger vehicles. However, drugs, primarily heroin, are also brought into the country via the Black Sea port of Constanta on commercial maritime ships and across the border with Moldova and Ukraine, as well as via the country's international airports. Once in Romania, the drugs move either northwest through Hungary, or west through Serbia. Police estimate that 80 percent of drugs entering Romania continue on to Western Europe. Romania also is becoming an increasingly important route for the transit of synthetic drugs from Western and Northern Europe to the East.

Domestic Programs. While consumption of narcotics in Romania has historically been low, this appears to be slowly increasing, and the Romanian government has become increasingly concerned about domestic drug consumption. In 2005, 213 drug prevention programs and activities were initiated. Detoxification programs were offered through some hospitals, but treatment remained severely limited. These programs were hampered by a lack of resources and adequately trained staff. In the first eleven months of 2005, approximately 1,800 individuals were registered for treatment.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. In 2005, the United States provided \$1.75 million in SEED money assistance to further develop Romania's crime fighting capabilities at the police, prosecutor and judicial levels. In addition, Romanian Police officers have participated in DEA and Customs Enforcement (ICE) undercover operations training, focusing on drug-related investigations. The FBI provided training in advanced cybercrime investigations, combating police corruption and advanced organized crime. Romanian police officers participated in U.S. Bureau of Customs and Border Security Canine Enforcement Officer training. Romania also benefited in 2005 from approximately \$1.3 million in U.S. assistance to the Bucharest-based Southeast European Cooperative Initiative Center for Combating Trans-border Crime, which more broadly supports the twelve participating states in the Balkan region and focuses on trans-border crime, including the narcotics trade.

The Road Ahead. In 2005, Romania put emphasis on its counternarcotics efforts and cooperation with the USG and other nations. Future efforts will likely be keyed to domestic drug consumption, corruption and strengthening Romania's borders. The USG believes that cooperation will continue, as Romania moves closer to becoming a member of the European Union. The United States will continue supporting Romania's efforts to strengthen its judicial and law enforcement institutions.

Russia

I. Summary

In 2005, the Government of Russia (GOR) intensified its counternarcotics efforts in response to the threat of narcotics trafficking along the “Northern Route” from Afghanistan through Central Asia into Russia. Afghan opiates transported along the Northern Route supply Russia’s internal user demand, as well as transit through Russia to the rest of Europe. In addition, heroin use contributes to the significant increase in the number of persons infected with HIV/AIDS and/or Hepatitis C, due to intravenous drug use. Press reports claim that one hundred Russians each day are infected with HIV/AIDS. Federal Drug Control Service (FSKN) Director General Cherkesov emphasized the need for international cooperation to combat drug traffickers that operate without regard for borders. The FSKN plans to open liaison offices in ten countries, including Afghanistan, in 2006. In November 2005, the FSKN signed a Memorandum of Understanding with the U.S. Drug Enforcement Administration (DEA) to enhance bilateral cooperation to combat illegal drugs and their precursor chemicals. Trafficking in opiates from Afghanistan (primarily opium and heroin) and their abuse continued to be major problems facing Russian law enforcement and public health agencies, although the FSKN reports the sharp post-Soviet increases in the number of drug users has begun to stabilize.

Russia handed over control of the Afghan/Tajik border to Tajikistan in June 2005. Following withdrawal, FSKN officials report the drug flow into Russia has increased significantly. More than 90 percent of Afghan drugs arrive in Russia via Central Asia. The GOR has recognized the extent of the drug trafficking and is taking steps to address both the law enforcement and public health issues. Health education programs in schools are beginning to incorporate messages concerning the harmful effects of drug use and the links between injecting drugs and HIV/AIDS. Russia is party to the 1988 UN Drug Convention.

II. Status of Country

Russia is both a transshipment point and a market for heroin and opium. Opiates transiting Russia originate almost exclusively in Afghanistan and are typically destined for the rest of Europe. The Russian border with Kazakhstan is roughly twice the length of the U.S.-Mexican border and poorly patrolled. Considering the resource constraints facing local law enforcement agencies, Russian authorities are unlikely to stop a significant proportion of the heroin entering their country.

Synthetic drugs produced in Russia usually take the form of amphetamine type stimulants (ATS) and heroin analogues like methadone and mandrax (methaqualone). The FSKN reports that the use of illegal synthetic drugs increased dramatically in 2005. Clandestine amphetamine labs are occasionally reported in Russia, typically located in the northwest region of the country close to St. Petersburg or right across the border in the Baltic States. The St. Petersburg area had long been considered the primary gateway for foreign-produced MDMA (ecstasy) smuggled into Russia. However, the Russian Federal Customs Service (FCS) reported that roughly half of the MDMA it seized in 2005 entered the country from Belarus and is typically manufactured in Poland. Although the MDMA tablets produced in Russia are of poor quality, the low prices (as little as \$5.00) are attractive to Russian youth compared to the \$20 typically charged for MDMA tablets from the Netherlands. Methamphetamine production is extremely rare in Russia.

Russia is a legitimate producer of acetic anhydride (AA), which is a widely used industrial chemical, but also is a precursor chemical used in the clandestine production of heroin from opium. The FSKN and Russian Customs report that the small number of legitimate production facilities in Russia is subject to strict government regulation. However, they acknowledge that diversion of AA may occur.

Other precursors such as ergotamine (for LSD), red phosphorous (for methamphetamine), and acetone (used in several substances) are also produced in Russia. There have been no reports of large-scale diversion of these other chemicals for illicit uses.

Cocaine trafficking is not widespread in Russia. Cocaine prices in Russia remain very high, though the drug is easily obtained. Disposable incomes in Russia have risen steadily for seven years, while cocaine prices have remained static, making the drug more affordable to a growing pool of potential users. Cocaine is frequently brought into Russia through the port of St. Petersburg. Sailors aboard fruit carriers and other vessels operating between Russian and Latin America provide a convenient pool of potential couriers. Cocaine also enters Russia in cargo containers. Couriers traveling on commercial flights bring cocaine into Russia, often traveling through third countries in Europe as well as through the U.S.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The FSKN was established in 2003 as the State Committee for the Control of Traffic in Narcotic and Psychotropic Substances (GKPN). Russian President Putin issued an edict in July 2004 calling for the restructuring of FSKN. The FSKN has 35,000 employees, with branch offices in every region of Russia. Since the FSKN's creation, Director Cherkesov has stressed the importance of attacking money laundering and other financial aspects of the drug trade. The FSKN has also continued its efforts to implement effective monitoring of the chemical industry. Prior to the creation of FSKN, precursor chemicals and pharmaceuticals were governed by a patchwork of regulations enforced by different agencies. Production, transportation, distribution, and import/export of controlled substances now require licensing from the FSKN.

Accomplishments. Russia now has a legislative and financial monitoring structure that facilitates the tracking, seizure, and forfeiture of all criminal proceeds. Russian legislation provides for investigative techniques such as search, seizure and the compulsion of documents production.

In 2002, Russia's financial intelligence unit, the Financial Monitoring Committee (FMC), became operational (the FMC has since been renamed the Federal Service for Financial Monitoring or FSFM). The FSFM has responsibility for coordinating all of Russia's anti-money laundering and counterterrorist financing efforts. Legislation passed in 2001 requires financial institutions to report suspicious transactions to the FSFM.

In 2004, Russia passed new witness protection legislation. Russian law previously provided limited protection for testifying witnesses, but the provisions were weak and ineffective. The new legislation, entitled "On Protection of Victims, Witnesses and Other Participants in Criminal Proceedings" expands protection to all parties involved in a criminal trial. Prosecutors or investigators may recommend that a judge implement witness protection measures if they learn of a threat to the life or property of a participant in a trial. Steps taken to protect a program participant could include personal and property protection, change of appearance, change of identity, relocation, and transfer to a new job. The new legislation requires implementing regulations. The GOR is working on such regulations, but they have not yet been published.

One of the key obstacles in Russia's struggle with drug trafficking is a lack of experience with prosecuting narcotics-related cases. FSKN Director Cherkesov has commented publicly that the courts must give stiffer sentences to drug traffickers. It is rare that criminals who have committed serious drug crimes in Russia are given the maximum 20-year sentence. However, Russia's legislators and politicians continue to address this problem, demanding stiffer sentences for narcotics-related crimes and establishing a legal framework that is beginning to work effectively against drug dealers.

Law Enforcement Efforts. In November 2004, the FSKN announced it would establish a system of drug liaison offices (DLOs). FSKN officers will be stationed in approximately ten foreign countries to

facilitate information sharing and joint investigations. The FSKN has already established an office in Dushanbe, Tajikistan, and plans to open an office in Kabul in early 2006.

The average price for a gram of heroin (retail) in 2005 was in the \$40 range. The range in 2004 was \$30 and in 2003, \$20. The wholesale price for a gram of heroin in 2005 was between \$20-\$30. Per gram prices as low as \$10 and as high as \$50 have been reported.

FSKN officially reported seizing 3.9 metric tons of heroin in 2004 and 1.5 metric tons of heroin in the first half of 2005. At a November 2005 press conference, Cherkesov stated that the year-to-date total was over four metric tons of heroin seized by all law enforcement agencies. The FSKN further reported the seizure of 102.3 metric tons of narcotics and psychotropic and other powerful substances in 2004 and that 129.7 metric tons were seized by all Russian law enforcement agencies in 2004. Final figures for 2005 are not yet available.

Corruption. Controlling corruption has been a stated priority for the Putin administration since its inception. However implementing this policy is a constant challenge. Inadequate budgets, low salaries, and lack of technical resources hamper performance, sap morale, and encourage corruption. Evidence indicates the scope and scale of official corruption have grown markedly in the past several years. Officials from the FSKN report that corruption is a problem within their agency. In an effort to decrease corruption, Cherkesov endorsed a Code of Honor in 2005 for FSKN personnel. The Code is a brief list of rules of conduct that are supposed to guide the activities of every FSKN employee. FSKN officials report that about 100 law enforcement officers were arrested in 2004 for drug trafficking and stated that the figures for 2005 (not yet available) will be even higher. There were no reported cases of high-level narcotics related corruption, but given the scale of drug trafficking in Russia, some probably exists. Russia has signed but has not yet ratified the UN Convention Against Corruption.

Agreements and Treaties. Russia is party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. A mutual legal assistance treaty is in force between the United States and Russia. As a result of the provision in the MLAT for designating a central authority and point of contact, a separate office responsible for implementing international assistance requests has been formed within the Russian General Procuracy. To date, Russia has provided MLAT assistance in two narcotics-related cases and has received a third request for assistance from the USG. Russia is a party to the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation/Production. There are no official statistics on the extent of opium cultivation in Russia, and the USG has no evidence to suggest that more than 1,000 hectares of opium are cultivated. In Russia, there are small, illicit opium poppy fields ranging in size from one to two hectares. Typically, the opium fields are small backyard plots or are located in the countryside concealed by other crops. In Siberia, in the Central Asian border region, and in the Omsk-Novosibirsk-Tomsk region along the border with Kazakhstan, opium poppies are widely cultivated. Cannabis grows wild throughout Russia and is also cultivated in quantities ranging from a few plants to plots of several hectares. Every year Russian authorities carry out the "Operation Poppy" eradication effort, aimed at illicit cannabis and poppy cultivation. In 2005, Operation Poppy identified and destroyed numerous illicit plantations of cannabis, primarily in maritime areas and the Altai region.

Drug Flow/Transit. Opiates (and hashish to a lesser degree) from Afghanistan are carried across the Central Asian states and into Russia. The FSKN estimates that 60 tons of heroin are smuggled annually into Russia from Afghanistan via Central Asian countries on the "Northern Route." Contraband is typically carried in vehicles along the region's highway system that connects it to the populated areas of southwestern Russia and western Siberia. The Russian cities of Yekaterinburg, Samara, Omsk, and Novorossisk have emerged as hubs of trafficking activity. Couriers also frequently

use the region's passenger trains. Incidents involving internal body carry or "swallowers" are common.

At the wholesale level, the trade in Afghan opiates within Russia is dominated by Central Asians. Tajiks, Uzbeks, and others with family, clan, and business ties to Central Asia transport Afghan heroin across the southern border with Kazakhstan and into European Russia and western Siberia. The FSKN claims that ninety percent of drug kingpins in Russia are from Central Asia. Retail distribution of heroin and other drugs is carried out by a variety of criminal groups. Again, these organizations are typically organized along ethnic lines with Central Asian, Caucasian, Russian/Slavic, and Roma groups all active in drug trafficking.

Cocaine destined both for Russia and in-transit to Western Europe enters the country through the port of St. Petersburg. Synthetic drugs manufactured in Russia and elsewhere in Europe flow in both directions across Russia's western borders. Again, much of this smuggling activity appears to be concentrated in the Northwest region around St. Petersburg.

In 2004, there were multiple seizures of large quantities of ephedrine tablets that had originated in Turkey. In 2005, there was one report of a large seizure of ephedrine in both bulk powder and tablet forms that had originated in China. These seizures were not associated with any evidence of large-scale methamphetamine production. Ephedrine tablets are often sold in Russia in their original form as a low-cost stimulant.

Each year, law enforcement agencies of several CIS countries participate in Operation Kanal. Kanal is an interdiction blitz during which extra personnel are stationed at railroad stations, airports, border crossings, and other checkpoints. In Russia, 881 individuals were detained and 1,396 kilograms of illegal drugs were seized during Kanal 2005.

Russian forces were stationed in Tajikistan after the dissolution of the Soviet Union. At that time, their stated goal was to prevent incursions by Islamic extremists. This arrangement was formalized in a 10-year agreement signed in 1993. During that time, narcotics interdiction became one of their primary functions. In May 2003, the agreement governing the presence of Russian forces on the Tajik-Afghan border expired. In June 2005, Russia handed over control of the Afghan/Tajik border to Tajikistan. FSKN officials report that the withdrawal of Russian border guards from the Afghan/Tajik border has led to a significant increase in drug trafficking into Russia.

