

# **POLICY AND PROGRAM DEVELOPMENT**



# Overview for 2001

US international counternarcotics efforts kept the drug trade on the defensive in 2001. A long-term campaign among Western Hemisphere nations to curb the flow of cocaine and heroin to the United States has systematically narrowed the drug syndicates' maneuvering room. With our allies, we continued to attack drug crop expansion, to strengthen interdiction efforts, and to break up major trafficking organizations. We furnished our partners critical training assistance to strengthen their law enforcement and judicial systems, while working with them to reduce drug consumption in their own countries. More governments showed a willingness to use extradition, thereby denying notorious drug criminals a national safe haven they could once count on. At the same time, closer international cooperation among governments and financial institutions has made it more difficult for the drug trade to legitimize its enormous profits through sophisticated money laundering schemes.

## The Drug Threat to the U.S.

The drugs that most concern the United States are cocaine, heroin and synthetic amphetamine-type stimulants (ATS), in that order. All the cocaine and heroin, as well as the bulk of the ATS drugs, originate from outside the United States. Consequently, cutting off their supply has been our principal international counternarcotics goal for more than a decade. Among these drugs, cocaine still poses the greatest threat. Each year an estimated 300 metric tons or more enter the US, feeding addiction, fueling crime, and harming the social and economic health of the country. Since all cocaine originates in the Andean countries of Colombia, Peru, and Bolivia, we have devoted a significant portion of our resources to eliminating coca cultivation, disrupting cocaine production, and keeping it from reaching the United States.

## Cocaine

Colombia is currently the world's foremost coca cultivation country, with Peru and Bolivia trailing a distant second and third. When joint interdiction operations in the mid-1990's effectively shut down much of the flow of coca from Bolivia and Peru to Colombian refineries, the drug syndicates were forced to seek out better protected cultivation areas. Beginning in 1996, the drug organizations shifted the bulk of coca cultivation from Peru and Bolivia to Colombia's southwest corner, an area controlled by the Revolutionary Armed Forces of Colombia (FARC), the Western Hemisphere's oldest terrorist insurgency. Since then, this guerrilla-trafficker alliance has actively extended Colombian coca cultivation in an effort to ensure its dominance of the drug trade.

The USG devoted a large portion of its counternarcotics resources to attacking Colombian coca cultivation, while working to prevent a resurgence of coca in Peru and Bolivia. While joint eradication destroyed thousands of hectares of Colombian coca in areas where aircraft could spray, overall coca cultivation probably increased in 2001. USG survey data for 2001 was not available by time of publication. Attacking coca in the FARC-controlled areas has been problematic, since spray aircraft had not been authorized to fumigate crops in those zones. During 2001, however, the Colombian government permitted aerial coca eradication in southwestern Putumayo, the densest area of coca cultivation in the world. During joint operations in 2001 with the Colombian Army, the U.S.-supported Colombian National Police Antinarcotics Directorate sprayed nearly twice as much illegal coca as in 2000.

Combined coca cultivation levels in Peru and Bolivia remained essentially stable in 2001, as new planting in one area was offset by eradication in another. U.S. Government surveys for 2001 show 34,000 hectares for Peru and 19,900 hectares for Bolivia, a drop of roughly 70 percent in each country over the past six years. Such reductions represent progress that few would have predicted a few years ago, given the combined pressures from deep-rooted traditions of coca in both countries and from trafficking organizations to protect their enormously lucrative crop. It remains to be seen if such levels can be

sustained in the face of active campaigns from the drug trade and displaced growers to reverse the decline.

Colombia's illegal drug industry has also invested heavily in applying the most modern scientific and agricultural methods to maximize their efficiency. Continuing fieldwork carried out under Operation Breakthrough, a decade-long interagency study led by the U.S. Drug Enforcement Administration, has revealed that higher yielding varieties of coca are being cultivated in Colombia. USG coca yield and cocaine processing efficiency studies conducted in 1999 confirmed that the typical Colombian cocaine base processor is about 69 percent efficient in extracting cocaine alkaloids from coca leaf and then converting these alkaloids into cocaine base. Though the USG estimates were not available at time of publication, it is clear that potential cocaine production for 2001 will exceed the previous year's estimate of 580 metric tons of finished cocaine HCl.

### **Narco-guerrillas**

More disturbing, however, is the rise of the "narco-guerrilla" alliance that has developed between the criminal drug organizations and the anti-democratic insurgent groups that seek to destroy the foundations of Colombian democracy. These include the FARC, the National Liberation Army (ELN), and the paramilitary United Self-Defense Forces of Colombia (AUC). All three organizations were identified as terrorist organizations in a Department of State's October 2001 report on Foreign Terrorist Organizations. The report estimates that the FARC receives about \$300 million from drug sales annually. This is a conservative estimate. The AUC relies on the illegal drug trade for anywhere between 40 to 70 percent of its income.

Initially, in the mid-1990's, the guerrillas provided protection for the drug crops, "taxed" a share of the profits in order to buy arms and war supplies, and let the syndicates bank the bulk of the revenues. What began as a marriage of convenience between the criminal drug organizations and the guerrillas, however, has now become a partnership dominated by the insurgents, whose avowed aim is to destroy Colombian democracy. As the 37-year struggle has escalated, drug revenues have become the lifeblood of the armed conflict. All the illegal armed organizations have shown they are willing to go to great lengths to protect this source of economic survival. Making illicit drugs the main funding source for the insurgency has raised the stakes for all concerned, since the drug trade is now an inseparable part of the Colombian civil conflict.

In 2000, the President signed into law a comprehensive \$1.3 billion assistance package in support of the GOC's "Plan Colombia," an integrated strategy focusing on the peace process, the economy, the counternarcotics strategy, justice reform and human rights protection, and democratization and social development. Through 2001, U.S. assistance to Plan Colombia has helped the Colombian government address the array of challenges it faces—its efforts to fight the illicit drug trade, to increase the rule of law, to protect human rights, to expand economic development, to institute judicial reform, and to foster peace. Under Plan Colombia, the U.S. has been supporting justice sector reform and alternative development projects, as funding the training and equipping of a 2,800-person Colombian Army Counterdrug Brigade. The third of three battalions became operational in 2001. This assistance is intended to increase the Colombian forces' capability to eradicate illicit coca and opium poppy cultivation and to conduct interdiction operations. The initial geographical focus has been in the department of Putumayo in southern Colombia, where the majority of illegal crops are cultivated and where the greatest number of illegal armed groups operates.

To address the needs of the region more comprehensively, the Bush administration in 2001 proposed the U.S. Andean Regional Initiative, of which the largest part will be used to fund the Andean Counterdrug Initiative (ACI). The ACI will expand counternarcotics programs begun under Plan Colombia, while increasing law enforcement and alternative development support to other countries in the region threatened by narcotics trafficking.

### Heroin

Our principal heroin threat comes from poppy cultivation in Colombia and Mexico. Although between them the two countries account for a fraction of the world's estimated production, most of the heroin entering the United States originates in these two countries. Since eliminating poppy cultivation there can have a significant impact on the flow of U.S.-bound heroin, we have joint eradication programs in both countries.

In 2001, evidence surfaced of spreading opium poppy cultivation in Peru. Colombian narcotics traffickers have been supplying Peruvian farmers with seeds from Colombian poppies, offering them technical assistance and cash loans. Limited reporting indicates that the opium poppy plant cultivated in Peru has larger bulbs than the poppy grown in Colombia. However, no crop yield or processing efficiency studies have been conducted to determine Peru's potential opium latex production." Peru law enforcement authorities did not find any opium latex or morphine laboratories in 2001, but judging from the increase in opium poppy plants found and eradicated, there is almost certainly opium latex production taking place.

The USG estimates that Mexico effectively eradicated 17,000 hectares of opium poppy in 2001. According to USG estimates, Mexico's 2001 net opium poppy crop cultivation was 4,400 hectares yielding some 71 metric tons of opium gum. This compares to 1,900 hectares yielding some 27 metric tons of opium gum in 2000. At current conversion rates, these would yield some seven metric tons of heroin in 2001 as compared to three metric tons in 2000.

Beyond our hemisphere, a major achievement was the vast reduction in poppy cultivation in Pakistan in 2001. In 2001, Pakistan's opium poppy cultivation dropped to 213 hectares, a 97 percent decrease over a decade before. U.S. assistance helped Pakistan offer the local population legitimate economic incentives, investing in roads and improvements to the infrastructure in traditional opium production areas. The virtual elimination of opium poppy from Pakistan, which in 1992 was the world's third largest illicit opium supplier, is a tribute to the leadership and political will of the Government of Pakistan. It should be noted that although the ban on opium poppy cultivation in the Taliban-controlled areas of Afghanistan reduced significantly opium poppy cultivation in 2001, the Taliban made no significant efforts to seize stored opium or precursor chemicals, or to arrest and prosecute narcotics traffickers. By the end of 2001, reliable reports indicated that farmers throughout Afghanistan had taken advantage of the Taliban's collapse to resume opium poppy cultivation.

In 2001, Burma once again became the world's single largest producer of illicit opium, following the drastic reduction in Southwest Asian opium cultivation. Owing to years of drought, however, Burma's overall production in 2001 was actually only a fraction of its production in the mid-1990s. According to the joint U.S./Burma opium yield survey, opium production in Burma totaled no more than 865 metric tons in 2001, down more than 20 percent from a year earlier, and barely one-third of the 2,560 metric tons produced in Burma in 1996. In 2001, yields in Burma (approximately 8.5 kilograms/hectare) were barely half the level recorded five years earlier, while the acreage under cultivation was down 35 percent.

### Synthetic Drugs

Demand for methamphetamine and other synthetic amphetamine-type stimulants (ATS), including MDMA ("Ecstasy") has been increasing both in the industrialized nations and in most of the countries of the developing world. Methamphetamine rivals cocaine as the stimulant of choice in many parts of the globe, including the U.S., where "meth" is one of the fastest growing drugs. In Southeast Asia, methamphetamine vies with heroin as the principal illegal drug. In Burma, the heart of heroin production, methamphetamine has become a major source of income for the drug trade. The relative ease of manufacturing methamphetamine from readily available chemicals appeals as much to small drug entrepreneurs as to the large international syndicates. It eliminates reliance on vulnerable crops, such as coca or opium poppy, and is not dependent on climate or growing season. Synthetics allow individual trafficking organizations to control the whole process, from manufacture to sale on the street. They

generate large profits and can be manufactured anywhere. There are centers of methamphetamine production in countries as far apart as Burma, China, North Korea, Mexico, and Poland.

