

EUROPE AND CENTRAL ASIA

Albania

I. Summary

Drug trafficking is a significant issue for Albania. Organized crime organizations use Albania as a transit point for drug and other types of smuggling due to its strategic location, weak police and judicial systems, and lax border controls. The most common illegal drugs are heroin, cocaine, and marijuana. Heroin is typically routed through the “Balkans Route” of Turkey-Bulgaria-Macedonia (FYROM)-Albania, and on to Italy and Greece. Cocaine is smuggled by air from the United States and South America, passing through Albania on the way to Western Europe. Although Albania is not a major transit country for drugs coming into the United States, it remains a country of concern to the United States. Drug abuse is a growing problem, but remains on a small scale compared with Western Europe. Statistics continue to be unreliable on drug trafficking or use, and the public is generally unaware of the problems associated with drugs.

The Government of Albania (GOA), largely in response to international pressure and with international assistance, is in the early stages of attempting to confront criminal elements more aggressively. This continues to be an uphill battle because of lack of resources and corruption in Albania. The government established a counternarcotics unit in 1998 under the Ministry of Public Order, and in 2001 approved a law on the prevention of illegal trafficking of narcotics and the establishment of the inter-ministerial drug control committee. On June 27, 2001, Albania became a party to the 1988 UN Drug Convention and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol.

II. Status of Country

The government is continuing its efforts to build security and stability throughout Albania. Police professionalism has increased in the past five years, especially among units that defend public order. The judiciary is engaged in improving the criminal justice system with technical assistance from the United States Government, though it remains weak and subject to corruption. The previous government of Prime Minister Ilir Meta, who resigned on January 29, 2002, had begun, with international assistance, to implement commitments to crack down on organized crime. The new Prime Minister is expected to continue these efforts. The Albanian military and police work with the Italian police and coastal patrol organizations to shut down smuggling runs of illegal immigrants, drugs, and other contraband across the Adriatic to Italy. The vast majority of interdictions, however, are actually organized and executed by the Italians.

Plagued by severe unemployment, crime, and lack of infrastructure, the Albanian public focuses little public attention or debate on the problem of drug abuse. There are no independent organizations that compile data on drug use in Albania, nor are significant government assets dedicated to tracking the problem. But Albania is experiencing an upsurge in drug abuse by younger Albanians. Heroin and marijuana abuse is growing; cocaine and crack are also available, but expensive, keeping their use more or less marginal. Heroin is imported from the Former Yugoslav Republic of Macedonia, but originates in Turkey or Afghanistan; marijuana is produced domestically. The UNDCP believes that drug use, especially among adolescents in cities, is on the rise. There are no special treatment centers for drug addicts, although the Tirana Military Hospital’s Toxicology Clinic treats overdose cases.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In 2001, the GOA approved a law on the prevention of the illegal trafficking of narcotics and on the establishment of the Inter-Ministerial Drug Control Committee. This law created a mechanism for national coordination of policies regarding use and trafficking of narcotics, and one of the

first tasks of the Inter-Ministerial Drug Control Committee will be the development of a national counternarcotics strategy. This law also established a framework to improve criminal investigations in drug-related cases by creating a formal structure for the Ministry of Public Order's counternarcotics service, originally established in 1998. The counternarcotics service currently includes 100 police officers and agents, but remains understaffed and ill equipped. While some of the service's counternarcotics units in Albania's 12 police directorates have received equipment from the UNDCP, the majority must rely on local police budgets, which do not allow for the purchase of vehicles or surveillance equipment. With international assistance, the GOA also established an anti-trafficking center in Vlora in 2001. While this office is still not staffed, the center offers a potential vehicle for the government to increase significantly its role in confronting trafficking in drugs, weapons, and persons. The GOA works with its Balkan neighbors bilaterally and in regional initiatives to combat organized crime. Albania is a participant in the Stability Pact and the Southeast European Cooperation Initiative (SECI).

Law Enforcement Efforts. Authorities report that in 2001, police arrested 353 persons for drug trafficking, all but four of whom were Albanian nationals. The police seized 4.5 kilograms of heroin, 266 grams of cocaine, 6,915 kilograms of marijuana, 600 grams of cannabis seeds, 2.8 kilograms of red poppy seeds, and 1.3 liters of methadone. Police also destroyed three cannabis laboratories. According to the counternarcotics service, police targeted larger smuggling operations in 2001, resulting in the seizure of U.S. \$1 million in cash and several key arrests. Police also have the power to seize assets, such as speed boats, used in smuggling operations, but only seized one boat in 2001 as a direct result of a drug investigation.

Precursor Chemical Control. Albania is not a producer of significant quantities of precursor chemicals. Albanian law does not address precursor chemicals.

Cultivation/Production. With the exception of cannabis, Albania does not produce illicit drugs. According to authorities of the Ministry of Public Order's counternarcotics service, cannabis is currently the only drug grown and produced in Albania, and is typically for consumption or sale in Belgium, France, Germany, Greece, and Italy. Metric ton quantities of Albanian marijuana have been seized in Greece and Italy. Counternarcotics authorities do not have the capacity to determine crop sizes and yields, but they estimate that police destroyed more than 281,000 marijuana plants in 2001 in 129 locations throughout Albania. Police also destroyed 100 red poppy plants in northern Albania in 2000 and seized 2.8 kilograms of red poppy seeds in 2001, but have detected no new poppy plantings. The Ministry believes that this may have been an experiment to see if poppies could be grown in Albania.

Distribution. Corruption among police and magistrates hampers efforts to crack down on drug distribution, though distribution is less of a problem than transit of illegal narcotics for international trafficking. However, police may become more effective at combating distribution as the capacity of the counternarcotics service develops.

Drug Flow/Transit. Heroin and cocaine are the main drugs that transit Albania. Authorities report that heroin typically follows through the "Balkan Route." Traffickers also use Albania as an entry point to Europe when smuggling cocaine by air from the United States and Latin America. Domestically produced marijuana is smuggled to Belgium, France, Germany, Greece, and Italy.

Organized crime plays a significant role in drug trafficking, including the facilitation of sales, financial arrangements, and smuggling. The government, with significant help from the Italian authorities, has made some progress in interdicting narcotics smugglers at sea.

Agreements and Treaties. The United States has an extradition treaty with Albania that entered into force on November 13, 1935. Albania signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants in December 2000. Albania became a party to the 1988 UN Drug Convention and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, on June 27, 2001.

The GOA is also reportedly preparing materials to accede to the 1971 UN Convention on Psychotropic Substances.

Domestic Programs (Demand Reduction). Drug abuse is a comparatively new problem in Albania and the government and Albanian society have been slow to address it. Local and national authorities collect little data and do not believe the problem is particularly widespread, owing both to traditional cultural norms and low levels of discretionary income. The UNDCP addresses demand reduction in Albania through youth sports activities. The GOA estimates as many as 30,000 drug users in Albania in 2000, six times the amount estimated in 1995; but NGOs believe the figure is closer to 10,000. Of the overdose cases treated at the Tirana Military Hospital's Toxicology Clinic, approximately 80 percent were injection drug users in 2001, up from only 20 percent in 1998.

Corruption. Corruption remains a deeply entrenched problem. While the GOA acts officially to combat drug trafficking, press reports have implicated government officials in smuggling operations. Low salaries and social acceptance of graft make it difficult to combat corruption among police, magistrates, and customs and border officials. If approved, a memorandum of understanding drafted in December 2001 between the Customs Service and the Border Police may help reduce the influence of corruption at Albania's borders by instituting counternarcotics inspections of shipping containers before they are sealed by customs agents. The Ministry of Public Order's Anti-Organized Crime Directorate became operational in January 2001 with technical assistance and training provided by the U.S. Department of Justice's ICITAP and OPDAT with funding by the Department of State's Bureau for International Narcotics and Law Enforcement Affairs (INL).

IV. U.S. Policy Initiatives and Programs

Bilateral and Multilateral Cooperation. The GOA continues to welcome assistance from the United States and Western Europe. The United States is intensifying its activities in the areas of public order and legal reform. U.S. advisors work closely with the Ministry of Public Order and the Ministry of Justice to combat organized crime and trafficking and to improve border control. The U.S. Department of Justice's Border Patrol Tactical Unit conducted a comprehensive assessment in November and December 2001 of the capabilities of the Albanian Border Police and are developing proposals for initiatives to be implemented in 2002. Other USG, EU, and international programs include support for Albanian customs reform and enhanced border controls, continued judicial training, efforts to improve cooperation between police and prosecutors, and anticorruption programs.

The Road Ahead. The United States will continue to push the GOA to make progress on illegal drug trafficking, to use law enforcement assistance efficiently, and to support legal reform. U.S. assistance will continue to provide additional guidance and training to law enforcement and judicial bodies, including work on anti-trafficking and border security initiatives. Efforts by the EU, the UNDCP, and other international groups will provide the GOA with additional support.

Armenia

I. Summary

Armenia is not a major drug producing country and its domestic illicit drug consumption is relatively small. The Government of Armenia (GOAM), recognizing its potential as a transit route for international drug trafficking, has continued to work to improve its interdiction ability. The GOAM is currently considering draft legislation aimed at strengthening the police mandate to combat drug sales and trafficking. Together with Georgia and Azerbaijan, Armenia is engaged in a UN-sponsored “Southern Caucasus Anti-Drug Program” launched in 2001. Armenia is a party to the 1988 UN Drug Convention.

II. Status of Country

As a Caucasian crossroad between Europe and Asia, Armenia has the potential to become a transit point for international drug trafficking. At present, limited transport between the country and its neighboring states makes Armenia a secondary traffic route for drugs; however, the Anti-Drug Department (ADD) of the Ministry of Interior expects an increase in drug trafficking. Iran, the Russian Federation, and Lebanon are the main countries involved in drug trafficking to Armenia. Seventy-five percent of all opiates smuggled from Iran transit Armenia. Armenia’s borders with Turkey and Azerbaijan remain closed due to the Nagorno-Karabakh conflict, but when these borders open, drug transit could increase significantly. Armenia’s Interior Ministry maintains considerable information about regional drug trafficking, including a database on drug-transit sources, routes, and the people engaged in transit. However, the Ministry’s ability to combat drug trafficking is limited due to scarce government and human resources.

Drug abuse is not a serious problem in Armenia, and the local market for narcotics, according to the ADD, is not large. The main drugs of choice are opium and cannabis. Heroin and cocaine first appeared in the Armenian drug market in 1996 and since then there has been a small upward trend in heroin sales. Statistics for 2001 show a downward trend in drug abuse and seizures compared with the previous years. The reduction, according to the Interior Ministry’s experts, is explained partly by emigration and partly by the deterioration of living standards, which has forced drug addicts to switch to other, cheaper or self-made types of drugs.

Estimates of the number of drug addicts in Armenia vary from the most conservative—7,000—to the highest—20,000. The second figure is the estimate of Seda Jamalian, Armenia’s chief drug abuse expert and Deputy Director of the Narcotics Dispensary, who estimates that 50 percent of Armenian drug addicts consume opiates. In light of regional trends, Jamalian’s higher estimates seem more likely to be accurate. Fewer than 300 addicts are registered with the Republican Narcotics Dispensary, which was established to treat addicts while gradually weaning them off their addiction. The average cost to the state of treating one drug addict is approximately U.S.\$250 over the several months that their detoxification/rehabilitation program normally lasts. This is a considerable amount in Armenia.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In 2001, Armenia, together with Georgia and Azerbaijan, joined the UNDCP South Caucasus Anti-Drug Program, aimed at harmonizing the counternarcotics legislation of the three Caucasus countries and drafting a model law on licit production of drugs available for use for all countries. According to the working group experts participating in the UNDCP program, this effort will include relevant changes and amendments in the new draft Armenian Criminal Code, which is anticipated to pass its third and final reading in 2002. In 2001, the draft “Law on Operative Investigative Activities” for the police, which regulates undercover operations and grants police officers the right to engage in “controlled

purchase/delivery” of drugs, was sent by the Cabinet to the GOAM ministries for consideration. Once it is approved by the ministries, it will be sent to the Parliament, where final approval is likely.

According to the Interior Ministry’s experts, Armenia’s accession to the Council of Europe (COE) in January 2001 and the country’s commitment to improve its human rights record as part of its COE obligations led to the suspension of the controversial Article 229, part 5 of the current Criminal Code, which provided for administrative punishment and a six-month probation for a first time drug user. This article has been deleted from the new draft Armenian Criminal Code. The draft Code also includes a provision that for the first time makes money laundering a criminal offense.

Accomplishments. The amount of drugs confiscated during the first nine months of 2001 totaled 8.177 kilograms. The Interior Ministry reported that during the first nine months of 2001, the police eradicated 173,980 kilograms of wild (green) hemp and 3,379 kilograms of poppy under the Hemp and Poppy 2001 program.

Law Enforcement Efforts. In 1999, the Interior Ministry deployed joint teams of Armenian police and Customs representatives at each Customs post and checkpoint. The Ministry obtained 15 drug-sniffer dogs from Western Europe for use in screening for drugs. The canine program went well initially; however, training of the dogs has not been adequately maintained and their skills are not exercised on a regular basis, resulting in steadily decreasing skills of the dogs in the program.

Corruption. Although corruption is endemic in Armenia, there were no cases reported of government officials being involved in drug-related corruption in 2001.

Agreements and Treaties. Armenia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention, as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Armenia is a signatory to the 1992 Kiev and 1996 Dushanbe Narcotics Control Assistance Agreements of the NIS countries. In 1999, Armenia, Georgia, and Iran signed a trilateral Agreement on Cooperation to Combat Drug Trafficking. In 2000 Armenia ratified the Memorandum of Understanding among the UNDCP, Armenia, Georgia, and Iran on the Cooperation in Drug Control and Activities to Combat Money Laundering. Armenia has also signed bilateral agreements on cooperation combating illicit traffic in narcotics and psychotropic substances with the Customs Services of Turkmenistan and Georgia, and the Customs Committee of Tajikistan. Armenia signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants on November 15, 2001.

Cultivation/Production. According to the Office of Procurator General, some hemp and poppy grows wild, primarily in Ararat and Gegharkunik provinces in northern Armenia, and to a lesser extent in the provinces of Armavir, Lori, and Syunik. According to the Office of the Procurator General, no illicit laboratories producing synthetic drugs were discovered in 2001.

Drug Flow/Transit. Drug transit is recognized as a serious concern for the GOAM; however, no estimates of the total amount of drugs transported through Armenia are available. The main drug routes run from Iran to Russia and Ukraine.

The following are approximate black-market prices for illicit narcotics in Armenia:

Opium, 1 kg	\$10,000
Marijuana, 1 kg	\$1,000
Hashish, 1 kg	\$5,000
Poppy straw, 1 kg	\$200
Heroin, 1 g	\$120-150
Morphine, 1 vial	\$5-8

Domestic Programs (Demand Reduction). According to health authorities, poor financing, a lack of communication with remote rural areas, and a lack of interest in counternarcotics campaigns from local NGOs prevent them from launching a wide-scale program aimed at demand reduction.

IV. U.S. Policy Initiatives and Programs

The United States focuses on transit control and prevention in discussions with Armenian officials about counternarcotics controls.

Armenia and the United States signed a letter of agreement (LOA) on narcotics control and law enforcement on June 11, 2001. Under the agreement, the Department of State has granted funds for narcotics control and law enforcement assistance that will help establish an independent forensic institute to provide state-of-the-art forensic analysis, including drug testing.

Austria

I. Summary

Austria is primarily a transit country for drug trafficking from the Balkans to western European markets. Organized drug trafficking is performed largely by non-Austrian criminal groups. While Austrian authorities express concern over the continued rise of organized crime in the country (which they attribute predominantly to Mafia-type gangs from Russia and other former east bloc countries), a Europol official speaking on organized crime in December 2001 termed Austria “still one of the safest areas in Europe.” Illegal drug consumption is not a severe problem in Austria, and production or cultivation of illegal substances remains insignificant. In order to move more effectively against organized, drug-related crime, the Austrian law enforcement community in 2001 further intensified cooperation with counternarcotics agencies in Central Europe and relied on expanded investigative tools passed in recent years. The government’s establishment of a centralized, federal crime-fighting authority by 2002 is expected to make narcotics investigations more effective. In 2001, Austria continued to provide counternarcotics experts to Central Asian countries to help train local law enforcement officials. Cooperation with U.S. authorities remained excellent during 2001. Austria is a party to the 1988 UN Drug Convention.

II. Status of Country

The year 2001 did not see any significant change in overall trends regarding drug-related organized crime, illegal drug trafficking routes, consumption, and distribution channels in Austria. Production of illicit drugs in Austria continues to be marginal. However, Austria remains a transit country for drugs transported by organized crime syndicates along the major European drug routes. Seizures of heroin rose to 230.7 kilograms in 2000. According to officials, preliminary data for 2001 indicated a further rise. Cocaine seizures (20.3 kilogram in 2000) were also expected to increase in 2001, while confiscation of MDMA (“ecstasy”) (162,000 units in 2000) remained at approximately that level in 2001. The number of drug-related deaths rose from 215 to 227 in 2001. Unofficial estimates place drug-related crime at about 30 percent of all offenses. Most organized drug crime is traced back to the NIS (Newly Independent States).

III. Country Actions Against Drugs in 2001

Policy Initiatives. As of June 1, 2001, amendments to the narcotic substances act passed by Austria’s center-right government became effective. Under the revised law, drug dealers of a criminal organization may face up to life for large-scale drug dealing. The amendment introduced minimum penalties of at least three years in prison for drug trafficking crimes. The law also, for the first time, penalizes the promotion of illicit drug consumption on the Internet.

In April 2001, the limit quantity of heroin was reduced from five grams to three grams. In December 2001, a Vienna court sentenced a Nigerian asylum applicant to nine years in prison on charges of having operated an international drug ring over the past few years. Following several drug-related arrests in the wake of police raids of asylum homes housing African asylum seekers, conservative policy-makers have called for swift expulsion of any asylum seeker caught dealing drugs. Throughout 2001 there was also intense public discussion of obligatory drug tests for drivers and would-be teachers—a government policy initiative, which met with criticism from some sectors. Under existing legislation, first-time users of cannabis may avoid criminal proceedings if they agree to therapy. Austria punishes traffickers and treats and educates abusers. Austrian drug users tend toward polydrug abuse. In 2001 amphetamine (speed) and cocaine have become somewhat more popular than opiates among young addicts.

In October 2001, the government lifted a sunset clause on a sensitive law providing for expanded police powers and made it permanent. This law targets organized crime as it authorizes investigators to collect and analyze information about likely extremist/terrorist groups without judicial approval and prior to the establishment of “substantiated suspicion.”

Vienna is the seat of the UNDCP, and Austria has been a “major donor” to the UNDCP for years. It has pledged ATS 6.67 million (U.S. \$442,000) for 2001.

Within the EU’s Schengen framework, Austria is drafting a proposal for a systematic program to improve border/customs controls of five Central Asian republics.

Since 1998, Austria has been a full member of the Schengen process, which allows countries to eliminate passport control and visas for internal travel among European member states. It has invested an equivalent of U.S. \$300 million for Schengen-related measures. The city of Vienna is a co-sponsor of the “UN-Vienna Civil Society Award”—a U.S. \$100,000 prize given to individuals and organizations fighting drug abuse and organized crime. In 2001 the UN and Austria awarded the prize to four private initiatives from Algeria, Burundi, Indonesia, and Peru.

Accomplishments. With the support of the DEA office at the U.S. Embassy in Vienna, Austrian police seized 10.5 kilograms of heroin in December 2000. A related investigation later led to seizure of 51 kilograms of heroin in Germany. In May 2001, 100,000 ecstasy tablets were seized and two arrests made. Following a joint investigation by Austrian and Turkish national police forces and DEA, 5 kilograms of heroin and 13 kilograms of hashish were seized in June 2001. In August 2001, 30,000 ecstasy tablets were seized leading to four arrests. In October 2001, 2.2 kilograms of heroin was seized at Vienna’s Schwechat Airport, which led to further seizure of 4 kilograms of heroin and five arrests in Bangkok. In December 2001, 50,000 ecstasy tablets were seized, leading to three arrests.

In 2000, authorities registered 17,568 cases of domestic drug-related criminal offenses, 2.07 percent more than in the previous year. Figures for 2001 are not yet available, but no major changes in these figures are expected for this year. According to a 1998 study, the country spent about U.S. \$135 million annually (i.e., 0.27 percent of total budget outlays that year) to combat illegal drugs. Two-thirds of this amount went into law enforcement efforts.

In 2001 Austria continued its transfer of illicit drug investigation expertise to Central Asian countries by sending experts to the region who trained local authorities in counternarcotics measures. Austria further intensified its cooperation with law enforcement authorities in Central and Eastern Europe—most visibly at a June 2001 meeting of interior ministers from the Czech Republic, Slovakia, Hungary, Slovenia, and Poland. Austria continues to cooperate within EU fora, prioritizing social and health policy measures and urging inclusion of NGOs at the planning stages of the ECU’s counternarcotics strategy plans.

Law Enforcement Efforts. For the year 2001, law enforcement authorities expect a higher number of seizures for heroin and cocaine, and largely unchanged seizure levels for ecstasy compared to 2000. That year, authorities seized 230.75 kilograms of heroin, 20.38 kilograms of cocaine, 1,806.50 kilograms of cannabis-related substances, and other narcotic substances. Out of 17,568 drug-related offenses in 2000, 556 were related to illegal possession of psychotropic substances. One offense was registered in 2000 regarding precursor materials.

Unofficial estimates note that the overall number of illicit drug abusers—believed to range between 15,000 to 20,000—remained stable in 2001. A 2001 field study extrapolated that 20 percent of Austrians above 15 had had “some experience” with cannabis, 4 percent with ecstasy, and 1 percent have tried opiates. One gram of street heroin (purity between 8 percent and 16 percent) sold for 36 EUR in 2000, and one ecstasy tablet was sold for EUR 11. The number of drug-related deaths in 2000 was 227, and by November 2001 authorities had registered 177 cases of suspected drug-related deaths.

Corruption. Austria has been a party to the OECD Anti-Bribery Convention since 1999. The GOA’s public-corruption laws recognize and punish the abuse of power by a public official. Recent legislation has eliminated tax deductibility of bribes. No records exist yet to assess the degree of enforcement. There are

no cases pending at the moment that involve any bribery of foreign public officials. The U.S. government is not aware of any high-level Austrian government officials' involvement in drug-related corruption, including corruption relating to the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Austria is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol amending the Single Convention on Narcotic Drugs. The U.S.-Austria Mutual Legal Assistance Treaty, signed in 1995, was ratified by the Austrian Parliament in June 1998 and entered into force on August 1, 1998. An updated extradition treaty between the United States and Austria became effective in January 2000. It replaced a 1930 extradition treaty with Austria and a 1934 supplementary extradition convention. The new treaty is a modern dual criminality treaty, i.e., it no longer lists specific extraditable offenses, but makes extraditable all criminal offenses that are prosecuted in both countries and carry a penalty of more than one year or a residual penalty of more than three months. Also, the treaty contains a provision that would permit Austria to require a formal assurance prior to extradition that the death penalty would not be imposed or carried out. The United States and Austria have a 1931 arrangement for the direct exchange of information regarding traffic in narcotic drugs.

In December 2000, Austria signed the Council of Europe's agreement on illegal drug trafficking at sea, a legal instrument that implements Article 17 of the 1988 UN Drug Convention.

In December 2000, Austria signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. The U.S. government is not aware of any significant cultivation or production of illicit drugs in Austria.

Drug Flow/Transit. Organized drug trafficking is carried out by foreign criminal groups (Turks, Albanians, and others from the former Yugoslavia) which are well established on major European drug routes, particularly along the Balkan route. Illicit drug trade by Austrian nationals is negligible. The nearby Slovak capital of Bratislava serves as a temporary heroin depository for traffickers. Couriers from South American drug cartels import most of the cocaine that transits Austria. In 2000, 80 percent of the cocaine that transited Austria was destined for Italy, and the remaining 20 percent were destined for other EU countries. This illicit trade increasingly relies on Central and East-European airports, including Austria's. Couriers are mostly individuals from source countries, particularly African nationals, but also Croatian, Yugoslav, and Romanian nationals. Over 90 percent of the heroin that enters Austria (mostly for transit) comes from the diverse venues of the Balkan route. Trafficking and consumption in Austria of ecstasy products, originating in the Netherlands, continued to rise in 2001. Illicit trade of amphetamines, carried out by criminal groups from Poland and Hungary, as well as of cocaine, also increased. In a new development, biogenic drugs (mushrooms, cacti, etc.) have become popular among young drug users in certain regions of the country.