Demand Reduction. The FSKN reports that there are 1.5 million drug users with 400,000 officially registered drug addicts in Russia's narcological centers. New models of cognitive therapy are being implemented in narcological centers in St. Petersburg, but substitution therapy (i.e., maintenance using some artificial opiate like methadone) has not been fully explored and remains politically sensitive. The Ministry of Health estimates that up to six million Russians take drugs on a regular basis. These figures are significantly higher than FSKN statistics cited in 2004 and suggest a new willingness by the GOR to acknowledge and combat drug use in Russia. In 2004, Cherkesov claimed that there were only 390,000 "officially registered" drug addicts in Russia and four to five million Russians who use drugs regularly.

According to the Ministry of Health, as of October 2005, there were 335,000 officially registered HIV/AIDS cases in Russia. However, unofficial estimates, including those by the United Nations AIDS program, put the figure much higher, with some suggesting that there are over one million HIV-positive Russians. Intravenous drug use continues to be the most common method of transmission of HIV/AIDS and Hepatitis C in Russia. There are estimates that nearly 70 percent of new HIV cases can be attributed to intravenous drug use, and that 90 percent of injecting drug users are Hepatitis C positive.

Russian authorities are attempting to implement a comprehensive counternarcotics strategy that would combine education, health and law enforcement. FSKN is tasked with demand reduction among its

other responsibilities and has recently begun a large-scale public awareness campaign. Russian law enforcement authorities also have come to support the idea that demand reduction should complement law enforcement efforts to reduce supply. With support from the USAID Healthy Russia 2020 project, demand reduction messages are being incorporated into a Ministry of Education sanctioned health education curriculum for high school students and training materials for teachers. This program has been tested in Ivanovo (the eighth poorest oblast in Russia) and plans to expand to Irkutsk and Orenburg, two oblasts on the key drug trafficking routes. The problem of drug use among homeless teens has reportedly reached extraordinary levels in St. Petersburg. The Doctors of the World Program, which works with street children, reported that about 70 percent of children age 11 and younger (on a small sample of 30) were injecting homemade substances and 30 percent of these young people were HIV positive. While the knowledge of HIV risks is high even among drug users, the messages have not yet translated into behavioral changes and injecting practices.

IV. U.S. Policy Initiatives and Programs

Policy Objectives/Initiatives. The principal U.S. counternarcotics goal in Russia is to help strengthen Russia's law enforcement capacity, both to meet the challenges of international drug trafficking into and across Russia, and to provide reliable Russian law enforcement partners for U.S. law enforcement.

Bilateral Accomplishments. In 2002, the U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs (INL) negotiated a Letter of Agreement (LOA) with the GOR allowing direct assistance to the GOR in the area of counternarcotics and law enforcement assistance. In 2005, DEA International Training teams provided instruction to the agency's Russian counterparts in precursor chemicals, highway interdiction, and specialized training for drug enforcement unit commanders. Progress continued on the Southern Border Project, an effort that will lead to the establishment of three mobile drug interdiction task forces based in Orenburg, Chelyabinsk, and Omsk, all near the Russian-Kazakh border. The U.S. and Russia worked together to provide canine training to counternarcotics law enforcement officials from four Central Asian countries, training more than 45 law enforcement officials. The U.S. provided technical assistance in support of institutional change in the areas of criminal justice reform, mutual legal assistance, anticorruption and money laundering. U.S. Customs and Border Protection (CBP) conducted 2 Border Security Seminars at Russian Customs training academies and Rostov-on-Don and Vladivostok. The training included equipment packages of nonintrusive inspection equipment. In 2005, the U.S. provided \$809,000 worth of equipment to Russian Customs and the FSKN in support of INL counternarcotics projects. In November 2005, the FSKN signed a Memorandum of Understanding with the U.S. Drug Enforcement Administration (DEA) to enhance bilateral cooperation to combat illegal drugs and their precursor chemicals.

The Road Ahead. The GOR places high priority on counternarcotics efforts and has indicated a desire to deepen and strengthen its cooperation with the United States and other countries, particularly in light of its upcoming chairmanship of the G-8. The USG will continue to encourage and assist Russia to implement its comprehensive, long-term national strategy against drug trafficking and use with multidisciplinary sustainable law enforcement assistance projects that combine equipment, technical assistance and expert advisors. DEA is scheduled to provide INL-funded counternarcotics training to over 100 trainees in 2006, drawn from the FSKN, the MVD, and the Federal Customs Service.

Slovakia

I. Summary

Slovakia lies near the western end of the Balkan drug transit route, which runs from southwest Asia to Turkey and on to Germany, France, and other western European countries. Since 1989 Slovakia has seen an increase in transshipments of narcotics and domestic production and consumption. Slovakia is a party to the 1988 UN Drug Convention.

II. Status of Country

Narcotics consumption and production remain relatively low in Slovakia, though the domestic market is still growing. The fastest growth is seen in the production and use of stimulants, including Pervitin and ecstasy, as well as marijuana. The Government of Slovakia (GOS) remains concerned that Slovakia is a transshipment point for drugs, particularly heroin, smuggled by ethnic Albanian criminal organizations along the “Balkan Route”—from Afghanistan, through Central Asia, and then through the Balkans, Hungary, and Slovakia, and on to Western Europe. The Slovak police believe the same criminal organizations are responsible for the shipment of smaller amounts of cocaine (from South America) and hashish (mostly from Morocco) into Slovakia for the domestic market. For the time being, however, the high price of such drugs has restricted the local market.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The national action plan for the fight against drugs was revised for 2005-2008 in accordance with the Action Plan of the EU for the Fight against Drugs. The revised version represents a comprehensive strategy to reduce drug use and to intercept drug transshipments.

Law Enforcement Efforts. In the first half of 2005, there were 837 drug-related criminal cases in Slovakia, which is a 29 percent increase in comparison to the first half of 2004. In the first 9 months of 2005, police seized almost 2 kilograms of heroin; 302.2g of cocaine; 1.35 kilograms of synthetic drugs; 649g of marijuana (including 92 plants uprooted), 98.7g of hashish, and 60 ecstasy tablets. Police are concerned by a growing number of small synthetic drug laboratories, mostly used to produce Pervitin. In the first 9 months of 2005 police confiscated 14 such laboratories.

Corruption. Although corruption remains a serious problem, GOS has enacted major legislation in recent years. In 2005 charges were brought and sentences handed down against several high profile personalities. Most officials seem serious about creating transparent rules and prosecuting abuses. In addition to the special Police Bureau for Fighting Corruption, since 2004 there is also a special prosecutor and, since September 2005, a special court for the fight against corruption. All are viewed as effective.

Agreements/Treaties. Slovakia is a party to the 1988 UN Drug Convention; the 1961 UN Single Convention, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substance. Slovakia is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms. Slovakia has signed, but has not yet ratified, the UN Convention against Corruption. The extradition treaty between the former Czechoslovakia and the United States continues in force between the United States and Slovakia as a successor state. In 2005 the U.S. and Slovakia successfully completed negotiations to implement the U.S.-EU extradition treaty and the U.S.-EU mutual legal assistance treaty; these agreements were signed in early 2006.

Cultivation/Production. Marijuana is the most commonly cultivated illicit drugs in Slovakia. Although some high-quality marijuana is grown in greenhouses and indoors, the majority of marijuana and hashish used in Slovakia is of Moroccan origin.

Drug Flow/Transit. In years past the majority of drugs sold in Slovakia were taken from larger shipments of drugs that continued west. Because of improved policing, however, larger transshipments are usually kept whole until reaching a final destination west of Slovakia, at which point smaller amounts are couriered back to Slovakia on demand.

In years past the main sellers of illicit drugs were thought to be Roma selling from their homes. Today the police believe that Roma are responsible only for a negligible portion of sales, and that foreign criminal groups with local contacts, especially ethnic Albanian groups, have taken over the trade. Slovakia's border with Hungary was the site of the greatest number of attempts to enter Slovakia with illegal narcotics. The Austrian border was the site of the greatest number of attempts to smuggle drugs out of Slovakia.

Domestic Programs. According to the 2003 Mini-Dublin group report, the GOS is among the highest spenders on preventive activities in relation to per capita GNP. Centers for education and psychological prevention focus on community outreach concerning drug use and function in half of the municipal districts of Slovakia. The Slovak healthcare service has a comprehensive network across the country and offers short-term and long-term treatment.

IV. U.S. Policy Initiatives and Programs

Road Ahead. The USG will continue to encourage the GOS to adequately budget for narcotics enforcement and to maintain its tough stance on drug interdiction.

Slovenia

I. Summary

Slovenia is neither a major drug producer nor a major transit country for illicit narcotics. The Government of Slovenia (GOS) is aware that Slovenia's geographic position makes it an attractive potential transit country for drug smugglers, and it continues to pursue active counternarcotics policies. Slovenia's EU membership in May 2004, and its goal of attaining full Schengen membership as soon as possible resulted in a continued intensive focus on border controls in 2005. Slovenia is a party to the 1988 UN Drug Convention.

II. Status of Country

Heroin from Afghanistan, which transits Turkey, continues to be smuggled via the "Balkan Route" through Slovenia to Western Europe. Heroin was the leading confiscated drug in 2005. Slovenia's main cargo port, Koper, located on the North Adriatic, is a potential transit point for South American cocaine and North African cannabis destined for Western Europe. Drug abuse is not yet a major problem in Slovenia, although authorities keep a wary eye on heroin abuse, due to the availability of the drug.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In June 2004, a two-year regional project sponsored by the European Union aimed at strengthening cooperation of law enforcement structures and other agencies, such as Customs of EU candidate countries, which focused on the areas of tracking, risk assessment and shipment controls, among others. The project was extensive and extremely welcomed and highly valued by Slovene Police and Customs officials.

Law Enforcement Efforts. Law enforcement agencies seized 1,166 tablets of ecstasy in the first 11 months of 2005 compared with 198 in 2004. In 2005, authorities seized slightly less than 24 kilograms of heroin, compared with almost 150 kilograms in 2004. In addition, police netted 22.8 kilograms of marijuana, up from approximately 17 kilograms in 2004. Police also seized 2,183 cannabis plants in the first 11 months of 2005 compared with 4,893 plants in 2004. Through the end of November 2005, police seized just over 2 kilograms of cocaine compared with approximately 105 kilograms in 2004.

Corruption. Neither the government nor senior officials encourage or facilitate the production or distribution of illicit drugs. Police and border control officials are adequately paid, and corruption among them is uncommon.

Agreements and Treaties. Slovenia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The 1902 extradition treaty between the United States and the Kingdom of Serbia remains in force between the United States and Slovenia as a successor state. Slovenia is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling, and illegal manufacturing and trafficking in firearms.

Drug Flow/Transit. In the first 11 months of 2005, the Slovene authorities registered 1,262 criminal acts involving the production of and trade in narcotic drugs and psychotropic substances and the facilitation of illegal drug use. There were several substantial seizures of drugs in the first 11 months of 2005, with three seizures at border crossings constituting the majority of heroin seizures for the year.

Domestic Programs. Slovenians enjoy national health care provided by the government. These programs include drug treatment.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Slovenian law enforcement authorities have been willing and capable partners in several ongoing joint operations against dangerous drugs.

The Road Ahead. Based on the high quality of past cooperation, the USG expects to continue joint U.S.-Slovenian law enforcement investigation cooperation into 2006.

Spain

I. Summary

Spanish National Police, the Guardia Civil and Customs Services interdicted near-record amounts of cocaine, hashish, and heroin, and performed numerous enforcement operations throughout Spain to arrest distributors of synthetic drugs, such as LSD and ecstasy. Spain continues to be the largest consumer of cocaine in the European Union with four percent of young adults reportedly using cocaine during 2005. Spain also ranks in the top four of all EU nations in its consumption of designer drugs and hashish. Spain continues to work on ways to reduce demand. Law enforcement officials have increased investigations into the trafficking of ecstasy (MDMA). The Spanish government ranks drug trafficking as one of its most important law enforcement concerns, and continues to maintain excellent relations with U.S. law enforcement.

II. Status of Country

Spain remains a principal gateway for cocaine transported from Latin American countries, such as Colombia and Venezuela, or transshipped from South America through West Africa and Morocco. The ready access to hashish from Spain's close southern neighbors of Morocco and Algeria make the maritime smuggling of hashish across the Mediterranean Sea a large-scale business. Spanish police continue to seize large amounts of Moroccan hashish, some of which is brought into Spain by illegal immigrants. The majority of heroin that arrives in Spain is transported via the Balkan route from Turkey. The Spanish National Police have identified established organizations operated by Turks that distribute the heroin once it is smuggled into Spain. Illicit refining and manufacturing of drugs in Spain is minimal, although small-scale laboratories of synthetic drugs such as LSD are discovered and confiscated each year. MDMA labs are rare and unnecessary in Spain since labs in the Netherlands are plentiful and productive; however, ecstasy and other synthetic drug traffickers use Spain as a transit point to the U.S. in an effort to foil U.S. Customs and Border Protection inspectors who are increasingly wary of packages from the Netherlands or Belgium. Spain has a pharmaceutical industry that produces precursor chemicals. There is effective control of precursor shipments within Spain from the point of origin to destination, administered under the National Drug Plan (PND).

III. Country Actions Against Drugs in 2005

Policy Initiatives. Spanish policy on drugs is directed by the National Drug Plan (PND), which covers the years 2000 to 2008. The strategy, approved in 1999, expanded the scope of law enforcement activities, such as permitting sale of seized assets in advance of a conviction and allowing law enforcement to use informers. The strategy also outlined a system to reintegrate individuals who have overcome drug addictions into Spanish society. The strategy also targets money laundering and illicit commerce in chemical precursors, and calls for closer counternarcotics cooperation with other European and Latin American countries. In March, the Spanish government modified the PND to focus on reducing drug consumption. The plan was funded with 17 million Euros. In 2003, Spain and Portugal signed a Treaty of Cooperation to reduce drug consumption and to control the illegal trafficking of controlled substances. The Treaty establishes a joint "Hispano-Portuguese Commission" to exchange information, to coordinate intelligence gathering and professional training efforts.