Methamphetamine is one of the fastest-growing drug threats in the U.S. today. Well established drug trafficking organizations, based in Mexico and California, control a large percentage of the U.S. methamphetamine trade. Though Mexico is the principal foreign supplier of methamphetamine and precursors for the United States, we also have our own domestic methamphetamine production, as demonstrated by DEA, state, and local law enforcement's seizure of 7,502 methamphetamine laboratories in 2001.

Ecstasy, an amphetamine analogue, is another drug popular in the U.S. It is the nickname for 3, 4-methylenedioxymethamphetamine or MDMA. Ecstasy's rise was closely linked to the 1990's "rave" dance culture that swept up Europe's younger generation. Ecstasy's stimulant properties provided a chemical boost allowing participants to dance for hours at the all-night discotheque parties known as "raves." Ecstasy now has its own international cult following, evident from the numerous Internet sites that give detailed information on everything from how to make and use MDMA "safely" to discussions of possible dangers and medical consequences. Much of the MDMA available on the international drug market is manufactured in clandestine laboratories in the Netherlands. Dutch criminals are increasing manufacturing operations in nearby Belgium as well. Wholesale distribution of the drug is dominated by Israeli criminal organizations operating in Europe and to some extent in the United States.

Ecstasy's most pernicious quality is that many of its young users do not consider it a dangerous drug. It is promoted as a non-addictive stimulant without lasting side effects. When an addictive drug develops a reputation for being relatively benign, efforts to suppress it become correspondingly difficult. Throughout the world, ecstasy has become the drug of choice for young people in their late teens and early twenties, as seizure data in various INCSR chapters indicate. In 2001, authorities in countries as different as Denmark and South Africa reported important increases in ecstasy consumption and seizures.

### **Attacking the Traffickers**

Law enforcement authorities in key countries continued to weaken the drug syndicates by arresting their key figures and operatives. For example, an intense Mexican law enforcement offensive throughout 2001 resulted in the arrest of several important traffickers. In April, Mexican military units arrested Gilberto Garcia Mena of the Gulf Cartel, along with and three military officers, including a brigadier general. In May, the ex-governor of Quintana Roo, Mario Villanueva Madrid was arrested after a two-year manhunt. And in December, Mexican authorities captured Drug Kingpin Miguel Caro Quintero, who was wanted in both the U.S. and Mexico. Arresting high-level traffickers demonstrates—to the criminals and to the governments fighting them alike—that over time even the strongest syndicates are highly vulnerable to coordinated and sustained international pressure.

### **Improving Institutions**

We have been working with many governments to strengthen their judicial and banking systems to restrict the possibilities for penetration and manipulation by the drug trade. Judicial systems are particularly vulnerable. There have been instances where law enforcement agencies in source and transit countries have successfully jailed prominent traffickers, only to see them released after a seemingly indefensible or inexplicable decision by a single judge.

That situation is changing, thanks to U.S. assistance. In 2001, several countries continued to modify their laws and professionalize their court systems through reforms ranging from installing more modern equipment to changing the way judges are appointed. Though there are still instances of judges arbitrarily dismissing evidence against or releasing well-known drug traffickers, the number of such cases is declining, thanks to courageous action on the part of some governments.

### Extradition

Among the fates that drug bosses fear most is extradition to stand trial in the United States. The long sentences meted out in the U.S. to notorious drug criminals are vivid reminders of what can happen to even the most powerful drug criminals when they can no longer manipulate their environment through bribes and intimidation. Extradition, especially of nationals, has always been a very sensitive issue in a number of countries concerned over the perception that extraditing their citizens to the United States might be viewed as a derogation of national sovereignty. Willingness to extradite has therefore been a key indicator of political will and international trust.

Recently, cooperation on extradition has made great strides, especially in the Western Hemisphere. In 2001, the number of extraditions from Colombia to the U.S. skyrocketed. Twenty-three Colombian nationals were extradited, with eight more in the final stages of removal, an increase of nearly 700 percent over the prior three-year period. Among those extradited to the United States in 2001 were drug kingpins Alejandro “Juvenal” Bernal-Madrigal and Fabio Ochoa-Vasquez, former associates of the notorious Pablo Escobar. Dozens more are currently under arrest and awaiting approval for extradition. The Bolivian Supreme Court approved the extradition of Colombian citizen Eduardo Grajales-Posso to face trafficking charges in the U.S. He was successfully extradited to Miami in August.

In Mexico, long-standing bilateral extradition problems were both solved and exacerbated. The good news came when the Mexican Supreme Court in January 2001 affirmed the Government of Mexico’s authority to extradite Mexican nationals. A negative complication surfaced later in the year with another Supreme Court decision that found life sentences unconstitutional. This decision requires formal assurances that prospective extraditees will not face a life sentence in the requesting country. As currently worded, these decisions would limit the sort of sentence a prosecutor could request and a judge could impose.

### Money Laundering

The year 2001 saw important domestic and international advances in the fight against money laundering. The terrorist attacks of September 11 added urgency and intensity to a robust process already underway. During the year, the United States continued its vigorous inter-agency international anti-money laundering training program, totaling more than \$3.5 million, to improve worldwide efforts to combat money laundering and financial crime. Other governments and international organizations also strengthened anti-money laundering programs in 2001. The European Union broadened its anti-money laundering directive and imposed anti-money laundering obligations on “gatekeepers”—professionals such as lawyers and accountants who help place dirty money into the financial system. Regional anti-money laundering bodies in Europe, Asia and the Caribbean continued working effectively, and nascent anti-money laundering regional organizations in South America and Africa became operational.

The Financial Action Task Force (FATF), the world’s preeminent multilateral anti-money laundering body, continued its exercise to identify countries and territories that are non-cooperative in the international fight against money laundering. By year’s end, all fifteen jurisdictions on the original list had passed anti-money laundering legislation and four jurisdictions were removed from the list, while eight additional jurisdictions were identified as being non-cooperative.

The September 11 attacks spurred the world’s international organizations to take prompt action against terrorist financing. On September 28, 2001, the United Nations Security Council (UNSC) adopted Resolution 1373, which reaffirmed earlier UN counterterrorism resolutions 1269 and 1368 and required states to take prescribed actions to combat terrorism and the financing of terrorism.

The terrorist attacks gave strong impetus to many countries to amend and strengthen their money laundering laws. In the United States, Congress enacted the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (“USA PATRIOT”) Act of 2001 on October 26, 2001. This landmark piece of legislation made major changes to the U.S. anti-money laundering regime. The broad new authorities provided in the USA PATRIOT Act will have significant

influence on the relationships between U.S. financial institutions and their individual and institutional customers.

While the investigations of the financial links underlying the September 11th attacks demonstrated the value of measures that have been taken to identify, prevent and attack money laundering, they also revealed shortcomings. For example, after years of discussion, far too many countries still do not require identifying information about originators of international funds transfers. While most developed countries of the world now require banks to file suspicious activity reports, many still do not require non-bank financial institutions to do so. Some countries have yet to criminalize money laundering beyond drug-related offenses and many more do not have laws that address terrorist financing. September 11th demonstrated the need to do both. And many new initiatives that will be featured in anti-money laundering efforts in 2002 are now underway to try to overcome all of these deficiencies.

### **Precursor Chemicals**

Cocaine, heroin and synthetic drugs all require chemicals for their manufacture. This is a vulnerable point for traffickers in all these drugs. Cocaine and heroin refining operations require widely available “essential chemicals.” Substitutes can be used, but there are some key chemicals, potassium permanganate for cocaine and acetic anhydride for heroin which are difficult to substitute. Synthetic drug manufacture requires more specific “precursor chemicals”, such as ephedrine, pseudoephedrine or phenylpropanolamine. These chemicals have important but fewer legitimate uses and are commercially traded in smaller quantities to discrete users. The United States, other major chemical trading countries, and the UN’s International Narcotics Control Board worked in 2001 with other states to improve informal multilateral systems of information exchange on chemicals to improve controls on the key cocaine and heroin chemicals, and those necessary for synthetic drugs. It is important to chemical control in general and to the effectiveness of these systems that countries have efficient legal and regulatory regimes to control chemicals, without placing undue burdens on legitimate commerce.

### **Controlling Supply**

The Department of State’s mission is to stem the flow of drugs to the United States. To do so, we attack drug supply at critical points along a five-point grower-to-user chain linking the consumer in the U.S. to the grower in a source country. In the case of cocaine or heroin, the chain begins with the growers cultivating coca or opium poppies, for instance, in the Andes or Burma, and ends with the cocaine or heroin user in a U.S. town or city. In between lie the processing (drug refining), transit (shipping), and wholesale distribution links.

Our international counternarcotics programs target the first three links of the grower-to-user chain: cultivation, processing, and transit. The closer to the source we can attack, the better our chances of halting drug flows altogether. Crop control is by far the most cost-effective means of cutting supply. When crops are destroyed or left unharvested, no drugs can enter the system. It is akin to removing a malignant tumor before it can metastasize. In a perfect world, with no drug crops to harvest, no drugs could enter the distribution chain. Nor would there be any need for costly enforcement and interdiction operations.

Unfortunately, the real world of counternarcotics programs is not that simple. Crop reduction has enormous political and economic consequences for the producing country. It inevitably means attacking the livelihood of an important—often the poorest—sector of the population. Implementing lasting crop control programs takes time, as governments must develop viable alternatives for the affected population. Therefore, we also focus upon the processing and distribution stages of laboratory destruction and interdiction of drug shipments.

Though it is the most efficient way of eliminating a drug crop, large-scale eradication is neither politically nor socially feasible in many countries. Our programs consequently must be flexible enough to shift

resources to those links where we can have both an immediate and a long-term result. As our experience over the past few years in Peru and Bolivia has demonstrated, the right combination of effective law enforcement actions and alternative development programs can also deliver truly remarkable results. We work closely with the governments of the coca growing countries to find the best way to eliminate illegal coca within each country's national context.

### **Coca Reduction**

Our best opportunity for drug crop reduction lies in reducing the Andean coca crop. Large-scale coca cultivation takes place in only three countries—Colombia, Peru, and Bolivia. Modern technology allows us to locate the growing areas precisely and attack them. It is a much less difficult task than trying to stop drugs once they are in the transportation pipeline. A series of coca fields is a large, stationary target that is easier to destroy than the equivalent amount of finished cocaine distributed among trucks, boats, and aircraft. Eliminating coca on the ground is also highly cost-effective. USG studies conducted in the early 1990s indicate that in Bolivia and Peru, where the alkaloid content of the coca leaf is high, every 200 hectares of coca taken out of production deprives the drug trade, on average, of a little more than one metric ton of refined cocaine. Even manual eradication can make a difference. By this measure, the 9,200 hectares taken out of production in Bolivia combined with the 3,900 hectares eliminated in Peru potentially removed the equivalent of approximately 65 metric tons of cocaine from entering the system.