Domestic Programs (Demand Reduction). Austrian authorities and the public generally view drug addiction as a disease rather than a crime. This is reflected in rather liberal drug legislation and in related court decisions. In a 2001 amendment, the center-right government took a somewhat more restrictive approach by lowering the permissible amount of heroin from five to three grams, before criminal sanctions are imposed. Overall, federal and state authorities remain committed to Austria's "balanced, comprehensive" drug policy focusing on health and social policy measures designed to prevent social marginalization of drug addicts. The government and regional authorities routinely sponsor treatment centers. Federal guidelines ensure minimum quality standards for drug treatment facilities. The use of heroin for therapeutic purposes is generally not allowed. Demand reduction puts emphasis on primary prevention, drug treatment, and counseling, as well as "harm reduction." New challenges in demand reduction are the need for psychological care for drug victims, and greater attention to older victims and immigrants.

Primary intervention starts at the pre-school level, extends to apprenticeship institutions and includes out-of-school youth programs. Special emphasis is placed on multipliers, i.e., authority figures, such as teachers and coaches. Each of Austria's nine states maintains addiction prevention units, which, inter alia, use the Internet as a venue. The government and local authorities routinely sponsor "educational campaigns" inside and outside school fora, e.g. mass media campaigns. Overall, youths in danger of addiction have become the prime target of new treatment and care policies.

Austria has syringe exchange programs in place for HIV prevention. Available data for 2000 indicate a stable HIV prevalence rate at a low level (0 percent to 5 percent) while the hepatitis prevalence rates among intravenous drug abusers remain high (Hepatitis C: 48 percent to 71 percent; Hepatitis B: 25 percent to 47 percent). The trend toward diversification in substitution treatment (methadone, prolonged-action morphine, and buprenorphine) continued.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Austrian cooperation with U.S. investigative efforts is excellent, even though Austria has no specific bilateral narcotics agreement with the U.S. Austrian Interior Ministry officials have consulted the FBI on know-how designed to help update Austrian criminal investigations. Austria and the United States operate a joint "contact office" in Vienna which serves as a key facilitator for flexible and speedy anticrime cooperation. In 2001, the DEA, through its office in the U.S. Embassy in Vienna, again assisted in training Austrian drug undercover officers.

U.S.-Austrian negotiations on the establishment of an Interior Ministry liaison office at the Austrian Embassy in Washington, D.C. continued in 2001. The office would handle bilateral issues involving all forms of crime, including illegal narcotics.

The Road Ahead. The United States will continue to support Austrian efforts to create more effective tools for law enforcement, as well as to work with Austria within the context of U.S.-EU initiatives, the UN, and the OSCE.

Azerbaijan

I. Summary

Azerbaijan is located along a drug transit route running from Afghanistan and Central Asia west into Western Europe, and from Iran north into Russia and west into Western Europe. Consumption and cultivation of narcotics are low, but levels of use are increasing. During 2001, the main drugs seized were opium and cannabis. Section 907 of the FREEDOM Support Act precluded the funding of U.S. counternarcotics assistance to Azerbaijan in 2001. Azerbaijan is a party to the 1988 UN Drug Convention.

II. Status of Country

Azerbaijan's main narcotics problem is the increased transit of drugs through its territory resulting from the disruption of the "Balkan Route" due to regional conflicts in several countries of the former Yugoslavia. Narcotics from Afghanistan enter from Iran or cross the Caspian Sea from Central Asia and continue on to markets in Russia and Europe. Azerbaijan shares a 700-km frontier with Iran, and its border control forces are insufficiently trained and equipped to patrol it effectively. Iranian and other traffickers are exploiting this situation. Domestic consumption is growing with over 14,760 persons registered in hospitals for drug abuse or treatment in Azerbaijan. The actual level of drug abuse is estimated to be many times higher. The Government of Azerbaijan (GOAJ) continues to claim that parts of Azerbaijan occupied by Armenia are used for drug cultivation. The GOAJ also maintains that narcotics are transported across the approximately 130 km of Azerbaijan's border with Iran that is under the control of Armenian forces.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The "State Committee on Drug Control," headed by Deputy Prime Minister Ali Hasanov, continues to lead counternarcotics policy initiatives. The Committee has a regional branch in Lenkoran in the south and in 2001 opened a second in Ganja. The Ministry of Internal Affairs has continued its program in the southern portion of the country along the border with Iran, that organizes local counternarcotics police officials to work closely together across local jurisdictions. It has begun similar programs in Sumgayit near Baku and Ganja in western Azerbaijan.

Accomplishments. A new criminal code entered into force in September 2000 that contains special provisions dealing with crimes related to trafficking in narcotics. Initial experience with the new code in 2001 was very positive.

Law Enforcement Efforts. There were 2,017 drug-related arrests during the first ten months of 2001. Police lack basic equipment and have little experience in modern counternarcotics methods. Border control capabilities on the border with Iran and maritime border units are inadequate to prevent narcotics smuggling. In 2001 Customs officials seized a vessel in the port of Baku carrying 48 tons of poppy seeds from Afghanistan.

Corruption. Corruption permeates the public and private sectors. Government officials including the President and Prime Minister have remarked on the gravity of the problem. Current legislation has proven inadequate to address police and judicial corruption.

Agreements and Treaties. Azerbaijan is a party to the 1988 UN Drug Convention, the 1971 Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol. Azerbaijan signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants in December 2000.

Cultivation/Production. Cannabis and poppy are cultivated illegally, mostly in southern Azerbaijan. During the first ten months of 2001, law enforcement authorities discovered and destroyed about 358 tons of hemp and poppies that were under cultivation on 345 hectares of land.

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

Domestic Programs (Demand Reduction). Opium and cannabis products are the most commonly used drugs. The GOAJ has begun education initiatives directed at curbing domestic drug consumption.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The exchange of information between U.S. and Azerbaijan law enforcement officials increased in 2001. Nonproliferation assistance to the Border Guards and Customs is providing modest, indirect help to the government's efforts to fight drug trafficking, but the impact is not substantial. As a matter of policy, consistent with the restrictions set out in section 907 of the FREEDOM Support Act, INL has not provided counternarcotics/anticrime assistance to the GOAJ.

Belarus

I. Summary

The economic, political, and geographical situation of Belarus gives it the potential to become a major drug transit and synthetic drug production site. Deteriorating economic conditions and a sharp drop in real wages continue to dislocate many workers and, among some in the population, encourage the belief that wealth can and should be acquired by any means possible. The Belarusian government currently lacks both the legislative framework and the financial resources to combat drug trafficking. Belarus' location between Russia and the west combined with its good rail and road transportation system and a customs union with Russia that eliminates internal borders between the two countries add to Belarus' potential as a narcotics transit corridor.

Belarus also faces many organized crime problems that plague other countries of the former Soviet Union. The lack of Belarusian laws on organized crime could lead syndicates to use Belarus for not only drug production and trafficking, but also other drug related crimes such as money laundering.

II. Status of Country

According to Ministry of Health data, the number of officially registered drug addicts in Belarus totals 5,000, with an estimated 700 to 800 new registrants per year. These statistics do not take into account unregistered addicts which are estimated to exceed the nominal 5,000 figure by a factor of ten. The drugs of abuse of choice in Belarus are opium derivatives like poppy oil. Cannabis is also widely abused. However, synthetic drugs, heroin, cocaine, barbiturates, and other drugs are being used in increasing amounts.

The Minsk office of the UN High Commissioner for Refugees reports that many illegal immigrants in Belarus finance their trips to the West through narcotics smuggling.

Belarus has all the resources necessary for the production of synthetic narcotics. The laboratory and technical capabilities are in place while many industrial facilities suitable for basic chemical production are idle. Law enforcement is not trained in the detection of synthetic drug manufacturing facilities. There is no legislation in Belarus dealing with precursor chemicals; the chemical industry, all government owned, is allowed to police itself. Control of precursor chemicals is not an issue that appears to be on the agenda of policy makers, or even law enforcement officials.

III. Country Actions Against Narcotics in 2001

Drug Flow/Transit. Belarus is growing in importance as a transit country. Good rail and road connections running east to west and north to south are used to transport narcotics from areas such as Ukraine, Central Asia, the Caucasus, and Russia to the Baltic States, Poland, and Germany. Cases of drug heroin trafficking from Afghanistan destined for Poland and Germany have increased dramatically as a result of the customs union that eliminated internal borders between Belarus and Russia.

Domestic Programs (Demand Reduction). No national drug abuse prevention strategy has been formulated in Belarus. The main emphasis is put on treatment and social rehabilitation of current drug addicts, while only limited efforts are devoted to prevention programs. Treatment for drug addicts is generally done in psychiatric hospitals, either as a result of Court Remand or self-enrollment. The emphasis of treatment is medical detoxification. Psychological counseling, and social rehabilitation is beyond the capacity of local institutions.

Law Enforcement Efforts. Many crimes are associated with narcotics trafficking in Belarus. Smuggling is the most significant. Other crimes include: stealing narcotic and addictive substances, organizing or maintaining drug dens for using drugs, and forging medical documents with the aim of procuring drugs. There were 1,252 criminal cases related to illegal drugs in 1998 and 3,018 drug-related offenses during the same year. (More recent statistics are unavailable.)

In 2001, there were no significant arrests or seizures of drugs, despite evidence of growing abuse and trafficking, but the first months of 2002 brought some large drug seizures.

The enforcement effort against narcotics in Belarus suffers from lack of efficient coordination among the agencies charged with various aspects of narcotics control. The Ministry of Internal Affairs, KGB (External Intelligence), Customs Committee, Border Guards, and Ministry of Health are all involved. An interagency commission for combating crimes and drug abuse is supposed to coordinate the effort, but problems persist.

Belarusian law does not provide for the seizure of assets of drug criminals. (Asset of businesses and political groups are routinely seized by the government.) There is not even provision for enforcement of correct title. For example a person found to have purchased a car stolen from Germany may keep the car as long as it was purchased legally in Belarus.

Agreements and Treaties. Belarus is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Belarus has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Belarus is a member of INTERPOL and has a department of 12 people dealing with cross border crime. Belarus has also joined regional efforts at law enforcement cooperation and has signed bilateral agreements on cooperation against organized crime and drug trafficking with many of its neighbors. Belarusian ruler Lukashenko has emphasized in policy statements the importance of strengthening the state's capacity to fight organized crime and drug trafficking.

Belarus signed an agreement in 1993 on drug control assistance with Italy, and plans to conclude similar agreements with Austria, Bulgaria, Sweden, and Germany. The GOB has also signed enforcement cooperation agreements with Lithuania and China. Belarus is a party to the CIS (Confederation of Independent States-Soviet successor states) Convention on Legal Assistance.

IV. U.S. Policy Initiatives and Programs

The United States has not provided narcotics/justice sector assistance to the GOB since a U.S. policy of selective engagement became effective in February 1997.

Belgium

I. Summary

The Kingdom of Belgium continued to be an important producer and transit point of synthetic drugs. Police report that through November 2001, six amphetamine-type stimulant (ATS) laboratories were seized and destroyed, down from ten ATS labs seized in 2000. Belgium ranks second worldwide, behind the Netherlands, in ATS production. Belgium is a major trader in chemicals and an important transit country for precursor chemicals used in the illicit manufacture of cocaine, heroin, and ATS. Narcotics traffickers continue to exploit Belgium's large port facilities, transportation infrastructure, and central location in Western Europe for transshipment of illicit drugs. The increase in the incidence of trafficking in MDMA ("ecstasy"), which began in 1999, continued unabated in 2001. The United States remains the most lucrative destination for ecstasy manufactured and transited from and through Belgium, although evidence to date does not support a finding that ecstasy that transits Belgium en route to the United States has a significant effect on the United States. Belgium's contribution to the UNDCP's budget, as a major donor, rose to \$500,000 in 2001. Belgium is a party to the 1988 UN Drug Convention.

II. Status of Country

Historically, Belgium has not been a significant producer of illicit narcotics or precursor chemicals. However, starting in 1999, Belgium became a producer of ATS drugs; police seized four ATS laboratories that year. In 2000, police seized ten ATS labs and from January to November 2001, police seized six ATS labs. Dutch traffickers were found to control most of the operations seized in Belgium. Authorities suspect that Dutch synthetic drug producers are periodically shifting operations over the border from the Netherlands to avoid mounting law enforcement pressure there and to create cross-border, jurisdictional problems. Couriers and express mail remained popular forms of delivery during the year. An emerging trend is for the export of very large shipments (500,000 to 1,000,000 tablets), concealed in maritime shipments.

Although Belgium is not a major producer of precursor or essential chemicals used in the illicit manufacture of drugs, it is an important transshipment point for these chemicals. Precursor chemicals that transit Belgium include acetic anhydride (AA) used in the production of heroin, PMK, and BMK used in the production of ecstasy, and potassium permanganate used in cocaine production.

Hashish and cannabis continue to be the most widely distributed and used illicit substances in Belgium, but heroin abuse produces the most important health and social problems, including drug-related crime. Over the last several years, Belgium has emerged as a growing cultivator of cannabis. In 2001 police seized seven greenhouse and hydroponic growing facilities. In 2000, Belgian police seized 15 cultivation labs. Belgian authorities attribute the growth of cannabis production to the influence of Dutch organized crime groups.

Belgian authorities recognize the growing threat posed by trafficking in ecstasy and have taken steps to curb the problem. In January 2001, Belgium established a National Security Plan that identified synthetic drugs as the highest drug priority. Approximately 1.6 million ecstasy tablets were seized in Belgium in 2001.

Heroin trafficking into Belgium remains under the control of Turkish trafficking groups. Authorities estimate that 75 to 80 percent of the Belgian heroin market is controlled by these Turkish groups. Additionally, Belgium is an important transit route for heroin destined to other European markets, particularly the UK and the Netherlands.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In a sweeping reorganization carried out during 2001, the former Police Judiciare and the Gendarmerie merged at the federal level to form a new federal police force responsible for internal security and nationwide law and order issues. Local Gendarmeries merged with local police forces and now operate as local branches of the federal police. Investigations of drug trafficking fall under the newly created Directorate General Judicial. The Directorate oversees all crimes against persons, including drugs, terrorism, trafficking in persons, and crimes of violence.

The reorganization plan also established a new federal prosecutor's office. This office, expected to be operational in early 2002, will have jurisdiction over major federal cases and will consist of 18 prosecutors and a chief prosecutor.

A new National Security Plan, approved in 2001, includes a drug control strategy that identifies the fight against illicit synthetic drugs as the number one priority. The plan received wide political support and listed three primary objectives: 1) dismantling illicit labs; 2) enhancing interdiction of drugs to be shipped abroad, with the United States identified as the primary export destination; and 3) implementing joint investigations with neighboring countries, particularly the Netherlands.

In its EU Presidency role (July-December 2001), Belgium proposed that the EU undertake a feasibility study to examine the issue of tracing precursor chemicals used in the illicit production of drugs to their source. (For additional details see the Chemical Controls chapter of this report.)

Accomplishments. Belgium organized a high-level conference in January 2001 in Ghent, entitled "Strategies of the EU/US in Combating Transnational Crime." The conference included modules focused on cooperation to combat drug trafficking and was widely attended.

Belgium, in conjunction with the UNDCP, also organized a high-level conference on synthetic drugs. Prime Minister Guy Verhofstadt hosted the conference, which focused on demand and supply reduction and produced a list of conclusions to serve as the basis for future action.

Belgian authorities announced plans in 2001 to establish a national Synthetic Drugs Cell (SDC). The SDC will serve as an advisory panel for policy makers on demand and supply reduction, treatment, and preventive aspects of the synthetic drug problem. The SDC will comprise representatives from the Ministries of Health, Justice, and Home Affairs and the federal police, with ad hoc participation by other government entities where appropriate. The SDC is expected to be operational by mid-2002.

Law Enforcement Efforts. Belgian law enforcement authorities actively investigate individuals and organizations involved in illegal narcotics trafficking into and through Belgium. The newly reorganized federal police concentrate their investigative efforts on trafficking of synthetic drugs, cocaine, and heroin. In various cities, including Brussels and Antwerp, the federal police have formed specialized units that investigate synthetic drugs. At Brussels Zaventem Airport, the federal police have trained private airport personnel in order to raise awareness levels about drug trafficking. As a direct result of this training, Belgian authorities have intercepted couriers possessing ecstasy shipments destined for the United States. Joint investigations between Belgian and U.S. authorities remained at a very high level of cooperation throughout the year.

Belgium is one of the preferred transit routes for organizations trafficking ecstasy to the United States, although available evidence does not suggest that ecstasy entering the United States from Belgium has a significant effect on the United States. Most of the ecstasy trafficked through Belgium originates in the Netherlands. Dutch trafficking organizations commonly use Brussels Zaventem Airport as a transit point for drug couriers en route to the United States. Despite a lack of sufficient resources and manpower, Belgian customs authorities stationed at the Antwerp seaport and at Brussels Zaventem Airport were highly proactive in their searches and inspections. Airport-based officers report a high degree of success in seizing shipments of ecstasy destined for the United States. Ecstasy seizures at the airport increased from

296,000 tablets in 1999 to 478,000 in 2000. (Statistics for 2001 are not yet available.) Most such seizures came from express mail or postal packages.

Customs officials report that a five-person team of inspectors is responsible for all port activities involving drugs. Officials report that 3,000-4,000 containers are loaded and unloaded at the port of Antwerp on a daily basis. The inspection team has the capacity to search five to ten containers per week. In addition to containerized freight, customs also reports increased activity involving the ships' crew members. This entails the smuggling of smaller quantities of drugs by individual crew members and larger operations where crew members arrange to off-load large amounts of drugs from the ship before it reaches the dock.

Corruption. Corruption is not judged a problem within the narcotics units of the law enforcement agencies. Legal measures exist to combat and punish corruption.

Agreements and Treaties. Belgium is a party to the 1988 UN Drug Convention. Belgium is also a party to the 1961 Single Convention on Narcotic Drugs, the 1972 Protocol amending the 1961 Single Convention on Narcotic Drugs, and the 1971 UN Convention on Psychotropic Substances. In December 2000 Belgium signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

The United States and Belgium have an extradition treaty in force, as well as a mutual legal assistance treaty, which entered into force in January 2000.

The Belgian Navy and the U.S. Coast Guard signed a memorandum of understanding in March 2001 formalizing the Belgian Navy's participation in the Caribbean Maritime Counterdrug Initiative. The first Belgian Navy vessel deployment in support of this initiative is expected in 2003.

Belgium entered into bilateral police cooperation agreements with Estonia, Latvia, and Slovakia in 2001. The agreements are wide-ranging and provide a framework for cooperation on narcotics matters. Negotiations are ongoing for similar police cooperation agreements with Lithuania and the Czech Republic. Belgium entered into a bilateral police cooperation agreement with Poland in 2000. The Belgian Ministry of Justice maintains drug liaison offices in more than a dozen foreign cities with territorial competence for 33 countries. The drug liaison offices in Bangkok, Bogota, Bucharest, The Hague, Istanbul, Madrid, Moscow, Paris, Rabat, Rome, Vienna, Warsaw, Washington, and Wiesbaden are staffed by federal police officers.

Belgium is a member of several international counternarcotics organizations, including the Heads of European Narcotics Law Enforcement Agencies (HONLEA), the European Committee to Combat Drugs (CELAD), and the Dublin Group. Belgium is a member of the major donors group of the UNDCP. Belgium ratified the Europol Convention in June 1998.

Cultivation/Production. Belgian federal police have observed a new and significant trend in cannabis cultivation. Authorities believe that Dutch-based traffickers and cultivation equipment and supply companies have adopted an aggressive marketing strategy aimed at Belgium. The objective of the marketing campaign is to persuade Belgians to grow and harvest cannabis for Dutch distributors. Dutch companies advertise incentives for Belgian growers on the Internet. These incentives include offers of free cultivating equipment in exchange for the first cannabis harvest. Authorities report that many Belgians pursue these offers on the mistaken belief that cannabis production is not illegal in Belgium. The misperception is rooted in a pending government proposal to decriminalize cannabis possession for personal use. The proposal, which has not yet become law, would not alter the illegality of the sale, distribution, cultivation, and trafficking of cannabis.

Although the number of seizures of ATS labs dropped from ten in 2000 to six in 2001 (as of November), Belgian authorities continue to view the production of ATS drugs as a significant problem.

Drug Flow/Transit. Belgium remains an important transit point for drug traffickers because of its port facilities (Antwerp is Europe's second-busiest port), airports, excellent road connections to neighboring countries, and central geographic location. Most illicit drugs pass through Belgium via the ports of

Antwerp and Zeebrugge, across the border from the Netherlands, or through Brussels Zaventem Airport. Smuggling routes change constantly, but Belgian authorities believe an increasing number of heroin shipments arrive from Central Asia via Turkey. Belgian customs reports that the heroin is most probably concealed in containerized freight in relatively small quantities of ten to 15 kilograms. Customs reports that because Antwerp is considered a “free trade zone,” traffickers know that inspections of containerized freight are minimal. These shipments take one of two trafficking routes: in northern Europe through Hungary, Poland, the Czech Republic, Slovakia, and Austria, or in southern Europe through Italy. Cannabis imported into Belgium, not Dutch in origin, generally originates in Morocco, Latin America, or Southeast Asia and arrives via land, air, and sea routes.

Express mail companies in and around Brussels are commonly used by trafficking organizations to smuggle ecstasy tablets into the United States. The express mail method of transport is particularly popular with import organizations in Los Angeles, New York, and Florida. Dutch groups utilize the Belgian postal system to send packages containing drugs to U.S. destinations. Israeli criminal organizations continue to play a prominent role in the transportation of ecstasy from producers in the Netherlands and Belgium to distributors in the United States. Belgian authorities are cooperating with U.S. law enforcement agencies to disrupt this transit route.

Demand Reduction (Domestic Programs). Belgium has an active counternarcotics educational program that targets the country’s youth. The regional governments (Flanders, Wallonia, and Brussels) now administer such programs. The programs include education campaigns, drug hotlines, HIV and hepatitis prevention programs, detoxification programs, and a pilot program for “drug-free” prison sections. In contrast to the U.S. approach, Belgium directs and targets its programs at individuals who influence young people versus young people themselves. Teachers, coaches, clergy, and the like are employed to deliver the counternarcotics message to the target audience because young people already know and respect them.

Belgium participated in a training program in 2000 with the U.S.-based DARE program. DARE officials traveled to Belgium to sponsor a “train the trainers” project. Belgium-based trainers are now qualified to teach the DARE program to other demand reduction officers in Europe.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Cooperation between the United States and Belgium continues to be outstanding. The number of cooperative drug investigations, the majority of which pertain to ecstasy trafficking, continues to increase. Belgium’s role as a large producer and exporter of ecstasy, coupled with the role of the United States as a large and lucrative market, has generated a high level of investigative interaction. As a result, the number of International Controlled Drug Delivery (ICD) operations between Belgium and the United States has increased. These ICDs have been particularly effective in combating ecstasy trafficking between the two countries. A number of requests for assistance under the Mutual Legal Assistance Treaty were exchanged between the two countries throughout the year.

The DEA and the FBI enjoy close and effective cooperation with the Belgian federal police. U.S. law enforcement agencies represented in Brussels enjoy excellent working relationships with offices of the Belgian national magistrates and prosecutors.

The DEA’s office in Brussels and the Belgian federal police regularly exchange intelligence information concerning trends and techniques employed by ecstasy trafficking organizations operating between Belgium and the United States. This exchange of information (including arrest and seizure statistics) enables both countries to anticipate emerging patterns of drug transportation. Belgian police have initiated an intelligence program targeting outbound commercial flights from Belgium to the United States.

The Road Ahead. The United States looks forward to continued close cooperation with Belgium in combating illicit drug trafficking and drug-related crime, and to continued Belgian participation in

multilateral counternarcotics fora such as the Dublin Group of countries concerned with narcotics trafficking.

Bosnia and Herzegovina

I. Summary

Bosnia and Herzegovina remains a small but growing market for drug consumption, and has emerged as a regional hub for narcotics transshipment. Despite increasing law enforcement cooperation, gradual improvements in oversight of the financial sector, and several drug seizures, local authorities are still politically divided, law enforcement efforts still poorly coordinated, and the justice system still antiquated and inadequate. The narcotics trade remains an integral part of the influence of foreign and domestic organized crime figures and ethnic extremists who operate with the tacit acceptance—if not active collusion—of corrupt public officials. Bosnia is a party to the 1988 UN Drug Convention and is attempting to forge ties with regional and international law enforcement agencies. Border and customs controls are improving, but grave flaws in the regulatory structure and justice system, coupled with a lack of attention by Bosnia's political leadership have left few practical impediments to narcotics trafficking and related crimes in Bosnia.

II. Status of the Country

Bosnia occupies a strategic position along the historic Balkan smuggling routes between drug production and processing centers in Southwest Asia (Afghanistan) and markets in Western Europe. The “Balkan Route” has been an important trafficking route from production/refining areas to Europe for years. During the Bosnian conflict, narcotics trafficking reflected the general breakdown of law and order and allowed some of the warring parties to generate revenue. Bosnian authorities at the state, entity, cantonal, and municipal levels have been unable to stem the continued transit of illegal aliens, black market commodities (especially cigarettes), and narcotics since the conclusion of the Dayton Accords. Traffickers have capitalized in particular on minimal border controls, an ineffective judicial system, widespread public sector corruption, and poor coordination among law enforcement authorities. Although Bosnia is not a major transit country for illicit drugs entering the United States, it remains a country of concern to the United States.