Spain is a member of the UNODC major donors group and the Dublin group of countries coordinating policies on drug issues. Spain also chairs the regional Dublin group for Central America and Mexico. Spain funds programs through the Organization of American States' Inter-American Drug Abuse Control Commission. Spain pledged \$100 million to support Plan Colombia in 2003 and has pledged

to continue to support the program in the coming years. Spanish aid is targeted towards institutional strengthening of police and judicial forces, alternative development, and demand reduction. Spain sponsors numerous training courses for police and judicial authorities in Latin America and Morocco.

Law Enforcement Efforts. Spanish officials at the Ministry of Interior reported that drug enforcement agencies seized more than 40,000 kilograms of cocaine in 2005 year-to-date. Many of the more significant seizures and arrests in 2005 were a direct result of cooperation between the U.S. DEA's office in Madrid and Spanish authorities. For example, in coordination with DEA, on March 22, the Spanish GC seized two metric tons of cocaine and more than 17 million Euros hidden in maritime shock absorbers. The cocaine had been smuggled into Barcelona via commercial air cargo from Mexico. On July 21, DEA contributed to an operation that resulted in a seizure of 2,500 kilograms of cocaine by Spanish customs agents. Eight Brazilian nationals were arrested. Also in coordination with DEA, on August 3, a shipment of 4,500 kilograms of cocaine that originated in Spain was seized in the Netherlands. A total of 14 traffickers were arrested. Operations that resulted in cocaine seizures of 458 kilograms on March 30 and 190 kilograms on April 19 are two additional examples of success from DEA/Spanish cooperation. Increased efforts in MDMA investigations led to several significant seizures of the drug. In January, Spanish authorities seized 8,500 ecstasy tablets from a Spanish female as she attempted to travel to Philadelphia. On February 6, the GC seized 2,550 tablets of ecstasy during a raid on a residence in Alpedrete, a section of northwest Madrid. Two Moroccan nationals were arrested. On September 10, the GC intercepted 1,590 ecstasy tablets hidden inside a vehicle at a service station in Cordoba, Spain. Two Spanish nationals were arrested. On September 14, five Spanish nationals were detained following a vehicle stop in Guarroman-Jen, Spain, where nearly 2,000 ecstasy tablets were discovered.

Hashish trafficking continues to increase as does the use of the drug in Spain. Hashish trafficking is controlled by Moroccan, British and Portuguese smugglers and, to some extent, people from Gibraltar and Dutch nationals. GC investigations have uncovered strong ties between the Galician mafia in the northwest corner of Spain and Moroccan hashish traffickers. Hashish continues to be smuggled into Spain via commercial fishing boats, cargo containers, Fast Zodiac boats and commercial trucks.

Some notable hashish interdictions include the August 13 capture of 67 bundles of the drug with an approximate weight of 2,000 kilograms found inside a maritime vessel named "Trolls." Spanish Customs officials, in cooperation with the National Police, were credited with this seizure. Two British nationals and one Moroccan were detained. On September 20, the GC, also in cooperation with Spanish customs, intercepted 2,600 kilograms of hashish on a Zodiac boat in Las Mulas-Murcia, Spain.

Corruption. The National Central Drug Unit coordinates counternarcotics operations among various government agencies, including the Spanish Guardia Civil (GC), the Spanish National Police, and the Customs Service. Their cooperation appears to function well. There is no evidence of corruption of senior officials or their involvement in the drug trade.

Agreements and Treaties. Spain is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol and the 1971 UN Convention on Psychotropic Substances. Spain is also a party to the UN Convention Against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. A 1970 extradition treaty and its three supplements govern extradition between the U.S. and Spain. The U.S.-Spain Mutual Legal Assistance Treaty has been in force since 1993. The U.S. and Spain have also signed a Customs Mutual Assistance Agreement. On December 17, 2004, Spain and the United States signed bilateral instruments on extradition and mutual legal assistance pursuant to the U.S.-EU Agreements on these subjects.

Cultivation/Production. No coca is grown in Spain. Some cannabis is grown but the seizures and investigations by Spanish authorities indicate the production is minimal. Opium poppy is cultivated

licitly under strictly regulated conditions for research. Refining and manufacturing of cocaine and synthetic drugs is minimal, with some small-scale laboratories converting cocaine base to cocaine hydrochloride.

Drug Flow/Transit. Spain is the major gateway to Europe for cocaine coming from Columbia, Peru, and Ecuador. Traffickers exploit Spain's close historic and linguistic ties with Latin America and its long southern coastline to transport drugs for consumption in Spain or distribution in other parts of Europe. Maritime vessel and containerized cargo shipments account for the bulk of the cocaine shipped to Spain. Spain remains a major transit point to Europe for hashish from Morocco; Spain's North African enclaves of Ceuta and Mellila are principal points of departure. Police officials acknowledge that traffickers are beginning to abandon traditional drug trade routes between the Strait of Gibraltar and the coasts of Huelva, Cadiz, Malaga, and Almeria, and are delivering hashish and other narcotics, to points along the coasts of Alicante, Valencia, Castellon de la Plana and Barcelona, where counternarcotics sea patrols are less frequent. Spain's international airports in Madrid and Barcelona are a transit point for passengers who intend to traffic ecstasy and other synthetic drugs, mainly produced in the Netherlands, to the United States. These couriers, however, are typically captured before they leave Spain or when they arrive in the U.S.

Domestic Programs. The national drug strategy identifies prevention as its principal priority. In that regard, PND continued its publicity efforts targeting Spanish youth. Spain's autonomous communities provide treatment programs for drug addicts, including methadone programs and needle exchanges. Prison rehabilitation programs also distribute methadone. The Government has also provided approximately 4.1 million Euros to assist private, nongovernmental organizations that carry out drug prevention and rehabilitation programs.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. U.S. goals and objectives for Spain are focused on maintaining and increasing the current excellent bilateral and multilateral cooperation in law enforcement and demand reduction. The USG seeks to promote intensified contacts between officials of both countries involved in counternarcotics and related fields. Minister of Interior Juan Jose Alonso met with DEA Administrator Karen Tandy when he visited the U.S. in April. Latin America remains an important area for counternarcotics cooperation. Spanish officials work closely with U.S. Embassies in Peru and Bolivia on drug issues.

The Road Ahead. The U.S. will continue to coordinate closely with Spanish counternarcotics officials though the Madrid Country Office. Spain will continue to be a key player in the international fight against drug trafficking.

Sweden

I. Summary

Sweden is not a significant illicit drugs producing, trafficking or transit country. The fight against illegal drugs figures among the Government's top priorities and enjoys strong public support. Amphetamine and cannabis remained the most popular illegal drugs. The Government of Sweden (GOS) increased efforts concerning treatment of drug addicts. Sweden actively participates in numerous international counternarcotics fora. Sweden is a party to the 1988 UN Drug Convention.

II. Status of Country

Relative to other European countries, Sweden (both government and society) is highly intolerant of illegal drugs. Sweden places strong focus on prevention and education. Among adults, the number of drug users is twice as high among men as women. Sweden has approximately 28,000 seriously dependent drug addicts (i.e. addicts with regular intravenous use and/or daily need for narcotics) which represents an increase of 7 percent from last year; women represent 25 percent of this total. The rate of drug-related deaths has increased significantly the last few years. There were approximately 390 narcotics-related deaths during the year, which represents an 8 percent increase from last year. NGO reports indicate that the overall number of young people who use drugs remained the same during the last five years. Trends observed in 2005 include continued use among young drug users of high-profile drugs such as amphetamines and cocaine. Among sixteen-year-old students, 4 percent said they had used narcotics recently. There were no differences between the percentages of male and female students using drugs. Approximately 60 percent of students who used drugs claimed they used cannabis when trying narcotics for the first time. Amphetamines and ecstasy were the second and third most common drugs.

Reports of teenagers buying drugs on the Internet have led police to increase efforts to develop methods, such as infiltration and sting operations, to stop the trade. Swedish Police have also increased Internet monitoring for drug transactions. Prime Minister Goran Persson has declared the fight against narcotics to be one of his government's top priorities. Sweden has allotted approximately \$42 million to a National Action Plan on Narcotic Drugs, which began in January 2002 and ran through the end of 2005. Restricting supply to young people figures prominently in the plan. Continued cooperation with countries in the Baltic region, where significant trafficking routes exist, constitutes an ongoing and important element in Sweden's counternarcotics efforts.

There were no reports concerning the liquid steroids originating from China that were mentioned in the 2005 INCSR. Also, problems that arose in 2004 with the synthetic drug fentanyl did not reoccur.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The Government's "Mobilization Against Drugs" taskforce continued to implement the National Action Plan on Narcotic Drugs established in January 2002. Its work during 2005 involved information campaigns and seminars throughout the country designed to raise awareness, in addition to the establishment and/or maintenance of networks with national and international NGOs. The task force's final report was scheduled to be delivered to the Government at the end of 2005 or at the beginning of 2006. Police in Sweden and other Scandinavian countries have started a joint initiative to combat west-African criminal networks smuggling heroin, cocaine and marijuana into the Nordic countries. In Sweden, these networks dominate the increased heroin-trade.

At the end of 2004 the GOS announced that it would be making an investment of \$80 million for a three year nationwide fight against drugs. Approximately \$12 million will be directed towards the treatment of drugs abusers in prisons; the rest will be distributed among municipalities, which bear responsibility to act at the local level. This initiative directs \$10 million to addicts recovering from drug abuse and to the improvement of treatment facilities. In March 2005, the GOS gave \$1 million to the National Board of Health and Welfare to strengthen voluntary organizations that work with drugs and narcotics, and \$1 million to drugs prevention projects operated by NGO's and County Administrative Boards throughout the country. Fighting drugs remains a high priority area for Sweden's efforts in official development assistance. The Swedish International Development Authority (SIDA) allocated about \$1.5 million for 2005 for multilateral and bilateral UN "best practices" projects against drugs and tobacco.

Sweden played a strong part in the development of an EU strategy plan for narcotics 2005-2012 that was approved during the autumn. Also, a frame decision was taken by the European Council concerning common criminal regulations on penalties for handling narcotics. Another action within the EU concerns an initiative on a resolution for cannabis. The resolution aims to increase awareness about cannabis and reduce the use of the drug among young people. Sweden is also one of the major contributors to the UNDCP.

Law Enforcement Efforts. Police reported 37,471 narcotics-related crimes for the January-September 2005 period. This represents a slight decrease (5 percent) compared to the corresponding period in 2004. Approximately 30 percent of the arrests under the Narcotics Act led to convictions, which on average carried six-month jail sentences. The majority of the crimes involved consumption and possession. No major drug processing labs were detected during the year.

Corruption. As a matter of government policy, Sweden does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. Swedish law criminalizes all forms of public corruption and stipulates maximum penalties of six years imprisonment for gross misconduct or taking bribes. The Narcotics Act contains severe penalties for the use or production of illegal narcotic substances.

Agreements and Treaties. Sweden is a party to the 1988 UN Drug Convention and is meeting the Convention's goals and objectives. Sweden is a party to the 1961 Single Convention, as amended by the 1972 Protocol, and to the 1971 Convention on Psychotropic Substances. Sweden is a party to the UN Convention against Transnational Organized Crime and its protocol against trafficking in persons, and has signed, but has not ratified, the UN Convention Against Corruption. An extradition treaty is in force between the U.S. and Sweden

In October 2005, the GOS approved cooperation agreements between the Swedish National Police Board and Russian Narcotics Control Authorities. The agreement provides for increased bi-lateral cooperation in fighting narcotics in the region, such as facilitation of information sharing and bilateral efforts in police enforcement actions.

Cultivation/Production. No major cultivation or production operations were detected during the year. Some legal cultivation of cannabis for use in fibers occurs in Sweden, as permitted under EU regulations on the cultivation of flax and hemp for fiber.

Drug Flow/Transit. Drugs mainly enter the country concealed in commercial goods, by air, by ferry, and by truck over the Oresund Bridge linking Sweden to Denmark. Statistics show that 70 percent of all seizures are made in the southern region. Despite increased smuggling through the Baltic countries and Poland, 75 percent of illicit drugs are smuggled through other EU countries. Most of the seized amphetamines originate in Poland, the Netherlands, and Baltic countries. Seized ecstasy comes mainly from the Netherlands; cannabis from Morocco and southern Europe; and khat from Eastern Africa via Amsterdam and London. Cocaine often comes through Spain and the Baltic region.

The route for heroin is more difficult to establish but, according to police information, a west-African network has established a route for smuggling into Sweden. The Stockholm Police have characterized as alarming the heroin inflow, and note that despite 30 arrests during the year heroin continues to enter the country in significant amounts via this network. Sweden and other countries in Scandinavia have cooperated in customs and law enforcement activities, as well as other activities, to combating this influx.

Domestic Programs and Demand Reduction. The National Institute of Public Health, and municipal governments, are responsible for providing compulsory drug education in schools. Several NGO's are devoted to drug abuse prevention and public information programs.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Since 2004 Sweden has participated in the Container Security Initiative (CSI), a U.S. Government-sponsored program designed to safeguard global maritime trade. Through identification and examination of high-risk and/or suspect containers, CSI enhances security for the global trading system, deterring terrorism and hindering illicit traffic of all kinds. Two U.S. Customs Officials are currently based in Gothenburg in support of this program. There were no cases of extradition between Sweden and the U.S. concerning drug crimes during 2005. Sweden has a bilateral customs agreement with the United States.

The Road Ahead. Swedish cooperation with United States Government law enforcement authorities continues to be excellent. The United States will pursue enhanced cooperation with Sweden and through the EU.

Switzerland

I. Summary

Switzerland plays a role as both a consumer market and transit route for illicit narcotics, but it is not a significant producer of most illicit drugs, with the exception of hemp/marijuana. Nevertheless, in 2004 (NB. Throughout this report, the latest official statistics available are for 2004) total drug-related arrests reached 50,000 cases for the first time. Cocaine and ecstasy seizures increased by 91.6 percent and 480 percent respectively.