The most efficient crop control alternative, however, is to use our high-speed spray aircraft to fumigate the cultivation. If these planes had unobstructed access to the principal coca plantations, they could destroy a large percentage of the coca crop in a matter of months, using environmentally safe herbicides. With the shift of the bulk of coca cultivation into the rebel-controlled zone of southwestern Colombia, our aircraft have faced a more difficult situation. Though the dense concentration of coca cultivation in a geographically confined area gives the planes a better target, it also exposes them to a level of hostile gunfire for which they were not designed. United States Government's assistance to Colombia should offer possibilities for dealing with this threat.

### **Illegal Drugs, Spraying, and the Environment**

Questions frequently arise over the environmental effects of spraying illegal drug crops. At this time, Colombia is the only country that allows aerial eradication of coca and opium poppy. The Colombian Government has authorized the herbicide that is being used to conduct aerial eradication in the growing areas. The only active ingredient in the herbicide used in the aerial eradication program is glyphosate, one of the most widely used agricultural herbicides in the world. It has been tested widely in the United States, Colombia, and elsewhere in the world. The U.S. Environmental Protection Agency (EPA) approved glyphosate for general use in 1974 and re-registered it in September 1993. It is approved by the EPA for use on cropland on which numerous crops are grown, forests, residential areas, and around aquatic areas. It has been one of the top five pesticides, including herbicides, used in the U.S.

### **Environmental Consequences of Illicit Coca Cultivation**

Over the past 20 years, coca cultivation in the Andean region has resulted in the destruction of at least 5.9 million acres of rainforest. Working in remote areas beyond settled populations, growers routinely slash and burn virgin forestland to make way for their illegal crops. As tropical rains erode the thin topsoil of the fields, growers must regularly abandon their parcels to prepare new plots—increasing soil erosion and runoff, depleting soil nutrients, and, by destroying timber and other resources that would otherwise be available for more sustainable uses, decreasing biological diversity. Traffickers also destroy jungle forests to build clandestine landing strips and laboratories for processing raw coca and poppy into cocaine and heroin.

Many of these illicit coca growers are equally negligent in their use of fertilizers and pesticides. Seeking to maximize their incomes, and being largely ignorant about the consequences of indiscriminate use of strong chemicals, coca growers dump large quantities of highly toxic herbicides and fertilizers on their crops. These chemicals include paraquat and endosulfan, both of which qualify under the U.S. Environmental Protection Agency's highest classification for toxicity (Category I) and are legally restricted for sale within Colombia and the United States.

Finally, toxic chemicals are used at each stage of cocaine production. USG studies conducted in the early 1990s in Bolivia and Peru indicated that one kilogram of cocaine base required the use of three liters of concentrated sulfuric acid, 10 kilos of lime, 60 to 80 liters of kerosene, 200 grams of potassium permanganate, and one liter of concentrated ammonia. These toxic pesticides, fertilizers, and processing chemicals are then dumped into the nearest waterway or on the ground. They saturate the soil and contaminate waterways, poisoning water systems and dependent species in the process.

### **Political Will**

A country's most powerful weapon against the drug trade is an intangible—political will. It is this force that determines whether an essential but politically controversial program will succeed or fail. Political will is also the only real defense against corruption, particularly in countries where low government salaries facilitate bribe and kickbacks. If political will is weak when criminal organizations are strong, corruption quickly infiltrates political and judicial systems. Left unchecked, such corruption inexorably undermines the rule of law and weakens democratic institutions. For this reason, a basic objective of U.S. counternarcotics policy is to bolster political will in the key source and transit countries in order to keep the drug trade from corrupting the political system. Our experience has shown that where political leaders have been strong enough to sacrifice short-term economic and political considerations in favor of the long-term national interest, criminal organizations lose their power. And where political will has wavered, we have seen the drug syndicates flourish and corruption set in.

### **Fighting Corruption**

The fight against the drug trade forms part of a broader struggle against corruption. The drug trade thrives on corruption in the way that an opportunistic disease breeds best amidst social and moral decay. Drug organizations wield a very powerful instrument for corruption: money in vast quantities, generated by drug trafficking. In terms of weight and availability, there is currently no commodity more lucrative than illegal drugs. In most cases, they are relatively cheap to produce and offer enormous profit margins that allow the drug trade to generate criminal revenues on a scale without historical precedent. Assuming an average U.S. retail street price of one hundred dollars a gram, a metric ton of pure cocaine is worth a \$100 million on the streets of the US; twice as much if the drug is cut with additives. By this measure, the 100 or so metric tons of cocaine that the USG typically seizes each year could theoretically be worth as much as \$10 billion to the drug trade—more than the gross domestic product of many countries. Even if only a portion of these profits returns directly to the drug syndicates, we are nonetheless speaking of hundreds of millions, if not billions, of dollars. To put the magnitude of these sums into perspective, in FY 2001 the State Department's budget for international drug control operations was approximately \$348 million. That equates to roughly three and a half metric tons of cocaine; the drug syndicates have lost more than three times that amount in a single shipment without any evidence that they felt the loss.

Wealth on this scale confers on large trafficking organizations a practically unlimited capacity to corrupt, particularly in countries where government and law enforcement officials are poorly paid. For Colombia, where anti-democratic insurgents control and feed upon income from the drug trade, the threat is obvious. But even in economically weak countries without revolutionary movements, the drug trade's wealth makes it as great a threat to democratic government as an armed insurgency. Guerrilla armies or terrorist organizations overtly seek to topple governments by force; drug syndicates, like termites, prefer to destroy them surreptitiously from within. In theory, when a country's interior or defense minister,

attorney general, or even president, is on its payroll, the drug trade can count on a secure operating environment. And the longer established the drug organization, the stronger its capacity to corrupt.

The ultimate fear of all democratic leaders in drug-affected countries should be that one day traffickers might take de facto control of a country by putting a majority of elected officials, including the president, on the payroll. While fortunately this has yet to occur, there have been some close calls. The more we help deprive the drug trade of its capacity to corrupt, the less likely are we to see a true “narcocracy” spring up in our hemisphere.

## Next Steps

Fighting the international drug trade is a complex and dynamic process. It requires flexible cooperation across the whole spectrum of diplomacy and law enforcement. The incentives for amassing wealth and power are huge, especially as new market opportunities constantly spring up among new generations of potential users around the globe. The drug trade is always quick to detect and exploit these opportunities. While the affluent societies of the West offer the most obvious lucrative prospects, no country is safe from a drug abuse crisis.

Yet the drug trade also has its vulnerable points. Its survival depends on an extensive infrastructure that is difficult to conceal and subject to attack at every stage. It needs raw materials, processing chemicals, means of transportation, and some means of using their revenues. Though drug syndicates are powerful in their underworld milieu, they lose their advantage when they have to operate in the legitimate world. They are especially vulnerable when it comes to cashing in their profits. The drug trade’s ability to generate vast amounts of cash is simultaneously its strength and its weakness. To stay in business it needs a steady flow of drugs to generate revenue; at the same time it requires a steady stream of money to buy the drugs. Like a legitimate enterprise, the drug syndicates partially finance future growth by borrowing against future earnings. So every metric ton of drugs that does not make it to market represents a potential loss of tens of millions of dollars in essential revenue. On the revenue end of the process, cash proceeds are useless unless they can be reinvested in new drug crops, arms, bribes, etc. to keep the syndicates operating. If we can cut off the flow of money and drugs long enough, we can choke off the lifeblood of the drug trade.

Over the past few years, the international financial community, working through the FATF, has made considerable headway in closing off the major avenues for laundering drug money. The days when organizations could bank large blocs of cash or transfer enormous sums to anonymous bank accounts from developed nations with no questions asked are now distant memories. Yet our successes have also meant that we have obliged international criminals to become more creative in circumventing our roadblocks. We must therefore become even more ingenious in devising new ones. Working closely with our partners, we will encourage all governments to refine their oversight mechanisms, tighten loopholes in regulations, enact anti-money laundering legislation, and strictly enforce all money laundering laws. We also will look for more effective ways to identify, freeze, and seize illegal drug proceeds before they can be invested. Drug trafficking will lose much of its appeal if there is nowhere to spend the profits.

As one of the countries most affected by illegal drugs, the United States will continue to provide leadership and assistance to its partners in the global counternarcotics effort. Though we unquestionably have an important role to play, we alone will not determine the success or failure of this effort. Equally important are the actions, commitment, and cooperation of the other major drug-affected governments. We can help provide resources, but these are only as effective as the cooperative effort between those fighting the drug trade. In democracies, the drug trade flourishes only when it can divide the population and corrupt institutions. It cannot withstand a concerted, sustained attack by a coalition of democratic nations individually committed to its annihilation.

## Cocaine

Cocaine remains the most serious drug threat to the United States. Crack, the smokable variety of cocaine, is one of the most addictive drugs known. From the drug trade's vantage point, it is an ideal drug: cheap, potent, addictive, widely available, and immensely profitable. Though overall cocaine use has dropped markedly since the rampant consumption of the mid 1980's, cocaine's general availability means that at any time the drug could ensnare a new generation ignorant of its dangers. The National Institute on Drug Abuse's 2001 report on adolescent drug abuse, *Monitoring the Future*, notes how quickly cocaine and crack prevalence can change among high school students. Annual prevalence among 12th graders dropped from 12.7 percent in 1986 to 3.1 percent in 1992, when teenagers apparently recognized the danger that cocaine posed. Between 1992 and 1999, however, perceptions changed and cocaine use among 12th graders doubled to 6.2 percent before falling to 4.8 percent in 2001. Although this decline is encouraging, a figure of nearly five percent of 12th graders using cocaine is still an unsettling number. In the absence of supply reduction and prevention efforts, that percentage could quickly rise again.

Despite current counternarcotics efforts, hundreds of tons of cocaine enter the U.S. every year by land, air, and sea. Even the 100 metric tons or so of cocaine that the USG typically seizes annually have little discernible effect on price or availability. The combination of strong demand and extraordinary profits continue to make the United States the cocaine trade's largest single market, for the time being at least.