Information on domestic consumption is not gathered systematically, but anecdotal evidence indicates that drug abuse is increasing. In Sarajevo this summer, three young men and women died from heroin overdoses, bringing the total confirmed heroin-related deaths to 15 since the end of the war in 1995. Statistics show that despite limited financial means, 20 to 30 percent of high school students have used drugs at least once in their lives. According to a recently published article, Bosnian drug addiction has risen rapidly over the last two years and Tuzla Canton, representing roughly 14 percent of Bosnia's population, has treated 400 heroin overdose cases.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Although Bosnia has neither a national police force nor a national counternarcotics strategy, the initial deployment of the State Border Service (SBS) in June 2000 has improved controls at a limited number of international crossing points. Telephone hotlines, local press coverage, and public relations efforts organized by the international community have focused public attention on smuggling and black marketeering. Foreign donors continue to provide law enforcement assistance training to Bosnian authorities both on a bilateral basis and through international agencies. The United States' bilateral law enforcement assistance program continues to emphasize counternarcotics and law enforcement training, targeted on units charged with narcotics law enforcement.

Accomplishments. Under close supervision by the international community, Bosnian law enforcement agencies have taken initial steps toward substantive cooperation on the counternarcotics front, most

notably with the formation of an inter-entity joint task force. At the state level, criminal procedure and criminal justice codes are being revised and strengthened, with the entities reportedly set to adopt consistent codes next year. In August, the Federation adopted legislation governing criminal procedures and the creation of more sophisticated law enforcement surveillance units, though only one of 18 established positions has been filled. The Republika Srpska (RS) followed suit with similar legislation in November. Recent improvement in relations with the Federal Republic of Yugoslavia, working-level cooperation with Slovenian and Croatian law enforcement authorities, and potential upgrades in Bosnia's Interpol office may also presage progress in these areas.

Less porous borders should also help stem the flow of illicit goods through Bosnia. The United Nations Mission to Bosnia and Herzegovina (UNMIBH) currently reports that the SBS is roughly 75 percent deployed, though the task of building a viable border service is far from three-fourths complete. Most checkpoints are minimally staffed and many crossings are severely understaffed, bordering on unsafe staffing levels. With significant USG and international community financial assistance and technical support, computerized tracking information systems have been installed at Sarajevo airport. But the rest of the SBS lacks even the most basic command, control, and communication expertise, technology, and equipment, as well as adequate professional training. Banja Luka International Airport was recently turned over to the SBS. Mostar and Tuzla airports, currently closed to international air traffic, will be put under SBS control early in 2002. Noting that the routes for trafficking in drugs and in persons are often the same, the USG has begun close liaison with the SBS to improve transborder law enforcement.

There are now counternarcotics law enforcement units in each of the ten Federation cantons, ranging in size from 11 persons in Sarajevo Canton to two persons in smaller cantons. Yet information exchange among the ten cantons' police forces—so important for effective law enforcement—is virtually nonexistent. Each canton is separately administrated and budgeted, essentially independent of Federation-level coordination or control. The lone RS counternarcotics unit is based in Banja Luka.

Neither the RS nor the Federation has made significant progress in addressing the paralyzed legal environment that allows criminals to act with virtual impunity. Law enforcement cooperation is primarily informal and ad hoc. Mutual legal assistance is severely limited by the judicial bureaucracy, and serious legal and bureaucratic obstacles to the effective prosecution of criminals remain in place. Moreover, Bosnia has not sent any officials to Southeast Europe Cooperation Initiative (SECI) counternarcotics meetings in Bucharest due to an inability to resolve who the representatives should be.

Law Enforcement Efforts. Law enforcement efforts improved in 2001 but remain inadequate given the level of narcotics trafficking. In the Federation, arrests reportedly increased by more than 20 percent and police counternarcotics operations resulted in the seizure of more than 311 kilograms of marijuana (a 476 percent increase over 2000) and 525 grams of heroin (a 66 percent increase). From data through December 11, 2001, arrests in the RS were up six percent compared to their 2000 levels, and police counternarcotics operations had resulted in the seizure of approximately 253 kilograms of marijuana (a 98 percent increase), and 105 grams of heroin (a 72 percent decrease). Meanwhile, the newly established SBS had seized approximately 121 kilograms of marijuana since October 2000.

On May 26, the SBS seized an 82-kilograms shipment of marijuana, hidden in a roadside forest near Trebinje. In an operation on July 20, law enforcement authorities seized a 124-kilograms shipment of marijuana, reportedly destined for Croatia from Montenegro, near the village of Ostojici in Trnovo's municipality, and arrested three individuals. On September 13, the SBS stopped a Ford Escort with Montenegrin license plates with 16 kilograms of marijuana concealed in a specially prepared spare gas tank. The driver was reportedly paid U.S. \$250 to transport the drugs, valued at more than U.S. \$3,000.

These actions represent largely isolated efforts by local authorities rather than a coordinated national counternarcotics program. Despite these individual successes, narcotics- trafficking remains a crime of opportunity limited primarily by the interest of criminal elements in the higher profit margins offered by black marketeering and alien smuggling. Authorities have yet to focus systematically on major narcotics traffickers; they have yet to bring a major case to trial or bring adequate resources to bear.

Corruption. Both local and international community law enforcement agencies have substantiated links between the narcotics trade and the parallel institutions that undermine the rule of law in Bosnia. Bosnia has no laws specifically targeting narcotics-related public sector corruption and has not pursued charges against public officials on narcotics-related offenses. A long-standing parliamentary inquiry into the disappearance of over 20 kilograms of heroin from the safe of the war-time Federation Interior Minister has made no progress to date. The United States is coordinating closely with the peace Stabilization Force (SFOR), the United Nations Mission in Bosnia-Herzegovina (UNMIBH), and the Office of the High Representative (OHR) to combat the influence of organized crime, corrupt officials, and ethnic hard-liners, all of whom use the narcotics trade to generate revenue.

Agreements and Treaties. Bosnia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. Bosnia has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

It is also developing bilateral law enforcement ties with neighboring states to combat narcotics trafficking. There is no bilateral agreement between Bosnia and the United States specifically pertaining to counternarcotics. Nonetheless, counternarcotics assistance does feature prominently in the United States' bilateral law enforcement assistance training program, which has provided both the Federation and the RS advice and assistance in a broad range of law enforcement issues including investigative techniques, border controls, and major case management. Both entities worked closely with the UNDCP under the terms of a 1997 agreement to establish five regional drug analysis laboratories in Mostar, Zenica, Tuzla, Trebinje, and Zvornik. These laboratories are currently capable of providing analysis of seized drugs, but do not have the capacity to examine blood toxicology of drug offense suspects. The UNDCP's program has been reduced to a staff of one and is currently aimed at training narcotics police in specialized investigative procedures.

Drug Flow/Transit. Major heroin and marijuana shipments are believed to travel through Bosnia by several well-established overland routes. Local officials believe that Western Europe—not the United States—is the proximate destination for this traffic. Judging by reported seizures, cocaine trafficking is minimal; the market for designer drugs, especially MDMA (ecstasy), in urban areas is growing rapidly. Law enforcement authorities posit that elements from each ethnic group and all major crime “families” are involved in the narcotics trade, often collaborating across ethnic lines. There is mounting evidence of links between, and conflict among, Bosnian criminal elements and organized crime concerns in Russia, Albania, the Federal Republic of Yugoslavia (FRY), Croatia, Austria, Germany, and Italy.

Cultivation/Production. Federation Interior Ministry officials believe that domestic cultivation is limited to small-scale marijuana crops grown in southern and western Bosnia. Although refinement and production are negligible, law enforcement officials indicate that Bosnia is increasingly becoming a temporary storage point for drug shipments en route from east to west. Though Bosnia does not have an infrastructure that could support large-scale illicit manufacturing, synthetic drug production in clandestine laboratories cannot be ruled out, given that production and possession of precursor chemicals is currently legal.

Domestic Programs (Demand Reduction). U.S.-sponsored community-oriented policing programs, which contain a strong counternarcotics component, have reached many more Bosnian children this year (2001). Although individual cantons have sponsored pilot community outreach programs and sought international assistance to introduce more proactive initiatives, there is no national drug awareness program. In August, the United Nations Trust Fund gave approximately \$12,000 to the Institute for the Treatment of Alcoholism and Drug Addiction—the only substance abuse treatment center in Bosnia—to help cover the purchase of computer and multi-media equipment.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Aims. U.S. policy objectives in Bosnia include reforming the criminal justice system, improving the rule of law, depoliticizing the police, improving local governance, strengthening the bank regulatory authorities, and introducing free-market economic initiatives. The United States will continue to work closely with Bosnian authorities and the international community to combat narcotics trafficking and money laundering.

Bilateral Cooperation. The United States remains committed to providing the counternarcotics training and support needed to foster independent law enforcement operations by Bosnian authorities.

The Road Ahead. With the International Police Task Force's (IPTF) shifting from training to more focused monitoring of local police forces, the international community will increasingly emphasize advanced specialized training in areas such as counternarcotics. Seeking voluntary contributions from donor governments, the UNDCP has put forward a proposal to help speed this effort. The USG in particular has focused its bilateral training programs on related subjects such as organized crime, public sector corruption, and border controls. The international community is working to increase local capacities and to encourage interagency cooperation by mentoring and advising the local law enforcement community. The recent formation of an inter-entity joint task force will facilitate the exchange of information between RS and Federation authorities and could pave the way for inter-entity law enforcement operations, a distant but essential goal.

Bulgaria

I. Summary

Bulgaria, strategically situated on Balkan routes between Turkey to the southeast and Romania and Serbia to the north and west, is vulnerable to illegal flows of drugs in either direction. Heroin moves through Bulgaria from Southwest Asia, while precursor chemicals used for making heroin move from the former Yugoslavia to Turkey and beyond. Marijuana and cocaine also pass through Bulgaria. Although Western Europe may be in more immediate danger, the DEA reports that organized crime networks linked to Bulgaria have a “direct U.S. impact nexus” with bases in Phoenix, Las Vegas, and Los Angeles. Nevertheless, there is no indication yet that they traffic narcotics to the United States in quantities sufficient to have a significant impact on the United States.

Despite the complications arising from the formation of a new administration after elections in June 2001, Bulgaria has made steady, if not spectacular, progress in improving its law enforcement capabilities and Customs Service. Bulgaria has taken pride in the large amounts of drugs (particularly heroin) seized by its law enforcement agencies. The Government of Bulgaria (GOB) has proven very cooperative, working with many U.S. agencies, and has reached out to neighboring states to work on the illegal flows of drugs and persons. Nevertheless, Bulgarian law enforcement agencies and the judiciary require further assistance to develop the capacity to fight serious crimes effectively.

II. Status of Country

Bulgaria is a significant drug-transit country centrally located on three traditional Balkan routes between Turkey and, respectively, the Federal Republic of Yugoslavia, Romania, and the former Yugoslav Republic of Macedonia. Small quantities of opium poppies and cannabis are grown in Bulgaria. Clandestine labs produce amphetamines and diverted acetic anhydride is transported from Bulgaria to Turkey.

The new government, elected in June 2001, has emphasized its commitment to combat serious crime including corruption and drug trafficking. The new President, who took office in January 2002, has also indicated his support for these efforts. Bulgaria’s efforts to meet EU legal standards is a noteworthy accomplishment, but there were no major convictions for drug trafficking during 2001. Among the problems hampering Bulgaria’s counternarcotics efforts are poor inter-agency cooperation, weak witness and victim protection mechanisms, inadequate equipment to facilitate the search for drugs, and a lack of prosecutions. Moreover, as the Bulgarian Interior Minister has publicly stated: “Few of [Bulgaria’s] judges have any courage. Quite a few [are] corrupt.”

III. Country Actions Against Drugs in 2001

Policy Initiatives. The new Bulgarian government put in place an activist (albeit controversial) new head of the Customs Service whose mission has been to enhance that agency’s ability to seize contraband, decrease corruption within that agency, and increase the revenues for the GOB derived from the proper payment of duties. Customs announced in September 2001 that it was setting up a new directorate to combat drug trafficking and instituting properly vetted mobile teams to stop and search for drugs in any vehicle in the country. At the same time, the National Service for Combating Organized Crime (NSBOP) remains the principal investigative agency in this area. The NSBOP, based in Sofia, collects and analyzes information from all agencies, and has national jurisdiction. In December 1999, the NSBOP inaugurated the Narcotics Intelligence Center, which is an interagency body, and has continued to train its analysts with support from the EU and UN.

Accomplishments. According to the head of Bulgaria's Customs Service, a total of two metric tons of drugs was seized at Bulgarian border crossings from the beginning of 2001 to early November 2001. Of that overall amount, some 1.5 metric tons were heroin, according to the same source. By comparison, 2,541 kilograms of narcotics were seized in 2000, of which 1,785 kilograms were heroin. In addition, following a wave of killings among underworld figures, the Sofia police increased their interrogation of drug dealers and stepped up efforts to keep street dealers away from schools.

Law Enforcement Efforts. NSBOP has proved effective in blocking some percentage of the flow of drugs through Bulgaria. Unfortunately, as the Chief Secretary of the Bulgarian Interior Ministry has acknowledged, Bulgaria has not done as good a job in combating the distribution of narcotics within Bulgaria. Otherwise, as noted, seizures of drugs during 2001 appear to be on a par with 2000. In October 2001 there was a spike in seizures, which may have been due in part to the efforts of the Taliban to unload stocks of heroin following the onset of hostilities in Afghanistan.

Corruption. On November 27, 2001, the new government issued a 34-page anticorruption plan, which includes the establishment, along EU lines, of an anticorruption unit within the Ministry of Interior. The plan also calls for the development of an integrated information system, the improvement of fiscal controls within agencies, the implementation of measures to reduce tax evasion, and the review of major privatization deals, as well as the improvement of the privatization process. (One factor in the defeat of the previous governments was that many Bulgarians perceived it as suffering from endemic corruption.) The Minister for State Administration has said that foreign donors will provide 15 to 20 million leva (about U.S. \$7-\$10 million) for this initiative. The extent to which the plan is implemented remains to be seen. At the same time, the overly broad immunity granted to judges, prosecutors, and investigating magistrates by article 132 of the Bulgarian constitution is believed to abet corruption because those officials cannot be prosecuted for criminal acts. Efforts to rationalize the extent of such immunity have yet to come to fruition.

Agreements and Treaties. Bulgaria is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, the 1971 UN Convention on Psychotropic Substances, and the 1990 Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime. Bulgaria deposited its instruments of ratification for the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants on December 5, 2001. Bulgaria signed the Protocol against the Illicit Manufacturing of and Trafficking in Firearms on February 15, 2002.

The 1924 U.S.-Bulgaria Extradition Treaty and a 1934 supplementary treaty are in force and in use although there have been difficulties in implementation in narcotics cases. For example, a Bulgarian court in 2000 released an indicted narcotics trafficker whose provisional arrest and extradition the United States had requested. That case remains unresolved as Bulgaria is still looking for the individual. As a result of these difficulties, productive consultations were conducted in 2001 with Bulgaria regarding implementation of the treaty. Bulgaria is also party to the 1957 Council of Europe Convention on Extradition, the 1959 European Mutual Legal Assistance Treaty in Penal Measures, and the 1983 Council of Europe Convention on Transfer of Sentenced Persons. It also has a bilateral treaty with Turkey for transfer of convicted persons. The Bulgarian Customs Service has memoranda of understanding on mutual assistance and cooperation with several European counterparts and is negotiating or updating others. The United States and Bulgaria signed a cooperation agreement in 2000. The GOB coordinates with INTERPOL and EUROPOL.

In addition to being a party to the international agreements and treaties noted above, the Government of Bulgaria works actively with the United States and EU member states to improve their law enforcement capabilities.

With respect to cooperation on narcotics, the National Service for Combating Organized Crime, which has established a center for analyzing narcotics trafficking information, maintains close contact with the

DEA. Bulgaria has been working closely with the Southeast European Cooperation Initiative (SECI), and it is expected to provide a narcotics officer to serve as a facilitator of the SECI regional task force. At the same time, as part of Bulgaria's efforts to join the EU, Bulgaria has willingly accepted close cooperation with UK experts, particularly in the customs field. Finally, Bulgaria is reaching out to neighboring countries, and not just in the context of SECI. In October 2001, a tripartite Cooperation Committee was established under the auspices of the foreign ministers of Bulgaria, Greece, and Turkey to deal with issues of common interest, including the illegal trafficking of drugs and persons across their borders.

Cultivation/Production. Law enforcement officials do not routinely calculate crop size or yields for illegal narcotics crops. When necessary, case-specific determinations are made based on the weight of dry leaves yielded from one square meter times the dimensions of the field. In general, yield calculations for illegal narcotics crops are difficult because cannabis, for example, can be grown among other, legal crops.

Drug Flow/Transit. Heroin from the Golden Crescent and Southwest Asian sources (e.g., Afghanistan) remains the main illegal drug transiting Bulgaria, though some marijuana and cocaine also transit Bulgaria. The northern Balkan route from Turkey through Bulgaria to Romania is the most frequently used overland route. Other routes go through the Federal Republic of Yugoslavia and the former Yugoslav Republic of Macedonia. In previous years, GOB officials noted the transiting of apparently increasing amounts of Brazilian cocaine. It is clear that precursor chemicals for the production of heroin pass from the former Yugoslavia through Bulgaria to Turkey.

Domestic Programs (Demand Reduction). Although Bulgaria's drug abuse problem is not growing as rapidly as some observers had anticipated, it is growing, in part because drug traffickers compensate local criminal organizations in kind. This supply, in turn, helps create a market as local criminals seek to unload the drugs they receive as payment. Experts estimate that in this country of slightly less than eight million, according to the latest census, there are up to 50,000 heroin users, fewer than ten percent of whom are in treatment. Cocaine is too expensive for all but the wealthy. Marijuana has traditionally been used in rural areas. MDMA (ecstasy) is an important and growing problem among university students. As in previous years, drug consumption is particularly noteworthy among marginalized Roma, among whom glue sniffing is a serious problem. There is also drug abuse in prisons and among traffickers.

Demand reduction has received government attention for several years. The Ministry of Education requires that schools nationwide teach health promotion modules on substance abuse. There is also a World Health Organization program for health promotion in 30 target schools. The Bulgarian National Center for Addictions provides training seminars on drug abuse for schoolteachers nationwide. There are also municipal demand reduction programs co-sponsored by the National Center for Addictions and the Institute of Public Health in six major cities and a number of smaller communities. Three universities provide professional training in drug prevention.

For drug treatment, there are 35 outpatient units and ten to 12 inpatient facilities nationwide. The National Center for Addictions has psychiatric units in 20 regional centers. Specialized professional training in drug treatment and demand reduction has been provided through programs sponsored by the UNDCP (funded by the U.S. Department of State and the Government of Italy), the EU's PHARE program, and the Council of Europe's Pompidou Group.

IV. U.S. Policy Initiatives and Programs

The United States supports various programs, through the State Department, USAID, DOJ, DEA, and FBI to address various problems in the Bulgarian legal system. Among the issues these initiatives address are a lack of adequate equipment (e.g., in the Customs Service), the need for improved administration of justice at all levels (starting with investigations and continuing through better training of judges), and the inadequacy of cooperation among Bulgarian agencies. In late 2000, DOJ sent a regional legal advisor, who set up a permanent office in early 2001 to work with the GOB on law enforcement issues including drugs. Likewise, a Department of Justice/Central and East European Legal Initiative advisor was appointed to

consult with and advise Bulgarian prosecutors and investigators. USAID's assistance in the training of magistrates, which continues to focus on judges, also serves to reinforce the GOB's counternarcotics effort.

Bilateral Cooperation. Officials from the DEA, DOJ, FBI, and other agencies report positive and productive relations with their Bulgarian counterparts. Such excellent connections are significant not only with respect to training programs, such as courses offered at the International Law Enforcement Academy (ILEA) in Budapest or workshops, but also at the operational level. The challenge has been, as often as not, to encourage cooperation among Bulgarian institutions themselves.

The Road Ahead. Among the most important steps the United States would like to see the Government of Bulgaria take are: successful prosecution of organized crime figures (especially but not limited to drug traffickers); implementation of the anticorruption program; continued progress in making the Customs Service more effective; proper limits on magistrates' immunity; and the establishment of adequate witness protection mechanisms.

Croatia

I. Summary

In December 2001, Croatia's new counternarcotics law went into effect, creating an interagency government commission to fight drug abuse and a new office of drug control policy. The commission will be chaired by the Assistant Minister of Health and will be staffed by senior experts with backgrounds in enforcement and treatment. The government office will serve as a resource for the commission and for ministries dealing with drug-related issues. Both bodies are eager to discuss ways to benefit from other countries' experience.

Croatia is not a major producer of narcotics. However, narcotics smuggling, particularly heroin, through the "Balkan Route" to Western Europe remains a serious concern. The Balkan Route appears to be the source of narcotics for most of Croatia's moderate domestic consumption. Although Croatia is not a major transit country for illicit drugs entering the United States, it remains a country of concern to the United States. Croatia also has moved aggressively to increase law enforcement and border control cooperation with its neighbors, including the Federal Republic of Yugoslavia (FRY) and Bosnia and Herzegovina. Croatia's Interior and Health Ministries are the government bodies most directly involved in counternarcotics activities. Croatia's national narcotics strategy focuses on reducing the availability and demand for narcotics and curtailing Croatia's use as a narcotics transshipment point. Croatia is a party to the 1988 UN Drug Convention.

II. Status of Country

Croatia, with a geographic position along the most direct route to Europe from Asia and with limited resources for securing its extensive coastline and land borders, offers significant possibilities for smuggling narcotics and other contraband. The disruption in the Balkan Route caused by the breakup of Yugoslavia is ebbing. Police officials note a steady increase in smuggling from Bosnia, although some traffic continues to flow through alternative, northern routes developed during the 1991 to 1995 Balkan wars. Domestic narcotics abuse remains a priority area of attention. Drug abuse is centered in major urban areas. Along with Zagreb, the port city of Split, in part because of its poor economy, is developing into a center of drug abuse.

Croatia developed a national strategy for combating narcotics abuse in 1998 to address the serious issue of heroin addiction, the growth of which Croatian experts attributed to continuing effects of the war. Croatia's strategy includes measures to reduce supply and demand and also addresses treatment issues. The Interior Ministry, Justice Ministry, and Customs Directorate have primary responsibility for law enforcement issues, while the Ministry of Health has primary responsibility for the strategy to reduce and treat drug abuse. The Interior Ministry's counternarcotics division is responsible for coordinating the work of drug units in police departments throughout the country. The Interior Ministry maintains cooperative relationships with INTERPOL and an expanding number of neighboring states.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Croatia's parliament passed a new drug law in late November 2001 which entered into force in early December. The law identifies drug trafficking and abuse as priorities for the Croatian government and creates a senior-level interagency commission to oversee government efforts on the issue. The law also creates a permanently staffed government office of administrators and policy experts from enforcement and abuse prevention to support the work of the commission and the ministries involved in the fight against drugs. As the new drug law only entered into force in early December, the commission

has not yet met. The commission intends to seek out advice from the international community in establishing its counternarcotics office.

The parliament also recently passed new legislation creating a special office within the Office of the State Attorney (Prosecutor's office) to combat organized crime and corruption. The new legislation gives the office enhanced powers to detain suspects, freeze assets, and use plea bargaining to attack organized crime. The government is developing new legislation on witness protection and is planning a thorough overhaul of the penal code. Taken together, these changes should enhance the ability of Croatian law enforcement and prosecutors to combat international narcotics trafficking. In 2001 Croatia also adopted new legislation strengthening the enforcement capabilities of customs officials.

Croatia in 2001 stepped up its international law enforcement cooperation, for example, signing police and border cooperation agreements with Bosnia and Herzegovina, the FRY, and Hungary. Croatia also has intensified its cooperation with Western European states to improve the control and management of its still porous borders.

Law Enforcement Efforts. Unlike 2000, when 930 kilograms of cocaine were seized, there were no major seizures of narcotics in Croatia in 2001. During the first ten months of 2001, police made 6,604 seizures of narcotics and 6,180 persons had drug-related criminal charges filed against them. This represents an approximately ten percent increase over 2000. Seized drugs include: heroin, cocaine, hashish, marijuana, amphetamines, LSD, and MDMA (ecstasy), but judging from amounts seized, heroin and marijuana appear to remain the local drugs of choice. Croatian officials estimate that there are approximately 12,000 heroin addicts, consuming between 400 to 500 kilograms of "street-ready," "cut" heroin per annum.

Corruption. Narcotics-related corruption does not appear to be a serious problem in Croatia. A trial of a Croatian organized crime ring is underway. The Prosecutor's office is seeking to prosecute a number of businesspeople and politicians linked to the right-wing HDZ party for corruption and financial crimes during HDZ rule in the 1990s, but none of these cases is linked to narcotics.