The Swiss public continues its strong support for the government's four-pillar counternarcotics policy of preventive education, treatment, harm reduction, and law enforcement. The politics of drug liberalization at the federal level have changed recently, putting the brakes on the cannabis legalization movement. A new drug bill aimed at decriminalizing cannabis use for Swiss adults, concentrating enforcement efforts against other drugs, and making permanent a pilot heroin maintenance program for drug addicts was rejected by parliament in June 2004. One month later, the public lobby "For The Protection of Youth Against Drug Criminality" initiated a new ballot initiative demanding the decriminalization of cannabis, including the possession, consumption, and purchase for personal use. Supporters include well-known legislators from the whole political spectrum, physicians, scientists, prevention professionals, business leaders, as well as law enforcement and hemp industry representatives. The group collected 70,000 signatures over four months and is expected to obtain the remaining 30,000 signatures needed to pass the initiative soon. The initiative is expected to be formally registered at the Federal Chancellery on January 13, 2006. A zero tolerance law against driving while on drugs (cannabis, heroin, cocaine, ecstasy) entered into effect on January 1, 2005.

II. Status of Country

In a country of approximately seven million people, about half a million are thought to use cannabis at least occasionally. Roughly 30,000 people are addicted to heroin and/or cocaine, and more than 7.2 percent of the population uses a narcotic substance regularly. While the use of heroin and ecstasy has stabilized, the use of cannabis, amphetamines, and LSD continues to increase. Police are also concerned about the continuing trend by casual users to mix cannabis and other drugs. An international survey recently found that Swiss teenagers smoke more cannabis than their peers in more than 30 other European countries, with one in three Swiss 15-year-olds smoking pot at least once within the past year. There are an estimated total of 250,000 people who regularly smoke cannabis—nearly twice as many as a decade ago. Drug consumer arrests increased by 9.5 percent in 2004 and concerned mostly marijuana smokers.

The Swiss Federal Police published a report on narcotics activities in 2004. It is available on <http://www.bap.admin.ch/f/aktuell/stat/BMS-f-2004>.

III. Country Actions Against Drugs in 2005

Policy Initiatives. Since January 1, 2002, jurisdiction for all cases involving organized crime, money laundering, and international drug trafficking shifted from the cantons to the federal prosecutor's office in Bern. According to the federal prosecutor's office, the number of investigative magistrates will be increased to 25 by 2006. Beginning January 1, 2002, it became illegal to advertise products that contain narcotic or other psychotropic substances without government certification. Violators who put human lives at risk face fines up to \$161,000 (SFr 200,000) or imprisonment.

Heroin maintenance prescription programs originally intended to end in December 2004 have been extended until 2009. The Swiss Federal Office for Public Health believes that its heroin prescription program has a direct impact on drug-related crime: around 70 percent of addicts earned money from illegal activities at the time they entered the program, compared with 10 percent after 18 months in the program. The heroin prescription program has many detractors.

Following the release of the “Zurich drugs and addiction policy report,” made public on August 12, 2004, Zurich authorities admitted that they had been so busy tackling the open heroin scene that other areas of addiction had been overlooked. After concentrating on the heroin problem for the past ten years, the city said it wanted to be more active in other areas, such as encouraging the reintegration of drug addicts. While heroin consumption is on the decline, the use of cocaine and ecstasy is on the increase. A pilot project for the distribution of cocaine under prescription is underway but it is not being supported for the time being by the Federal Health Office in Bern. However, the Swiss government is backing other pilot projects in Bern and Basel aimed at distributing Ritalin, a substitute for narcotic drugs.

Law Enforcement Efforts. To give a sense of drug abuse developments in Switzerland, some important drug-related enforcement operations are described below:

- Over the year 2005, Lausanne police undertook 10 counternarcotics operations leading to the arrest of 14 drug traffickers, and the seizure of 3.6 kilograms of cocaine and 1 kilogram of heroin. Most of the drug traffickers were of African origin or from the Balkans.
- In April 2005, the Lausanne police seized a record 30,000 ecstasy pills worth 450,000 Swiss francs (\$346,786). Two Serbs and one Frenchman were arrested.
- In July, the Zurich police dismantled an African drug ring which was based in Switzerland, Italy and Holland. Eleven people were arrested, and 21 kilograms of cocaine and 100,000 Swiss francs in cash were seized. The drugs were smuggled into Switzerland using human mules from Africa and South America. In many cases, these were women accompanied by small children.
- In October, the Zurich police managed to break a ring that smuggled 180 kilograms of cocaine into Switzerland. The traffic went through a Zurich-based company that imports precious stones, minerals, and flowers from Brazil. The company is owned by a Swiss-Brazilian dual citizen. Payments to traffickers in Brazil were presumably made through another company owned by a Brazilian national with businesses in Lausanne and Lugano. Also arrested were Swiss and Moroccan citizens accused of delivering narcotics to Zurich and another Swiss national from Schwyz who was in charge of laundering the funds.
- In November, the Zurich police arrested two Turkish citizens after discovering 11.5 kilograms of heroin and four handguns in their apartment.
- Following a three-and-a-half year investigation, cantonal and federal police authorities managed to break an important drug trafficking ring operating from Fribourg. About 50 individuals, including four Swiss citizens and nationals from mostly the Balkans, were arrested on accusations of having possession of and trafficking 115 kilograms of heroin estimated to be worth Sfr. 5-7 million (ca. \$4.6 million). The ring supplied drugs to the Fribourg, Bern, Biel, Thun, Lausanne and Geneva areas.

Geneva police authorities also complain that a large number of drug dealers or traffickers have applied for asylum while simultaneously destroying their identity papers to avoid repatriation to their home country. Dealers from Algeria, Guinea and Serbia Montenegro are the most problematic in this regard.

During 2004, Swiss border guards reported that the amount of drugs seized at the border was still significant, with cocaine seizures doubling to 259 kilograms. Most of the drug seizures took place at airports. Cannabis seizures dropped by a third to 157 kilograms, largely as a result of police crackdown on hemp shops in several cantons. Ecstasy and amphetamines seizures increased to 180,000 largely as a result of the demand at rave parties. Across Switzerland five to ten percent of police time is spent fighting drugs. In 2005, a new undercover law went into effect. Under this law, undercover operations can only be authorized at the federal prosecutor's level. Previously, this authority rested at the law enforcement level.

Foreigners and asylum seekers play a significant role in the Swiss drug scene, especially in distribution. Those arrested in the past originated mainly from the Balkans (Albania, Former Yugoslavia, and Bosnia) Africa (Sierra Leone, Guinea), the Dominican Republic, and Europe (France, Germany, Italy and Portugal). According to the Swiss Federal Police, there are three types of criminal organizations in the country: the West African networks involved in the cocaine traffic; Albanian bands dealing in heroin and prostitution; and the money laundering networks working from the former Soviet republics. Noticing that many resident aliens suspected (but not convicted) of drug dealing travel from canton to canton, several cantonal authorities increasingly ban convicted drug dealers, resident in another canton, from visiting their cantons. They also prohibit convicted drug dealers from visiting certain areas, like railway stations and schools. If picked up by police, these dealers (mainly refugees from Eastern Europe and sub-Saharan Africa) are fined and "deported" to their canton of residency. If picked up again, they are jailed. Deportation of foreign drug dealers to their home country is difficult because they often hide their true country of origin from the police. When looking at cross-border cocaine smuggling, the Swiss federal police believe that many criminals involved use the train to connect the Swiss drug market with Holland or Spain. Their nationalities range from Swiss, Italians, Lebanese, West-African, South-East Europe, South American, and from the Dominican Republic. The "mules" generally originate from Africa or South Africa, Brazil, the Dominican Republic and Europe.

Corruption. As a matter of government policy, the GOS does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities.

Agreements and Treaties. Switzerland and the United States cooperate in law enforcement matters through bilateral extradition and mutual legal assistance treaties. Switzerland is a party to the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. In September 2005, Switzerland ratified the 1988 UN Drug Convention. Switzerland has signed, but has not yet ratified either the UN Convention Against Corruption, or the UN Convention Against Transnational Organized Crime.

On June 22, 2004, Swiss and German authorities announced a new bilateral police agreement aimed at increasing bilateral cooperation at border checkpoints. The main goal of the agreement was to deal more effectively with drug and weapons smuggling. Document specialists from both countries will also assist border guards to use improved techniques to detect forged travel documents. The Swiss-German border crossing at Basel/Larach is one of the busiest in Europe, with 70 million people crossing over per year. In September 2005, a joint police operation led to the arrest of a Yugoslav drug ring that was established in Switzerland and the neighboring German region of Baden Wurttemberg. On July 27, 2004, Slovenia and Switzerland signed a police agreement aimed at fighting organized

crime, and facilitating the return of illegal residents. The deployment of liaison officers will enable a faster more direct exchange of information.

Cultivation and Production. Switzerland is not a significant producer of illicit drugs, with the exception of illicit production of high THC-content cannabis/hemp. Police estimate the illicit hemp planted area at 350 hectares, with a value of approximately \$674 million. Approximately 200 hemp shops operate throughout Switzerland, selling a variety of cannabis products, including tea, oil, foods, and beverages, cosmetics, textiles and so-called sachets. Ostensibly sold to freshen-up closets and drawers, the sachets contain a quality of marijuana suitable for smoking. Following a series of police raids on hemp shops, a federal court ruled in March 2000 that selling hemp products with a THC level above 0.3 percent was a violation of the narcotics law regardless of how the shop had labeled the hemp. Government subsidies are available to farmers growing industrial hemp. Police have also expressed concern over the increase in domestic production of ecstasy and other synthetic drugs.

Drug Flow/Transit. Switzerland is both a transit country for drugs destined for other European countries and a destination for narcotics deliveries.

Domestic Programs. Switzerland focuses heavily on prevention and early intervention to prevent casual users from developing a drug addiction. Youth programs to discourage drug use cost \$6 million annually according to the Swiss Federal Office of Public Health. Swiss authorities increased the allotment of heroin to 246 kilograms to use for maintenance of severe drug addicts as part of its maintenance programs in 2004, as compared to 230 in 2003. Three-quarters of those enrolled in the program were male. The number of slots available in “heroin treatment centers” also increased by eight to a total of 1389. These centers are currently at 92 percent of capacity. Medical treatment costs approximately \$16,137 (SFr 20,840) per year per person, or \$44 per day (SFr57). Twenty percent of the costs were paid for by the cantons, while 80 percent was paid by the individual’s health insurance. Average time in heroin treatment is 2.83 years. Of the 182 persons who terminated the heroin prescription program, 42.3 percent opted for the methadone-assisted programs, or an abstinence therapy. In early 2005, Switzerland took part in an international pilot study, the implementation of the Multidimensional Family Therapy (MDFT) for adolescents with a cannabis problem. MDFT was developed at Miami University and has been used successfully in many instances in the U.S.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation/Policy Initiatives. On March 15, 2004, Switzerland and the U.S. joined forces to curb the rise in illegal sales of prescription drugs over the Internet. The two countries called for international action in a resolution presented at the annual session of the UN Commission on Narcotic Drugs in Vienna. The joint resolution stated that every country should introduce and enforce laws against the sale of narcotics and psychotropic drugs over the Internet. Swissmedic, the Swiss Agency for Therapeutic Products, estimates that 4,000 to 8,000 packages containing medicines with narcotic drugs or psychotropic substances come across the border into Switzerland. The latest annual report by the UN’s International Narcotics Control Board (INCB) highlighted that Switzerland had seen a big increase in seizures of narcotic drugs bought over the Internet, many of these originating from Pakistan. The Pakistani authorities are said to be working with their Swiss counterparts to resolve the problem.

The Road Ahead. The United States and Switzerland will continue to build on their strong bilateral cooperation in the fight against narcotics trafficking and money laundering. In particular, the United States urges Switzerland to use experiences gained in fighting terrorist money laundering to become more proactive in seizing and forfeiting funds from narcotics money laundering. The United States also will monitor Switzerland’s proposed revisions of its narcotics law.

Tajikistan

I. Summary

Tajikistan produces few narcotics, but it is a major transit country for heroin and opium from Afghanistan. A significant amount of opium/heroin is trafficked, primarily using land-based routes, through Tajikistan, onward through Central Asia, and then to Russian and other European markets. Illicit narcotics transiting Tajikistan rarely enter the United States. Abuse of heroin, opium, and cannabis in Tajikistan is a relatively small but growing problem. Tajikistan's medical infrastructure is inadequate to address the population's growing need for addiction treatment and rehabilitation. The Tajik Government remains committed to fighting narcotics, but is less equipped to handle the myriad social problems that stem from narcotics abuse. Tajikistan continues to implement a counternarcotics strategy and coordinates well with all major donors to that strategy. Tajikistan is a party to the 1988 UN Drug Convention.

II. Status of Country

Geography and economics continue to make Tajikistan an attractive transit route for illegal narcotics. The Nizhniy Pyandzh River, which forms part of Tajikistan's border with opium-producing Afghanistan, is thinly guarded, and difficult to patrol. It is easily crossed without inspection at a number of points. Tajikistan's economic opportunities are limited by a lack of domestic infrastructure and the fact that its major export routes transit neighboring Uzbekistan. Uzbekistan has often closed its borders to combat a perceived instability from Tajikistan, adversely affecting Tajikistan's economic prospects further. Additionally, the Tajik Government's efforts to strengthen rule of law and combat illegal narcotics flows are hindered by criminal networks that came to prominence during the 1992-97 civil war, as well as the Government's lack of revenue to adequately support law enforcement efforts. With the average monthly income in the country around \$30, high unemployment, poor job prospects, and economic migration resulting in many single heads of households, the temptation to become involved in narcotics-related transactions remains high for many segments of society. In-country cultivation of narcotics crops is minimal, and neither the Tajik Government nor the USG is aware of any processing or precursor chemical production facilities. The small amount of precursor chemical imports is closely monitored by the Tajik Government and is essentially limited to five in-country industrial sites that use such chemicals.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In coordination with other Tajik government agencies, the Presidential Office's Drug Control Agency (DCA) continued to implement a number of U.S. and UN-funded programs to strengthen Tajikistan's drug control capacity, including: new facility construction; renovation of existing facilities; purchase of vehicles and trucks and police support equipment; creation of new analytical centers, a national K-9 facility and trained dog and handlers; forensics laboratory improvements; national law enforcement communications network, training academy improvements, and salary supplemental programs. The addition of the new mobile response and deployment teams by the DCA has improved DCA's operational capacity. As a result of the final withdrawal of Russian border troops in August, Tajik forces are now solely responsible for patrolling and maintaining the border.