Cocaine traffickers are also creating large markets elsewhere in the world. For much of the past decade, the South American cocaine syndicates have been shipping hundreds of tons to Europe, where cocaine consumption has yet to peak. Although the principal consumers are in the most affluent cities of Western Europe, the syndicates are doing a brisk business in Eastern and Central Europe.

Africa has also attracted the cocaine syndicates' attention. Significant amounts of cocaine reach South Africa from South America, although smuggling groups in neighboring countries are also targeting South Africa as their market. Cocaine continues to be controlled in South Africa by Nigerian trafficking groups based in Johannesburg. South African enforcement authorities have established working links with their counterparts in Brazil to help break up the Nigerian trafficking groups responsible for most of the cocaine flow into Southern Africa. Nigerian traffickers, in turn, have permanently "stationed" their own operatives in Quito, Lima and Sao Paulo to control the couriers when they arrive from South Africa. The Nigerian groups maintain tight control of the distribution of cocaine right down to the street level.

### Cocaine Source and Transit Country Highlights 2001

In **Bolivia**, total potential national capacity to produce cocaine (assuming all coca, including legal leaf, were to be used) fell from 215 metric tons in 1996 to 60 metric tons in June 2001. Bolivian law enforcement authorities seized 4.5 metric tons of cocaine HCl and base in 2001.

In **Colombia**, government forces assisted by the USG sprayed over 86,000 hectares of coca in 2001. Coca cultivation has steadily increased over the last three years, though at a lessening rate: 28 percent in 1998, 20 percent in 1999, and 11 percent in 2000. Data for 2001 were not available at time of publication, but all indications were that the crop had again expanded. Most of the increase occurred in the rebel-held areas of Southwestern Colombia where aerial access to coca crops is difficult, dangerous, and until recently has been limited. In 2001, for the first time, the Colombian Government permitted aerial coca eradication in southwestern Putumayo, the densest area of coca cultivation in the world, a sign to the rebels that there is no sanctuary for drug crops. Colombian authorities seized 57 metric tons of cocaine HCl and 17.8 metric tons of paste and base in 2001.

In **Peru**, government forces manually eradicated 6,400 hectares of coca in 2001. Peruvian cocaine paste and HCl seizures rose slightly during the year to 8.5 metric tons. One setback to operations may have been the suspension of the air-bridge interdiction program, following the tragic downing of a missionary

aircraft in April 2001. The USG is in the process of determining whether it is appropriate to resume joint interdiction programs in the wake of the incident.

There was evidence in 2001 of coca cultivation spreading in **Venezuela**. Counternarcotics operations carried out by the Venezuelan Army and National Guard located and eradicated coca fields as large as eight hectares. Of greater concern, however, was the discovery of the first coca paste processing labs in Venezuela. Three such labs were detected and destroyed during a mid-year operation. Several hundred kilograms of macerated coca leaf and coca paste provided clear evidence of an incipient cocaine processing effort in Venezuela.

Central American governments maintained active interdiction programs in 2001. **Guatemalan** law enforcement agencies interdicted 4.1 metric tons of cocaine in 2001, two and half times more than in 2000. Law enforcement authorities in **Panama** seized slightly over four metric tons of cocaine HCl. In **Costa Rica**, a combination of enhanced patrols by the Costa Rica Coast Guard and regular joint U.S.-Costa Rican operations has caused maritime traffickers to shift their northbound routes further out into the Eastern Pacific. During 2001, **Nicaraguan** authorities seized 2.7 metric tons of cocaine, more than double the quantity seized in 2000.

Because of its lack of natural choke points, the Pacific coast of **Mexico** continued to be the favored route for maritime drug trafficking. The events of September 11th caused the relocation of U.S. maritime interdiction assets from the Pacific coast of Mexico, leaving more open area for the drug smugglers. Mexican authorities seized 29.3 metric tons of cocaine in 2001, a 26 percent increase over the 2000 figure. Mexico faces an increased internal drug abuse threat related to drug trafficking. Crack use tripled during the period 1996 to 2000. There was a five-fold increase in cocaine consumption, from one percent in 1991 to about five percent of the population in 2000.

The USG estimates that 150 metric tons or more of cocaine transit the Caribbean annually en route to the U.S. In 2001, there was substantial drug trafficking through the **Eastern Caribbean** gateways to U.S. ports of entry in Puerto Rico and the U.S. Virgin Islands. Large quantities of cocaine are regularly smuggled into Puerto Rico from the Lesser Antilles, which includes territories of the United Kingdom (UK), the Netherlands, and France. Because of British, Dutch and French links with the region, the Eastern Caribbean has become a transit route to Western Europe. British authorities believe that approximately 30 percent of the drugs brought into the UK come from or through the Caribbean.

The islands of the **Netherlands Antilles**—Curaçao and Bonaire off Venezuela, and Saba, Saint Eustatius, and Saint Maarten east of the U.S. Virgin Islands—continue to serve as northbound transshipment points for cocaine and heroin coming chiefly from Colombia, Venezuela, and Suriname. These shipments typically move to U.S. territories in the Caribbean by go-fast boats and to Europe by drug couriers using commercial flights. Significant seizures in 2001 indicate that Dutch Saint Maarten, with its free port and proximity to U.S. territory, is an important staging area for moving cocaine and heroin into the U.S. market. DEA and local law enforcement saw an increase this year in go-fast boat traffic from Saint Maarten to Puerto Rico and the U.S. Virgin Islands.

## Heroin and Opiates

Though cocaine dominates the U.S. drug scene, heroin still hovers conspicuously in the background. While it is just as deadly and addictive as cocaine, heroin, as an opiate, has a property that appeals to the drug trade's long-term interests: addicts can develop a tolerance that lets them become life-long users. Where constant cocaine use may kill a regular user in five years, a heroin addiction can last for a decade or more, as long as the addict has access to a regular maintenance "fix." And sometimes such an addict can maintain the facade of a relatively normal life. This insidious property potentially assures the heroin trade of a long-term customer base of hard-core addicts.

There are approximately 977,000 heroin addicts in the United States. This number has held relatively steady over the past few years, since much of the user population consists of hard-core addicts. There has been concern, however, about heroin regaining its appeal among youth. Widespread availability of high-purity heroin that can be sniffed rather than injected has made it easier for youths to experiment with the drug. The latest *Monitoring the Future* study revealed widely fluctuating heroin use among U.S. teenagers over the past decade, depending on perceived risk of the drug. Prevalence rates among 12th graders had held at 0.5 percent for 14 years until 1993. Over the next four years, high school use tripled, most likely because of the advent of sniffable heroin. In 2001, there was some good news as prevalence declined significantly to 0.9 percent in 12th grade, suggesting an improved awareness of heroin's dangers.

Heroin's popularity elsewhere in the world seems assured. Since opium poppies can grow in almost any country, there is no dearth of heroin. The USG estimates for 2001 place potential opium production at nearly 1,240 metric tons. The bulk of the crop grows in Burma, which by itself probably could satisfy much of world heroin demand. With the drop in Afghan production, Southeast Asia once again became a source of heroin for Europe, as well as for supplying considerable demand within Southeast Asia itself.

As the chapters in this report indicate, heroin availability—and addiction—is rising throughout Europe and the countries of the former Soviet Union. The Balkan Route's northern, central, and southern branches form the artery carrying high-quality Afghan heroin into every important market in Europe. With Nigerians controlling much of the intercontinental heroin trade, Africa is an important region not only for heroin trafficking but also for transshipment to European destinations. Southeast Asia, the world's largest source of heroin, not only contributes to the bulk of world supply but also is an important consumer of heroin itself. Even China, which once had all but eliminated heroin addiction, is experiencing a serious rise in teenage addiction. In short, except from the vantage point of the heroin trade, the near-term outlook is not encouraging.

### Heroin Source and Transit Highlights

**Colombia** accounts for only about two percent of the world's opium poppy, though nearly all the resulting heroin is destined for the United States. The last estimate for Colombia's heroin production was in 1999 when potential heroin was estimated at nearly eight metric tons. Research in 2001 shows that this figure may be low, since yield and efficiency have improved. No crop estimate was possible in 2000 due to extensive cloud cover. Results for 2001 were not available at the time of publication.

A continuing cause for concern is the increase in poppy cultivation and opium latex production in **Peru**. The Toledo government and new drug czar have made eliminating opium poppies a high-priority issue, to keep Peru from becoming an important opium producer. Colombian narcotics traffickers supply Peruvian farmers with seeds from Colombian poppies, offering technical assistance and cash loans. These poppies are significantly larger and yield two to four crops per year of high-grade opium latex when grown in Peru.

**Mexico** remains the second largest Latin American grower of opium poppy. At the end of 2001, the Mexican government had eradicated over 17,000 hectares, leaving approximately 4,400 hectares yielding some 71 metric tons of opium gum. This is more than double the 1,900 hectares of poppy standing at the end of 2000. At current conversion rates, the 2001 levels could potentially yield some seven metric tons of heroin in 2001 as compared to 2.4 metric tons in 2000. A joint Mexican-USG study has found that opium poppies in Mexico's northern growing areas of Sinaloa, Durango, and Chihuahua, yield an estimated 21 kilograms of opium gum per hectare. This is twice as much as the yield of opium poppies cultivated in the south of the country. A bilateral team is evaluating the implications of these revised estimates which, when applied to the estimated net harvest area in past years, raise opium gum production in Mexico 30 to 50 percent per year.

Significant multi-kilogram seizures of heroin and the presence of heroin repackaging facilities underscore **Panama's** key role in the transfer of heroin from Colombia into the U.S. Heroin seizures for 2001 are at the highest recorded levels. This rise in heroin seizures is largely a result of the expanding world market

for Colombian heroin, coupled with a highly effective drug interdiction program at Panama's international airports.

**Europe** remains a steadily growing market for Southwest Asian heroin. The centuries-old Balkan smuggling route from Turkey to Austria has been expanded northward into Romania, Hungary, and the Czech and Slovak Republics, and southward through Croatia, Slovenia, the Former Yugoslav Republic of Macedonia, Greece and Albania. Turkish trafficking groups, with distributors in ethnic enclaves in major European cities, control much of the Balkan Route heroin trade.

Most of the heroin consumed in or transiting **France** originates in Southwest Asia (Afghanistan and Pakistan) 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. West African drug traffickers 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. As of Spring 2001, France had seized almost half a metric ton of heroin.