Agreements and Treaties. In 2001 Croatia entered into a number of agreements with neighboring states, such as Bosnia and Herzegovina, the FRY, and Hungary, on law enforcement cooperation. It also intensified its cooperation with Italy and Slovenia on border control. In 2000 Croatia entered the Southeast Europe Cooperative Initiative's (SECI) agreement to prevent and combat transborder crime. Croatia plans to send its police and customs representative to the SECI crime center in Bucharest in early 2002 for on the job training in international police coordination. Croatia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. Croatia has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Extradition between Croatia and the United States is governed by the 1902 extradition treaty between the United States and Serbia, which applies to Croatia as a successor state to the FRY. Under the Croatian constitution, Croatian citizens may not be extradited, except to the Yugoslavia War Crimes Tribunal in The Hague.

Cultivation/Production. The Interior Ministry continues a program to identify marijuana cultivation. Small-scale production for domestic use is the only narcotics production within Croatia, according to enforcement officials.

Domestic Programs (Demand Reduction). The GOC continues to follow its 1998 national strategy on demand reduction. Croatia's new law on drugs will enable the Ministry of Health to support the efforts of non-governmental (primarily church-based) drug treatment programs. This reduction also reflects a slight decline in heroin addiction from its 1998-1999 peak. The Ministry of Health attributes this decline as much to the gradual easing of social upheaval caused by the war as to the efforts of the government.

The Ministry of Education requires drug education in primary and secondary schools. The state-run medical system offers treatment for addicts, but slots are insufficient to house all those needing treatment. The Ministry of Health operates in-patient detoxification programs as well as 14 regional out-patient methadone clinics. Because of reduced funding, the Health Ministry reports that the number of adults in state treatment programs has been reduced by ten percent. The government continues to run public awareness campaigns against drug use and continues to reject calls to decriminalize possession of marijuana for personal use..

IV. U.S. Policy Initiatives and Programs

The United States is providing technical assistance to the Croatian Customs Directorate in support of its participation in a World Bank/Southeast Europe Cooperative Initiative (SECI) trade and transportation facilitation project that, inter alia, will assist the GOC in interdicting contraband shipments. The United States also is increasing its technical assistance to Croatia to assist the GOC in its efforts to improve the criminal justice system and attack organized crime and money laundering.

Croatia's democratic transition in 2000 opened the door to enhanced bilateral law enforcement cooperation. The USG has sent advisers to work with the Ministry of Interior, Ministry of Justice, and Prosecutor's Office on criminal justice reform. Issues addressed include money laundering, organized crime, and witness protection. In 2001 the USG also launched a program of technical assistance to the Interior Ministry with the goals of supporting GOC police reform efforts, modernizing police training, and strengthening internal affairs and general police policies and procedures. In addition, the United States is providing technical assistance to the Croatian Customs Directorate that, inter alia, will improve the capabilities of Croatian Customs to profile suspicious shipments, interdict drug shipments, and curb corruption.

Cyprus

I. Summary

Although Cypriots do not produce or consume significant amounts of narcotics, there continues to be increasing concern on the island about a perceived increase in drug use. The Government of Cyprus traditionally has had a low tolerance attitude toward any use of narcotics by Cypriots and continues to utilize a public affairs campaign to remind Cypriots that narcotics use carries heavy penalties. Drug traffickers appear to continue to use Cyprus as a transshipment point due to its strategic location and its relatively sophisticated business and communications infrastructure. In 2001, several persons transiting Cyprus were arrested for possessing significant quantities of narcotics.

Cyprus monitors the import and export of precursor chemicals for local markets. Cyprus's geographic location and the free-port status of its two main seaports continue to make it an ideal transit country for trade in chemicals and most goods between Europe and the Middle East. Cyprus customs authorities are implementing a series of changes in their inspection procedures, including computerized profiling and expanded use of technical screening devices, such as portal monitors. A party to the 1988 UN Drug Convention, Cyprus strictly enforces tough counternarcotics laws, and its police and customs authorities maintain excellent relations with their counterparts in the U.S. and other governments.

II. Status of the Country

Cyprus has a small, but growing population of soft-core drug users. Hashish is the most commonly used drug, followed by heroin, cocaine, and MDMA (ecstasy), all of which are available in major towns. The use of cannabis and ecstasy by young Cypriots and tourists continues to grow. The Government of Cyprus has traditionally adopted a low tolerance attitude toward any use of narcotics by Cypriots and uses a pro-active public relations strategy to remind Cypriots that narcotics use carries heavy penalties. The media reports extensively whenever narcotics arrests are made.

Cypriots themselves do not produce or consume significant quantities of drugs. The island's strategic location in the eastern Mediterranean may have made Cyprus a convenient stopover for narcotics traffickers in the past. Cyprus offers highly developed business and tourism facilities, a modern telecommunications system, and the fifth largest merchant shipping fleet in the world. Still low by international standards, drug-related crime has been steadily rising since the 1980's.

Cypriot law carries a maximum prison term of one year for drug users under 25 years of age with no police record. Sentences for drug traffickers range from four years to life, depending on the substances involved and the offender's criminal record. Cypriot law allows the confiscation of drug-related assets and allows the freezing of profits or a special investigation of a suspect's financial records.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Following the September 11 terrorist attacks on the United States, the Central Bank issued a series of orders requiring banks to notify the Central Bank of accounts held by specified individuals or organizations associated with the financing of terrorist organizations and to freeze assets held in those accounts.

On September 25, 2001, the Central Bank sent a letter to the Cyprus Bar Association and the Institute of Certified Public Accountants calling upon the two associations to request their members to examine whether "they have ever been employed to carry out any work which may even vaguely be suspected to relate directly or indirectly with Bin Laden, the Al-Qaeda organization, or related persons." This request

could also produce some new information about transactions involving narcotics trafficking or the proceeds of narcotics trafficking by Al-Qaeda or associated groups.

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

Drug Flow/Transit. Although no longer considered a significant transit point for drugs, Cyprus has seen several cases of narcotics smuggling. During the past year, Cypriot law enforcement authorities developed information and cooperated with the DEA's office in Nicosia in an international investigation that resulted in the seizure of five tons of cocaine originating from Colombia, the dismantling of a Spanish criminal organization, and the seizure of a fishing vessel and off-load crew responsible for transporting the cocaine. Tourism to Cyprus is accompanied by the import of some narcotics, principally ecstasy and cannabis. Cyprus police believe their efforts in combating drug trafficking have mostly converted Cyprus from a drug transit point to a "broker point," in which dealers meet potential buyers and negotiate the purchase and shipment of future shipments. This change is likely also as a result of improved conditions in Lebanon. Lebanese containerized freight now moves directly to third countries without transiting Cyprus. Law enforcement authorities in Cyprus attempt to interdict drugs transiting Cyprus when information is made available. Cypriot law enforcement authorities robustly continue their policy of cooperating with international efforts to combat organizations responsible for the trafficking of narcotics. There is no significant sale of narcotics occurring in Cyprus.

There is no production of precursor chemicals in Cyprus, nor is there any indication of illicit diversion. Precursor chemicals manufactured in Europe do transit Cyprus to third countries. Cyprus Customs no longer receives manifests of transit goods, as the seaports of Larnaca and Limassol have been declared "free ports." Goods entering Cypriot free ports can be legally re-exported using different Customs documents, as long as there is no change in the description of the goods transported.

Law Enforcement Efforts:

- Cyprus aggressively pursues drug seizures, arrests, and prosecutions for drug violations.
- Cyprus focuses on major traffickers when the opportunities are available and readily supports the international community in its efforts.
- There have been no significant changes in the structure of the Cypriot law enforcement agencies.
- Cypriot police are generally effective in their law enforcement efforts; their techniques and capacity remain restricted by a shortage of financial resources.

The Republic of Cyprus authorities have no working relations with enforcement authorities in the Turkish-controlled northern sector of the island—the self-proclaimed "Turkish Republic of Northern Cyprus (TRNC)." The U.S. Embassy, including in particular the DEA office within the embassy, work with Turkish Cypriot authorities on international narcotics-related issues. Turkish Cypriots have their own law enforcement organization, responsible for the investigation of all narcotics-related matters. They have shown a willingness to pursue narcotics traffickers and to provide assistance when asked by foreign law enforcement authorities request it.

Corruption. There is no evidence that senior or other officials facilitate the production, processing, or shipment of drugs, or the laundering of the proceeds of illegal drug transactions.

Agreements and Treaties. Cyprus is a party to the 1988 UN Drug Convention, the 1961 Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention on Narcotic Drugs, and the 1971 Convention on Psychotropic Substances. It is also a party to the 1995 European Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime, the European Convention on the Transfer of Proceedings in Criminal Matters, and the European Convention on Mutual **Assistance**

in Criminal Matters. Cyprus has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

A new extradition treaty between the United States and Cyprus entered into force in September 1999. The United States and Cyprus signed a mutual legal assistance treaty in December 1999. The treaty awaits ratification by the House of Representatives of Cyprus.

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

IV. U.S. Policy Initiatives and Programs

The deterrence of money laundering in Cyprus continues to be one of the highest priorities for U.S. policy toward Cyprus. The Ambassador and other members of the U.S. Embassy in Nicosia raised the issue repeatedly during 2001 with key Cyprus government officials.

Bilateral Cooperation. Bilateral cooperation between the USG and GOC in law enforcement efforts has been excellent, as has the GOC's bilateral cooperation with neighboring countries.

The Road Ahead. The USG receives close cooperation from the Office of the Attorney General, the Central Bank, the Cyprus Police, and the Customs Authority in drug enforcement and anti-money laundering efforts. In 2002, the USG will continue to work with the Government of Cyprus to heighten further its enforcement of its laws. The USG, through the U.S. Embassy in Nicosia, will make every effort to track the influence/effect of organized crime in Cyprus.

Czech Republic

I. Summary

The Czech Republic is both a transshipment and destination country for illegal narcotics. Limited amounts of pervatine (a Czech-produced methamphetamine) are produced in-country, some for export to neighboring states. Czech counternarcotics policy emphasizes both interdiction and criminal penalties against narcotics traffickers and, to a lesser extent, users. Czech cooperation with U.S., European, and international law enforcement efforts remains excellent. The Czech Republic is a party to the 1988 UN Drug Convention.

II. Status of Country

Heroin from the south (mostly Turkey, moving north via the Balkans) transits the Czech Republic en route to Northern and Western Europe. Czech authorities attribute most of this activity to Kosovar-Albanian drug mafias, some of which maintain warehouse operations in the Czech Republic. Some heroin is also sold in the Czech Republic. Cocaine and marijuana also reach the Czech Republic, mostly in transit to Northern and Western Europe, although some is sold to Czech residents and tourists visiting Prague. MDMA (ecstasy) use has increased in recent years, and police are concerned that PMA (an ecstasy-like “club drug”) and GHB have begun to appear on the Czech market. Pervatine is produced in the Czech Republic, primarily for local consumption. Czech counternarcotics police believe Russian-speaking and Asian gangs now control about half of the pervatine market and that increasing amounts of the drug are now being exported to neighboring countries (e.g., Germany and Poland).

III. Country Actions Against Drugs in 2001

Policy Initiatives. In October 2000 the Czech government approved a “National Drug Strategy, 2001-2004,” which continues to guide national counternarcotics efforts. In addition, the government’s “Strategy for the Fight against Organized Crime” (also adopted in 2000) includes counternarcotics elements. Counternarcotics policy is also governed by an amended Drug Act that came into force in 1999 and included increased penalties for the production, trafficking, distribution, and possession of illegal drugs. In November 2001, the National Drug Commission (an interagency body that coordinates Czech drug policy) issued a report suggesting that the 1999 amendments to the Drug Act had failed to reduce drug use and production; the commission called for new legislation that would differentiate between illicit drugs based on their health risks and medical and social costs. The government has instructed the Ministries of Interior, Justice, and Health to implement the National Drug Commission’s proposals.

A new law on the protection of witnesses came into effect during 2001; the Czechs expect this law to encourage witnesses to testify in court, thus aiding the prosecution of drug cases. On January 1, 2002, an amended residence law came into effect, which should give the authorities more options for expelling illegal aliens (including drug dealers and producers). The government is also pursuing legislation that would allow the confiscation of illegally acquired property, which could prove useful in the prosecution of drug cases. Also on January 1, 2002, a new “Act on the Protection against Damage Caused by Tobacco Products, Alcohol, and other Drugs” came into effect; the law seeks both to prevent the use of these substances and to reduce the potential harm to drug, alcohol, and tobacco users.

Accomplishments. Both the counternarcotics police and customs officials made a number of significant seizures during 2001. Among them was the counternarcotics police’s “Operation Bandita,” which resulted in the arrest of a seven-person drug gang and the confiscation of 2,000 doses of pervatine, 800 doses of heroin, 1,600 doses of cocaine, and two complete pervatine production labs. In February, customs officials discovered 88 kilograms of heroin in a truck entering the Czech Republic from Slovakia, and by

mid-2001 customs officials had seized 215 kilograms of drugs, 67 kilograms more than during the whole of 2000.

Law Enforcement Efforts. The Czech National Anti-Drug Center (NADC, normally referred to simply as the counternarcotics police) became an autonomous police unit on January 1, 2001, responding directly to the Police President and the Minister of Interior. The NADC and a special Customs Service unit that focuses on narcotics and weapons smuggling have the lead in most major narcotics cases. Both are considered elite law enforcement units. Two other special police units, the anticorruption squad (SPOK) and the anti-organized crime unit (UOOZ), sometimes handle cases that involve narcotics (e.g., UOOZ might discover an organized crime gang engaged in both drug smuggling and trafficking in persons), but tend to turn primarily narcotics cases over to the counternarcotics police. All of these elite units take their counternarcotics responsibilities seriously and appear to cooperate effectively on drug cases.

Corruption. There were nine cases of drug-related police corruption in 2001; the street police officers involved in them were charged with abuse of power by a public official under section 158 of the Czech criminal code. None of the policemen involved were members of the elite counternarcotics unit, whose members pride themselves on their integrity.

Agreements and Treaties. The Czech Republic is a party to the 1988 UN Drug Convention and the World Customs Organization's Convention on Mutual Administrative Assistance for the Prevention, Investigation and Repression of Customs Offenses. The Czech Republic is also a party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 Convention on Psychotropic Substances. Counternarcotics cooperation with the United States is excellent, both in agency-to-agency terms and within the framework of the U.S.-Czech Mutual Legal Assistance Treaty and the U.S.-Czech Customs Mutual Assistance Agreement. The Czechs also cooperate closely and effectively with their European partners; Germany, France, Switzerland, and the Nordic states station counternarcotics liaison officers at their Prague embassies and the UK has plans to do so in the near future. The Czech Republic signed the UN Convention against Transnational Organized Crime in December 2000.

Cultivation/Production. Marijuana production is negligible and is generally for personal use only. The Ministry of Agriculture monitors the growth and sale of opium poppies that are cultivated for the poppy seeds used in traditional Czech cooking; production remains consistent with legitimate domestic use. Pervatine is produced in small, well-equipped labs, with production largely aimed at domestic users. The counternarcotics police report, however, that Russian-speaking and Asian gangs now control about half of pervatine production, with exports to neighboring states (particularly Germany and Poland) on the rise. Police also believe that some pervatine producers may be shifting their operations to countries where the penalties are less stringent.

Drug Flow/Transit. Heroin, cocaine, and marijuana transit the Czech Republic, mainly heading from the south (Turkey and the Balkans) and east (Southwest Asia) toward Northern and Western Europe. Ecstasy and some other manufactured drugs move from the north (e.g., the Netherlands and Germany) southward and eastward. Drug seizures have been rising steadily over the past several years, but it is unclear how much of the rise represents an increase in smuggling and how much is the result of more aggressive, effective Czech enforcement efforts.

Domestic Programs (Demand Reduction). According to a study done by the National Drug Commission and presented to the Czech government in October 2001, there are approximately 37,500 problem drug users in the Czech Republic. The Ministries of Interior, Education, Defense, and Agriculture all sponsor counternarcotics education programs, and the Ministries of Health and Labor/Social Affairs run treatment and re-socialization programs that also include a counternarcotics message. The government has also just begun a new demand reduction project aimed at students that includes both drug prevention and anti-HIV/AIDS messages; the program also stresses the dangers posed by smoking and underage alcohol consumption (which are seen as precursors to drug use).

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. U.S. goals and objectives in the Czech Republic include bolstering Czech law enforcement authorities' capabilities (including in the area of counternarcotics), maintaining our already effective links with Czech counternarcotics police and customs officials, supporting Czech anti-money laundering efforts, and promoting awareness of drug abuse.

Bilateral Cooperation. In recent years, the United States has provided a number of training opportunities for Czech police, customs officials, prosecutors, judges, and officials from other ministries (e.g., the Ministry of Health) involved in counternarcotics efforts. Moreover, the DEA maintains an extremely active and cooperative relationship with its Czech counterparts, and the U.S. Customs Service works closely and effectively with its Czech colleagues. The United States has also continued to help fund a teacher-training program aimed at reducing demand among students.

The Road Ahead. The United States will continue to cooperate closely with Czech officials. Czech NADC and customs officers and their DEA and U.S. Customs Service counterparts will remain in close contact both on specific cases and in broader terms. Subject to the availability of funds, the USG expects to continue training programs aimed at improving Czech law enforcement, judicial, and anticorruption capabilities; U.S. programs will seek to complement EU efforts.

Denmark

I. Summary

Denmark's strategic geographic location and status as one of Northern Europe's primary transportation points make it an attractive drug transit country. The Danes cooperate closely with their Scandinavian neighbors and the EU against the transit of illicit drugs, and Denmark plays an increasingly important role in helping the Baltic States combat narcotics trafficking. While quantities of drugs seized in Denmark are relatively small, Danish authorities assume that their open border agreements and high volume of international trade allow some drug shipments to transit Denmark undetected. Danish authorities noted a continued increase in the use of MDMA ("ecstasy") and amphetamines in 2001, especially among younger Danes. Denmark is a party to the 1988 UN Drug Convention.

II. Status of Country

Drug traffickers utilize Denmark's excellent transportation network to bring illicit drugs to Denmark for domestic use and for transshipment to other Nordic countries. Evidence suggests that drugs from Russia, the Baltic countries, and Central Europe pass through Denmark en route to other EU states and the United States, although the amount flowing to the United States is relatively small. Seizures of ecstasy and amphetamines were significantly higher than in 2000, while hashish seizures were significantly lower.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Denmark continues to provide training, financing, and coordination assistance to the three Baltic countries (Estonia, Latvia, and Lithuania), principally to improve interdiction efforts. Denmark, Sweden, and Norway have each stationed a Nordic liaison officer in one of the Baltic countries through their Politi Told Nordic (PTN—Nordic Police Customs) agreement. Denmark's officer is stationed in Lithuania.

Accomplishments. Danish police continued their aggressive counternarcotics efforts in 2001. Because of public outcry over the release of arrested drug dealers in 1996, many of whom were foreigners, Danish law was amended to make it easier to place drug dealers behind bars and to expel foreign dealers who reside illegally in Denmark.

Danish law permits forfeiture and seizure of assets in drug-related criminal cases. Authorities strongly enforce existing asset seizure and forfeiture law and cooperate with foreign authorities in such cases. In 1998, U.S. authorities criticized Danish customs for lax enforcement of controls on exports of precursor chemicals to Latin America. Since then, the Danes have been very responsive and proactive on monitoring exports of precursor chemicals.

Law Enforcement Efforts. Seizures of amphetamines, ecstasy, and heroin increased in 2001, while seizures of hashish and cocaine decreased in 2001. Through mid-December 2001, Denmark confiscated 4.7 kilograms of cocaine (down from 18.6), 24.6 kilograms of heroin (up from 21.2-corrected figure), 224 kilograms of hashish and marijuana (down from 797-corrected figure), and 112,549 ecstasy tablets (up from 18,538).

In May, authorities seized 100,000 tablets of ecstasy found in luggage in transit to the United States at the Copenhagen Airport. In addition, Danish police and their Norwegian counterparts seized 65 kilograms of amphetamines and 125 kilograms of hashish in western Denmark. The seizure was part of an ongoing investigation into a multinational smuggling group, which was also in the process of bringing cocaine from South America into Scandinavia by ship.

Denmark continues to bolster the interdiction capabilities of the Baltic States. One of the sites of operations is the Baltic island of Bornholm, Denmark's easternmost territory, where the Customs Service and police, in cooperation with the Danish Navy, are continuing to work together on a project to interdict narcotics, other smuggled contraband, and illegal migrants.

Corruption. The United States government has no knowledge of any involvement by Danish government officials in drug production or sale, or in the laundering of their proceeds. Danish laws regarding public corruption in general are sufficiently stringent that there are no laws specifically targeting narcotics-related corruption.

Agreements and Treaties. Denmark complies with the requirements of all major international conventions and agreements regarding narcotics to which it is party. Denmark also contributes toward the development of common counternarcotics standards within the international organizations of which it is a member. Denmark ratified the 1988 UN Drug Convention in 1991 and signed the enabling legislation for the European Drugs Unit, now Europol, in 1997. Denmark is also a party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. The United States and Denmark have entered into a customs mutual assistance agreement and an extradition treaty. The United States and Denmark have a 1928 arrangement for the exchange of information regarding drug trafficking. Denmark participates in the Dublin Group and EU meetings on related topics. Denmark signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants in December 2000.

Cultivation/Production. There is no significant illicit cultivation or production of illicit drugs in Denmark.

Drug Flow/Transit. According to law enforcement officials in Denmark, drugs transit Denmark on their way to neighboring European nations and, in small quantities, to the United States. The ability of the Danish authorities to interdict this flow is slightly hampered by its membership in the EU and the resulting open border policies.

Domestic Programs (Demand Reduction). Denmark's Ministry of Health estimates that there are between 10,000 and 12,000 drug users in Denmark, which includes only those people who are officially registered as addicts with the government and enrolled in government programs. The country maintains an extensive counternarcotics education program in schools and youth centers. Drug addicts are treated in a large number of institutions throughout Denmark. In addition to in-patient care at hospitals, outpatient care is available at hospitals, youth crisis centers, and special outpatient clinics. These programs are free of charge to Danish residents. In 1996, the government began funding programs that involve the treatment of addicts through a medically supervised drug abuse reduction program as an alternative to serving prison sentences. The debate on a proposal to permit doctors to supply some addicts with heroin continues, but support is waning.

IV. U.S. Policy Initiatives and Programs

U.S. Goals. The goals of U.S. counternarcotics/anticrime policy in Denmark are to serve as a liaison with the Danish authorities on drug-related issues and to assist with joint investigations.

Bilateral Cooperation. The United States experiences excellent cooperation with Denmark on drug-related issues.

The Road Ahead. In the coming year, the Danish authorities hope to increase their seizures of ecstasy tablets within Denmark and work closely with the Norwegian authorities in interdicting drugs. The Danes will also continue to build on the PTN agreement with their Nordic neighbors to increase information sharing and cooperation against narcotics trafficking. The U.S. government will continue to coordinate with Danish authorities and work to deepen regional cooperation against illicit drug trafficking.

Estonia

I. Summary

The abuse of and trafficking in illegal drugs continues to rise in Estonia. The arrest of Estonian drug traffickers in neighboring countries following seizures of record amounts of controlled substances demonstrates Estonia's involvement in the international narcotics trade. Of particular concern is the increasing availability of heroin. Although the Government of Estonia (GOE) has declared narcotics control to be a priority, the domestic demand for hard drugs and an upsurge of HIV virus-infected drug users in Tallinn (486 cases), Narva (372 cases), and in the north-east border area (422 cases) illustrate that the GOE is fighting an uphill battle in its counternarcotics efforts. In cooperation with NGOs and EU Phare (a multi-beneficiary counternarcotics program), Estonia continues to work with narcotics prevention programs aimed at young people. Estonia is a party to the 1988 UN Drug Convention.

II. Status Of Country

No drug production sites were discovered in Estonia in 2001. There is no evidence of amphetamine or MDMA ("ecstasy") production in Estonia, although amphetamines that have been trafficked to Finland, may have been produced in Estonia, according to press accounts.

Thirteen cannabis farms (total of 400 square meters), the product of which was meant for the domestic market, were destroyed. Cannabis is widely distributed in the domestic market, along with heroin, amphetamine, methamphetamine, and ecstasy. For example, in 2000, tests of suspected drug users turned up positive results for cannabis in 38 percent of those tested, heroin in 34 percent, and amphetamines in 24 percent.

According to the Ministry of Internal Affairs, heroin, hashish, ecstasy, and cocaine are trafficked through Estonia. Heroin from Russia and hashish from Spain are trafficked mainly to the Scandinavian countries. Ecstasy from the Netherlands and Belgium is trafficked to the Scandinavian countries, and cocaine from Venezuela is trafficked mainly to the Scandinavian countries and to Russia.

According to the Ministry of Internal Affairs, transit of drugs generates approximately 70 percent of the total narcotics income in Estonia and local use generates 30 percent. Drug abuse continues to increase in Estonia. The number of drug-related crimes has nearly doubled over the past year. According to the press, drug addicts commit 46 percent of crimes in the Estonian capital of Tallinn.