Accomplishments. Although the TBG (Tajikistan Border Guards) are poorly equipped and trained, enforcement operations have increased substantially since the Russian troop withdrawal, as have

arrests and seizures of narcotics and related counternarcotics operations, thanks in large part to the new initiatives and programs.

Law Enforcement Efforts. Despite misgivings that the withdrawal of Russian border troops would lead to an increase in narcotics trafficking and a decrease in seizures, the Tajik Government reports that the opposite has proven true: Tajiks forces claim to have seized up to twice the amount of drugs as Russian forces during the same period. During the first 10 months of 2005, the DCA, TBG and MOI reported the following seizures: DCA—407.5 kilograms of heroin; 553.7 kilograms of opium; 151 metric tons of cannabis. TBG—137.4 kilograms of heroin; 261.6 kilograms of opium; 151 metric tons of cannabis. MOI—965.7 kilograms of heroin; 1.25 metric tons of opium; 498 metric tons of cannabis. Tajikistan currently ranks fourth in the world for quantity of heroin seizures.

Corruption. As a matter of policy the Tajik Government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances and has continued to seek international support in augmenting its efforts to combat narcotics trafficking. However, it has been reported that many senior officials in the TBG, MOI and DCA live in modest houses and apartments and drive modest vehicles, while some counterparts in Customs and Security agencies, have more extravagant lifestyles. Because of this apparent disparity here is a good deal of public speculation about the involvement of government officials in narcotics trafficking and money laundering. Speculation focuses on prominent public figures involved in Tajikistan's 1992-97 civil war. It is impossible to determine authoritatively just how pervasive drug-related corruption, and other forms of corruption are within government circles. However, there is certainly a comparative disproportion between low salaries paid to government officials and the lifestyles many senior officials appear to maintain. Even when arrests are made for narcotics trafficking, the resulting cases are not always brought to a satisfactory conclusion. Tajikistan is not a party to the UN Convention against Corruption.

Agreements and Treaties. Tajikistan is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1972 UN Convention on Psychotropic Substances. Tajikistan is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation/Production. Opium poppies and cannabis, are cultivated in very limited amounts, mostly in the northern Aini and Panjakent districts. Law enforcement efforts limited opium cultivation, but cultivation has also been limited because it has been far cheaper and safer to grow opium poppies in neighboring Afghanistan. No statistics are available for 2005. In 2004, there were 228 registered cases of cultivation of plants containing narcotics substances, including 38 cases of opium poppy cultivation. In the course of continuous "Poppy Operation", more than 4.9 hectares or about 291,137 narcotic plants have been eradicated, including 825 poppy plants.

Drug Flow/Transit. The Tajik government estimates that a high share of narcotics produced in Afghanistan is smuggled across the border into Tajikistan's Shurobod, Moskovskiy, and Pyanzh districts. While the government may be seriously overestimating the percentage of Afghanistan's drug production that transits Tajikistan (most observers believe the largest single share of Afghan drugs passes through Iran) the total volume of drugs transiting Tajikistan is certainly high and growing. One UN estimate put the amount of heroin from Afghanistan going through Tajikistan at roughly 80 to 120 tons a year. Hashish from Afghanistan also transits Tajikistan en route to Russian and European markets.

Domestic Programs (Demand Reduction). The DCA continued to expand and develop its initiatives aimed at increasing drug awareness, primarily among school children. The Tajik Government also encouraged the involvement of domestic and international nongovernmental organizations (NGOs) in this effort. In 2004, a youth center in Khorog was added to the Tajik Government's programs to fight drug use among youth and other at-risk groups. The Tajiks spent \$11,000 through the "Decrease of

Demand for Drugs in Tajikistan and Uzbekistan” Program for the creation of a Rehabilitation Center for drug users in Badakhshan, and another \$5,000 for the construction of sport complex in Khorog; however, the number of young addicts continues to grow. Over 60 percent of Tajikistan’s drug addicts are in the 18-30 age group.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. Embassy has a full-time Senior Law Enforcement Advisor to coordinate Law Enforcement and counternarcotics assistance. A full-time narcotics assistance officer should be in place by summer 2006, and the DEA plans to open their office in 2006 as well. The Embassy’s Border Law Enforcement Working Group (BLEWG) provides a coordination mechanism for all USG assistance on counternarcotics and border assistance. The Embassy played a large role in creating a donor working group to coordinate multilateral assistance with IOM, the UN and EU to better meet Tajikistan’s great needs. The USG provided training for a number of Tajik law enforcement officials through the International Law Enforcement Academy in Budapest and Roswell.

The Road Ahead. The United States remains committed to working with the Tajik Government to increase its law enforcement and counternarcotics capabilities. The United States plans to coordinate closely with European countries, including Russia, to maximize available resources for narcotics-related projects.

Turkey

I. Summary

Turkey is a major transit route for Southwest Asian opiates to Europe, and serves as a base and refining center for major narcotics traffickers and brokers. Turkish law enforcement organizations focus their efforts on stemming the traffic of drugs and intercepting precursor chemicals. The Turkish National Police (TNP), under Interior Ministry control, is responsible for security in large urban areas. The Jandarma, paramilitary forces under joint Interior Ministry and military control, is responsible for policing rural areas. The Jandarma is also responsible for specific border sectors where smuggling is common; however, the military has overall responsibility for border control. Turkish law enforcement forces cooperate closely with European and U.S. agencies. While most of the heroin trafficked via Turkey is marketed in Western Europe, an increasing amount of heroin and opium also is smuggled from Turkey to the U.S., but not in quantities sufficient to have a significant impact on the U.S. There is no appreciable cultivation of illicit narcotics in Turkey other than marijuana grown primarily for domestic consumption. There is no known diversion from Turkey's licit opium poppy cultivation and pharmaceutical morphine production program. Turkey is a party to the 1988 UN Drug Convention.

II. Status of Country

Turkey is a major transshipment point. Turkey is also a base of operations for international narcotics traffickers and associates trafficking in opium, morphine base, heroin, precursor chemicals and other drugs. The majority of these opiates originate in Afghanistan, and are ultimately trafficked to Western Europe. A smaller but still not insignificant amount of heroin is trafficked to the U.S. via Turkey. Turkish law enforcement forces are strongly committed to disrupting narcotics trafficking. The Turkish National Police (TNP) remains Turkey's most sophisticated counternarcotics force, with the Jandarma and Customs continuing to play a significant role. Turkish authorities continue to seize large amounts of heroin and precursor chemicals, such as acetic anhydride. It is estimated that multi-ton amounts of heroin are smuggled through Turkey each month. Some heroin is still being refined in Turkey.

Turkey is one of the two traditional licit opium-growing countries recognized by the USG and the International Narcotics Control Board. Opium for pharmaceuticals is cultivated and refined in Turkey under strict domestic controls, and in accordance with all international treaty obligations. There is no appreciable illicit drug cultivation in Turkey other than cannabis grown primarily for domestic consumption. Turkish law enforcement authorities continue to seize large quantities of synthetic drugs that have been manufactured in Northern and Eastern European countries. The majority of the synthetic drug seizures have occurred as the drugs were being shipped through Turkey to other countries in the Middle East.

III. Country Actions Against Drugs in 2005

Policy Initiatives. The Government of Turkey devotes significant financial and human resources to counternarcotics activities. Turkey continues to play a key role in Operation Containment (a DEA regional program to reduce the flow of Afghan heroin to Western Europe), as well as in other regional efforts. The Turkish International Academy against Drugs and Organized Crime (TADOC), established under the Turkish National Police (TNP), continues to be a key agency leading the fight against drug abuse in Turkey. In 2004, TNP increased the number of drug training and prevention units it previously established in various provinces, to cover most parts of Turkey. These units

conducted intensive training programs for parents, teachers and students in these provinces, making a major contribution to the GOT's drug prevention efforts.

Accomplishments. TADOC organized 44 training programs for local and regional law enforcement officers in 2005. A total of 287 foreign officers were trained at TADOC this year, including officers from the Balkans, Central Asia, Syria, and Afghanistan. The training programs focused on drug trafficking, corruption, counterfeiting, illegal immigration, money laundering, and demand reduction. TADOC also hosted an FBI training program on criminal interrogation techniques for 35 law enforcement officers from the region. A 2004 UN drug survey indicated that while there was no major increase in drug abuse in Turkey in the last couple of years, the use of synthetic drugs is on the rise.

Law Enforcement Efforts. Through 05 December 2005, Turkish law enforcement agencies seized 7,760 kilograms of heroin, 409 kilograms of morphine base, 7.6 million dosage units of synthetic drugs, 10,671 kilograms of hashish and 25 kilograms of cocaine. In addition, the GOT law enforcement authorities have made more than 12,749 drug-related arrests. (The Jandarma and Customs have only reported statistics through October 2005.)

Corruption. As a matter of government policy, Turkey does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities. In December 2005, the General Assembly's Foreign Affairs Committee adopted a law ratifying the UN Convention against Corruption.

Agreements and Treaties. Turkey is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention, as amended by the 1972 Protocol. Turkey also is a party to the UN Convention against Transnational Organized Crime and its protocols on migrant smuggling, trafficking in persons, and illegal manufacturing and trafficking in firearms. The U.S. and Turkey cooperate in law enforcement matters under a 1981 treaty on extradition and mutual assistance in legal matters.

Cultivation/Production. Illicit drug cultivation, primarily cannabis, is minor and has no impact on the United States. The Turkish Grain Board strictly controls licit opium poppy cultivation quite successfully, with no apparent diversion into the illicit market.

Drug Flow/Transit. Turkey remains a major route, refining center and storage, production and staging area, for the flow of heroin to Europe. Turkish-based traffickers and brokers operate in conjunction with narcotics smugglers, laboratory operators, and money launderers in and outside Turkey. They finance and control the smuggling of opiates to and from Turkey. Afghanistan is the source of most of the opiates reaching Turkey. Morphine and heroin base are smuggled overland from Afghanistan and Pakistan via Iran. Opiates and hashish also are smuggled to Turkey overland from Afghanistan via Turkmenistan, Azerbaijan, and Georgia. Traffickers in Turkey illegally acquire the heroin precursor chemical, acetic anhydride, from sources in Western Europe, the Balkans and Russia. For fiscal year 2004, 2,304 liters of acetic anhydride were seized in, or destined for, Turkey. Some criminal elements in Turkey reportedly have interests in heroin laboratories operating near the Iranian-Turkish border in Iran. Turkish-based traffickers control much of the heroin marketed to Western Europe.

In 2005, Turkish authorities reported an increase in synthetic drug seizures throughout Turkey. Although Turkish law enforcement has not seen a large increase in synthetic drug manufacturing in Turkey, Turkish National Police did report one synthetic drug laboratory seizure in Usak, Turkey in December 2004. For calendar year 2005, a total of 7.5 million dosage units of synthetic drugs, predominantly captagon and ecstasy, were seized in Turkey.

Demand Reduction. While drug abuse remains modest in scale in Turkey compared to other countries, the number of addicts reportedly is increasing. Although the Turkish Government is

increasingly aware of the need to combat drug abuse, the agencies responsible for drug awareness and treatment remain under-funded. As of 2005, seven Alcohol and Substance Abuse Treatment and Education Clinics (AMATEM) have been established, which serve as regional drug treatment centers. Due to lack of funds, only one of the centers focuses on drug prevention as well as treatment. The most recent clinic was opened in Ankara in 2004 and will serve as the countrywide coordinating center for drug and alcohol treatment and education. The Health Ministry has not conducted a drug abuse survey since 1995 due to lack of resources.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives and Programs. Through fiscal year 1999, the U.S. Government has extended \$500,000 annually in assistance. During 2005-06 the U.S. Government anticipates spending approximately \$60,000 in previously-obligated funds on counternarcotics programs.

Bilateral Cooperation. DEA reports excellent cooperation with Turkish officials. Turkish counternarcotics forces have developed technically, becoming increasingly professional, in part based on the training and equipment they received in the past from the U.S. and other international law enforcement agencies.

The Road Ahead. U.S. policy remains to strengthen Turkey's ability to combat narcotics trafficking, money laundering and financial crimes.

Turkmenistan

I. Summary

Turkmenistan remains a transshipment route for traffickers seeking to smuggle contraband to Turkish, Russian and European markets from neighboring drug-producing countries. Turkmenistan is not a major producer or source country for illegal drugs or precursor chemicals. Turkmenistan shares a rugged and remote 744-kilometer border with Afghanistan as well as 992-kilometer boundary with Iran. Counternarcotics efforts are carried out by the Ministry for National Security (MNB), Ministry of Internal Affairs (MVD), State Customs Service (SCS), State Border Guards Service (SBS), State Service for the Registration of Foreigners and Prosecutor General's Office. The State Counternarcotics Coordination Commission (SCCC) at the Cabinet of Ministers is an inter-departmental body responsible for coordination of the activities of concerned government departments. According to Government of Turkmenistan (GOTX) statistics, law enforcement officers seized a total of 548 kilograms of illegal narcotics in the first six months of 2005.

The GOTX continues to publicly commit itself to counternarcotics efforts; however, its law enforcement agencies are hampered by a widespread lack of resources, training and equipment. GOTX officials have acknowledged publicly that smuggling organizations are increasing their efforts to traffic narcotics across Turkmenistan and large-scale seizures are increasingly common. Domestic drug abuse is steadily increasing, although concrete statistics are not publicly available. Turkmenistan is a party to the 1988 UN Drug Convention.