**Germany's** central location in Europe makes it an ideal transit country for illicit narcotics. Most of the nearly half a metric ton of heroin seized in the first ten months of 2001 came from Turkey, via the Balkan Route. German Government authorities in 2001 for the first time encountered "white heroin," a particularly pure form of heroin refined from Afghan opium in Kazakhstan and Kyrgyzstan. Authorities seized almost 52.7 kilograms of white heroin during the first half of the year. The majority of heroin seizures were shipments destined for France and Austria.

**Italy** is a consumer country and a major transit point for heroin coming from the Middle East and Southwest Asia (Afghanistan) through the Balkans en route to Western and Central Europe and, to a lesser extent, the United States. Italian seizures of heroin increased sharply from just under one metric ton in 2000 to two metric tons in 2001.

While most of the heroin entering **Spain** in the past has come from Turkey via the Balkan Route, in 2001 Spanish authorities made their first seizure of heroin from Colombia. This is another indication of the degree to which the Colombian heroin industry is expanding.

Heroin trafficking and abuse continues to be the primary drug problem facing **Russia**. Although approximately half the heroin seized in 2001 was destined for onward transit, Russia is now a consumer country and faces a serious drug abuse problem. The sharp increase in Afghan heroin availability following the Taliban's selling off of stockpiles has caused the price of heroin to drop in Russia. This in turn has generated unprecedented demand. The Russian Ministry of Interior reported in October 2001 that there were approximately three million drug addicts in Russia, an increase in official estimates of 50 percent since 2000. Russian authorities consider heroin trafficking and abuse a significant threat to national security and public health. A sharp upsurge in HIV and AIDS infection has accompanied the rapid increase in serious heroin abuse and addiction. Certain areas in Russia now are said to have the fastest growing rate of HIV infection in the world.

**Ukraine** is a significant transit corridor for narcotics originating in Central and Southeast Asia, Afghanistan, Pakistan and former USSR republics, as well as in Central and Eastern Europe. Numerous ports on the Black and Azov seas, porous borders, and poorly financed, under-equipped border and customs controls make Ukraine attractive to drug trafficking activities.

The Central Asian countries of **Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan**, once important opium poppy-growing regions of the old Soviet Union, are now playing a greater role in heroin trafficking. Kazakhstan continues to be a significant highway for the shipment of drugs to Russia, China and Europe. Drug traffickers use the Bishkek-Moscow and the Dushanbe-Moscow rail lines to move drugs eastward. An official report noted that the number of HIV-positive persons in Kazakhstan jumped fourfold in the one-year period preceding the report. The study found that the great majority of HIV positive persons were infected through intravenous drug use.

Because of its border with Tajikistan, **Kyrgyzstan** (the Kyrgyz Republic) has become an important transit route for opium and heroin from Afghanistan to Russian and Western European markets. This drug flow has resulted in a corresponding rise in drug-related crimes in Kyrgyzstan itself. **Tajikistan** in 2001 remained a major conduit for smuggling opium and heroin from Afghanistan to Russia and Europe. During the first ten months of 2001, Tajik officials reportedly seized 8.1 tons of illegal narcotics, including 3.6 metric tons of opium and 3.9 metric tons of heroin. **Uzbekistan** is primarily a transit country for opiates and cannabis originating in Afghanistan. Law enforcement officers seized a total of 405.8 kilograms of illegal narcotics in the first six months of 2001. The government's eradication efforts, named "Operation Black Poppy," has all but eliminated illicit opium poppy cultivation in Uzbekistan.

In **Southwest Asia**, the USG estimates **Afghanistan's** total opium cultivation for 2000-2001 at 1,685 hectares with a potential opium production of 74 metric tons. Though the Taliban ban on opium poppies drastically reduced potential production, the release of stockpiled heroin further fueled drug trafficking. The resumption of widespread cultivation following the Taliban's collapse and the continued presence of traffickers within Afghanistan means the drug trade will continue to flourish the Afghan Interim Authority, with assistance from the international community, makes concerted enforcement efforts. Traffickers of Afghan opiates continue to market most of their product in Europe but also target the United States.

**Pakistan** has essentially achieved its ambitious goal of eliminating opium production by the year 2000. The opium poppy crop fell to a record low of 213 hectares in 2001, with cultivation concentrated in inaccessible areas of the Bara River Valley of Khyber Agency, on the border of Afghanistan's Nangarhar province. The USG estimated potential opium production for 2001 at five metric tons, compared to 11 metric tons in 2000. Pakistani authorities seized six metric tons of heroin and 4.7 metric tons of opium in the first 10 months of 2001.

**Africa** plays an important role in the global drug trade. Trafficking routes crisscross the continent, moving drugs to virtually all regions of the world. Nigeria remains Africa's most important heroin distribution hub, while Nigerian criminal organizations control much of the world's heroin traffic. Nigerian drug couriers dominate the international heroin smuggling trade. There is hardly a country that does not report the arrest of Nigerians for heroin trafficking. They operate throughout Africa, South America, Asia, and in every country of Europe, including Russia. Although the Government of Nigeria has taken measures to reduce the endemic corruption that facilitates drug trafficking, the deeply entrenched heroin trafficking organizations are so powerful that it will be difficult to overcome their dominance of the global heroin trade.

**Ghana** is a transit point for illegal drugs, particularly cocaine and heroin from South America, and Southeast and Southwest Asia. Europe remains the major destination, but drugs also flow to South Africa and to North America. While, in absolute terms, drugs transiting Ghana do not yet contribute significantly to the supply of drugs to the U.S. market, the country has become an increasingly important transshipment point. Direct flights from Accra play a leading role in the transshipment of heroin to the U.S. by West African trafficking organizations. These flights account for the largest quantity of heroin from Africa seized at New York's Kennedy airport.

With a well-developed economy and significant opportunities for corruption at all levels, **Côte d'Ivoire's** ports, airport, porous borders, and communications infrastructure offer great opportunity to drug traffickers. Seizures of heroin and cannabis were up in 2001 as were seizures of legitimate medications destined for illegal distribution. The target market for most of the narcotics passing through Côte d'Ivoire—principally heroin—remains Europe, with a smaller share ending up on the North American market.

**East Africa** is a logical transit point for heroin moving from Southwest Asia to Europe and the Western Hemisphere. **Ethiopia** is strategically placed along a major narcotics transit route between Southwest Asian heroin producing areas and Europe. West African trafficking networks control most of the East

African heroin trade, with Nigerian traffickers active in Ethiopia. Recent seizures indicate that opium poppy is being grown in Ethiopia, but only in a few small plots.

**Kenya** is strategically located along a major transit route between Southwest Asian producers of heroin and markets in Europe and North America. Once in Kenya, heroin is typically delivered to agents of West African crime syndicates. Heroin normally transits Kenya by air, carried by individual couriers. West Africans, South Asians and East Africans remain active couriers. Kenyan authorities, however, report an increase in European couriers carrying heroin through Kenya to Europe and North America. They have also noted a dramatic shift from low-purity brown heroin to high-purity white heroin. This change has been accompanied by a shift away from the European to the North American market.

**Tanzania** has become a significant transit country for narcotics moving in sub-Saharan Africa. Heroin trafficking in Tanzania is beginning to have an impact on the U.S., as Nigerian traffickers move Afghan heroin from Pakistan through Tanzania to U.S. destinations. Recently, a growing number of Tanzanians have been arrested abroad for serving as drug couriers.

Heroin is smuggled into **South Africa** from Southwest and Southeast Asia for onward shipment to Europe and, possibly, some small amount to the U.S. Domestic heroin consumption among South African youth has increased, particularly with the advent of smokable heroin. According to DEA and local NGOs monitoring epidemiological data in South Africa, South Africa has experienced a 40 percent increase in intravenous heroin users over the last three years, raising further concerns about the increased spread of HIV/AIDS.

In **Southeast Asia**, there have also been declines in opium poppy cultivation. A USG/Burma Joint Opium Yield Survey in 2001 found that opium production declined in **Burma** for the fifth straight year. The survey found that the maximum potential yield for opium in Burma in 2001 totaled 865 metric tons, down 220 metric tons (or approximately 20 percent) from 2000. Over the past five years, opium production in Burma declined by approximately two-thirds, from an estimated 2,560 metric tons in 1996 to 865 metric tons in 2001. The area under cultivation dropped by approximately 35 percent, from 163,100 hectares in 1996 to approximately 105,000 acres in 2001.

For the 2001 growing season, the USG estimated **Laos'** potential production at 210 metric tons, the same level as in 2000. The area under cultivation, however, decreased by five percent, from 23,150 hectares in 2000 to 22,000 in 2001. Higher yield estimates account for production holding steady while poppy cultivation has declined.

As a result of three decades of sustained crop reduction programs, **Thailand** is no longer a major producer of opium gum. In 2001, the USG estimated poppy cultivation to be less than 1000 hectares for the third year in a row. Addicts in Thailand now depend largely on imported heroin. Thailand is an important transit corridor for heroin produced in Burma and Laos.

## Demand Reduction

Drug “demand reduction” refers to efforts to reduce worldwide use and abuse of, and demand for narcotic drugs and psychotropic substances. The need for demand reduction is a fundamental and critical part of controlling the illicit drug trade. Escalating drug use and abuse continue to take a devastating toll on the health, welfare, safety, security, and economic stability of all nations. As a result, foreign countries increasingly request technical and other assistance from the USG to address their problems, citing long-term U.S. experience and efforts in this area. Our response has been comprehensive, balanced, and coordinated approach in which supply control and demand reduction reinforce each other. Such assistance plays an important role in helping to preserve the stability of societies threatened by the narcotics trade.

Our demand reduction strategy encompasses a wide range of initiatives. These include efforts to prevent the onset of use, intervention at “critical decision points” in the lives of vulnerable populations to prevent both first use and further use, and effective treatment programs for the addicted. Other aspects encompass education and media campaigns to increase public awareness of the deleterious consequences of drug use/abuse and community-coalition building. This latter effort involves the development of coalitions of private/public social institutions, the faith community, and law enforcement entities to mobilize national and international opinion against the drug trade and to encourage governments to develop and implement strong counternarcotics policies and programs. The demand reduction program also provides for evaluations of the effectiveness of these efforts and for research studies to use these findings to improve similar services provided in the U.S.