During 2001, the total amount of narcotics seized by law-enforcement authorities ran into several hundred kilograms. Recently, as a result of a long-term surveillance effort started at the beginning of 2001, the Central Criminal Police, in cooperation with their Finnish counterparts, confiscated about 30 kilograms of amphetamines. Estonian law enforcement authorities are concerned not only about cross-border drug trafficking, which involves organized crime, but also about the growing domestic use of illicit drugs. According to the media, illicit drugs are easily acquired in Estonia's capital, Tallinn.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Estonia introduced amendments to the criminal code in March 2001 whereby punishments for drug-related crimes were made more severe, with incarceration terms generally longer. Amendments were also introduced to the administrative code increasing fines and opening up the possibility of administrative arrest for narcotics abusers.

The adoption of tougher penalties for narcotics trafficking and abuse in June 2001 was an important step in the fight against illicit drugs. The law will take effect as of March 2002. It will enable the authorities to fine offenders up to an amount equal to the value of their property.

Accomplishments. The Estonian Ministries Of Social Affairs and Interior signed a cooperation agreement with the Schleswig-Holstein region of Germany to improve cooperation against narcotics trafficking.

Law Enforcement Efforts. According to the GOE's 1997-2007 counternarcotics master plan (approved in 1997), the prevention of drug addiction and narcotics-related crime was one of Estonia's top priorities in 2001. Active efforts were to some extent successful, including improved police cooperation. The police, however, have not been able to slow down the distribution of illicit drugs, related crimes or the resultant growth in damage resulting from drug trafficking and abuse. Seventy-nine full-time counternarcotics officers—up from 57 in 2000—work in a separate department established in the Central Criminal Police Bureau in July 2001. There are five officials in the border guard of Estonia working specifically on narcotics interdiction.

During the first nine months of 2001, 1,789 drug-related crimes were registered, compared to 987 in the same period of 2000—almost double the number. In addition, during the same time period, 2,502 persons were charged with offenses against the administrative code (civil offenses), such as possession of drugs in small amounts, compared to 1559 in the same period of 2000. However, the GOE is quick to point out that the sharp rise is due not only to expanding drug abuse, but also to the increasing expertise of law enforcement agencies, especially of the Estonian Police.

Corruption. Corruption influences narcotics trafficking in Estonia, but less than in many other countries in the region. The Estonian government is striving to get at the root causes of corruption and is making steady progress as economic progress allows improved salaries for government enforcement officials.

Agreements and Treaties. The Estonian parliament ratified the UN 1988 Drug Convention in 2000, and Estonia is also a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The United States also has an extradition treaty with Estonia. Estonia signed the UN Convention on Transnational Organized Crime on December 14, 2000.

Domestic Programs (Demand Reduction). A national health education program entitled "Prevention of HIV/AIDS and other STDs for year 2001" and subsequent years until 2006 forms the basis for drug-related education. The program is a compulsory part of the health education curriculum in Estonia's elementary and secondary schools. Estonian NGOs and youth organizations are actively participating in counternarcotics efforts with a series of counternarcotics advertising campaigns, educational exhibitions, lectures, and video seminars designed both for students and teachers. At the initiative of the Tallinn city government, Estonia has joined the international organization "PATH" (European youth without drugs, established 2000) as well as the international organization "European Cities Without Drugs." The education board of the city of Tallinn has two major projects: "Drug Prevention In The Schools Of Tallinn" and a Phare-funded project that is coordinated by the Estonian health center. It deals with anti-smoking activities and is analogous to the drug prevention project. Drug prevention is also mentioned in the Tallinn integration program for 2002-2005.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Estonian-U.S. cooperation on the drug issue has been limited thus far. The U.S. Embassy Legal Attaché organized a seminar on organized crime for local officials, but no other training opportunities were offered.

The Road Ahead. The USG and GOE will continue to pursue cooperation to combat crime and drugs. The USG will seek to make resources available to facilitate the further development of the GOE's capacity to combat these threats.

Finland

I. Summary

Finland is not a significant narcotics producing or trafficking country. However, drug abuse has increased steadily over the past decade, and drug-related crimes increased four-and-a-half times from 1990 to 2000. The police attribute the increased drug use to the wider availability of narcotics in post-Cold War Europe, greater experimentation by Finnish youth, and a continuing gap between police resources and incidents of drug abuse. One alarming result of this increase was a significant rise in the number of drug-related deaths and HIV cases in the late 1990s, though both these trends slowed in 2001. Effective controls on the Russian border have prevented the overland route from developing into a trafficking conduit. The police are concerned, however, about heroin and methamphetamine shipments arriving from the St. Petersburg area and the Baltic countries. Finland is a major donor to the UNDCP and is active in counternarcotics initiatives within the EU. Finland is a party to the 1988 UN Drug Convention.

II. Status of Country

Narcotics production, trafficking, cultivation, and production/diversion of precursor chemicals are relatively modest in scope in Finland. Finnish law enforcement authorities effectively counter the threat of trafficking from abroad. Estonia, Russia, Spain, and the Netherlands are Finland's principal sources of illicit drugs. Finnish legislation makes the distribution, sale, and transport of narcotic substances illegal, and provides for extradition, law enforcement, transit cooperation, and precursor chemical control. Domestic arrangements for treatment and drug abuse education are exceptional. In 2001 new legislation allowed the police to fine violators for possession of small amounts of narcotics.

Finland has Europe's lowest cannabis-use rate, and cocaine use is quite rare, but amphetamines, methamphetamine, other synthetic drugs, and heroin are increasingly popular. MDMA ("ecstasy") use is up significantly. Police report a significant increase in drug-related crimes in 2001. Drug-related crimes were up one-third for the first half of 2001 compared to the same period last year. Authorities suggest a link between the increase in use of heroin and its increased purity and the sharp increase in the number of drug-related deaths beginning in the late 1990s. This trend declined this year, however. In August 2001, the Finnish press reported that the number of deaths related to heroin use was likely to decline from 66 in 2000 to about 50 this year, a reduction of about 25 percent. The percentage of new HIV cases related to drug use will likely also decline; as of late November, public health authorities noted 42 new cases in 2001 related to drug use, as opposed to 56 for all of 2000. The percentage of new HIV cases attributable to drug use exploded from 24 percent to 60 percent between 1998 and 1999; in 2001 it was estimated to be about 36 percent. Officials estimate that in 2001 the total number of new HIV cases in Finland would decline for the first time since 1996.

According to the Finnish police, there are approximately 23 organized crime groups operating in Finland, some of which have connections with organized crime groups in the Baltics and Russia. Many of these groups are facilitators and distributors of narcotics to the Finnish market. Police have expressed concern that the implementation of the EU's Schengen Agreement, which, as of March 2001, allows the free movement of people and cargo throughout the EU, might increasingly make Finland a transit country for drugs being trafficked by Russian organized crime groups.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In late 1998, the Finnish government released a comprehensive policy statement on drugs. This statement clearly articulated Finland's policy on drugs: complete prohibition. It reminded citizens that all narcotics infractions, from casual use to manufacturing and trafficking, are crimes

punishable under Finnish law. In September 2001, however, a new law took effect which implemented a system of fines rather than jail time for possession of small amounts of drugs. The police have expressed concern that this new law sends a bad message to Finns; law enforcement would prefer to send a strong deterrent message to the “demand” end.

Accomplishments. In late 2000, Parliament passed legislation that would increase the law enforcement community’s ability to pursue criminals with additional investigative tools, including undercover investigations, and authorization to make controlled “buys.” (Wiretapping was authorized in 1995.) The legislation went into effect in March 2001. Following the issuance of the government’s comprehensive policy statement on drugs in late 1998, in February 2000, the Finnish police completed a strategy for combating drugs for 2000-2003. The strategy places an increased emphasis on addressing street-level drug trafficking, and is being implemented with success.

Law Enforcement Efforts. Police report a significant increase in arrests and seizures of drugs in 2001. Beginning in the mid-1980s, law enforcement authorities focused limited police resources on major narcotics cases and on significant traffickers, somewhat to the detriment of street-level patrols, investigations, and prosecutions. Police suggest the result of this focus was to reduce drug users’ fear of arrest and to make “recreational” drug use more widespread. According to the police, the steady rise in drug use during the past decade led to a situation in which the number of drug offenders greatly exceeds the resources deployed to combat illegal drugs. The police report that, following the release in late 1998 of the government’s policy statement on drugs, greater resources have been devoted to combating drugs at the street level. This includes action by uniformed police officers, as well as by plainclothes police officers.

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

Agreements and Treaties. Finland is party to the 1988 UN Drug Convention and its legislation is consistent with all the Convention’s goals. Finnish judicial authorities are empowered to seize the assets, real and financial, of criminals. Finland is also a party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. Finland has extradition treaties with many countries, and ratified the EU’s extradition treaty in 1999. Finland is a signatory to the UN Convention against Transnational Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants. A 1976 bilateral extradition treaty is in force between the United States and Finland, though Finland will only extradite non-Finnish citizens to the United States. The United States has also concluded a customs mutual assistance agreement with Finland. Finland is a member of the major donors’ group within the Dublin Group. The vast majority of its financial and other assistance to drug producing and transit countries has been via the UNDCP. Finland has had bilateral narcotics agreements with Estonia since shortly after that country regained independence. Multilateral treaties, including membership in the UNDCP, constitute the basis of Finnish cooperation with the United States on counternarcotics initiatives.

Finland makes an impressive international effort to combat drug trafficking and other organized crime. The Finnish police maintain liaison officers in eight European cities (four in Russia, four elsewhere). In addition, Finland and the four other Nordic countries pool their resources and share information gathered by Nordic liaison officers stationed in 34 posts around the world. Finland participates multilaterally in regional efforts primarily through the EU and the Council of Baltic Sea States’ Organized Crime Task Force. In November, Finland hosted a meeting of senior police, customs, and border guard officials from the Baltic states to increase cooperation on drug smuggling and illegal immigration.

Cultivation/Production. During 2001, there were no seizures of indigenously cultivated opiates, no recorded diversions of precursor chemicals, and no detection of illicit amphetamines, cocaine, or LSD laboratories in Finland. Finland’s climate and short growing season make natural cultivation of cannabis and opiates almost impossible. Local cannabis cultivation involves small numbers of plants in individual

homes using artificial lighting. The distribution of the 22 key precursor chemicals used for cocaine, amphetamine, and heroin production is tightly controlled.

Drug Flow/Transit. Hashish is the drug most often seized by the Finnish police. Trafficking in highly purified methamphetamine from Estonia and Poland, ecstasy from Estonia, and amphetamines from Lithuania is a continuing concern for Finland. According to the police, these drugs are generally manufactured in the Baltic region and elsewhere in Europe. Finnish authorities affirm that their land border with Russia is well guarded—on both sides—to ensure that the border will not become a significant narcotics transit route. They express continuing concern, however, about the recent presence (since 1998) of high-quality, powerful heroin (“white heroin”) from the St. Petersburg area. In December 2001, the Finnish press reported that the police are concerned that highly concentrated “crocodile” heroin may come to Finland via Russia. Heroin at the potency level of this heroin kills inexperienced users unaware of or unused to it.

Domestic Programs (Demand Reduction). The Finnish government takes the approach that demand reduction is best achieved by implementing an effective Nordic welfare policy, which calls for early and effective intervention before drug use becomes a problem. Though the Nordic welfare model tends toward centralization, the federal government gives substantial autonomy to local governments to address demand reduction using federal money. Finnish schools are required to educate children about the dangers of drugs. Though drug treatment is made available as much as possible, the government acknowledges that it is not always available in certain parts of the country. Mandatory treatment for drug offenders is not commonly practiced. Replacement and maintenance treatment for heroin addicts using buprenorphine is relatively new in Finland.

IV. U.S. Policy Initiatives

U.S. Policy Initiatives. The United States has pursued cooperation with Finland in a regional context, coordinating assistance with Finland and the other Nordics with assistance to the Baltic States. In January 2000, the DEA conducted a two-week regional drug enforcement seminar in Helsinki. The seminar brought together participants from Finland, Estonia, Latvia, and Lithuania.

Bilateral Cooperation. Cooperation between U.S. law enforcement agencies and their Finnish counterparts remains excellent.

The Road Ahead. The United States anticipates continued excellent cooperation with the Government of Finland in all areas of countering crime and narcotics trafficking.

France

I. Summary

France remains a transshipment point for drugs moving in Europe. With its shared borders with trafficking conduits such as Spain, Italy, and Belgium and its proximity to Northern Africa, France is a natural distribution point for drugs destined for North America from Europe and the Middle East. France's geographical location also makes it an easy destination for drugs aimed at its own market and nearby countries. Specifically, MDMA ("ecstasy") originating in the Netherlands and Belgium, heroin originating in Southwest Asia, cocaine originating in South America, and cannabis originating in Morocco all pass through France. There is no evidence that the illicit drugs that enter the United States from France are in an amount sufficient to have a significant effect on the United States.

A major concern of French officials is the continuing rise in the number of users of ecstasy and the large quantities of ecstasy that are entering France. The use of crack cocaine is almost negligible. The use of cannabis (primarily hashish) continues to rise, particularly among young people, making it the most widely used drug in France. Like other European countries, France is increasingly facing the problem of multiple drug addiction. France is a party to the 1988 UN Drug Convention.

II. Status of Country

French government narcotics data for 2000, released in the spring of 2001, show that the number of seizures, users, and traffickers in ecstasy significantly increased compared to any other drug. Arrests for the traffic and resale of ecstasy increased by more than 114 percent. The 2000 data show that arrests for crack trafficking and resale remained roughly the same. In 2000, the amount of heroin seized increased by more than 118 percent and there was a small percentage decrease in the number of arrests for heroin use or resale. Cannabis and ecstasy continue to be the most widely abused drugs in France. The number of arrests for cannabis trafficking or resale increased by 12.45 percent.

III. Country Actions Against Drugs in 2001

Policy Initiatives. France's drug control agency, "La Mission Interministerielle de Lutte Contre la Drogue et la Toxicomanie (MILDT) (The Interministerial Mission for the Struggle Against Drugs and Drug Addiction), is the focal point for French national drug control policy. MILDT coordinates among the many ministries that have a role in establishing, implementing, and enforcing France's domestic drug control strategy. In June 1999 the Government of France (GOF) adopted a three-year plan of action (1999-2001) to integrate efforts against the abuse of tobacco, alcohol, and prescription drugs into France's counternarcotics programs. The plan emphasizes prevention, including health, welfare, and education programs, while reaffirming the role of law enforcement activities. The French continue to participate in regional cooperation programs initiated and sponsored by the EU.

Accomplishments. French law enforcement officials continue to interdict and seize large quantities of narcotics destined for or transiting France.

Law Enforcement Efforts. French counternarcotics authorities are efficient and effective. In 2001, French authorities made notable seizures of narcotics. With a seizure of 2,297 kilograms of cannabis resin in September, customs officers in the eastern Pyrenees region report seizing more than 12 tons of cannabis resin in the area during the year. In August, customs officers seized over one ton of cannabis west of Paris in a truck originating in Spain. Paris airport customs officers made large seizures during the year: in August, over six kilograms of cocaine were seized from the suitcase of a Spanish national; in July, officers arrested a Guyanan national with 11,464 ecstasy tablets and 1.2 kilograms of cocaine; and in April,

officers seized more than 23 kilograms of cocaine in a three-day period, including nearly 8 kilograms of cocaine from the luggage of an Israeli national. In July, the Rouen (northwestern France) drug squad seized 110 kilograms of cannabis resin and 2.5 kilograms of heroin with a street value of over U.S. \$200,000. In southwestern France, 100,000 ecstasy tablets were seized during a routine road check in July. The tablets, hidden in the seat backs, had been sprinkled with pepper to prevent their detection by sniffer dogs. In the same region, 205,000 tablets were seized in late June. In May, customs officers seized 11 kilograms of heroin and more than 10,000 ecstasy tablets along the French-Spanish border. The drug squad of the Paris Criminal Investigation Department arrested seven alleged drug dealers and seized 42 kilograms of pure heroin at the beginning of May in the Paris suburbs. Investigators believed the drugs had come from Turkey.

Two separate drug trafficking rings in Toulon in southeastern France were dismantled at the end of March. A total of 15 people in the first ring were arrested (along with the seizure of 14 kilograms of hashish and 15 kilograms of cocaine) and ten people were arrested in the second ring. The leader of the second ring operated it from a prison in Marseilles. At the end of the same month, gendarmes arrested 22 people in a major sweep in southern France. The ring had imported tons of cannabis resin from Morocco via Spain for four years. In a two-week period at the end of March, customs officials seized over seven kilograms of cocaine at the Frejus tunnel linking France and Italy. In northern France, customs officials reported that in the first quarter of 2001 they had intercepted more ecstasy than in the year 2000, having seized over 62,000 tablets in a two-week period. The drug squad of the Marseilles authorities seized 8.5 kilograms of heroin and 1.5 kilograms of cocaine at the end of a four-month investigation that led to the arrest of 15 people. This was the largest seizure in the region in many years. The third largest seizure of heroin ever by French customs officials was made in February when 67.28 kilograms of heroin was found in a camper registered in Italy. Around 30 individuals were detained in February as part of a nationwide police sweep. The arrests led to the seizure of 11 kilograms of cocaine, cash, handguns, and false documents. The police believe the ring brought at least 700 kilograms of cocaine into France each year via the West Indies and Spain. Thirteen other suspected drug traffickers were arrested in eastern France at the same time.

In August, French and Dutch police broke up an extensive cocaine trafficking ring that was bringing the drug to Paris. The two suspected suppliers were arrested in Amsterdam, while members of the ring, including a courier, were arrested in the Paris region. The ring supplied three different African drug networks in Paris. In February, the police broke up a drug trafficking network and seized 620 kilograms of cannabis resin brought into France from Morocco aboard a bus. The investigators worked with their Spanish and Moroccan counterparts and arrested four suspects.

In 2000, heroin seizures (443 kilograms) increased by more than 118 percent over 1999, while cannabis seizures (53,579 kilograms) decreased by 20 percent, cocaine seizures (1,310 kilograms) decreased by 64 percent, LSD seizures (20,691 doses) increased by 107 percent, and ecstasy seizures (2,283,620 doses) increased by 22.75 percent.

Corruption. Narcotics-related corruption among French public officials is not a problem. The United States is not aware of any involvement by senior officials in the production or distribution of drugs or in the laundering of drug proceeds.

Agreements and Treaties. France is a party to the 1988 UN Drug Convention. It is a party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. The USG and the GOF have narcotics-related agreements, including a 1971 agreement on coordinating action against illegal trafficking. In 1996, the United States and France signed a new extradition treaty to replace the 1911 treaty and 1970 supplementary treaty currently still in effect. The treaty will enter into force on February 1, 2002. A mutual legal assistance treaty (MLAT) entered into force in 2001.

The United States has a customs mutual assistance agreement (CMAA) with France. French officials participate in international multilateral drug control efforts, including the UNDCP and the Dublin Group

of countries to coordinate drug assistance. In 2000, France was the 11th-largest donor to the UNDCP, giving 9.5 million francs (approximately U.S. \$1.36 million) with particular emphasis on judicial assistance, border controls in Southwest Asia, and money laundering. In December 2000, France signed the UN Convention Against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol Against the Smuggling of Migrants.

Cultivation/Production. French authorities believe the cultivation and production of illicit drugs is not a problem in France. France cultivates opium poppies under strict legal controls for medical use and produces amphetamines. It reports its production of both products to the International Narcotics Control Board (INCB) and cooperates with the DEA to monitor and control those products.

Drug Flow/Transit. France is an important transshipment point for illicit drugs to other European countries. 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, with a back-haul of cocaine from South America to France through the United States and West Africa. Law enforcement officials believe these West African traffickers are stockpiling heroin and cocaine in Africa before shipping it to final destinations. France is also a transit point for Moroccan cannabis (hashish) destined for European markets, and for South American cocaine destined for the United States and Europe. There is no evidence that heroin or cocaine entering the United States from France is in an amount sufficient to have a significant effect on the United States.

Most of the South American cocaine entering France comes through Spain and Portugal. Most of the ecstasy in France or transiting France is produced in the Netherlands and Belgium. Ecstasy has been entering France in larger quantities during the last two years, raising concern among French enforcement officials of a new drug “fad” among French young people. The French have pressed both the Netherlands and Belgium to take appropriate action to cut back on ecstasy shipments originating there.

Demand Reduction (Domestic Programs). MILDT is responsible for coordinating France’s demand reduction programs. Drug education efforts target government officials, counselors, teachers, and medical personnel. The GOF is continuing its experimental methadone treatment program. Although there continues to be public debate concerning decriminalizing of cannabis, the GOF is opposed to any change in the 1970 drug law that criminalizes all use of illicit substances, including cannabis.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. and GOF counternarcotics law enforcement cooperation remains excellent, with a confirmed practice of information sharing. French surface assets participated in the international counternarcotics operation CARIBE VENTURE, which is held annually with the United States and Caribbean nations. In particular this year, following the pullback of most U.S. counternarcotics forces to perform homeland security duties following September 11, French naval assets stepped up their patrol activities in the eastern Caribbean Transit Zone.

The Road Ahead. The United States will continue its cooperation with France on all counternarcotics fronts, including multilateral efforts such as the Dublin Group and UNDCP.

Georgia

I. Summary

Georgia remains a secondary transit route for narcotics flowing from Central Asia to Europe. The potential for Georgia to become an important narcotics transit route in the future is heightened by the lack of control the government exercises over some of its borders and territory. Issues of corruption, low pay, and poor training continue to plague both general law enforcement and drug enforcement agencies. In response to Government of Georgia (GOG) requests, the United States Government (USG) is providing training and equipment for the border guards and customs officials. Georgia is a party to the 1988 UN Drug Convention and is also receiving assistance from the UN Drug Control Program (UNDCP).

II. Status of Country

Georgia is a secondary transit route for heroin smuggled from Afghanistan to Europe. Morphine base, also from Afghanistan, being transported to Turkey, also transits Georgia. Additional trafficking to Georgia from Russia through South Ossetia and from Azerbaijan, for repackaging in the Pankisi area, is believed to feed the domestic Georgian drug market. Involvement in drug trafficking by Georgian nationals remains limited, but cigarette, fuel and alcohol smuggling are major illegal activities in Georgia. Interdiction efforts are hampered by Georgia's lack of control of all its territory and its borders, some of which are under separatist control. Border guards and customs officials are poorly paid and, despite recent personnel changes, the latter service remains liable to corruption.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Counternarcotics efforts are coordinated under an inter-agency group chaired by the Ministry of Interior (MOI) with the Ministry of State Security (MSS) as deputy chair. The interagency group did not undertake any significant counternarcotics policy initiatives in 2001.

Law Enforcement Efforts. Drug seizures and arrests rose by a modest amount from 2000 to 2001. Despite a growing awareness of the dangers of increased narcotics transiting Georgia, all of the relevant law enforcement agencies in Georgia suffer from a lack of financial resources. Their personnel are under-equipped and poorly trained. Command lines are vague both between and within these organizations. 1783 criminal drug trafficking cases were opened in 2001. This figure is 7 percent more than drug cases opened in the previous year. Fines imposed on drug abusers grew by 18 percent, suggesting that the number of illicit drug abusers in Georgia might be higher and growing faster than the government has acknowledged.

Corruption. Corruption is a significant problem within Georgia's law enforcement agencies. Georgia's anticorruption efforts continue to be hampered by the widespread tolerance of corruption within Georgian society. During 2001 the GoG formed a commission to reform its law enforcement agencies; however, no significant changes occurred during that year. Customs officials lack proper training and are easily corrupted.

Agreements and Treaties. The GOG has no counternarcotics agreements with the United States. Georgia has been a party to the 1988 UN Drug Convention since January 1998. Apart from a cooperation agreement between Georgia and Turkish Interior Ministries, there are no formal mechanisms to exchange counternarcotics information with foreign countries.

Cultivation and Production. Estimates by the GOG on the extent of narcotics cultivation in Georgia are unreliable and do not include those areas of the country outside the central government's control.

Low-grade marijuana, grown mainly in the foothills of the Caucasus Mountains, largely for domestic use, is cultivated in Georgia. There is no other known narcotics crop or synthetic drug production in Georgia. Although Georgia has the technical potential to produce precursor chemicals, it has no known capacity for presently producing significant quantities of them.

Drug Flow/Transit. The government has no reliable statistics on the volume of drugs transiting Georgia. However, the Ministry of Internal Affairs (MOIA) has reported that 95 percent of illegal drugs which enter Georgia are for non-Georgian consumption. Prices for drugs in Georgia are estimated at \$500-\$600 for 1 gram of heroine, and \$50-\$80 for 1 gram of opium.