II. Status of Country

Turkmenistan remains a key transit country for the smuggling of narcotics and precursor chemicals. Opiates from Afghanistan—such as heroin, opium and other opium-based drugs—destined for markets in Turkey, Russia and Europe enter Turkmenistan from Afghanistan, Iran, Pakistan, Tajikistan and Uzbekistan. The bulk of the GOTX's law enforcement resources and manpower are directed toward stopping the flow of drugs from Afghanistan and Iran. Turkmen law enforcement efforts at the Turkmenistan-Uzbekistan border are primarily focused on interdicting smuggled commercial goods. Traffickers appear aware of this focus, and thus seem to view this route as an attractive transshipment route. Commercial truck traffic from Iran continues to be heavy. Caspian Sea ferry traffic from Turkmenistan to Azerbaijan and Russia continues to be a viable smuggling route. Turkmenistan airlines operates international flights connecting Ashgabat with Abu Dhabi, Bangkok, Beijing, Birmingham, Dubai, Frankfurt, Istanbul, Kiev, London, Moscow, and New Delhi. These too provide options to traffickers.

III. Country Actions Against Drugs in 2005

Policy Initiatives. During the past year, the President of Turkmenistan acknowledged that drug usage and smuggling were a problem in Turkmenistan and increased pressure on law enforcement officials to improve counternarcotics efforts. In August 2004, the GOTX introduced a new draft criminal procedure code in its efforts to transform its Soviet era criminal justice sector. The parliament has not adopted the new code.

Accomplishments. The U.S. Export Control and Related Border Security Program (EXBS) conducted an interdiction and boarding officers' course in Turkmenbashi Port in July and the Department of Homeland Security Customs and Border Protection hosted a Port Security training exercise in August. The GOTX had two law enforcement officers participate in counternarcotics dog training in Rostov,

Russia in March, and three officers from counternarcotics units attended the Drug Enforcement Agency's (DEA) counternarcotics unit commanders training seminar in Tashkent in December. Along with the enhancement of border infrastructure (see paragraph below), the UNODC and OSCE conducted training programs on narcotics identification. INL, European Union-Border Management Programme for Central Asia (BOMCA) and UNODC all have permission to continue counternarcotics training.

Law Enforcement Efforts. The USG is constructing two new border crossing checkpoint facilities, one on the border with Afghanistan and one on the border with Iran, and the GOTX has given the SCS money for the construction of two new facilities on the border with Kazakhstan. EXBS delivered nine additional jeeps and three additional water trucks along with radios and radio networking equipment to the SBS. The USG donated gas chromatograph/mass spectrometer and laboratory equipment to the MVD's national forensic laboratory for analyzing narcotics. Turkmen border forces are moderately effective in detecting and interdicting narcotics and reported a total of 548 kilograms of seized illegal narcotics in the first six months of 2005. The local press published articles in August and September detailing drug seizures by SGS officers along the border with Iran. Officers involved in the incidents seized 100kg of opium and 122 kilograms of narcotics respectively and were awarded medals for courage and given immediate promotions.

Corruption. Law enforcement officials' low salaries, combined with their broad general powers, foster an environment in which corruption occurs. A palpable general distrust of the police by the public, fueled by anecdotal evidence of police officers soliciting bribes, suggests a problematic level of corruption in law enforcement. There have been persisting reports that senior GOTX officials are directly linked to the drug trade. In September, President Niyazov dismissed the provincial governor of Ahal province and the provincial head of law enforcement for drug addiction. The governor was also accused of purchasing and selling heroin. In November, the president dismissed the SBS chief responsible for the border guards at Serhetabad border crossing checkpoint along the Turkmenistan-Afghanistan border for his staff's involvement in the illegal drug trade. Payments to facilitate passage of smuggled goods to lower officials at border crossing points frequently occur.

Agreements and Treaties. Turkmenistan is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 protocol, and the 1971 UN Convention on Psychotropic Substances. Turkmenistan also is a party to the UN Convention Against Corruption, the UN Convention Against Transnational Organized Crime, and its protocols against migrant smuggling, trafficking in persons, and Illegal Manufacturing and Trafficking in Firearms.

Cultivation/Production. Turkmenistan is not a significant producer of illegal drugs, although small-scale opium and marijuana cultivation is thought to occur in remote mountain and desert areas. Each spring, the GOTX conducts limited aerial inspections of outlying areas in search of illegal poppy cultivation. Upon discovery, law enforcement officials eradicate opium crops.

Drug Flow/Transit. Turkmenistan remains a primary transit corridor for smuggling organizations seeking to transport opium and heroin to markets in Turkey, Russia and the whole of Europe, and for the shipment of precursor chemicals to Afghanistan. Turkmenistan's two major border control agencies, the SCS and the SBS, have received increased attention and funding for their drug enforcement duties. Systemic deficits in necessary equipment, training, resources, and facilities will take time to improve. Border crossing points with rudimentary inspection facilities for screening vehicle traffic and lacking reliable communications systems have been identified by the GOTX and are being improved.

Domestic Programs. Currently, the Ministry of Health operates seven drug treatment clinics; one in the capital Ashgabat, one in Serdar city, and one in each of the five provincial administrative centers. Drug addiction is a prosecutable offense with jail sentences for convicted persons, although judicial officials usually sentence addicts to treatment. The president's opening statement read at the GOTX-

UNODC Regional Counternarcotics Conference in March was the first high-level admission that drug use was a concern for the government. GOTX consistently has refused to participate in USG or UN drug demand reduction programs and is not conducting any of its own.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. The USG is providing necessary equipment and quality training to make the GOTX a more effective partner in counternarcotics issues. State Department assistance has an ongoing relationship with the MVD through a forensic lab project, the funding of two UNODC projects on the border with Afghanistan, funding of English language programs for law enforcement officers working to combat narcotics trafficking, and training port security officials to locate contraband. INL will also begin a regional counternarcotics training program for MVD officers. The EXBS program directly benefits INL efforts by providing search and seizure training and enhancing border security. The U.S. Department of Defense is currently funding and implementing the construction of two border crossing checkpoints.

Bilateral Cooperation. The USG-GOTX bilateral relationship on law enforcement issues, most specifically counternarcotics programs, continues to improve. The GOTX supported USG initiatives to enhance law enforcement institutions and training programs, and has expanded the relationship to include the construction of infrastructure along the border.

The Road Ahead. Bilateral cooperation is expected to continue, and the USG will expand counternarcotics law enforcement agency training at the working level. The USG also will encourage the GOTX to institute long-term demand reduction efforts and will foster supply reduction through interdiction training, law enforcement institution building, the promotion of regional cooperation, and an exchange of drug-related intelligence.

Ukraine

I. Summary

Trafficking and use of narcotics continued to increase in Ukraine in 2005. Ukraine has adequate counternarcotics legislation. The Government of Ukraine continued to take steps to limit illegal cultivation of poppy and hemp to proven licit uses. The transit of illicit narcotics through Ukraine is a serious and growing problem. Combating narcotics trafficking and use, and its effects, continues to be a national objective, though a lack of resources seriously hinders Ukrainian efforts. Coordination between law enforcement agencies responsible for counternarcotics work has improved but still remains a problem due to regulatory and jurisdictional constraints. Ukraine is a party to the 1988 UN Drug Convention.

II. Status of Country

Ukraine is not a major drug-producing country; however, Ukraine is located astride several important drug trafficking routes into Europe, and thus is an important transit country. Ukraine is a significant transit corridor for narcotics originating in East, Central and Southwest Asia (Afghanistan) and transiting through Russia, the Caucasus and Turkey, and then through Ukraine further into Western Europe. Some of the drugs trafficked through these routes come from Latin America and Africa. Ukraine's domestic market is increasingly influenced by synthetic drugs trafficked from both Asia and Central and Eastern Europe (Poland, Romania, Baltic Republics). Numerous available ports on the Black and Azov seas, river transportation routes, porous borders, and inadequately financed and under-equipped border and customs control forces make Ukraine susceptible to drug trafficking, especially on the north-east border with other former Soviet Republics, Belarus and Russia. Domestic use of narcotics continues to rise, and the number of drug addicts is increasing. Domestic drug abuse is marked by a growing trend of use for synthetic drugs and psychotropic substances, especially amphetamine type stimulants (ATS).

III. Country Actions Against Drugs in 2005

Policy Initiatives. In 2005 the Government of Ukraine continued to implement a comprehensive policy entitled "The Program of the State Policy in Combating Illegal Circulation of Narcotics, Psychotropic Substances and Precursors for 2003-2010." The Program acknowledged the growing scale of drug abuse, and that the Government's current education and public awareness efforts, community prevention efforts, treatment and rehabilitation centers are not adequate in scope and number to address the problem. The Program's implementation involves two stages: stage one took place from 2003-2005 and stage two will be implemented between 2006-2010. Stage one's objectives included: improving legislation; improving monitoring of drug abuse and drug trafficking; improving interagency cooperation; creating a modern interagency data bank; improving the prevention of drug abuse; increasing law enforcement capacity; scientific research; and setting up an interagency lab to research new drugs and discover new trends in drug trafficking. Stage two will include integration into the European information space and exchange of information on drug trafficking; strengthening drug abuse prevention centers; introducing new treatment practices; increasing public awareness and education, especially in schools; further strengthening law enforcement capacity and fully achieving international standards. The Program also provides estimates of future funding for the continuing support of its implementation. The total estimate is over 300 million Ukrainian hryvnias (\$60 million).

As part of the Program implementation, the Ukrainian Government proposed a bill amending The Law on Circulation of Narcotics, Psychotropic Substances and Precursors in Ukraine. The amendment establishes an explicit procedure for licensing activities related to licit trade of narcotics, psychotropic substances and precursors. It also sets forth a requirement that hospitals and health care institutions should obtain licenses for storing, transporting, purchasing, and selling medical drugs containing narcotic substances. The new Criminal Procedure Code pending adoption will also regulate more consistently the procedure for destruction of confiscated or seized equipment that has been used for illegal production of narcotics or psychotropic substances and cannot be used for legal purposes.

Accomplishments. In Ukraine counternarcotics enforcement responsibility is shared between the Ministry of Interior with its domestic law enforcement function and the Security Service of Ukraine which deals with trans-border aspects of drug traffic. The State Border Guard Service and the State Customs Service carry out drug enforcement functions in their respective field of operation, mainly drug interdiction at the green and customs borders. The Ukrainian Security Service participated in an international operation to limit cocaine trafficking from South America to Ukraine. The operation was jointly conducted by the Security Service, U.S. Drug Enforcement Agency, and the Argentine Federal Police. It led to the seizure of more than two kilograms of cocaine and the elimination of an organized criminal group with members in both Argentina and Ukraine.

Law Enforcement Efforts. According to official statistics for 2005 (January through November), approximately 61,867 narcotics offenses were investigated by the Ministry of Interior and 177 were investigated by the Security Service. Between 2001 and 2005, Ukrainian law enforcement agencies eliminated 309 drug trafficking organizations in Ukraine and 57 foreign-led drug trafficking organizations operating from Ukraine territory. According to government statistics, drug “imports” for consumption remain comparatively low while drug “exports” are increasing. The Ministry of Interior continued to strengthen its Drug Enforcement Department (DED). The total number of DED officers is 2,613 in the regions and 51 in the central headquarters; however, unlike the central staff, regional officers are tasked with other anticrime activities besides narcotics.

Corruption. The Ukrainian government has acknowledged that corruption remains a major problem in the country. In 2005, media published several reports about public officials or law enforcement officers being engaged in drug trafficking or covering up such activity. Despite the increased attention of the public to the issue of corruption and the government’s declaration that it will decisively root out corruption, corruption remains a major challenge in Ukraine due to a widespread bribe-tolerant mentality, and the lack of means that law enforcement can use to investigate and prosecute it. In 2005, there were no charges of corruption of public officials relating to drugs. Ukraine has signed but has not yet ratified the UN Convention Against Corruption.

Agreements and Treaties. Ukraine is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and to the 1971 UN Convention on Psychotropic Substances. The U.S.-Ukraine Mutual Legal Assistance Treaty came into force in February 2001. Ukraine is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation/Production. Opium poppy is grown in western, southwestern, and northern Ukraine, while hemp cultivation is concentrated in the eastern and southern parts of the country. Small quantities of poppy and hemp are grown legally by licensed farms, which are closely controlled and guarded. Despite the prohibition on the cultivation of illicit drug plants (poppy straw and hemp), many cases of illegal cultivation by private households were discovered during past government investigations.

Drug Flow/Transit. The Customs Service alone interdicted 644 cases of drug trafficking across the Ukraine border from January to September of 2005. Heroin is trafficked from Central Asia (primarily Afghanistan). It comes into Ukraine mostly through Russia, the Caucasus and Turkey. Shipments are

usually destined for Western Europe, and arrive predominantly by road, rail, or sea, which methods are perceived as less risky than air or mail shipment. Lately, experts noted an increase in heroin traffic from Turkey into Ukraine by sea and then across Ukraine's western border into Western Europe. Experts believe that criminals are looking for alternatives to traditional Balkan drug traffic routes. This assumption is also supported by a number of large heroin seizures in the last year on the Ukrainian-Hungarian border. Drug traffic from Asia is increasingly controlled by well-organized international criminal groups of Afghan, Pakistani, and Tajik origin, which use citizens of the former Soviet republics as drug couriers. At the same time, the high street price of heroin (\$70-\$100 per gram) in Ukraine in 2005 testified to comparatively effective heroin interdiction efforts of Ukrainian law enforcement agencies. The largest segment of drug flow is composed of poppy straw and hemp, which are the most popular types of drugs in Ukraine. They are usually produced and consumed locally and partially trafficked to Russia. The same types of drugs are also trafficked from Russia into Ukraine. These drugs are cheap and therefore are easily accessible.

The trafficking of synthetic drugs and psychotropic substances from Poland and of licit medical opiates and other licit painkillers from Romania and Moldova is growing. Criminal groups, which formed in the 1990s and traditionally stayed away from the drug trafficking business, are now increasingly taking up this lucrative niche. The price of the mass-use drugs is lower than that of heroin and cocaine and therefore is attractive to young drug addicts. Other smuggling routes include cocaine from Latin America and hashish from North and West Africa. These routes transit Ukraine into Europe. The quantity of drugs moving along these routes is comparatively small.