In 2001, INL and ONDCP co-sponsored the third United States-Mexico Demand Reduction Conference held in Mexico City on November 14-16, 2001. This initiative identified areas of bilateral collaboration in research, prevention, education, and treatment. INL continued to fund comprehensive multi-year scientific studies on pilot projects and programs developed from INL-funded training to learn how these initiatives can help assist U.S.-based demand reduction efforts. Previous smaller studies indicated that selected countries which have developed successful drug treatment/rehabilitation modalities from INL-funded training have high program retention rates and reduced rates of violence and recidivism. INL continued to sponsor sub-regional demand reduction academies in Medellin, Colombia and Sao Paulo, Brazil, and is planning a similar academy for Central America.

## **International Organizations**

International organizational efforts continue to be a key component of the overall U.S. counternarcotics strategy. Through multilateral organizations the United States has the opportunity to encourage contributions from other donors who are unable to undertake individual counternarcotics assistance programs. Counternarcotics assistance through international organizations also decreases the erroneous perception that drugs are exclusively a U.S. problem. The U.S. participation in multilateral programs also supports indigenous capabilities in regions where the U.S. is unable to operate bilaterally for political or logistical reasons. Moreover, the U.S. contributions to UNDCP have had significant impact on the operations and expansion of UN counternarcotics programs and policy. In 2001, Albania, Central African Republic, Djibouti, and Mauritius became parties to the 1988 UN Convention.

The Western Hemisphere continued to make tremendous strides in regional counternarcotics cooperation during 2001. At the April Summit of the Americas in Quebec, Canada, President Bush and other Heads of State approved the results of the first counternarcotics performance reviews conducted by the OAS’ Inter-American Drug Abuse Control Commission (OAS/CICAD)’s under the new Multilateral Evaluation Mechanism (MEM). The MEM is a hemispheric peer review system that was mandated by the Santiago Summit of the Americas in 1998. The Quebec Summit called on the OAS to further refine the process and to initiate follow-up reviews. During the rest of 2001, the OAS conducted an evaluation of national efforts to implement the MEM recommendations. These findings were publicly released by the OAS on January 30, 2002. The MEM will undertake another, more comprehensive review of national and hemispheric counternarcotics efforts during 2002.

The MEM has demonstrated its usefulness in identifying areas for improvement in national drug programs and offering governments practical suggestions for addressing problems or gaps. It is also helpful to international organizations and donor nations in channeling or prioritizing assistance and technical support. It has also contributed to a greater sense of partnership, shared responsibility, and frank dialogue among the governments of the hemisphere. As a transparent process, with publication of the findings, the U.S. anticipates that it will also help to promote broader public understanding of the seriousness of the drug situation in the hemisphere and support for stronger governmental action to promote drug abuse prevention and to combat drug trafficking and related problems.

# Methodology for Estimating Illegal Drug Production

**How Much Do We Know?** The INCSR contains a variety of illicit narcotics-related data. These numbers represent the United States Government's best effort to sketch the dimensions of the international drug problem at this time. The numbers range from cultivation figures, relatively hard data derived by proven means, to crop production and drug yield estimates, data that become softer as more variables come into play. As in previous years, we publish these data with an important caveat: the yield figures are potential, not final numbers. Although they are useful for determining trends, even the best are ultimately approximations.

Each year, as we get better data through field research, we revise our estimates. This type of field research is far from easy. The clandestine, violent nature of the illegal drug trade makes it difficult to develop precise information. At the same time, the harsh terrain on which many drugs are cultivated is not always easily accessible. This is particularly relevant given the tremendous geographic areas that must be covered, and the difficulty of collecting reliable information over diverse and treacherous terrain.

**What We Know With Reasonable Certainty.** The most reliable information we have on illicit drugs is how many hectares are under cultivation during any given year. For a decade and a half, the United States Government has estimated the extent of illicit cultivation in a dozen nations using proven statistical methods similar to those used to estimate the size of licit crops at home and abroad. We can therefore estimate the area under cultivation with reasonable accuracy.

**What We Know With Less Certainty.** The picture is less clear where crop yields are concerned. How much of a finished product a given area will produce is difficult to estimate. Small changes in factors such as soil fertility, weather, farming techniques, and disease can produce widely varying results from year to year and place to place. Moreover, most illicit drug crop areas are not easily accessible to the United States Government, making scientific information difficult to obtain. Therefore, we are estimating potential crop available for harvest. Not all of these estimates allow for losses, which could represent up to a third or more of a crop in some areas for some harvests. The value in estimating the size of the potential crop is to provide a consistent basis for a comparative analysis from year to year.

**Harvest Estimates.** We have gradually improved our yield estimates. Our confidence in coca leaf yield estimates, as well as in the finished product, has risen in the past few years, based upon the results of field studies conducted in Latin America. In all cases, however, multiplying average yields times available hectareage indicates only the potential, not the actual final drug crop available for harvest.

While farmers naturally have strong incentives to maximize their harvests of what is almost always their most profitable cash crop, the harvest depends upon the efficiency of farming practices and the wastage caused by poor practices or difficult weather conditions during and after harvest. Up to a third or more of a crop may be lost in some areas during harvests.

In addition, mature coca (two to six years old), is more productive than immature or aging coca. Variations such as these can dramatically affect potential yield and production. Additional information and analysis is allowing us to make adjustments for these factors. Similar deductions for local consumption of unprocessed coca leaf and opium may be possible as well through the accumulation of additional information and research.

**Processing Estimates.** The wide variation in processing efficiency achieved by traffickers complicates the task of estimating the quantity of cocaine or heroin that could be refined from a crop. These variations occur because of differences in the origin and quality of the raw material used, the technical processing method employed, the size and sophistication of laboratories, the skill and experience of local workers and chemists, and decisions made in response to enforcement pressures. (See the various INCSR chapters for specific information.)

Figures Change as Techniques and Data Quality Improve. Each year, research produces revisions to United States Government estimates of potential drug production. This is typical of annualized figures for most other areas of statistical tracking that must be revised year to year, whether it be the size of the U.S. wheat crop, population figures, or the unemployment rate. For the present, however, these statistics represent the state of the art. As new information becomes available and as the art improves, so will the precision of the estimates.

## Status of Potential Worldwide Production

In evaluating the yield figures in the INCSR, bear in mind that they are theoretical. They are estimates of potential production—the quantities that the United States Government estimates could have been produced if, and only if, all available crops were to be converted into finished drugs. Since these estimates do not always make allowance for losses, actual production is probably lower than our estimates. The figures shown are mean points in a statistical range.

**Potential Opium Production.** In Southeast Asia, opium poppy cultivation and potential opium production shrank modestly in 2001. The cultivated area fell to 130,120 hectares from 135,040 hectares the previous year. Potential opium gum production fell to 1,086 metric tons (from 1,318 metric tons in 2000), capable of yielding approximate 95 metric tons of heroin, if all the gum were processed.

Opium poppy cultivation plummeted 97 percent in Southwest Asia after the Taliban issued a cultivation ban in 2000. Total hectareage for Afghanistan and Pakistan dropped from 65,025 hectares in 2000 to 1,898 hectares in 2001. Total potential production for both countries fell from 3,667 metric tons to 79 metric tons, or roughly eight tons of heroin—equivalent to the amount theoretically available from Mexico or Colombia.

The United States Government continues to examine the illicit drug crop situation in Russia and the Central Asian. While some of these countries may be able to produce significant opium poppy harvests, the United States Government still lacks sufficient data to identify and measure all suspected areas. Estimates in Uzbekistan and Tajikistan in 1998, however, showed cultivation there to be negligible.

In the Western Hemisphere, the opium poppy growing countries have maintained active crop control efforts despite continuing campaigns by criminal organizations to expand the areas under cultivation. In Colombia, the last United States Government estimate in 1999 was 7,500 hectares, enough to yield an estimated 7.5 metric tons of opium gum, or a little less than eight tons of heroin, assuming no losses. Data is not yet available for 2000 or 2001. In Mexico, there were an estimated 4,400 hectares of opium poppy in 2001, after eradication. Assuming no losses, the estimated potential yield was 71 metric tons of opium gum, or approximately seven metric tons of heroin. Though no specific data was available, there is evidence of opium poppy expansion in Peru.

**Coca Cultivation.** Worldwide coca cultivation figures were not available at time of publication, since the annual survey for Colombia, the largest producer, was not complete. It is likely, however, the 2001 crop will be larger than the 2000 estimate of 136,200 hectares. In Bolivia, there were 19,900 hectares of coca detected as of June 1, 2001. Because of weather conditions, surveys in Bolivia will now cover the period June-June, rather than January-December. Peru's coca crop dropped marginally from 34,200 hectares at the end of 2000 to 34,000 at the end of 2001. Some coca was detected and eradicated in Venezuela in 2001. It is also likely that there is coca in inaccessible areas of Brazil, but its extent is unknown. Ecuador has negligible amounts of coca.

### Cocaine Field Estimates

The cocaine yield figure is offered with the same caveat as the crop harvest yield data: it is a figure representing potential production. It does not in every case allow for losses or the many other variables that one would encounter in a “real world” conversion from plant to finished drug. In fact, the amount of cocaine HCL actually making it to market is probably lower. Efficiencies vary greatly from country to country

A meaningful estimate of potential cocaine HCL will not be available until the survey in Colombia is complete. The United States Government estimates that in 2001, 140 metric tons of cocaine HCL were potentially available from Peru and 60 metric tons potentially available from Bolivia. Expectations are that the amount potentially available from Colombia will not be less than last year’s estimate of 580 metric tons. Based on this information, at this time it appears that at least 780 metric tons of cocaine HCL were potentially produced in 2001. In publishing these numbers, we repeat our caveat that these are theoretical numbers, useful for examining trends. Though every year research moves us closer to a more precise cocaine yield estimate for Latin America, we do not yet know for certain the actual amount available for distribution.

### **Consumption Data**

Most of the chapters in this report contain some user or consumption data. For the most part, these are estimates provided by foreign governments or informal estimates by United States Government agencies. There is no way to vouch for their reliability. They are included because they are the only data available and give an approximation of how governments view their own drug abuse problems. They should not be considered as a source of data to develop any reliable consumption estimates.

### **Marijuana Production**

According to USG estimates, net marijuana production in Mexico in 2001 was 7,400 metric tons of cannabis, based on a net harvest area of 4,100 hectares of cultivation. This compares with 7,000 metric tons in a harvest area of 3,900 hectares in 2000. In Colombia’s traditional cannabis growing zones, cultivation is estimated to be about 4,000 hectares. We recognize that there may be considerable amounts of undetected cannabis cultivation in Central and East Asia, and on the African continent, though there is no evidence that any of this cannabis significantly affects the United States. As we gather more accurate information, we will report significant findings in future INCSRs.