Demand Reduction. According to Ministry of Internal Affairs estimates, there are about 39,500 drug addicts in Georgia. The drugs of choice are heroin and opium. The national treatment/drug abuse education program prepared by the MOIA's counternarcotics unit is comprehensive; however, program implementation has been limited by a lack of resources. Besides law enforcement activities, the government's strategy involves the treatment of addicts and the education of young people as keys to the long-term reduction of domestic drug use.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG granted approximately \$20 million in fiscal year 2001 to the Georgian law Enforcement Assistance and Border Security program. This program has assisted the GOG in developing the capabilities of its border guards and customs service.

The Road Ahead. Corruption in Georgian law enforcement agencies makes it unlikely that counternarcotics efforts will become effective in the near future. The best way to assist Georgia's law enforcement efforts is to focus financial and technical assistance from the U.S. and the international community on a few high-priority, achievable objectives. Any assistance to Georgian law enforcement, including counternarcotics, must include provisions for anticorruption reform, and must be closely monitored for progress.

Germany

I. Summary

Germany continues to be a consumer and transit country for narcotics, but it is not a major producing country. Cocaine, heroin, and MDMA (“ecstasy”) are the most widely consumed illicit narcotics, with the percentage of first-time ecstasy users rising 40 percent in the first half of 2001 in comparison to the same period in 2000. In contrast, cocaine consumption declined by 14 percent. Narcotics-related deaths declined by five percent. In contrast to previous years, the number of West African cocaine and heroin dealers active in Germany increased. German law enforcement officials had their largest success against synthetic drug manufacturers—2001 saw the destruction of the largest synthetic drug laboratory in Germany ever found. The United States and Germany share a high level of cooperation on interdiction, prevention programs, money laundering, precursor chemical diversion, and Dublin Group narcotics assistance matters. Drug abuse and associated problems continue to be treated as social and health, rather than criminal issues. Germany is party to the 1988 UN Drug Convention.

II. Status of Country

Germany, with its major airports in Frankfurt and Duesseldorf and its seaports such as Hamburg, Bremen, and Rostock, is an ideal transit point for drug couriers from around the world. As in past years, much of the heroin for European markets passes through Germany, with a large portion of the heroin destined for the Netherlands. The main sources of cocaine transiting Germany are the Netherlands, Colombia, and Peru. In 2001, German law enforcement authorities seized cocaine destined for Spain, Italy, and the Netherlands. Turkish nationals continue to be the largest nationality involved in the illicit narcotics trade, although nationals of Yugoslavia, Sierra Leone, and Italy dominate heroin and cocaine trafficking. Germany remains a leading manufacturer of pharmaceuticals, making it a target for the diversion of precursor chemicals used in the production of illicit narcotics.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Germany’s main focus to drug use and problems associated with it shifted in 1998 from law enforcement to social and health concerns. Focus continues to be on prevention and raising awareness of drug addiction as a disease. Federally controlled rooms for consuming drugs continue to be a cornerstone of the Ministry of Health’s approach to dealing with drug abuse. On August 22, 2001, the Federal government, four state governments, and the cities of Bonn, Frankfurt, Hanover, Karlsruhe, Cologne, and Munich approved a model program designed to administer free heroin to addicts who have failed to respond to previous treatment efforts. The model program is set to start in February 2002.

Accomplishments/Law Enforcement Efforts. German law enforcement officials had numerous successes in seizing illicit narcotics, either destined for the German market or transiting Germany for other markets. In April 2001 police officials seized 161 kilograms heroin, a large portion of total heroin seizures in 2001. The states of Hesse and Baden Wuerttemberg saw the introduction of “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.

Over half of cocaine seizures occurred during transit. Spain, Italy, and the Netherlands were the primary destination countries for cocaine. During the first nine months of 2001, German law enforcement authorities discovered two drug laboratories. One of these laboratories was the largest ever discovered in Germany. In addition to professional laboratory equipment and a tablet-making machine, police discovered 75,000 ecstasy pills as well as psychotropic substances, which would have allowed the

manufacture of an additional 1.35 million pills. The second laboratory was used for the manufacture of methamphetamine. In March, police seized more than 200,000 ecstasy pills with a street value of about U.S. \$2 million, as well as U.S. \$30,000 in cash in conjunction with arrests of three individuals in Frankfurt/Oder. In May, the Federal Office of Criminal Investigations (BKA) announced that after two years of investigations, the public prosecutor had brought charges against three suspected drug dealers believed to have been involved in the smuggling of over two metric tons of cocaine. It is believed that the three belonged to a 15-member gang that transported at least ten drug loads in specially manufactured pieces of furniture from Ecuador and Colombia to Germany in 1998 and 1999. The Federal Border Police and customs officials seized drugs with an approximate black market value of U.S. \$750,000 at Duesseldorf Airport in August. The individuals arrested had attempted to smuggle almost 63,000 ecstasy pills to the United States.

Customs authorities seized a record 514 kilograms of cocaine in Hamburg in October. The cocaine had a street value of approximately U.S. \$23 million and was seized on a container vessel from Venezuela. Also in October, Berlin authorities busted a major drug ring after a large-scale raid. In this case, it is estimated that approximately U.S. \$15 million was transferred to the Netherlands between 1996 and 1999 to pay for an estimated five tons of cannabis products. In a cooperative effort, both German and Dutch officials conducted searches of 65 locations. According to police press releases, investigations started after a complaint in connection with the money laundering law, which requires the reporting of suspicious activity. In November after months of investigations, police seized 50 kilograms of heroin and arrested two suspects from an international smuggling ring. In December investigators seized 650,000 ecstasy pills with a black market value of U.S. \$3 million.

Corruption. Neither the government nor senior officials encourage or facilitate the production or distribution of illicit drugs or the laundering of the proceeds of illegal drug transactions. Corruption is not a factor in drug trafficking in Germany.

Agreements and Treaties. Germany is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. Germany signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants in December 2000. A 1978 extradition treaty and supplement is in force between the United States and Germany. Negotiations for a mutual legal assistance treaty (MLAT) between the United States and Germany continue. There is a customs mutual legal assistance agreement in force between the United States and Germany. In addition, a bilateral agreement between the United States and Germany concerning the exchange of information relating to illicit drug trafficking entered into force in 1956, and a bilateral agreement between the United States and Germany relating to cooperation in the control of drug and narcotics abuses entered into force in 1978.

Cultivation/Production. Germany is not considered a major producer of illicit drugs. Police may occasionally discover marijuana plants cultivated for personal use, but there is no reported large-scale cultivation of any type of drug in Germany. The seizures of two laboratories for producing drugs in 2001 indicated that some synthetic production occurs in Germany.

Drug Flow/Transit. Germany's location in Europe makes it an ideal transit country for illicit narcotics. Turkey remains a major transit country for opium/heroin cultivated in Afghanistan and destined for European markets. The largest cocaine seizure in 2001 involved 74.8 kilograms of cocaine from Colombia via Panama and destined for the Czech Republic. In comparison to the first half of 2000, the same period in 2001 saw an increase in the numbers of ecstasy seizures and the amounts of ecstasy seized. Of the ecstasy seizures in the first half 2001, the BKA noted that the number of seizures destined for the United States had decreased. However, the BKA attributed this to changes in smuggling methods as opposed to a decrease in supply or demand.

Domestic Programs (Demand Reduction). The Federal Ministry of Health continues to be the lead agency in developing, coordinating, and implementing Germany's domestic drug abuse policy. Since the

1998 shift in responsibility for drug policy from the Ministry of Interior to the Ministry of Health, Germany's drug policy has treated drug use and its attendant problems primarily as social and health issues rather than criminal issues. Germany's domestic programs and demand reduction efforts focus on providing assistance in the form of counseling and therapy to addicts. The cornerstones of the treatment program are the consumption rooms where addicts can inject themselves, methadone treatment programs, and the heroin model program. The heroin model program is an attempt to reach out to Germany's 120,000 to 150,000 heroin addicts. Current programs such as methadone substitution reach only half of Germany's heroin addicts. The targets of the heroin model program are addicts for whom the program is a last resort and for whom controlled treatment with heroin is considered to be the only solution. The DEA works closely with local law enforcement officials in outreach/education programs, such as presentations at schools, in conducting demand reduction programs.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. German law enforcement agencies work closely and effectively with their U.S. counterparts in narcotics-related cases. German agencies routinely cooperate with their U.S. counterparts in joint investigations. German-U.S. cooperation has also yielded an excellent program (Operations Purple and Topaz) designed to attack diversion of the chemical precursor (potassium permanganate) for cocaine production. A DEA liaison officer is assigned to the BKA headquarters in Wiesbaden to facilitate cooperation and joint investigations.

The Road Ahead. The United States will continue its cooperation with Germany on all bilateral and international counternarcotics fronts, including the Dublin Group and the UNDCP. Completion of an MLAT will remain a priority for both the United States and Germany.

Greece

I. Summary

Greece is a “gateway” country in the transit of illicit drugs. Although Greece is not a major transit country for drugs traveling to the United States, it does serve as a major transit point for drugs flowing into Western Europe. Greek authorities report that drug abuse and addiction continue to climb in Greece as the age for first-time use drops. Greece also has the second highest annual rate of deaths from drug overdoses in Europe.

Drug trafficking remains a significant issue for Greece in its battle against organized crime. Investigations initiated by the DEA and its Hellenic counterparts suggest that a dramatic rise has occurred in the number and size of drug trafficking organizations operating in Greece. U.S. authorities report an excellent working relationship with Greek law enforcement agencies. The Government of Greece (GOG) is an active member of international anti-money laundering organizations such as the Financial Action Task Force (FATF) and counternarcotics groups such as the Dublin Group of Countries Coordinating Counternarcotics Assistance. Greece is a party to the 1988 UN Drug Convention.

II. Status of Country

With its extensive coastline border, numerous islands, and borders with other countries through which drugs are transported, Greece’s geography plays an important role in establishing Greece as a favored drug transshipment route to Western Europe. Greece is the only country in the Balkan region to have membership in the EU. Greece is also home to the world’s largest merchant marine fleet.

Greece is not a significant source country for illicit drug production, though shipment of anabolic steroids to the United States does occur on a small scale. (Use of anabolic steroids is legal in Greece. However, it is illegal to ship them to countries where they are a controlled substance.)

III. Country Actions Against Drugs in 2001

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

Accomplishments. The Greek Parliament has proposed legislation that will ensure that a convicted drug offender serves the entire sentence imposed by a court in a criminal trial. If enacted, this new legislation will improve dramatically the Greek justice system, which previously allowed drug offenders to be released after serving little more than half their sentences.

Law Enforcement Efforts. The Central Narcotics Council, composed of representatives from the Ministries of Public Order, Finance, and Merchant Marine, coordinates Greece’s drug enforcement activities. Cooperation between U.S. and Greek law enforcement officials is exceptionally close and professional; the GOG pursues U.S. requests for legal assistance aggressively.

Several notable drug seizures and arrests have occurred or been reported publicly since the 2000 report was published. In August 2000, Greek authorities arrested six drug traffickers in connection with “Operation Link”—a continuing international maritime drug smuggling investigation to capture Colombian drug bands—and seized over four tons of cocaine.

In December 2000, Greece and Turkey successfully worked together with the assistance of the DEA to seize 513 kilograms of heroin, the biggest seizure in European history.

In October 2001, Greek authorities seized 201 kilograms of cocaine, arrested five Greek nationals, and effectively dismantled a Greece-based maritime drug smuggling organization that recently attempted to smuggle large amounts of cocaine from South America to Europe.

In November 2001, Greek authorities dismantled a large operation trafficking MDMA (“ecstasy”), arrested three well-known traffickers, and seized over 9,000 ecstasy tablets.

The counternarcotics unit of the Greek police does not have its own budget. As a result, police equipment is often outdated and training is infrequent, but this situation has improved since 2000.

Corruption. Officers and representatives of Greece’s law enforcement agencies are generally under-trained, underpaid, under-appreciated, and overworked. Although this atmosphere has the potential to breed corruption, the level of corruption in the law enforcement agencies is relatively low with regard to narcotics and narcotics-related money laundering. As a matter of government policy, Greece does not encourage or facilitate illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances. Greece also does not encourage or facilitate the laundering of proceeds from illegal drug transactions. No known senior official of the GOG engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Greece is a party to the 1988 UN Drug Convention and meets the Convention’s goals and objectives relating to drug cultivation, distribution, sale, transport, law enforcement, transit cooperation, and demand reduction. Greece has passed implementing legislation for controlling essential and precursor chemicals. Greece is also a party to the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention on Narcotic Drugs. An agreement between the GOG and the United States to exchange information on narcotics trafficking has been in force since 1928, and an extradition treaty has been in force since 1932. The United States and Greece ratified a mutual legal assistance treaty (MLAT) in 2000, which entered into force in November 2001 after the exchange of instruments of ratification. A Police Cooperation Memorandum, signed in September 2000, enhances operational police cooperation between the United States and Greece. The United States and Greece also have concluded a customs mutual assistance agreement (CMAA). Greece has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

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

Drug Flow/Transit. Greece is a major transshipment route to Western Europe for heroin from Turkey, hashish from the Middle East, and heroin and marijuana from Southwest Asia. Metric ton quantities of marijuana and smaller quantities of other drugs are smuggled across the borders from Albania, Bulgaria, and the Former Yugoslav Republic of Macedonia (FYROM). Marijuana has been smuggled into Greece on pack mules across the mountainous border with Albania. Hashish is off-loaded in remote areas of the country and transported to Western Europe by boat or overland. Larger shipments are smuggled into Greece in shipping containers, on bonded “TIR” trucks, in automobiles, on trains, and in buses. Such trucks typically enter Greece via Turkish border crossings, then cross the Adriatic by ferry to Italy. A small portion of these drugs is smuggled into the United States, including Turkish-refined heroin that is traded for Latin American cocaine, but there is no evidence that narcotics entering the United States from Greece are in an amount sufficient to have a significant effect on the United States. Nigerian drug organizations smuggle heroin and cocaine through the Athens airport, and increasingly through the Aegean islands from Turkey. The police have raided several organizations selling anabolic steroids (not a controlled substance in Greece) by mail to purchasers in the United States. Cocaine also transits through Greece to other parts of Europe.

Domestic Programs (Demand Reduction). Drug addiction continues to climb in Greece. The most commonly used substances are chemical solvents and marijuana. There is a surge in the use of ecstasy that reflects the growing European synthetic drug market. The GOG estimates that there are 20,000 addicts in Greece, with the addict population growing. OKANA is the state agency that coordinates all national counternarcotics policy in Greece. It heads demand reduction efforts, develops and administers information and prevention programs, runs treatment centers for substance abusers, and coordinates with other agencies involved in narcotics treatment and prevention. The organization is under-funded and understaffed, and the few existing clinics are insufficient to treat all of Greece's addict population. OKANA is currently treating 650 addicts in four methadone treatment centers, while 1,800 addicts remain on the wait list for admission.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The DEA has a close working relationship with representatives of the Greek Coast Guard, the Hellenic National Police, the Customs Office, the Financial Crimes Enforcement Unit (SDOE) of the Ministry of Finance, and INTERPOL. The economic section of the U.S. Embassy in Athens maintains regular contact with SDOE. The Embassy's office for public diplomacy regularly distributes literature on drug prevention and periodically arranges background briefings with DEA officers for local journalists and general informational seminars. DEA officials are frequent speakers at local schools. The Ambassador also sponsors counternarcotics outreach programs in the community and area schools, which encourage children and young adults not to use drugs. Another program provides grants to KETHEA (a self-regulating legal entity under the supervision of the Ministry of Health, providing treatment, vocational training, and social rehabilitation to drug addicts) to bring U.S. rehabilitation experts for two weeks at a time to train Greek therapists.

The Road Ahead. The United States will encourage the GOG to continue to participate actively in international organizations such as the Dublin Group and OSCE. The DEA will continue to seek funding to offer training to Greek officials. The DEA will also continue to organize additional conferences, seminars, and workshops with the goal of building regional cooperation and coordination.

Hungary

I. Summary

Hungary is an important transit country for illegal narcotics smuggled from Southwest Asia to Western Europe. The country has changed in the past ten years from being just a transit country for drug traffickers into being a target country for final drug sales as well. According to the Hungarian National Police there are an estimated 200,000 drug users in Hungary, or two percent of the total population. After a dramatic increase in the 1990s, drug use is still increasing, but at a much slower pace. Domestic consumption of illegal narcotics, particularly heroin, marijuana and MDMA (ecstasy), continues to be a problem. According to a nationwide drug survey completed in November 2001, 40 percent of 18 to 35 year-olds living in Budapest had used drugs at some point during their lifetime. The Government of Hungary (GOH) passed strict counternarcotics legislation in late 1998 that went into effect in early 1999, introducing stiff penalties for using and/or selling narcotics. In December 2000 the GOH adopted a national drug strategy which has seen the implementation of large-scale community awareness and school-based drug prevention programs.

Drug traffickers may be punished with life imprisonment. Civil rights activists have been critical of the government, arguing that the new laws unfairly punish users. Hungary is a party to the 1988 UN Drug Convention.

II. Status of Country

Hungary continued to be used as a major transit country for illegal narcotics smuggled from Southwest Asia and the Balkans to Western Europe. Hungary is not a major transit country for illicit narcotics that enter the United States. Traditional routes in the Balkans, which had been disrupted due to instability in the region, were once again used to smuggle narcotics in 2001. Through the first 11 months of 2001, overall drug seizures were down from last year's dramatic increase. There was, however, a sizable increase in marijuana seizures. A moderate decrease was observed in cocaine, MDMA (ecstasy), and LSD seizures. The total amount of narcotics seized through the end of November 2001 also decreased substantially from 2000 figures.

The Hungarian government believes that foreign groups, particularly crime groups from Albania, Turkey, and Nigeria, control transit and sale of narcotics in Hungary. Many of the criminals in these groups have lived in Hungary for many years. Ferihegy International Airport in Budapest is becoming an increasingly important stop for the transit of cocaine smuggled from South America to Europe. Synthetic drugs are transported into Hungary, usually by car, from the Netherlands and other Western European countries.

Hungarian officials continue to report the increasing seriousness of their domestic drug problem, particularly among teens and those in their twenties who have benefited from the country's strong economic performance. In response to this growing problem, the GOH adopted a national drug strategy on December 5, 2000. The strategy expanded prevention programs—modeled after a 1995 USG-financed pilot project to train teachers to identify and counsel students using drugs—and broaden law enforcement efforts begun in 1998 to attack the drug supply network.

Another key element of the national drug strategy was the creation of the National Drug Information Center (NDIC). In an effort to provide drug prevention/treatment support to regions outside of Budapest, the NDIC created a program offering support to regional forums. Through the NDIC, the GOH provides financial and technical support in the war against drugs to regions with populations of over 20,000. The main goal of the regional forums is for local government institutions, law enforcement agencies, schools, and NGOs to create drug strategies formulated for their specific regions. As of

December 2001, out of 64 regions with populations of over 20,000, 56 had established counternarcotics forums and 25 had developed local counternarcotics strategies.

In 2001, Hungary joined with its Balkan neighbors and West European partners in the South East Europe Cooperative Initiative (SECI) Organized Crime Center. The member nations and observer countries are pooling their limited resources to effectively and successfully confront regional drug trafficking and other criminal threats to the area. As an observer nation, the United States provides technical expertise and financial assistance to SECI's efforts.

III. Country Actions Against Drugs in 2001

The debate over last year's anticrime legislation continues. Anticrime legislation enacted on March 1, 1999, was the first initiative of the government elected in May 1998. The legislation stiffened Hungary's criminal code, extended life imprisonment for drug trafficking, allowed confiscation of property, created new criminal provisions for production of chemical precursors, and increased penalties for drug-related crimes. All drug consumers, including casual users, are subject to criminal penalties, although addicts may be exempted from prosecution. Civil rights leaders claim that the provisions, among the toughest in Europe, will unfairly punish casual users, while exempting addicts, but initial experience with the law shows no such effect. The Coordination Committee on Drug Affairs was established in 1998 to act as a forum to resolve political conflicts associated with the implementation of the national strategy. The committee coordinates the activities in the field of drug affairs and controls the implementation of the national drug strategy. The committee is chaired by the Minister of Youth and Sport and co-chaired by the Minister of Health. The committee holds sessions four times a year.

Law Enforcement Efforts. Hungarian and Austrian border authorities continue joint cross-border counternarcotics investigation efforts begun in 1998. GOH officials continue to participate in international law enforcement training efforts, particularly through the Budapest-based International Law Enforcement Academy (ILEA) and the USG's bilateral program. Eastern Hungary has seen initial steps toward joint border control efforts with Romanian and Ukrainian counterparts, while updated detection equipment provided by the EU at high-incident border posts will continue to help bring down incident rates in these areas. In January 2001, an Anti-Mafia Center was created to provide data-sharing and investigative assistance between Hungarian law enforcement bodies and intelligence agencies.

Corruption. In 1999, the GOH conducted an anticorruption campaign targeted primarily at civil servants. When he took office in late 1999, the new commander of the Border Guards unveiled plans for a new personnel system designed to assure that guards shift assignments and do not spend excessive time at a single border control post. These changes brought about improvements, but did not completely eliminate the problem of corruption. The USG, however, knows of no senior official of the government of Hungary who encourages or facilitates the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions. The official policy of the GOH is to pursue and punish illicit drug traffickers and money launderers...

Agreements and Treaties. Hungary is party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. An extradition treaty and a mutual legal assistance treaty are in force between the United States and Hungary. A Memorandum of Understanding on Exchange of Organized Crime Information was signed in January 2000, paving the way for even closer cooperation between U.S. and Hungarian law enforcement agencies. Hungary has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. GOH authorities claim that marijuana (mostly cultivated in Western Hungary), ecstasy, and LSD are locally produced; all other illegal narcotics are imported into Hungary. Seventeen

marijuana plots were eradicated in 1998; four in 1999; one in 2000; and none through the end of November 2001.

Domestic Programs (Demand Reduction). Parliament has allotted 17 billion HUF (roughly U.S. \$56 million) for implementation of the national drug strategy over a three-year period. The strategy places a very high priority on prevention and demand reduction programs, and more than one-third of Hungary's junior high and high schools participated in drug prevention programs in 2001. To achieve the goals of the national drug strategy, the GOH has provided Hungarian society—particularly the target group (junior high and high school students)—with better, more complete information about the dangers of drug use. National drug treatment capabilities have been expanded and information campaigns targeted at adolescents emphasized the advantages of a healthy lifestyle in an effort to provide an attractive alternative to drug abuse.

IV. U.S. Policy Initiatives and Programs

The USG focuses its support for GOH counternarcotics efforts on training and cooperation through the ILEA and a bilateral program with the GOH. The DEA maintains a regional office in Vienna, Austria that is accredited to Hungary and works with local and national authorities.

The Road Ahead. The USG has been supportive of Hungarian legislative efforts to stiffen criminal penalties for drug offenses, and will continue to support the GOH through training at ILEA and through ad hoc initiatives.

Iceland

I. Summary

Few illegal drugs are produced in Iceland. The exceptions are small amounts of marijuana and amphetamines for domestic use. While Iceland is not considered to be a major transit point for drugs moving between North America and mainland Europe, several airline passengers transiting Iceland on their way to the United States were found to be carrying large amounts of illegal drugs in 2000 and 2001. In Iceland's largest seizure ever an Austrian passenger bound for New York was found in September 2001 with 67,485 MDMA ("ecstasy") tablets hidden under a false bottom of his suitcase. Surveys and treatment-center admissions indicate that the abuse of drugs in Iceland has increased significantly in recent years. An October 2001 survey of upper secondary school students (16 to 19-year-olds) shows that while alcohol use is down significantly from 1992, drug use has more than doubled since then. Iceland experienced another record-breaking year in drug seizures, especially of ecstasy tablets. Iceland is a party to the 1988 UN Drug Convention.

II. Status of Country

Illegal drugs and precursor chemicals are not cultivated or produced in significant quantities in Iceland. The harsh climate and lack of arable land makes outdoor cultivation of drug crops almost impossible. Icelandic authorities believe that the production of drugs, to the extent it exists, is limited to individual marijuana plants and a small amount of homemade amphetamines. Some 600 marijuana plants were uncovered at a single facility in November 2001, raising concerns that the amount of illicit production in the country might be more extensive than previously thought. In an incident that shocked Icelanders, who are not accustomed to drug-related violence, a man under suspicion of producing amphetamines shot and killed himself in April 2001 during a police search of his house.

The vast majority of illegal drugs found in Iceland originates from outside the country, mainly Denmark, the Netherlands, and Germany. The chief illicit drugs coming into Iceland are cannabis, amphetamines, cocaine, and ecstasy. Icelandic authorities believe that most illegal drugs are smuggled into the country by airline passengers, through the mail or inside commercial containers. The overwhelming majority of drug seizures occur at ports of entry, primarily at the Reykjavik seaport and the Keflavik International Airport. The only drug that is seized in appreciable quantities within the country is cannabis.

Iceland, along with the other Nordic countries, became a part of the Schengen free-travel area in March 2001. Some expressed concern that the elimination of passport controls on passengers arriving from other Schengen countries would hamper the fight against drug smuggling. However, customs controls remain in place (Iceland does not belong to the EU's Customs Union), so all persons entering the country are subject to the same checks on their persons and belongings as before.