Domestic Programs (Demand Reduction). Estimates of the number of drug addicts vary widely, from 141,594 of officially registered drug addicts as of September 2005 to roughly one million reported by local NGOs. Drug addicts commit about 15,000 criminal offenses annually. Drug addiction is a cause of more than 1,000 deaths every year, according to Ukrainian health authorities. Marijuana and hashish have grown in popularity with young people; but opium straw extract remains the main drug of choice for Ukraine addicts. Young people are using synthetic drugs more frequently, such as ephedrine, ecstasy (MDMA), LSD, amphetamines and methamphetamines. Hard drugs such as cocaine and heroin are still too expensive for most Ukrainian drug users. Ukrainian officials are working to reduce drug demand through preventive actions at schools, as most Ukrainian drug abusers are under the age of 30. Drug information centers have been opened in the cities and regions with the highest levels of drug abuse. NGOs operating with assistance from international institutions are conducting a number of rehabilitation programs throughout the country.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. objectives are to assist Ukrainian authorities in developing an effective counternarcotics program in interdiction (particularly of drugs transiting the country), investigation, and demand reduction, as well as to assist Ukraine in countering money laundering. Officers from the U.S. Drug Enforcement Administration have conducted a number of training courses funded by the U.S. Department of State in drug interdiction in seaports and investigation of drug cases. The Drug Enforcement Agency has established good working relations with Ukrainian counternarcotics law enforcement units.

The Road Ahead. Trafficking of narcotics from Asia and cocaine from Latin America to European destinations through Ukraine is on the upswing, as drug traffickers look for new ways to circumvent border controls. Trafficking of synthetic drugs from countries of Eastern Europe is a growing concern. Demand reduction and treatment of drug abusers remain a challenge and require close attention. Law enforcement agencies need continued assistance in adopting modern techniques to fight drug trafficking, as well as to enhance interagency and international cooperation.

United Kingdom

I. Summary

The United Kingdom (UK) is a consumer country of illicit drugs. Like other developed nations, the UK faces a serious domestic drug problem. The UK is in the eighth year of a ten-year drug strategy launched in 1998 to address both the supply and demand aspects of illegal drug use. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. Crime syndicates from around the world try to exploit the underground narcotics market and use the UK as a major transshipping route. Legislation introduced in October 2001 to improve the UK's asset forfeiture capabilities took effect in January 2003 and is being effectively implemented. The UK is party to the 1988 UN Drug Convention.

II. Status of Country

Cannabis remains the most-used illicit drug in the UK according to Home Office figures for England and Wales compiled as part of the 2004/05 British Crime survey. Around 9.7 percent of 16-59 year-olds (3.04 million) reported using cannabis at least once in the past year. Cocaine is the next most commonly used drug with 2.0 percent reporting use of it in the last twelve months, closely followed by ecstasy at 1.8 percent and amphetamines at 1.4 percent.

Overall, the latest official surveys on drug use showed few changes between 2003/04 and 2004/05. About 11.3 percent of those between the ages of 16-59 reported having used an illicit drug in the past year, down slightly from 12 percent in the previous survey. The decline was mainly due to a decrease in the use of cannabis between 2003/04 and 2004/05. Between 1998 and 2004/05 the use of all Class A drugs, with the exception of cocaine, has remained stable or has dropped. Ecstasy use has fluctuated, peaking in 2001/02 and is now stable. The overall increase in Class A drug use since 1998 reflects the increase in the use of cocaine and ecstasy through 2000 and an increase in the percentage of people age 25-59 who use Class A drugs. Between 2003/04 and 2004/05, the survey showed stable overall use of Class A drugs, with a slight decrease in cocaine use and an increase in the use of "magic mushrooms."

The 2004/05 survey indicates that among young people age 16-24, the incidence of use of any drug has decreased significantly since 1998, (dropping from 31.8 percent to 26.3 percent) with Class A drug use remaining stable. Cannabis is the drug most likely to be used by young people; according to the survey, 23.5 percent of 16-24 year olds used cannabis within the last year. Cocaine was the next most commonly used drug with 4.9 percent claiming to have used it in the last year, followed closely by ecstasy at 4.8 percent, amyl nitrite at 3.8 percent, and amphetamines at 3.3 percent, and hallucinogens at 3.0 percent. (The survey does not differentiate between amphetamines and methyl amphetamine.) Other drugs showed minimum usage levels among this age group.

Virtually all parts of the UK, including many rural areas, confront the problem of drug addiction to at least some degree. Official estimates of cocaine and crack users ages 16-59 have dropped, but are still well over 600,000. Current estimates of opiate users declined approximately 27 percent to 75,000 in the 2003/04 survey and further still to 41,000 in the 2004/05 survey, but still represent a significant subgroup of users. The National Criminal Intelligence Service (NCIS) reports that Britain faces a significant threat from national and international organized crime. Historically drugs have been linked to about 80 percent of all organized crime in London, and about 60 percent of crime overall.

III. Country Actions Against Drugs in 2005

Policy Initiatives/Accomplishments. UK counternarcotics policies have a strong social component, reflecting the widely accepted view that drug problems do not occur in isolation, but are often linked to other social problems. In 2005, the British government continued its ten-year strategy program, launched in 1998, that emphasizes that all sectors of society should work together to combat drugs. Trends in responding to drug abuse with government programs reflect wider UK government reforms in the welfare state, education, employment, health, immigration, criminal justice, and economic sectors.

UK counternarcotics strategy focuses on Class A drugs and has four emphases: to help young drug abusers resist drug misuse; to protect communities from drug-related, antisocial and criminal behavior; to enable people with drug problems to recover and live healthy, crime-free lives; and to limit access to narcotics on the streets. Key performance targets were set in each of these four areas and updated in the November 2002 drug strategy. The most controversial aspect of the updated strategy was the decision to downgrade cannabis to a Class C drug. The final legislation implementing this downgrade was enacted in July 2003, taking effect on January 29, 2004. Class C categorization reduced the maximum sentence for possession of cannabis from five to two years in prison. There is now a presumption against arrest for adults for possession, though not for young people. Maximum penalties for supplying and dealing remain at 14 years. Notwithstanding this amendment, the UK government has emphasized that it continues to regard cannabis as a harmful substance and has no intention of either decriminalizing or legalizing its production, supply or possession. There are currently no plans to change the penalties for Class C offenses.

In April 2005, the Home Secretary asked for a review of the cannabis reclassification decision in light of studies into links between the regular use of cannabis and mental illness. The Advisory Council on the Misuse of Drugs issued its new report in December 2005, but did not make a firm recommendation. The Home Secretary is reviewing the report and still has the option of reclassifying the drug. Police chiefs have reportedly urged that, if cannabis is upgraded to Class B, fixed penalties be established to streamline enforcement. Despite an aggressive government education campaign aimed at cannabis users, some police authorities report a lack of understanding on the part of offenders that the drug remains illegal and that they can be detained or prosecuted for possession or dealing.

On November 17, the Advisory Council published a special report on methyl amphetamine. While the Council did not recommend changing the classification of the drug (currently Class B), it did suggest that the serious impact of methyl amphetamine on communities in other countries, notably the United States, warranted extra attention to its patterns of use in the UK and recommended regular reassessments.

Direct annual government expenditures under the updated overall drug strategy are increasing 10 percent between 2004/05 and 2005/06, from \$2.38 billion (£1.344 billion) to \$2.63 billion (£1.483 billion). Drug treatment expenditures are targeted to increase 12 percent over the same period, expenditures on programs for young people will rise 5 percent, and funding for reducing supply will hold steady at \$673 million (£380 million). The largest increase will come in spending on community programs (24 percent).

New legislation, the Drugs Act of 2005, has further strengthened police powers in drug enforcement. The new law allows for drug tests on arrest, rather than on charge, and requires persons with a positive test to undergo further assessment. It also amended the Anti-social Behavior Act of 2003 to allow authorities to enter a suspected crack house to issue a closure notice. Under provisions of the Act, “magic mushrooms” were upgraded to Class A in July 2005. Prior to this change in the law, only prepared (such as dried or stewed) magic mushrooms were rated as Class A drugs. The most controversial provisions of the new law will set thresholds for possession that allow police to charge persons found with more than a specified amount of a given drug with dealing, rather than the lesser

charge of possession. The prescribed amounts have yet to be set; the UK government expects to begin consultation at the end of 2005 with a final review by the Advisory Council.

Laws that took effect in 2000 required courts to weigh a positive Class A test result when deciding bail and bail may be denied or restricted if an offender refuses a test or refuses treatment after a positive test. The testing requirement also is applied to offenders serving community sentences and those on parole. Under the Criminal Justice Interventions Program created in January 2003, now called the Drug Interventions Program (DIP), the UK government targeted this testing regime to the 30 areas most affected by drug-related crime; 36 additional areas were added in April 2004, and the DIP program now operates with an annual budget of \$292 million (£165 million). As of April 4, 2005, Drug Testing and Treatment Orders (DTTO) for adults were replaced by a new “Community Order.” The new orders will allow authorities to choose from a larger menu of options and more closely tailor the consequences to the seriousness of the offense. Standard DTTOs will continue for 16-17 year olds until April 2007 and for offenses committed prior to April 2005. In December 2005, the UK inaugurated a pilot program of drug courts. Magistrates in one court in Leeds and one in West London have received special training and begun to track convicted drug offenders and personalize treatment. The long-term plan is to establish the courts nationwide. Scotland has been running a pilot drug court in Glasgow since 2003.

In January 1999, the Home Secretary announced an initiative to reduce smuggling of drugs into prisons, and the government launched a prison service drug rehabilitation program. Counseling, assessment, referral, advice, and treatment (CARAT) services are now available in every prison in England and Wales. The program is linked to another initiative called “Prospects,” which was launched in February 2003 to offer support to those leaving prison by providing stable living situations and assistance with life skills. The UK government runs 77 different types of drug rehabilitation program in prisons, including a high-intensity short duration program and plans to expand the number of programs available to 117 by March 2006.

Under the UK’s devolved government system, Scotland and Northern Ireland have separately articulated policies and independent judicial systems. However, they have published and implemented similar counternarcotics strategies linked to the goals and policies outlined by the central UK government.

Law Enforcement Efforts. The UK gives a high priority to counternarcotics enforcement and the United States enjoys good law enforcement cooperation from the UK. The UK honors U.S. asset seizure requests and was one of the first countries to enforce U.S. civil forfeiture judgments. The “Proceeds of Crime Act,” which took effect in January 2003, has significantly improved the government’s ability to track down and recover criminal assets. The total value of assets recovered by all agencies under the Act (and earlier legislation) in England, Wales, and Northern Ireland was \$96.6 million (£54.5 million) in 2003/04 and \$149.6 million (£84.4 million) in 2004/05.

The number of drug seizures recorded in 2003 dropped to 109,410—four percent fewer than in the previous year. (Note that, as of 2003, Home Office statistics only include seizure data for England and Wales; 2003 represents the most recent detailed statistics.) Seventy-seven percent of all seizures were of Class B drugs, 94 percent of which were cannabis seizures. Twenty-seven percent of all seizures involved Class A drugs. Overall, police and customs seized a greater amount of cocaine, heroin, ecstasy, amphetamines, and cannabis in 2003 than in 2002. Heroin was the most commonly seized Class A drug, followed by cocaine. The volume of Class A drugs seized in 2003 also was greater than that seized in 2002; authorities seized 6.8 tons of cocaine (almost twice as much as in 2002) and 2.7 tons of heroin (a 2 percent increase over 2002). With the “date rape” drug GHB illegal as of July 2003, official figures recorded for the first time a seizure of 40 kilograms of this substance. The government claimed it had dismantled or disrupted 193 drug trafficking groups in 2002/03 and an additional 268 groups in 2003/04.

In 2003, the total number of drug offences in England and Wales rose 5 percent over 2002 levels to 133,970. The majority of these were cannabis offenses, at the time still a Class B substance. The number of Class A offenses rose 6 percent to 35,610. Heroin offenders were the largest group of known Class A drug offenders, accounting for 10 percent of all known offenders in 2003. The vast majority of persons convicted or cautioned for drug offenses were charged with possession. About 90 percent of all persons dealt with in the courts for drug offenses were male. Possession offenses tend to be committed by younger people (63 percent committed by those under the age of 25) while 63 percent of the producing/exporting/importing offenses were committed by persons over age 30 and 71 percent of dealing offenses were committed by persons over age 25.

Corruption. Narcotics-related corruption of public officials at all levels is not considered a problem in the UK. When identified, corrupt officials are vigorously prosecuted.

Agreements and Treaties. The U.S. and UK have a long-standing extradition treaty, a Mutual Legal Assistance Treaty (MLAT), and a narcotics agreement, which the UK has extended to some of its dependencies. A new bilateral extradition treaty has been negotiated and signed by both countries and awaits final ratification. A new UK extradition statute, which entered into force in January 2004, facilitates U.S. requests for extradition even prior to U.S. ratification of the new treaty, although this status is conditional and subject to revocation by Parliament.

The United States and United Kingdom also have a judicial narcotics agreement and an MLAT relating to the Cayman Islands, which extends to Anguilla, the British Virgin Islands, Montserrat, and the Turks and Caicos Islands. The UK is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The U.S.-UK Customs Mutual Assistance Agreement (CMAA) dates from 1989. The UK has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. In July 2005, the UK signed an updated U.S. Coast Guard Law Enforcement Detachment (LEDET) Memorandum of Understanding with the USG. This included the airborne use of force (AUF) capability on Royal Navy and auxiliary vessels attempting to stop noncompliant drug smuggling go-fast vessels as well as authorization to carry LEDETS in the eastern Pacific in addition to Caribbean operations. The first success of this AUF capability was realized on October 28, 2005 when HMS CUMBERLAND seized 1,756 kilograms of cocaine from a go-fast vessel that refused a lawful order to stop and was subsequently disabled by precision rifle fire from the HMS Cumberland's helicopter.