## *Worldwide Illicit Drug Cultivation*

### 1993–2001 (All Figures in Hectares)

	2001	2000	1999	1998	1997	1996	1995	1994	1993
<b>Opium</b>									
Afghanistan	1,685	64,510	51,500	41,720	39,150	37,950	38,740	29,180	21,080
India					2,050	3,100	4,750	5,500	4,400
Iran									
Pakistan	213	515	1,570	3,030	4,100	3,400	6,950	7,270	6,280
<b>Total SW Asia</b>	<b>1,898</b>	<b>65,025</b>	<b>53,070</b>	<b>44,750</b>	<b>45,300</b>	<b>44,450</b>	<b>50,440</b>	<b>41,950</b>	<b>31,760</b>
Burma	105,000	108,700	89,500	130,300	155,150	163,100	154,070	154,070	146,600
China							1,275	1,965	
Laos	22,000	23,150	21,800	26,100	28,150	25,250	19,650	19,650	18,520
Thailand	820	890	835	1,350	1,650	2,170	1,750	2,110	2,110
Vietnam	2,300	2,300	2,100	3,000	6,150	3,150			
<b>Total SE Asia</b>	<b>130,120</b>	<b>135,040</b>	<b>114,235</b>	<b>160,750</b>	<b>191,100</b>	<b>193,670</b>	<b>176,745</b>	<b>177,795</b>	<b>167,230</b>
Colombia	7,500	7,500	7,500	6,100	6,600	6,300	6,540	20,000	20,000
Lebanon						90	150		440
Guatemala							39	50	438
Mexico	4,400	1,900	3,600	5,500	4,000	5,100	5,050	5,795	3,960
<b>Total Other</b>	<b>11,900</b>	<b>9,400</b>	<b>11,100</b>	<b>11,600</b>	<b>10,600</b>	<b>11,490</b>	<b>11,779</b>	<b>25,845</b>	<b>24,838</b>
<b>Total Opium</b>	<b>143,918</b>	<b>209,465</b>	<b>178,405</b>	<b>217,100</b>	<b>247,000</b>	<b>249,610</b>	<b>238,964</b>	<b>245,590</b>	<b>223,828</b>
<b>Coca</b>									
Bolivia <sup>1</sup>	19,900	14,600	21,800	38,000	45,800	48,100	48,600	48,100	47,200
Colombia <sup>2</sup>	136,200	136,200	122,500	101,800	79,500	67,200	50,900	45,000	39,700
Peru	34,000	34,200	38,700	51,000	68,800	94,400	115,300	108,600	108,800
Ecuador									
<b>Total Coca</b>	<b>190,100</b>	<b>185,000</b>	<b>183,000</b>	<b>190,800</b>	<b>194,100</b>	<b>209,700</b>	<b>214,800</b>	<b>201,700</b>	<b>195,700</b>
<b>Cannabis</b>									
Mexico	3,900	3,900	3,700	4,600	4,800	6,500	6,900	10,550	11,220
Colombia	5,000	5,000	5,000	5,000	5,000	5,000	5,000	4,986	5,000
Jamaica					317	527	305	308	744
<b>Total Cannabis</b>	<b>8,900</b>	<b>8,900</b>	<b>8,700</b>	<b>9,600</b>	<b>10,117</b>	<b>12,027</b>	<b>12,205</b>	<b>15,844</b>	<b>16,964</b>

<sup>1</sup> Beginning in 2001, USG surveys of Bolivian coca take place cover the period June to June.

<sup>2</sup> Since survey data were not available at time publication, we have repeated the 2000 figures as place holders.

## *Worldwide Illicit Drug Cultivation*

### 1987–1992 (All Figures in Hectares)

	1992	1991	1990	1989	1988	1987
<b>Opium</b>						
Afghanistan	19,470	17,190	12,370	18,650	23,000	18,500
India						
Iran						
Pakistan	8,170	8,205	8,220	6,050	11,588	9,970
<b>Total SW Asia</b>	<b>27,640</b>	<b>25,395</b>	<b>20,590</b>	<b>24,700</b>	<b>34,588</b>	<b>28,470</b>
Burma	153,700	160,000	150,100	143,000	104,200	76,021
China						
Laos	25,610	29,625	30,580	42,130	40,400	
Thailand	2,050	3,000	3,435	4,075	2,843	2,934
<b>Total SE Asia</b>		<b>192,625</b>	<b>184,185</b>	<b>189,205</b>	<b>147,443</b>	<b>78,955</b>
Colombia	<b>181,360</b>	1,160				
Lebanon	20,000	3,400	3,200	4,500	na	na
Guatemala	na	1,145	845	1,220	710	
Mexico	730	3,765	5,450	6,600	5,001	5,160
Vietnam	3,310					
<b>Total Other</b>	<b>24,040</b>	<b>9,470</b>	<b>9,495</b>	<b>12,320</b>	<b>5,711</b>	<b>5,160</b>
<b>Total Opium</b>	<b>233,040</b>	<b>227,490</b>	<b>214,200</b>	<b>226,225</b>	<b>187,742</b>	<b>112,585</b>
<b>Coca</b>						
Bolivia	45,500	47,900	50,300	52,900	48,900	41,300
Colombia	37,100	37,500	40,100	42,400	34,000	25,600
Peru	129,100	120,800	121,300	120,400	110,400	108,800
Ecuador		40	120	150	240	300
<b>Total Coca</b>	<b>211,700</b>	<b>206,240</b>	<b>211,820</b>	<b>215,850</b>	<b>193,540</b>	<b>176,000</b>
<b>Cannabis</b>						
Mexico	16,420	17,915	35,050	53,900	5,003	5,250
Colombia	2,000	2,000	1,500	2,270	4,188	5,005
Jamaica	389	950	1,220	280	607	680
<b>Total Cannabis</b>	<b>18,809</b>	<b>20,865</b>	<b>37,770</b>	<b>56,450</b>	<b>9,798</b>	<b>10,935</b>

## *Worldwide Potential Illicit Drug Production*

### 1993–2001 (All Figures in Metric Tons)

	2001	2000	1999	1998	1997	1996	1995	1994	1993
<b>Opium Gum</b>									
Afghanistan	74	3,656	2,861	2,340	2,184	2,174	1,250	950	685
India					30	47	77	90	
Iran									
Pakistan	5	11	37	66	85	75	155	160	140
<b>Total SW Asia</b>	<b>79</b>	<b>3,667</b>	<b>2,898</b>	<b>2,406</b>	<b>2,299</b>	<b>2,296</b>	<b>1,482</b>	<b>1,200</b>	<b>825</b>
Burma	865	1,085	1,090	1,750	2,365	2,560	2,340	2,030	2,575
China							19	25	
Laos	200	210	140	140	210	200	180	85	180
Thailand	6	6	6	16	25	30	25	17	42
Vietnam	15	15	11	20	45	25			
<b>Total SE Asia</b>	<b>1,086</b>	<b>1,316</b>	<b>1,247</b>	<b>1,926</b>	<b>2,645</b>	<b>2,815</b>	<b>2,564</b>	<b>2,157</b>	<b>2,797</b>
Colombia			75	61	66	63	65		
Lebanon						1	1		4
Guatemala									
Mexico	71	27	60	93	64	54	53	60	49
<b>Total Other</b>	<b>71</b>	<b>27</b>	<b>135</b>	<b>154</b>	<b>130</b>	<b>118</b>	<b>119</b>	<b>60</b>	<b>53</b>
<b>Total Opium</b>	<b>1,236</b>	<b>5,010</b>	<b>4,280</b>	<b>4,486</b>	<b>5,074</b>	<b>5,229</b>	<b>4,165</b>	<b>3,417</b>	<b>3,675</b>
<b>Coca Leaf</b>									
Bolivia <sup>1</sup>	20,200	26,800	22,800	52,900	70,100	75,100	85,000	89,800	84,400
Colombia <sup>2</sup>	583,000	583,000	521,400	437,600	347,000	302,900	229,300	35,800	31,700
Peru	52,600	54,400	69,200	95,600	130,200	174,700	183,600	165,300	155,500
Ecuador									100
<b>Total Coca</b>	<b>655,800</b>	<b>664,200</b>	<b>613,400</b>	<b>586,100</b>	<b>547,300</b>	<b>552,700</b>	<b>497,900</b>	<b>290,900</b>	<b>271,700</b>
<b>Cannabis</b>									
Mexico	7,400	7,000	3,700	8,300	8,600	11,700	12,400	5,540	6,280
Colombia	4,000	4,000	4,000	4,000	4,133	4,133	4,133	4,138	4,125
Jamaica					214	356	206	208	502
Belize									
Others	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
<b>Total Cannabis</b>	<b>14,900</b>	<b>14,500</b>	<b>11,200</b>	<b>15,800</b>	<b>16,447</b>	<b>19,689</b>	<b>20,239</b>	<b>13,386</b>	<b>14,407</b>

<sup>1</sup> Beginning in 2001, USG surveys of Bolivian coca take place cover the period June to June.

<sup>2</sup> Since survey data were not available at time publication, we have repeated the 2000 figures as place holders.