Traditionally, Iceland's geographic isolation in the harsh environment of the North Atlantic has protected it against other types of smuggling. There is growing concern, however, that drug traffickers could be taking advantage of Iceland's sparse population (286,000) and numerous unguarded harbors and airstrips to bring in drugs by small private boats and planes.

An October 2001 survey of upper secondary school students (16 to 19-year-olds) showed that while alcohol abuse has dropped sharply since 1992, illegal drug use is roughly double what it was then. The percentage of those admitting to the use of hashish was up from seven to 12 percent; of cocaine, from two to five percent; of amphetamines, from two to four percent. The reported use of ecstasy was much lower than expected (only three percent), but this may be due to the fact that the survey did not capture the large number of 16 to 19-year-olds who are not in school (compulsory education in Iceland ends at 16). Iceland's main treatment center, Vogur, reported in 2001 that the number of patients 19 years of age

or younger had tripled in the past five years. While the majority of patients used to be between 30 and 40 years of age, the largest single group is now 18 to 21-year-olds. A 2001 study sponsored by the Ministry of Justice reported documented cases of teenage girls prostituting themselves to obtain drugs, which was surprising for this small, wealthy society.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The National Alcohol and Drug Abuse Prevention Council, which includes representatives from each of the seven ministries involved in the fight against drugs (i.e., Prime Minister's Office, Foreign Affairs, Social Affairs, Health, Justice, Finance, and Education), spearheaded a national effort against drug abuse in 2001. Established on January 1, 1999, to "eradicate the use of harmful drugs and to significantly reduce the consumption of alcohol," the Council disbursed more than U.S. \$400,000 during the year to 41 different groups and causes around the country in support of these objectives.

Accomplishments. This was another record year for drug seizures, especially of ecstasy tablets. Some 93,000 ecstasy tablets were seized during the first 11 months of the year. That was more than four times as many tablets seized in 2000, which itself was a record year. More than two-thirds of the ecstasy tablets were seized in one case in September, when an Austrian national bound for New York from Amsterdam was caught at Keflavik International Airport with 67,485 ecstasy tablets under a false bottom of his suitcase. He was one of eight foreign drug couriers caught at the airport during the year, many of whom were transiting Iceland on the way to the United States.

Some analysts believe that couriers are choosing to travel through Iceland to avoid the law enforcement scrutiny paid to direct flights from Amsterdam and Copenhagen. The fact that Iceland is increasingly used as a transit point for the movement of drugs to the United States was highlighted by two recent drug busts of passengers arriving from mainland Europe via Iceland at New York's JFK International Airport. In one case in 2000, two American women arriving from Amsterdam via Iceland were found with 130,000 ecstasy tablets in their possession. All together, an estimated 300,000 ecstasy tablets were seized in the United States in 2000 from passengers who arrived aboard flights that transited Iceland.

The second largest seizure of the year in Iceland involved an Iceland national attempting to smuggle 16,376 ecstasy tablets, 200 grams of cocaine, and 8 kilograms of hashish into the country. Police said that the large quantity was a worrying sign of how large the domestic market for illegal narcotics has become. The suspect was sentenced in December 2001 to an 11-year jail term, the longest drug offense sentence ever handed down in Iceland.

Iceland is taking the growing drug problem seriously and parliament passed a law in 2001, increasing the maximum sentence for drug-trafficking from ten to 12 years.

Law Enforcement Efforts. The record number of seizures in recent years is due in part to greater cooperation between the police and customs authorities. This cooperation was formalized in an agreement between the National Police Commissioner and the Director of Customs in March 1999. The agreement includes provisions for the sharing of information, the establishment of a joint database, the holding of regular consultations, the use of drug dogs, and the exchange of officers.

The increased seizures also reflected new guidelines issued by the National Police Commission in April 1999 to the country's 26 district chiefs of police. Among other things, the chiefs must now send a monthly report to the National Police Commission outlining who in their district is suspected of producing, importing, or distributing illegal drugs and what is being done about it.

To assist the district chiefs of police in pursuing drug cases, the National Police Commission has divided the country into five operational areas and assigned a specially trained narcotics officer to each one. In addition, a special counternarcotics task force has been established to conduct operations in the southwest of Iceland, where most of the illegal drugs are believed to enter the country.

In 2001, six new drug investigator positions were created—five in Reykjavik and one in Hafnarfjordur, a major port town just outside of Reykjavik. All total, 18 new drug officer positions have been established since 1997. Similarly, the number of drug dogs has been increased in the past two years from two to seven. The ability of the police to investigate and stop drug trafficking has been significantly increased since 1999, when procedures were established for the use of “non-traditional” investigative methods, including paid informants, controlled deliveries, and undercover operations.

Corruption. Public corruption in illegal narcotics is considered rare and, to the degree it exists, does not involve higher-ranking officials of the government.

Agreements and Treaties. Iceland is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention on Narcotic Drugs. Iceland is also a party to the 1990 European Convention on Money Laundering, Search, Seizure and Confiscation of Criminal Proceeds. Iceland and the four other Nordic countries (Denmark, Finland, Norway, and Sweden) established a formal system of police and customs cooperation (PTN) in the early 1980’s, which includes the systematic gathering, processing and sharing of data on drug trafficking. Iceland assumed the chairmanship of the PTN in July 2001 for the first time. Iceland has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Just after joining the Schengen free-travel area, Iceland (along with Norway) signed an agreement with Europol in June 2001 to increase cooperation with the EU in combating drug trafficking, among other things. In September 2000, Iceland joined the Council of Europe’s Pompidou Group, which brings together 33 European countries to monitor trends in the use and trafficking of drugs and to develop common strategies against them. In 2002, Iceland plans to participate in the EU’s new “Mecure” project, which will be focused specifically on combating the production and smuggling of ecstasy in Europe.

Domestic Programs (Demand Reduction). The National Alcohol and Drug Abuse Prevention Council’s main project was the five-year “Drug-Free Iceland” program, which was launched in 1997 as a cooperative effort among the national government, the City of Reykjavik, and the Association of European Cities Against Drugs. Among other things, the “Drug-Free Iceland” program informed parents about the reality of teenage drug and alcohol abuse and emphasized the importance of enforcing the legal curfew as a way to prevent such abuse. (The curfew restricts the hours minors under 16 are permitted outdoors on their own.) Although the program will come to an end in February 2002, many of its projects and initiatives will continue. A closing national conference will be held in March 2002 to evaluate the program and suggest next steps. In late April 2002, Iceland will host the annual conference of the Association of European Cities Against Drugs. The conference is expected to draw scores of representatives from the 30 European cities that participate in the association.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. As part of its preparations for participating in the Schengen free-travel area, Iceland sought law enforcement cooperation with the United States. This cooperation has included bringing U.S. experts to Iceland to discuss their counternarcotics experience, as well as sending Icelandic law enforcement officials to the United States to participate in international visitor programs and law enforcement training. Just prior to the implementation of Schengen, a DEA team came to Iceland to teach to more than 50 Icelandic police and customs officers the “Jetway” course on how to identify male fide travelers. There are regular consultations and exchanges of information between the DEA attaché in Copenhagen and Icelandic law enforcement officials.

Under a 1989 bilateral agreement, a Joint Information Coordination Center (JICC) was established in Iceland, which is designed to facilitate information exchange regarding small aircraft flying between the United States and Europe via Iceland. The JICC reports information about transiting planes to the El

Paso Intelligence Center (EPIC), which, in turn, notifies the JICC whether derogatory information exists on that particular aircraft or its passengers. Iceland stopped participating in the program in 1999, but wants to resume participation in early 2002.

The Road Ahead. The United States will continue to foster bilateral cooperation through its speaker, international visitor, and mobile training team programs. The U.S. Embassy in Reykjavik, in cooperation with the DEA and USG legal attachés in Copenhagen, will also work to make the JICC mechanism more useful for both countries and to act on Iceland's specific requests for cooperation and assistance.

Ireland

I. Summary

The Republic of Ireland does not play a significant role in international drug trafficking. A recent report indicates that drug use among Ireland's youth may be decreasing. Over the past four years, the report indicates, there has been a fall from 37 percent to 32 percent of 16-year-olds who have experimented with illegal substances. After extensive public consultations, the Irish government introduced its National Drug Strategy in 2001. Ireland is not a transshipment point for narcotics to the United States. Ireland is a party to the 1988 UN Drug Convention.

II. Status of Country

Most of the drugs seized within the Republic of Ireland appear to be for internal use. While Ireland does not appear to be a transit point for drugs to the United States, it is believed to be a transit point for some narcotics trafficking to other parts of Europe including across the border with Northern Ireland. Ireland is not a significant source of illicit narcotics or precursor chemicals.

III. Country Actions Against Drugs in 2001

Policy Initiatives. After an extensive nationwide public consultation process, the Government of Ireland (GOI) launched its National Drug Strategy in May 2001. The National Drug Strategy sets out policy targets in the areas of drug supply, abuse education, prevention, treatment, and research. There are a series of 100 actions accompanied by performance indicators which government departments must carry out in both the short and long term. As part of the plan, regional drug task forces will be established throughout the country to develop policies which reflect the specific needs of that region. Another plan—Revitalizing Areas by Planning, Investment, and Development (RAPID)—will provide funds to the most deprived urban areas for programs in health, youth development, employment, counternarcotics measures, and policing.

Accomplishments. Besides developing and beginning implementation of the National Drug Strategy, law enforcement services in Ireland made several major drug seizures during 2001. In addition the GOI confiscated the assets of convicted drug dealers: 14.2 million Irish pounds (U.S. \$16.2 million) in the case of one dealer convicted of importing 20,000 kilograms of cannabis resin into Ireland over a two-year period.

Law Enforcement Efforts. The Garda Siochana (Irish national police force) continued their close cooperation with other national police forces throughout 2001. A joint operation with Dutch law enforcement authorities (much of the narcotics entering Ireland transits through Amsterdam) resulted in six seizures (three in Ireland and three in the Netherlands), the arrest of 20 people, the dismantling of a drug factory and lab, and the confiscation of 26.4 million Irish pounds (U.S. \$30.1 million) worth of narcotics. The UK and other EU countries have noted Ireland's success in the creation of the Criminal Assets Bureau, which has effectively targeted the assets of large drug dealers, and are seeking greater information about the Bureau's operations. New Garda liaison offices were established in France and the UK to assist in greater international cooperation.

The Garda continued to target both small time street-level suppliers as well as larger dealers. The operation focusing on street dealers targeted some of the poorest neighborhoods around the country and resulted in 400 arrests this year. In October and November 2001 the Garda made four large seizures of cannabis totaling 14.2 tons.

The Defense Forces of Ireland commissioned a new ship which will assist in their ability to interdict sea-borne smuggling. However a lack of intelligence on ship-based smuggling will hinder sea interdiction efforts by the defense forces.

Corruption. There were no verifiable instances of police or other official corruption related to drug activities in 2001.

Agreements and Treaties. The United States and Ireland signed a mutual legal assistance treaty (MLAT) in January 2001. The U.S.-Ireland MLAT will facilitate various forms of assistance in criminal matters between the U.S. and Irish governments, including serving documents, executing requests for searches and seizures, transferring persons in custody for testimony or other purposes, taking testimony of witnesses in both Ireland and the United States, providing documents and records, and assisting in forfeiture of assets. It will thus build on the excellent cooperation already taking place between the United States and Ireland in criminal law matters. An extradition treaty between Ireland and the United States is in force. The British-Irish Council (established under the Good Friday Agreement in April 1998) agreed to elements for a framework on future cooperation on the misuse of drugs between Ireland and the UK. A series of recommendations are being prepared for reducing both the demand for illegal drugs and the level of supply. The cooperation will also focus on information exchanges in areas of research, rehabilitation, and reintegration of drug abusers back into society. Ireland is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Ireland has signed but not ratified the UN Convention against Transnational Organized Crime and the Protocol to Prevent, Suppress and Punish Trafficking in Persons.

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

Drug Flow/Transit. A number of drugs are smuggled into Ireland. These include cocaine, cannabis, amphetamines, ecstasy, and heroin. The cocaine comes primarily from Colombia and other countries in Latin America and the Caribbean. Cannabis and amphetamine shipments originate in the Netherlands and eastern European countries. The Garda has noticed that the THC content of the cannabis has been rising (from an average of 10 percent up to 40 percent). The high THC content cannabis may be coming from South Africa. Ecstasy mostly originates from the Netherlands, but there are more shipments coming from Poland. Heroin also arrives via the Netherlands and the UK. There is no evidence that Ireland is being used as a frequent transshipment point for narcotics being sent to the United States. Throughout 2001 the Garda continued to work on destroying narcotics networks within the country. There are still concerns, however, that drug trafficking organizations are moving to more complex distribution systems.

Domestic Programs (Demand Reduction). The National Drug Strategy provides target goals in areas of drug education, prevention, and treatment. One target is increasing the number of drug treatment centers to 6,000 by the end of 2001 with an additional 500 centers by the end of 2002. Local Drug Task Forces provide input for dealing with areas that are most affected by heroin addiction. According to treatment center statistics, there are 12,000 heroin addicts in Dublin. Besides community-wide programs aimed at impoverished areas (e.g. RAPID), the Probation and Welfare Service continues to develop programs for at-risk young people.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. The United States has pursued greater legal and policy cooperation with the GOI, and has benefited from Irish cooperation with U.S. law enforcement agencies such as the DEA. The United States has encouraged greater participation in international counternarcotics organizations such as the Dublin Group of Countries Coordinating Narcotics Assistance.

Bilateral Cooperation. U.S. and Irish officials have continued their counternarcotics cooperation throughout 2001. The close cooperation has included joint operations and investigations as well as more routine information sharing.

The Road Ahead. In order to ensure that Ireland does not become a transit point for narcotics trafficking to the United States, it is important to maintain strong support for Ireland's counternarcotics efforts. In support of this goal, the United States will continue its cooperative efforts with Irish officials. The United States will also explore new opportunities for joint cooperation with the Garda and Police Service of Northern Ireland.

Italy

I. Summary

The Government of Italy (GOI) is firmly committed to the fight against drug trafficking. Foreign and domestic organized criminal elements in Italy continue to be involved in international drug trafficking and money laundering. The political turmoil in the former Yugoslavia and Albania has provided the perfect opportunity to establish relationships between Italian organized crime and ethnic Albanian criminal organizations. GOI cooperation with U.S. law enforcement agencies continues to be exemplary. Italy is a party to the 1988 UN Drug Convention, and is active in EU counternarcotics and anti-laundering fora.

II. Status of Country

Italy is a narcotics transit and consumption country but not a drug producer. Priority drugs for law enforcement officials are heroin and cocaine. Possession of small amounts of illegal drugs is an administrative, not criminal, offense, but drug traffickers are subject to stringent penalties. Nonetheless, some MDMA (“ecstasy”) couriers have been arrested at U.S. ports of entry after having transited Italy. Although Italy produces some precursor chemicals, they are well controlled in accordance with international norms and not known to have been diverted.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Italy continues to make serious efforts to combat narcotics, and Prime Minister Berlusconi has made counternarcotics efforts a higher priority than ever before. In November 2001, he appointed Italy’s first-ever drug czar Pietro Soggiu. Soggiu, a former director general of the Financial Police (Guardia di Finanza) and of the Anti-Drug Services Directorate (DCSA), was a strong choice for the position. At the same time, a national department for counternarcotics policies was established. This department will coordinate supply-reduction efforts by law enforcement with demand-reduction programs by the ministries of health, education, and labor. Upon Italy’s request, U.S. officials supported this initiative by providing information on the structure and responsibilities of the U.S. Office of National Drug Control Policy. The national department will be fully operational in the first quarter of 2002. At the multilateral level, Italy contributes more than any other country to the Vienna-based UNDCP (U.S. \$11.6 million in 2001). Italy has been invited to observe the March 2002 International Drug Enforcement Conference (IDEC) that the DEA is sponsoring in Santa Cruz, Bolivia and will participate in the MDMA (“ecstasy”) working group.

In addition, Italian authorities obtained new weapons in the fight against drugs and terrorism with the passage of two laws in October. These laws facilitate the freezing of terrorist-related assets, make financing of terrorism and terrorist activity a criminal offense, and require financial institutions to report suspicious activity related to terrorist financing. Authorities are investigating media reports speculating that the Italian Mafia may have sold heroin bought from the Taliban.

Accomplishments. Following is a compilation of the key counternarcotics accomplishments of Italian law enforcement in the year 2001:

- January 2, Varese—Authorities seized 276 kilograms of cocaine at the Malpensa airport and arrested four West African and two Brazilian traffickers.
- February 13, Bari—Financial police seized 990 kilograms of marijuana and arrested the Albanian driver of a truck that arrived via ferry from Tirana.

- March 15, Rome—Italian police seized 430 kilograms of hashish and arrested an Italian national.
- May 2, Verona—Carabinieri seized 52,000 ecstasy tablets and arrested two Italians and one Dutch national.
- May 13, Milan—Italian police seized 50,000 ecstasy tablets destined for the United States and arrested four U.S. nationals.
- May 14, Bari—The DEA and Italian police initiated an investigation. The Anti-Mafia Directorate and Italian police arrested an Albanian national and seized 120 kilograms of marijuana and 14 kilograms of heroin.
- June 26, Naples area—Italian police and Carabinieri arrested 63 individuals on charges of importing cocaine and other narcotics.
- November 8, Trieste—Financial police seized 100 kilograms of heroin on board a Turkish truck.
- November 30, Ancona—Financial police seized 1,261 kilograms of marijuana and 336 kilograms of hashish on an Albanian truck arriving via ferry from Durres, Albania. Police arrested the Albanian driver.
- Fourth quarter, Arcore (Milan)—The DEA assisted the Carabinieri in an investigation involving Moroccan nationals in Spain who were supplying Italians in Milan, resulting in the seizure of 800 kilograms of hashish.

Law Enforcement Efforts. The fight against drugs is a major priority of each of the three police services coordinated by the DCSA: the Italian police, Carabinieri, and financial police. Working with the liaison offices of the United States and Western European countries, DCSA's 18 drug liaison officers in 17 countries focus on major traffickers and their organizations. This group often targets Italy's traditional organized criminal elements: the Mafia, Camorra, N'Drangheta, and Corona Sacra Unita. Other priority traffickers are Albanian and Russian organized criminals who traffic in heroin. Italian law enforcement officials use the same narcotics investigation techniques as other western countries: informants, extensive court-ordered wire-tapping, and controlled deliveries under certain circumstances. Adequate financial resources, money laundering laws, and asset forfeiture laws are available for these efforts. Seizures of heroin increased sharply from 986 kilograms in 2000 to 1,955 kilograms in 2001. Cocaine seizures declined from 2,308 kilograms to 1,698 kilograms, and ecstasy seizures also were down (500,106 tablets vs. 286,211 tablets). Marijuana seizures increased sharply from 29.2 MT in 2000 to 36.1 MT in 2001. Figures for 2000 are final figures for the whole year and differ from those in last year's report.

Corruption. As a matter of government policy, senior government officials of Italy do not encourage or facilitate the illicit distribution of narcotics or the laundering of proceeds from illegal drug transactions. No senior official of the government of Italy engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Corruption exists only among bit players and has not compromised investigations. When a corrupt law enforcement officer has been discovered, the authorities have taken appropriate action.

Agreements and Treaties. Italy is a party to the 1961 UN Single Convention on Narcotic Drugs and its 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Italy signed the UN Convention against Transnational Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons and the Protocol against the Smuggling of Migrants on December 12, 2000, and it signed the Protocol against the Illicit Manufacturing of and Trafficking in Firearms on November 14, 2001. Forty countries must sign and ratify the treaty before it comes into force. This new treaty will strengthen government efforts against all forms of serious crimes, including drug trafficking, money laundering, human trafficking, arms trafficking, international fraud, and

corruption. Italy and the United States have a mutual legal assistance treaty and an extradition treaty in force, as well as an arrangement for the exchange of information regarding the traffic in narcotic drugs that entered into force in 1928. Italy is a member of the Italian-American-Canadian-French working group, as well as the bilateral Italian-American working group on crime in the G-8 Senior Law Enforcement Experts Group (Lyon Group). As a member of the European community, Italy participates in the Dublin Group of Countries Coordinating Narcotics Assistance, the UNDCP, the Pompidou Group, Europol, the EU cabinet, and attendant committees and working groups.

Cultivation/Production. There is no known coca cultivation in Italy. However, opium poppy grows wild in the southern part of Italy, including Sicily. Italian poppy is not commercially viable due to the low alkaloid content. Seizures of marijuana plants in Italy doubled in 2001 because of improved law enforcement and increased production.

Drug Flow/Transit. 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. There is no evidence that drugs that transit Italy en route to the United States have a significant effect on the United States. Albanian heroin traffickers work with members of the Italian Mafia families as transporters and suppliers of drugs. Cocaine, destined for Italian and other European consumption, originates with Colombian and (more recently) Mexican criminal groups.

During 2001, seizures of heroin and marijuana increased, while those of cocaine, hashish, and ecstasy decreased. Heroin and cocaine are smuggled into Italy via boat and overland via truck and privately owned vehicle. In smaller quantities, they are transported via (primarily Nigerian and Colombian) couriers or air express parcels. Much of the ecstasy moving in Italy, which is primarily imported from the Netherlands, is destined for the United States. Hashish is smuggled regularly into Italy on fishing and pleasure boats in multi-hundred kilogram quantities from Morocco and Lebanon.

Domestic Programs (Demand Reduction). The Italian Ministry of Health operates 552 public health offices. Of 500,000 drug addicts in Italy, 140,000 receive rehabilitation services at public and private centers.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The United States and Italy continue to enjoy exemplary cooperation regarding counternarcotics efforts. U.S. and Italian law enforcement authorities carry out numerous joint operations against drug traffickers, money launderers, and organized crime. Cooperation on extradition and mutual legal assistance is excellent.

The Road Ahead. The United States looks forward to continued close cooperation with Italy in the battle against narcotics drugs.

Kazakhstan

I. Summary

Kazakhstan authorities substantially increased the overall number of drug seizures they made in 2001. This increase occurred after procedures were changed to increase the amount of time Customs officials can inspect trains or trucks entering Kazakhstan and reflected increasing cooperation among agencies, especially the organized crime and counternarcotics units of the Interior Ministry (MVD). Border crossing controls along the southern border were tightened for security reasons after September 11, 2001. In October, a Presidential Commission reported a rise in the number of HIV-positive persons. This rise was primarily associated with drug use. The Commission also found that drug prices dropped as a result of an influx of drugs from Afghanistan immediately after September 11. Government agencies and NGOs created a joint committee to coordinate their demand reduction activities. Kazakhstan is a transit country for illicit narcotics and hosts some illicit narcotic production. Law enforcement agencies are attempting to develop improved enforcement efforts against narcotics, while continuing to maintain or increase their seizures on the southern borders. Kazakhstan is party to the 1988 UN Drug Convention.

II. Status of Country

Kazakhstan is primarily a transit country for narcotics. However, ephedra (a precursor for many amphetamine-type stimulants, or “ATS”) and opium poppies are also cultivated illicitly in Kazakhstan. Kazakhstani enforcement officials found and destroyed three drug laboratories, the first time that drug laboratories have been reported operating in Kazakhstan. Also in 2001, a hectare of cannabis being produced commercially was also found and destroyed. Government and law enforcement officials increased seizures of drug shipments, especially those crossing the southern border. Unfortunately, despite the Government of Kazakhstan’s (GOK) stepped-up effort, a good deal of opium-based drugs still penetrate the border. After these drugs have crossed Kazakhstan, Russian officials make some additional seizures on their side of the border. The average size of the shipments entering Kazakhstan has decreased to a maximum of ten to 15 kilograms in response to increased monitoring and enforcement. The anti-terrorism security measures taken along Kazakhstan’s borders after September 11 also have enhanced law enforcement authorities’ efforts to counter narcotics.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In 2001, the Mazhilis (lower house of Parliament) approved amendments to the penal code increasing terms for narcotics offenses from five to 12 to seven to 15 years of imprisonment. The new code also provides for confiscation of property for possession of large quantities of drugs. The Customs Department and the MVD Police have both increased their standards for new recruits in an effort to increase professionalism.

Drug treatment efforts have become more focused after October, when a Presidential Commission published a report on HIV. The report showed that intravenous drug use, and consequent HIV infection, are both on the rise. Particularly worrisome was the relatively large increase in new users among the 15 to 19 age group. This increase was particularly disappointing to the authorities, as it occurred despite their work with teachers and schools over the past years to educate children about the dangers of drugs. After the release of the report, NGOs and government agencies traded charges that each was ineffective. All finally met in late October and formed the Independent Consulting Council, a joint working group made up of law enforcement, civilian government officials, and NGOs. The council will coordinate activities to reduce demand, and also propose more effective enforcement efforts against narcotics trafficking.