Cultivation/Production. Cannabis is cultivated in limited quantities for personal use, and occasionally sold commercially. Most illicit amphetamines and MDMA (ecstasy) are imported from continental Europe, but some are manufactured in the UK in limited amounts. Authorities destroy crops and clandestine facilities as detected. U.S. authorities have been concerned about a growing incidence of production of a "date rape" precursor drug, GBL. While the UK government made GHB, the "date rape" drug, illegal in July 2003, GBL remains uncontrolled and there were some instances of trafficking of GBL to the United States in 2003. DEA has had two very significant investigations in which UK nationals were operating websites offering GBL for sale to the U.S. In early 2004, the UK police executed a search warrant on one of these targets, but had to leave a large drum of GBL behind at the suspect's house, as GBL is not a controlled substance in the UK. Police did seize some individual parcels that were ready to be shipped to the U.S., as they were evidence of exportation. In 2005, the DEA, in concert with UK authorities, conducted the controlled delivery of three GBL shipments to the U.S. DEA has asked the UK to control GBL and the UK is active in EU-wide discussions on control of this substance.

Drug Flow/Transit. Steady supplies of heroin and cocaine enter the UK. Some 90 percent of heroin in the UK (amounting to around 30 tons a year) normally comes from Southwest Asia, chiefly Afghanistan. UK-based Turkish criminal groups handle a significant amount of the heroin eventually

imported into the UK, although Turkish criminals in the Netherlands and Belgium also channel heroin to the UK. Pakistani traffickers also play a significant part; most of the heroin they import, normally in small amounts by air couriers traveling direct from Pakistan, is destined for British cities where there are large South Asian populations. Caribbean criminals (primarily West Indians or British nationals of West Indian descent) are involved in the supply and distribution of heroin as well as cocaine. Most heroin probably enters the UK through ports in the southeast, although some enters through major UK airports with links to Turkey, Northern Cyprus, and Pakistan.

Hashish comes to the UK primarily from Morocco. Cocaine imports are estimated at 25-40 tons a year and emanate chiefly from Colombia. Supplies of both cocaine and crack cocaine reach the UK market in a variety of ways. Around 75 percent of cocaine is thought to be carried across the Channel from consignments shipped from Colombia to mainland Europe and then brought to the UK concealed in trucks or private cars, or by human couriers or “mules.” Traffickers based in South America, Mexico, Spain and the UK are the organizers of this smuggling. Other information also suggests that cocaine is smuggled into the UK via West Africa.

The Caribbean, chiefly Jamaica, is a major transshipment point to the UK from Colombia. Cocaine comes in both by airfreight and by couriers, normally women, who attempt to conceal internally (i.e., through swallowing in protective bags) up to 0.5 kilogram at a time. A synthetic drug supply originates out of Western and Central Europe: amphetamines, ecstasy, and LSD have been traced to sources in the Netherlands and Poland; some originates in the UK.

Domestic Programs (Demand Reduction). The UK government’s demand reduction efforts focus on school and other community-based programs to educate young people and to prevent them from ever starting on drugs. In May 2003, the government launched a \$5.7 million (£3 million) multimedia campaign called “FRANK”, its official national drug awareness campaign. FRANK offers help and advice to anyone who may be affected by drugs. The latest information cites over 739,000 calls to the FRANK help line and 5.7 million hits on its website. The UK now has drug education programs in all schools, supported by a certificate program for teachers. In March 2005, the Department for Education and Skills officially linked FRANK to its “Every Child Matters” education programs to assure regular reviews for effectiveness. A similar information and support program called “Know the Score” operates in Scotland.

“Positive Futures,” a sports-based program started in 2000 to specifically target socially vulnerable young people, has served over 80,000 young people since its inception with 108 projects established in regions throughout the country. As of January 2006, the program will be handed over to a national charity, Crime Concern. The contract will run through March 2008. The charity hopes to use the heightened interest in sports generated by London’s successful 2012 Olympics campaign to promote its agenda.

The UK has rapidly expanded treatment services and believes it is on track to meet the target of doubling the number of people in treatment by 2008; current figures show an 89 percent increase of people in drug treatment programs since 1998. The so-called “pooled treatment budget” administered by the Home Office and the Department of Health is targeted to increase from \$448 million (£253 million) nationally in 2004/05 to \$847 million (£478 million) by 2007/08. Additional services are provided through the National Health Service. National Health Service statistics show a 50 percent increase in trained drug treatment professionals (currently 10,106 with a target of 11,000) and a drop in waiting times for treatment from 6-12 weeks to 2.4 weeks since 2002. Waiting times in areas more heavily affected by drugs is lower at 1.8 weeks. Latest statistics indicate that drug-related deaths between 2002 and 2003 continued to fall and have dropped 12 percent since 1998. Among young people under the age of 20, drug-related deaths fell by almost one-third between 2002 and 2003.

IV. U.S. Policy Initiatives and Programs

The Road Ahead. The United States looks forward to continued close cooperation with the UK on all counternarcotics fronts.

Uzbekistan

I. Summary

Uzbekistan is primarily a transit country for opiates originating in Afghanistan. Well-established trade routes facilitate the transit of these narcotics to Russia and Europe. There is a growing market for a variety of narcotics and consequently a growing problem with drug addiction and the spread of HIV/AIDS. The Government of Uzbekistan (GOU) has taken steps to combat the narcotics trade but still relies heavily on multilateral and bilateral financial and technical resources. Law enforcement officers seized approximately 504 kilograms of illegal narcotics in the first six months of 2005. Uzbekistan is a party to the 1988 UN Drug Convention.

II. Status of Country

While there is no significant drug production in Uzbekistan, several transshipment routes for opium, heroin, and hashish originate in Afghanistan and cross Uzbekistan for destinations in Russia and Europe. Drug seizures in 2004 were up 50 percent from 2003. However, they have seemed to slow slightly in 2005. Precursor chemicals have in the past traveled the same routes in reverse on their way to laboratories in Afghanistan and Pakistan. Effective government eradication programs have eliminated nearly all the illicit production of opium poppies in Uzbekistan.

III. Country Actions Against Drugs in 2005

Policy Initiatives. In November 2005, Uzbekistan and Russia signed an agreement on cooperation in the fight against the illegal trafficking of narcotics and psychotropic substances and control of precursors. The agreement obligates the two countries to exchange information and cooperate with each other against drug trafficking. It also calls on the two sides to conduct coordinated operations against organized crime groups involved in the narcotics trade. As of the end of 2005, however, few tangible results have occurred. The United States and Uzbekistan continued counternarcotics cooperation in 2005 under the 2001 US-Uzbekistan Narcotics Control and Law Enforcement Agreement (LOA) and its amendments. These agreements provide for U.S. assistance to Uzbekistan, and are typically amended in the years following their first negotiation to increase assistance levels to ongoing programs, or to agree to begin new assistance programs. The agreements have established the framework to support projects designed to enhance the capability of Uzbek law enforcement agencies in its efforts to fight against narcotics trafficking and organized crime. In 2005, the United States proposed an additional amendment to the agreement whereby the U.S. Government would provide additional funding via the State Department's International Narcotics and Law Enforcement program to the Uzbek Ministry of Interior Special Investigative Unit (SIU), designed to target and dismantle transnational heroin trafficking organizations. The GOU declined for unspecified reasons to sign the proposed amendment. Implementation of various counternarcotics programs, including the provision of technical assistance in investigating and prosecuting narcotics trafficking cases, judicial and legal reform, and enhancement of border security, continue under previous amendments to the 2001 agreement.

The Uzbek criminal justice system continues to suffer from a lack of modernization and reform, mainly judicial and procedural reform, and standards remain below international norms. The Uzbek criminal justice system is largely inherited from the Soviet Union. The Executive Branch and Prosecutor General's Office are powerful entities and the judiciary is not independent. The outcomes of court cases are usually not in doubt and conviction rates approach 100 percent. Prosecutions often

rely on coerced confessions by the defendants and conviction is typical even in the absence of evidence. Corruption at all levels of the criminal justice system is rampant.

Accomplishments. Uzbekistan continues to work toward the goals of the 1988 UN Drug Convention on combating illicit cultivation and production within its borders. The annual “Black Poppy” eradication campaign has been very successful and has virtually eliminated illicit poppy cultivation. In 2005, the operation only had to eradicate less than 100 hectares of illicit drugs. Efforts to achieve other convention goals are hampered by the lack of effective laws, programs, money, appropriate international agreement, and coordination among law enforcement agencies. The UN Office on Drugs and Crime (UNODC) is continuing its efforts to implement important projects, focusing on improvements in law enforcement, precursor chemical control, and border security.

Law Enforcement Efforts. Preliminary statistics provided by the GOU show that in the first half of 2005, Uzbek law enforcement seized a total of 504 kilograms of illicit drugs. Unprocessed poppy accounted for 33 percent of the total, cannabis 30 percent, heroin 23 percent and opium 12 percent. Three agencies with separate jurisdictions have counternarcotics responsibilities: the Ministry of Internal Affairs (MVD), the National Security Service (NSS), and the State Customs Committee. The MVD concentrates on domestic crime, the NSS (which now includes the Border Guards) handles international organized crime (in addition to its intelligence role), and Customs works at the border (interdiction/seizures at the border are also carried out by the Border Guards during their normal course of duties). Despite this apparently clear delineation of responsibilities, a lack of operational coordination diminishes the effectiveness of counternarcotics efforts. The National Center for Drug Control was designed to minimize mistrust, rivalry and duplication of effort among the agencies, but the Center continues to have difficulty accomplishing this goal. In 2005, training and equipment were provided to the State Customs Committee under U.S.-Uzbekistan counternarcotics-related bilateral agreements. In addition, a U.S. Drug Enforcement Administration (DEA)-supported MVD Special Investigation Unit, which became operational in 2003, continues to conduct effective counternarcotics investigations.

According to National Center reports, most smuggling incidents involve one to two individuals, likely backed by a larger, organized group. Resource constraints, however, have limited the GOU’s ability to investigate these cases. In general, information that has been gathered suggests smuggling rings are relatively small operations. These rings tend to be located on the border between Uzbekistan and Tajikistan, where poor border controls allow group members to cross between the countries with relative ease. There are indications that smuggling activities are growing along the Turkmen-Uzbek border.

Lack of training and equipment continues to hamper all Uzbek agencies. Basic necessities, even the ability to replace aging Soviet era equipment, remain in short supply or seem administratively impossible. Uzbekistan has relied heavily on international assistance from UNODC, the U.S., the UK, and other countries to supplement their own thinly-funded programs. In 2005 UNODC continued its cooperation with the GOU. However, the GOU has shown greater reluctance to work with the United States and European Union-member countries. As a result, international counternarcotics assistance to Uzbekistan has slowed substantially.

Corruption. As a matter of policy the GOU policy does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. However, corruption is endemic at all levels of government and the paying of bribes is an accepted practice. There are anecdotal accounts of drug traffickers bribing customs and border officials to look the other way to narcotics shipments. It is likely that some government officials are involved with narcotics trafficking organizations. Uzbekistan is not a party to the UN Convention Against Corruption.

Agreements and Treaties. Uzbekistan is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972

Protocol. Uzbekistan is also a party to the UN Convention against Transnational Organized Crime. Uzbekistan signed the Central Asian Counter-Narcotics Memorandum of Understanding with the UNODC. Kazakhstan, Kyrgyz Republic, Tajikistan, and Uzbekistan signed an agreement in September 1999 on cooperation in combating transnational crime, including narcotics trafficking. The five Central Asian countries, as well as Azerbaijan, Georgia, Iran, Pakistan, and Turkey, are members of the Economic Coordination Mechanism supported by the UNODC.

Cultivation/Production. “Operation Black Poppy” has all but eliminated illicit opium poppy cultivation in Uzbekistan.

Drug Flow/Transit. Several major transnational trade routes facilitate the transportation of opiates and cannabis from Afghanistan through Uzbekistan to Russia and Europe. The border crossing point at Termez is increasingly a point for trafficking. Narcotics are being discovered in trucks returning to Uzbekistan after delivering humanitarian aid into Afghanistan as well as on trains coming from Tajikistan. The National Center and UNODC report that trafficking also continues along traditional smuggling routes and by conventional methods, mainly from Afghanistan into Surkhandarya oblast and from Afghanistan via Tajikistan and Kyrgyz Republic into Uzbekistan. The primary regions in Uzbekistan for the transit of drugs are Tashkent, Termez, Fergana Valley, Samarkand and Syrdarya.

Domestic Programs. According to the National Drug Control Center, as of the end of 2004 there were approximately 19,440 drug addicts in Uzbekistan. However, the number of registered addicts is believed to reflect only 10-15 percent of the actual drug addicts in Uzbekistan. During the last few years, there was an alarming growth in the number of persons who are HIV positive. Over 3,000 people, mostly drug addicts, have tested positive for HIV in the first 11 months of 2005, according to the World Health Organization office in Tashkent. Approximately half of the people infected with HIV are between the ages of 25 and 34. Hospitals with drug dependency recovery programs are inadequate to meet the increasing need. The Ministry of Health and National Drug Control Center have recognized the need to focus increased attention on the drug problem, but do not have sufficient funds to do so adequately. Drug awareness programs are administered through NGOs, schools and the mahalla (neighborhood) support system.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S.-Uzbek bilateral counternarcotics agreements focus on the prevention of illicit drug activities in and through Uzbekistan, and the need to increase the effectiveness of Uzbek law enforcement agencies to combat these activities. In spite of the GOU’s hesitance in 2005 to engage in U.S. sponsored training and programs in a variety of areas, including counternarcotics, some GOU agencies participated in U.S.-sponsored training in 2005. The DEA continues to fully fund, train and equip the SIU in the Ministry of International Affairs. The SIU has conducted a number of undercover and international operations, which have led to substantial increases in the amount of narcotics seized. Also in 2005, the U.S. Department of Defense provided training and equipment for the Border Guard Maritime unit on the Afghan border. In June 2005 the U.S. Government sponsored the travel of fourteen Uzbek Customs officials to El Paso, Texas to observe operations on the U.S.-Mexico border. The Uzbek officials visited all of the border crossings in the El Paso area where they observed U.S. Customs narcotics detection equipment and inspection methods and exchanged information with U.S. counterparts.

The Road Ahead. The U.S. remains committed to providing support to appropriate Uzbek agencies to improve narcotics detection and drug interdiction capabilities. DOD plans further counternarcotics training for 2006.