## *Worldwide Potential Illicit Drug Production* 1987–1992 (All Figures in Metric Tons)

	1992	1991	1990	1989	1988	1987
<b>Opium Gum</b>						
Afghanistan	640	570	415	585	750	600
India						
Iran						300
Pakistan	175	180	165	130	205	205
<b>Total SW Asia</b>	<b>815</b>	<b>750</b>	<b>580</b>	<b>715</b>	<b>955</b>	<b>1,105</b>
Burma	2,280	2,350	2,255	2,430	1,280	835
China						
Laos	230	265	275	380	255	225
Thailand	24	35	40	50	25	24
Vietnam						
<b>Total SE Asia</b>	<b>2,534</b>	<b>2,650</b>	<b>2,570</b>	<b>2,860</b>	<b>1,560</b>	<b>1,084</b>
Colombia						
Lebanon		34	32	45		
Guatemala		11	13	12	8	3
Mexico	40	41	62	66	67	50
<b>Total Other</b>	<b>40</b>	<b>86</b>	<b>107</b>	<b>123</b>	<b>75</b>	<b>53</b>
<b>Total Opium</b>	<b>3,389</b>	<b>3,486</b>	<b>3,257</b>	<b>3,698</b>	<b>2,590</b>	<b>2,242</b>
<b>Coca Leaf</b>						
Bolivia	80,300	78,000	77,000	78,200	79,500	79,200
Colombia	29,600	30,000	32,100	33,900	27,200	20,500
Peru	223,900	222,700	196,900	186,300	187,700	191,000
Ecuador	100	40	170	270	400	400
<b>Total Coca</b>	<b>333,900</b>	<b>330,740</b>	<b>306,170</b>	<b>298,670</b>	<b>294,800</b>	<b>291,100</b>
<b>Cannabis</b>						
Mexico	7,795	7,775	19,715	30,200	5,655	5,933
Colombia	1,650	1,650	1,500	2,800	7,775	5,600
Jamaica	263	641	825	190	405	460
Belize		49	60	65	120	200
Others	3,500	3,500	3,500	3,500	3,500	1,500
<b>Total Cannabis</b>	<b>13,208</b>	<b>13,615</b>	<b>25,600</b>	<b>36,755</b>	<b>17,455</b>	<b>13,693</b>

## *Parties to the 1988 UN Convention*

<b>Country</b>	<b>Date Signed</b>	<b>Date Became a Party</b>
1. Afghanistan	20 December 1988	14 February 1992
2. Albania	Accession	27 June 2001
3. Algeria	20 December 1988	5 May 1995
4. Andorra	Accession	23 July 1999
5. Antigua and Barbuda	Accession	5 April 1993
6. Armenia	20 December 1988	28 June 1993
7. Argentina	Accession	13 September 1993
8. Australia	14 February 1989	16 November 1992
9. Austria	25 September 1989	11 July 1997
10. Azerbaijan	Accession	22 September 1993
11. Bahamas	20 December 1988	30 January 1989
12. Bahrain	28 September 1989	7 February 1990
13. Bangladesh	14 April 1989	11 October 1990
14. Barbados	Accession	15 October 1992
15. Belarus	27 February 1989	15 October 1990
16. Belgium	22 May 1989	25 October 1995
17. Belize	Accession	24 July 1996
18. Benin	Accession	23 May 1997
19. Bhutan	Accession	27 August 1990
20. Bolivia	20 December 1988	20 August 1990
21. Bosnia and Herzegovina	Succession	01 September 1993
22. Botswana	Accession	13 August 1996
23. Brazil	20 December 1988	17 July 1991
24. Brunei Darussalam	26 October 1989	12 November 1993
25. Bulgaria	19 May 1989	24 September 1992
26. Burkina Faso	Accession	02 June 1992
27. Burma	Ratified	11 June 1991
28. Burundi	Accession	18 February 1993
29. Cameroon	27 February 1989	28 October 1991
30. Canada	20 December 1988	05 July 1990
31. Cape Verde	Accession	08 May 1995
32. Central African Republic	Accession	15 October 2001

## Policy and Program Development

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Country	Date Signed	Date Became a Party
33. Chad	Accession	09 June 1995
34. Chile	20 December 1988	13 March 1990
35. China	20 December 1988	25 October 1989
36. Colombia	20 December 1988	10 June 1994
37. Comoros	Accession	1 March 2000
38. Costa Rica	25 April 1989	8 February 1991
39. Cote d'Ivoire	20 December 1988	25 November 1991
40. Croatia	Succession	26 July 1993
41. Cuba	7 April 1989	12 June 1996
42. Cyprus	20 December 1988	25 May 1990
43. Czech Republic	Succession	30 December 1993
44. Denmark	20 December 1988	19 December 1991
45. Djibouti	Accession	22 February 2001
46. Dominica	Accession	30 June 1993
47. Dominican Republic	Accession	21 September 1993
48. European Economic Community	8 June 1989	31 December 1990
49. Ecuador	21 June 1988	23 March 1990
50. Egypt	20 December 1988	15 March 1991
51. El Salvador	Accession	21 May 1993
52. Estonia	Accession	12 July 2000
53. Ethiopia	Accession	11 October 1994
54. Fiji	Accession	25 March 1993
55. Finland	8 February 1989	15 February 1994
56. France	13 February 1989	31 December 1990
57. Gambia	Accession	23 April 1996
58. Germany	19 January 1989	30 November 1993
59. Georgia	Accession	8 January 1998
60. Ghana	20 December 1988	10 April 1990
61. Greece	23 February 1989	28 January 1992
62. Grenada	Accession	10 December 1990
63. Guatemala	20 December 1988	28 February 1991
64. Guinea	Accession	27 December 1990
65. Guyana	Accession	19 March 1993
66. Haiti	Accession	18 September 1995
67. Honduras	20 December 1988	11 December 1991

Country	Date Signed	Date Became a Party
68. Hungary	22 August 1989	15 November 1996
69. Iceland	Accession	2 September 1997
70. India	Accession	27 March 1990
71. Indonesia	27 March 1989	23 February 1999
72. Iran	20 December 1988	7 December 1992
73. Iraq	Accession	22 July 1998
74. Ireland	14 December 1989	3 September 1996
75. Italy	20 December 1988	31 December 1990
76. Jamaica	2 October 1989	29 December 1995
77. Japan	19 December 1989	12 June 1992
78. Jordan	20 December 1988	16 April 1990
79. Kazakhstan	Accession	29 April 1997
80. Kenya	Accession	19 October 1992
81. Korea	Accession	28 December 1998
82. Kuwait	2 October 1989	3 November 2000
83. Kyrgyzstan	Accession	7 October 1994
84. Latvia	Accession	24 February 1994
85. Lesotho	Accession	28 March 1995
86. Lebanon	Accession	11 March 1996
87. Libyan Arab Jamahiriya	Accession	22 July 1996
88. Lithuania	Accession	8 June 1998
89. Luxembourg	26 September 1989	29 April 1992
90. Macedonia, Former Yugoslav Rep.	Accession	18 October 1993
91. Madagascar	Accession	12 March 1991
92. Malaysia	20 December 1988	11 May 1993
93. Malawi	Accession	12 October 1995
94. Maldives	5 December 1989	7 December 2000
95. Mali	Accession	31 October 1995
96. Malta	Accession	28 February 1996
97. Mauritania	Accession	1 July 1993
98. Mauritius	20 December 1988	6 March 2001
99. Mexico	16 February 1989	11 April 1990
100. Moldova	Accession	19 February 1995
101. Monaco	24 February 1989	23 April 1991
102. Morocco	28 December 1988	28 October 1992

## Policy and Program Development

<b>Country</b>	<b>Date Signed</b>	<b>Date Became a Party</b>
103.Mozambique	Accession	8 June 1998
104.Nepal	Accession	24 July 1991
105.Netherlands	18 January 1992	8 September 1993
106.Nicaragua	20 December 1988	4 May 1990
107.Niger	Accession	10 November 1992
108.Nigeria	1 March 1989	1 November 1989
109.Norway	20 December 1988	1 January 1994
110.Oman	Accession	15 March 1991
111.Pakistan	20 December 1988	25 October 1991
112.Panama	20 December 1988	13 January 1994
113.Paraguay	20 December 1988	23 August 1990
114.Peru	20 December 1988	16 January 1992
115.Philippines	20 December 1988	7 June 1996
116.Poland	6 March 1989	26 May 1994
117.Portugal	13 December 1989	3 December 1991
118.Qatar	Accession	4 May 1990
119.Romania	Accession	21 January 1993
120.Russia	19 January 1989	17 December 1990
121.St. Kitts and Nevis	Accession	19 April 1995
122.St. Lucia	Accession	21 August 1995
123.St. Vincent and the Grenadines	Accession	17 May 1994
124.San Marino	Accession	10 October 2000
125.Sao Tome and Principe	Accession	20 June 1996
126.Saudi Arabia	Accession	9 January 1992
127.Senegal	20 December 1988	27 November 1989
128.Seychelles	Accession	27 February 1992
129.Sierra Leone	9 June 1989	6 June 1994
130.Singapore	Accession	23 October 1997
131.Slovakia	Succession	28 May 1993
132.Slovenia	Succession	6 July 1992
133.South Africa	Accession	14 December 1998
134.Spain	20 December 1988	13 August 1990
135.Sri Lanka	Accession	6 June 1991
136.Sudan	30 January 1989	19 November 1993
137.Suriname	20 December 1988	28 October 1992

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Country	Date Signed	Date Became a Party
138. Swaziland	Accession	3 October 95
139. Sweden	20 December 1988	22 July 1991
140. Syria	Accession	3 September 1991
141. Tajikistan	Accession	6 May 1996
142. Tanzania	20 December 1988	17 April 1996
143. Trinidad and Tobago	7 December 1989	17 February 1995
144. Togo	3 August 1989	1 August 1990
145. Tonga	Accession	29 April 1996
146. Tunisia	19 December 1989	20 September 1990
147. Turkey	20 December 1988	2 April 1996
148. Turkmenistan	Accession	21 February 1996
149. UAE	Accession	12 April 1990
150. Uganda	Accession	20 August 1990
151. Ukraine	16 March 1989	28 August 1991
152. United Kingdom	20 December 1988	28 June 1991
153. United States	20 December 1988	20 February 1990
154. Uruguay	19 December 1989	10 March 1995
155. Uzbekistan	Accession	14 August 1995
156. Venezuela	20 December 1988	16 July 1991
157. Vietnam	Accession	4 November 1997
158. Yemen	20 December 1988	25 March 1996
159. Yugoslavia	20 December 1988	3 January 1991
160. Zambia	9 February 1989	28 May 1993
161. Zimbabwe	Accession	30 July 1993

Signed but Pending Ratification		
1. Gabon	20 December 1989	
2. Holy See	20 December 1988	Not UN member
3. Israel	20 December 1988	Awaiting Money Laundering Legislation
4. Mauritius	20 December 1988	
5. New Zealand	18 December 1989	
6. Philippines	20 December 1988	
7. Switzerland	16 November 1989	Not UN member
8. Zaire	20 December 1988	

## Policy and Program Development

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<b>Other</b>	
1. Anguilla	Not UN member
2. Aruba	Not UN member
3. Bermuda	
4. BVI	Not UN member
5. Cambodia	
6. Central African Republic	
7. Chad	
8. Congo	
9. Djibouti	
10. DPR Korea	
11. Hong Kong	Not UN member
12. Laos	
13. Liberia	
14. Liechtenstein	
15. Marshall Islands	
16. Micronesia, Federated States of	
17. Mongolia	
18. Namibia	
19. Papua New Guinea	
20. Samoa	
21. Sao Tome and Principe	
22. Taiwan	Not UN member
23. Thailand	
24. Turks & Caicos	Not UN member
25. Vanuatu	