Accomplishments. Kazakhstan joined the World Customs Organization (WCO) in June 2001. This gave Kazakhstan increased access to technical assistance and training. Enforcement officials also made considerably more drug seizures and drug arrests this year than last.

Law Enforcement Efforts. As noted above, drug seizures increased sharply. Two factors are cited to explain the improvement: procedures were changed to allow Customs officials to take three hours vice one to search trains entering Kazakhstan and five hours vice one hour to inspect trucks; and beginning in early 2001, officers from the MVD, Border Guards, and Customs began to conduct joint searches of trains. During the first quarter of 2001, a tenfold increase in drug seizures was registered in comparison to 2000. Russian Customs makes additional seizures on the Russian side of the border.

Russian and Kazakhstan Customs and Migration officers combined forces on “Border 2001,” a project that seeks to fight the smuggling of persons and narcotics. This initiative got a further boost when Russia closed some border crossings after September 11. Authorities also began searching all vehicles crossing the southern border, primarily for national security reasons, but with the related effect of increasing seizures.

Probably as a result of the more effective enforcement efforts, marijuana street prices jumped to 11-14,000 tenge (U.S. \$74-U.S. \$94) per kilogram, an increase of 1,000 tenge per kilogram (U.S. \$6.66 or about eight percent). Heroin street prices jumped to 5-7,000 tenge (U.S. \$34-U.S. \$47) per kilogram, an increase of 2,000 tenge (U.S. \$13.33 or 33 percent). These price increases were registered despite an initial surge in opiates from Afghanistan after September 11. Throughout the year, Kazakhstani law enforcement agencies worked in conjunction with Russia, Germany, Kyrgyzstan, and Tajikistan on joint operations resulting in seizures and arrests of organized narcotics trafficking groups.

The MVD’s Counternarcotics Unit and Organized Crime Unit reported seizures through October 2001 of 15.5 kilograms of heroin, 7.5 kilograms of opium, and 6 tons of other opiate drugs and raw narcotics, equipment, and chemicals, as well as the destruction of three clandestine laboratories. The Kazakhstan Narcotics Bureau (KNB) reported that it had seized 700 kilograms of drugs from January to October—604.6 kilograms of marijuana, 67.2 kilograms of heroin, 26.7 kilograms of raw opium, and 4.2 kilograms of hashish, initiating 53 large-scale smuggling cases. Customs reported that it had confiscated a total of 2.5 metric tons of heroin, opium, and other drugs from January to October, initiating 500 criminal cases for possession.

Corruption. Corruption continues to be a serious problem in Kazakhstan although official information or statistics are not available. In 2001, some Customs and MVD officers were charged with selling drugs or being involved with drug selling groups. They were tried and sentenced to two to 7.5 years in prison. Also in 2001, the Prosecutor General’s Office investigated corruption in the Customs Department. Fifty officers were charged with corruption, with 12 charged with other criminal offenses. Customs was reorganized, making the regional Customs offices more responsible for preventing corruption and reviewing their staff periodically. New hires are no longer simply appointed, with no clear administrative procedures. Customs must now advertise and select new officers from among all applicants. Those officers found to be free of corruption and loyal are to be rewarded with promotions.

Agreements and Treaties. Kazakhstan is party to the 1988 UN Drug Convention, the 1972 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. Kazakhstan has entered into formal agreements on counternarcotics with several countries, including the UK and Austria. Kazakhstan currently has mutual legal assistance treaties (MLATs) with the other CIS (Confederation of Independent States-Soviet Successor States), the People’s Republic of China, Mongolia, Germany, Italy, and the Czech Republic. Kazakhstan has signed the UN Convention against Transnational Organized Crime.

Cultivation/Production. Opium is still grown in relatively small quantities, more for personal use than for illicit sale. Traffickers continue to find opium and heroin smuggled from Afghanistan cheaper, purer, and more potent than locally produced opiates. Cannabis cultivation continues, although law enforcement

officials reportedly seized 1,330 kilograms of marijuana from four growers who were cultivating cannabis for profit. Available evidence suggests that cannabis smuggled through Kazakhstan does not reach the United States, but Russia claims that 80-90 percent of its marijuana is smuggled via Kazakhstan. Ephedra grows wild in mountainous areas of southern and western Kazakhstan. A shipment of ephedra was stolen in early 2001 en route to a pharmaceutical plant. Later in 2001, law enforcement seized 1.72 metric tons of ephedra plants from a storehouse, arresting the owner for attempting to sell 16.5 kilograms of ephedra-based drugs.

Drug Flow/Transit. Kazakhstan continues to be a significant route for the shipment of drugs to Russia, China, and Europe. The Bishkek-Moscow and the Dushanbe-Moscow trains continue to be favorites of drug traffickers from Southwest and East Asia. Synthetic drugs produced in Europe travel south from Russia to Kazakhstan's southern neighbors. Control on the southern borders has been tightened. Checks on all vehicles are now required, instead of the random searches used previously. However, traffickers have decreased shipment sizes to hide them more easily in luggage or allow them to be swallowed. The GOK's fight to reduce its role as a transit country is hindered by a lack of equipment and appropriate training.

Domestic Programs (Demand Reduction). A recent report by the Presidential Commission found that drug use and HIV/AIDS are increasing in Kazakhstan. The report further noted that there were 44,319 known drug users in Kazakhstan. The number of HIV-positive persons jumped fourfold in one year. The study found that the great majority of HIV-positive persons were infected through intravenous drug use. A large number of those testing positive were between 15-19 years of age. The number of women testing positive increased by 20 percent.

The Ministry of Justice's Committee for Fighting Narcotics and Drug Addiction organized a meeting in October with NGOs and government officials to discuss strategies for reducing drug demand. They agreed on formation of a committee to coordinate programs to reduce demand. Drug treatment centers have also initiated formal follow-up programs for those completing drug rehabilitation; treatment centers formerly did not offer follow-up monitoring to limit recidivism.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Bilateral counternarcotics cooperation has been good. The GOK continues to provide law enforcement-related information requested by the United States, including information regarding suspected drug traffickers. The USG has two advisors in Kazakhstan, who are working with Kazakhstani officials to improve administration of justice and customs enforcement. The United States also continues to conduct counternarcotics training programs to meet the needs of Kazakhstani law enforcement. Both training and advisory programs are funded through the Department of State's counternarcotics assistance funding.

The Road Ahead. Kazakhstani authorities are committed to reducing the country's role as a transit route for illicit narcotics. Practical realities, such as the country's 14,000 kilometer-long borders, will make this a difficult task. The USG will continue to work with the GOK, NGOs, and others interested in improving counternarcotics and demand reduction programs in Kazakhstan.

Kyrgyz Republic

I. Summary

The Kyrgyz Republic (Kyrgyzstan) produces almost no illicit narcotics, but it is an important transit avenue for drugs from Afghanistan to Russia and Western Europe. Over the course of the last year, much effort has been made by law enforcement entities to eradicate what little technology and ability to produce opium remains from the Soviet era. A potent strain of marijuana grows wild in the countryside, but is not harvested for export. The Government of Kyrgyzstan (GOKG) sees the flow of narcotics through the nation as a serious threat to its internal security and, as a matter of policy, makes the fight against illegal drugs a top priority. Law enforcement activity in terms of investigation and interdiction has increased substantially. As a practical matter, however, corruption problems within the ranks of law enforcement are a continuing concern. Unfortunately, drug abuse is rising among all ethnic groups and all geographic areas within the Kyrgyz Republic. The GOKG became a party to the 1988 UN Drug Convention in 1994.

II. Status of Country

Internal chaos in neighboring Tajikistan has helped make the Kyrgyz Republic an attractive onward route for illegal narcotics because of their shared unprotected border. The southern provincial city of Osh continues to be a hub for the passing of illegal narcotics through the Kyrgyz Republic, and the number of arrests for drug trafficking offenses in Bishkek has increased appreciably over the course of the last two years. The effect of military operations on the flow of illegal narcotics from Afghanistan into Central Asia remained uncertain at the time this report was prepared.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The Kyrgyz Republic views the fight against illegal narcotics as a top priority. In November 2001, President Akaev signaled a slight shift in his nation's drug control efforts in a speech to parliament. Changes seemed necessary because of increasing use and addiction rates within the Republic. The president announced that while continuing interdiction efforts by law enforcement entities, his administration also plans to focus more resources on the prevention of drug abuse among the population. As part of this new strategy, he outlined a public education campaign (described below in the demand reduction section).

Law Enforcement Efforts. In 2000 (latest data available), GOKG law enforcement seized in excess of 1,420 kilograms of raw opium and 216 kilograms of processed heroin. For comparison, in 1999 seizures totaled 150 and 24 kilograms of opium and heroin, respectively. Sharply increased seizures clearly demonstrate an increased effort on the government's part to effectively combat drug trafficking. In addition, the total number of drug cases investigated by all law enforcement bodies in 1999 was 3,459. In 2000 that figure was 3,939, representing an increase of 2.3 percent. Raw statistical arrest rates for 2000 versus 1999 break down as follows: manufacture, purchase, storage, and transportation—2.5 percent sale—16.5 percent cultivation—26.1 percent smuggling—40 percent. (Figures for 2001 were not available when this report was prepared.) Counternarcotics units of the Ministry of Internal Affairs (MVD) continue to be under-staffed and under-funded.

Corruption. Corruption is a widely acknowledged problem in the Kyrgyz Republic. As opposed to previous years, however, this problem has been publicly discussed by the highest levels of government in 2001, and many view honest, public acknowledgement that there is a problem a necessary prelude to progress on reducing corruption. Efforts are underway to find and prosecute those benefiting from drug corruption.

Agreements and Treaties. The Kyrgyz Republic is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. It is also a party to the Central Asian Counter-Narcotics Protocol, a regional cooperation arrangement encouraged by the UN. The Kyrgyz Republic has extradition statutes; but the United States is unaware of any actual extraditions from the Kyrgyz Republic relating to drug charges. The GOKG has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. Opium poppies grow wild and are cultivated in insignificant amounts for illicit purposes in Kyrgyzstan. In addition, small parcels of land have been used for the cultivation of cannabis, the vast majority of which is consumed locally. Virtually no illicit narcotics are exported from Kyrgyzstan.

Drug Flow/Transit. Because of its border with Tajikistan, the Kyrgyz Republic has become an important transit route for opium and heroin from Afghanistan to Russian and western European markets.

Demand Reduction. As part of the President's new public counternarcotics abuse education initiative, the Kyrgyz government, with financial assistance from the UNDCP, has produced a number of public announcements broadcast over local television. The most comprehensive was a program entitled "Drugs. Truth. Lies." The program was broadcast over the local television network. In addition, the government widely publicized the slogan: "Into the 21 Century—Without Drugs" and sponsored a number of other public announcements, billboards, and efforts against drugs in other media. The privately funded association "Kyrgyzstan Without Drugs" was established in the fall of 2001, although its role in the counternarcotics effort is not yet clearly defined.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The State Committee On Drug Control (SCDC) attributes success in its efforts to extensive international cooperation. In particular, the SCDC cites the UNDCP and OSCE (Organization for Security and Cooperation in Europe) programs, as well as U.S. provided training, especially in the area of improving the Customs Service's ability to detect illegal narcotics shipments. The SCDC chairman recently attributed the six-fold increase of narcotics seizures over the course of 2000, due in part to international training assistance.

The Road Ahead. The United States will continue to offer appropriate narcotics-related training in the Kyrgyz Republic, and cooperate with enforcement authorities of the Republic on appropriate cases.

Latvia

I. Summary

Abuse and trafficking in illegal drugs continues to rise in Latvia. Heroin is of particular concern. In cooperation with NGOs and the EU, Latvia continues to work on a demand-reduction program specifically aimed at young people. The UNDCP maintains its regional office in Riga and chairs regular meetings of the mini-Dublin group, a group of countries working against narcotics abuse. In addition to the United States, the EU PHARE program provides assistance and training programs to the Government of Latvia (GOL). Latvia is a party to the 1988 UN Drug Convention.

II. Status of Country

Drug abuse continues to increase in Latvia. The number of drug-related crimes has nearly doubled over the past year. Heroin is now involved in 59 percent of all drug-related offenses, up from 15 percent in 1998. There has also been a significant increase in the number of drug addicts contracting HIV through intravenous drug use. In addition, the number of drug-related deaths continues to rise.

Most drug smuggling involves organized crime elements already involved in cigarette and alcohol smuggling. Evidence in the form of minor seizures seems to indicate that the flow of drugs to Scandinavia from Latvia, while small, is increasing. In a significant change from the past, some organized crime elements are beginning to specialize solely in drugs.

Illegal drugs, particularly heroin, tend to be relatively cheap in Latvia. According to law enforcement sources, the average price of a single dose of heroin is 2 Lats (approximately U.S. \$3.20), less than the going rate for a hamburger from McDonalds. With the average addict requiring six doses per day, a heroin habit is currently within the reach of Riga's affluent youth.

Within Latvia, drugs appear to be distributed through local networks. According to both law enforcement and press reporting, much of the Riga drug scene centers on a handful of popular nightclubs and, allegedly, a few open-air drug markets. Information on these drug markets is sketchy at best. That said, small-scale dealers are able to operate relatively freely due to apparent weaknesses in the law regarding small amounts of drugs. Typically, following arrest, small-time dealers are kept in detention for very short periods and when released, continue their activities. Traffickers also target youth as potential dealers, due to the laxity of juvenile law in Latvia.

III. Country Actions Against Drugs in 2001

Cultivation/Production. Drug production is not a significant problem in Latvia, though potential does exist for manufacture or cultivation of certain drugs:

- **Amphetamines and MDMA ("Ecstasy").** To date, there is no evidence of either amphetamine or ecstasy production in Latvia. However, police point to a large chemical industry in Latvia during the Soviet era, as indicative of potential for production. Police have seized ecstasy produced at plants in both nearby Estonia and Lithuania.
- **Cannabis.** Cannabis remains the second most popular drug in Latvia following heroin. Cannabis is grown in Latvia, although estimates of its extent vary widely. Latvia's largest marijuana seizure occurred in August 2001, when police seized 70 kilograms of marijuana plants near Riga. These plants had an estimated street value of approximately U.S. \$90,000.

- **Opium Poppies.** The minor cultivation of opium poppies on small private plots is common. As a rule, however, the poppies are grown as an herb, rather than for their narcotic qualities. While some abuse of poppy stems does occur, low prices and the general availability of white heroin make it unprofitable to either grow or produce drugs in Latvia.

Drug Flow/Transit. Law enforcement authorities are more concerned about cross-border drug trafficking than drug production in Latvia. According to a variety of sources, including Nordic customs officials, Latvia is primarily a transit country. Most drugs move overland from Central Asia, specifically Afghanistan, through Russia and Belarus and from there through the Baltics and on to Scandinavia. The older route through the Balkans and Poland is now withering, due to the recent conflicts in Macedonia (FYROM) and Serbia. In addition, some sources claim that Riga Airport is often used as a transit airport for smuggling drugs.

Of all the drugs available in Latvia, heroin abuse has spread the fastest. White heroin in Latvia is very (80 percent to 90 percent) pure, such that a one-gram dose of Latvian heroin is the equivalent of ten-gram doses in Germany and Western Europe. Between 1997 and 1998, the price of heroin on the black market collapsed, falling from 35-50 Ls per one-gram dose (U.S. \$58-83) to 4-10 Ls (U.S. \$6.50-16.50) per dose. Several sources report that dealers and traffickers undertook a systematic effort to push poppy straw, a locally produced heroin substitute, out of the market. Most sources suspect some element of organized crime is involved in the heroin trade. Some reports indicate that organized crime elements intend to addict as many as possible with lower prices, then raise the price later. Others point to weak laws which return traffickers to the street too quickly. All sources agree that organized crime is more involved in the Latvian drug trade.

Law Enforcement Efforts. Interagency cooperation between Latvian law enforcement agencies tends to be best at the highest governmental levels, but weaker at the working level. This is particularly true between customs officials and the border guards. (Customs is under the Finance Ministry while the border guards operate under the authority of the Ministry of Interior.) Much of the problem stems from lack of financial, material, and human resources. In other cases, the limitations may be more organizational in nature. According to the Customs Attaché of the Swedish embassy in Riga, less than five percent of Latvia's 1,700 customs officials deal with border crossings. The same source also asserts that law-enforcement cooperation between the Baltic states is weak, and often depends on personal relationships.

Latvian border guards and customs officials have seen an increase in the number of drug seizures on the border. Whereas in the late 1990s only three to four larger seizures were made yearly, in 2000 and 2001 the number of large seizures more than doubled. In 2000, over ten major seizures were made, and in 2001, officials reported nine major seizures.

Border controls in Latvia for narcotics are in need of improvement. Border guards and customs officials mainly target taxable goods, such as alcohol and cigarettes. Even border stations that are relatively new sometimes lack designated examination stations for containers and passenger cars. The narcotics dogs program, however, stands out as one that has been particularly effective.

Smugglers are acutely aware of Latvia's limitations, and sometimes use tobacco products to test the effectiveness of border controls. Drugs are often transported in containers that are especially difficult to inspect, such as timber, cotton, coffee, or in the newest-model of certain foreign vehicles. In the latter case, border officials are often afraid that they will be held personally responsible should an error be made and property damaged. Smugglers also transport only small amounts (1 kilogram) of drugs at a time to avoid large losses in case of discovery. Upon entry into Latvia, these shipments are immediately divided into even smaller units for ease of concealment and retail sale.

Precursor Chemical Control. The Latvian law on precursor chemicals was adopted on May 9, 1996, and amended on July 1, 1998. Implementing regulations for licensing and registration of precursor operators are another important tool for law enforcement. Additionally, the EU PHARE multi-beneficiary drug

program is providing a series of seminars designed to raise the awareness of government officials, producers, and distributors on precursor chemical control issues. Controls are not foolproof. However, in August 2001, Latvia's Drug Enforcement Bureau (DEB) seized a large supply of chemical precursors near Riga.

Agreements and Treaties. Latvia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol. A 1923 extradition treaty supplemented in 1934 remains in effect between Latvia and the United States. A bilateral mutual legal assistance treaty between the United States and Latvia entered into force in 1999. Latvia signed the UN Convention against Transnational Organized Crime on December 13, 2000 and ratified it on December 12, 2001.

Corruption. In the disruption and hard times following Latvia's separation from the former Soviet Union, corruption effected some aspects of law enforcement. Latvian authorities are very aware of the problem and are focused on doing everything they can to bring about improvements.

Domestic Program (Demand Reduction). As a first step toward combating the increasing problem of drug abuse in Latvia, in 2000, the Riga Narcotics Prevention Center produced the first in-depth study of drug availability. The Center also established Latvia's first 24-hour drug crisis hotline, as well as a web site, where people with drug problems can receive confidential advice and counseling.

As the highest risk group, teenagers have been targeted for drug demand reduction efforts. The Latvian government has organized a number of training programs for drug prevention and treatment professionals working with teens. In addition, drug awareness campaigns have been carried out in the schools. Latvia's city councils have also been working closely with higher levels of government to improve drug prevention efforts targeted on youth. In November 1999, the UNDCP, in cooperation with the Latvian Ministry of Education, launched a project entitled "Development Of Comprehensive Drug Abuse Prevention Material and Training For Public Schools." This project should complement Latvia's own efforts.

IV. U.S. Policy Initiatives and Programs

U.S. Policy and Bilateral Cooperation. The United States experiences excellent cooperation with Latvia in combating drugs. The United States maintains programs in Latvia focusing on investigating and prosecuting drug offenses, corruption, and organized crime. Several Latvian enforcement personnel have attended U.S. training courses in Latvia and elsewhere in the region.

The Road Ahead. In the future, the United States will continue to pursue and deepen cooperation with Latvia. The United States will expand efforts to coordinate with the EU and other donors to ensure complementary and cooperative assistance and policies with the GOL.

Lithuania

I. Summary

Lithuania is a part of the major transit route for heroin from Asia to Western Europe. Synthetic narcotics are produced in Lithuania for local use and export. Heroin is the drug of choice in Lithuania. Its price has remained stable, but heroin is now also abused by intravenous injection. Narcotics sales continue to increase nearby and inside secondary schools, a response to the growing demand for drugs by Lithuanian urban youth. Lithuanian law enforcement authorities have reported an increase in the number of narcotics trafficking cases.

II. Status of Country

In 2001, heroin continued to be the drug of choice in Lithuania. Its price remained stable at U.S. \$5 per dose, although the concentration of heroin in each dose was much lower than a year ago. The war against terrorism in Afghanistan somewhat reduced supply of heroin but did not affect its price. Liquid heroin for intravenous injections, amphetamines, and new psychotropic substances are increasingly popular. Poppy straw is popular in the countryside. International contacts of organized crime groups engaged in the drug business have expanded in Lithuania. In early 2001, the police estimated that Lithuanian narcotics market was worth nearly U.S. \$75 million.

III. Country Actions Against Drugs In 2001

Policy Initiatives. In January 2001, the Government of Lithuania (GOL) approved an amended drug prevention program for 2001-2003 with an annual budget of U.S. \$1.6 million. The program is to be coordinated by the Health Ministry. This new program is directed toward improving overall counternarcotics policy outreach, especially among young people, increasing the control over narcotics contraband and traffic, increasing the control of precursors and psychotropic substance use, increasing preventive education and cure of narcotic addicts, and strengthening rehabilitation and social integration of reformed narcotic addicts. According to the critics, the plan's numerous preventive actions were not part of a coherent strategy while little actual work was carried out on the street. Experts note rapidly rising public awareness of the hazards caused by narcotics. Government agencies and NGOs initiated a series of public awareness campaigns throughout 2001. Early next year, the Health Ministry plans to establish the National Narcotics Information Center, co-funded by the EU, which will collect, analyze, and evaluate information as a basis for more effective counternarcotics activities.

Accomplishments. In June 2000, amendments to the criminal code were passed to increase the penalty for production and distribution of prohibited narcotics. The Interior Ministry also submitted to the Parliament amendments to the code that would allow for increasing the penalties for distribution of narcotics among young persons.

Law Enforcement Efforts. During the first nine months of 2001, Lithuanian law enforcement authorities reported a 15.3 percent increase in narcotics-related crimes. The number of people detained for narcotics-related crimes increased by 28 percent, most of whom were young, unemployed drug addicts. The Lithuanian counternarcotics enforcement system lacks funding. However, EU countries and the U.S. sponsored numerous training exercises for Lithuanian law enforcement personnel. While the police shut down six well-equipped laboratories producing amphetamines, ecstasy, and precursor chemicals in 2000, no laboratories were detected in 2001. Customs officers reported 12 seizures of narcotics, the largest of which was a seizure of 9.4 kilograms of cocaine. In 2002, the Customs Department plans to expand its Criminal Division by increasing staff from 5 to 20, and establishing seven stations at the borders to support officers working with drug-detecting dogs.

Corruption. The U.S. is unaware of any narcotics-related corruption in Lithuania.

Cultivation/Production. Until 1998, most popular narcotics were cheap “local” narcotic substances, such as intravenous opium extract produced from locally grown poppies or “Ephedrone” (or Pervitine) made from medications containing ephedrine. With a rise in the standard of living, new types of drugs, primarily synthetic, appeared on the market. In 1999, the use of heroin doubled, and it further increased in 2000 and 2001. It is believed that several underground laboratories in Lithuania produce synthetic narcotics and precursor chemicals for the domestic market and export.

Drug Flow/Transit. Poppy straw is transported through Lithuania to the Russian enclave of Kaliningrad and Latvia. Marijuana and hashish arrive in Lithuania from the east and the west, by land and sea. Afghan heroin arrives in Lithuania via Russia, some of which is further transported to Russia’s Kaliningrad enclave district and to Scandinavian countries. Cocaine is transported to Lithuania from Central and South America via Germany and the Netherlands. Amphetamines arrive in Lithuania from Poland and the Netherlands, and are increasingly being produced locally as well. Lithuanian organized crime groups participate in trafficking narcotics to Western Europe from Lithuania and Central and South America. During the first nine months of 2001, 36 Lithuanian citizens were apprehended while trafficking amphetamines, cocaine, heroin, marijuana, and pills into Germany, Scandinavian countries, the United Kingdom, and Poland. In 2000, 62 Lithuanian nationals were detained abroad for narcotics violations.

In an effort to expand the market, narcotics traders increasingly targeted secondary schools. The use of marijuana, ecstasy, LSD, and amphetamines unfortunately is considered an integral part of the alternative youth sub-culture, and gradually leads to the use of stronger narcotics. Increasing proportions of young people try heroin first. The number of 15 and 16-year-old pupils who try drugs is growing rapidly, and police in Vilnius are regularly dealing with addicted children in the 10- to 13-year age group. As a result, Lithuania is rapidly catching up to western countries in overall drug use, production and distribution.

Domestic Programs (Demand Reduction). Narcotics addicts have had the right to confidential health care and social services since 1997. Access to anonymous consultation and needle/syringe exchange has slowed the speed of HIV infections in Lithuania. In 2001, three new national centers for reduction of drug dependence have been opened (now totaling five), as have several daycare centers and numerous health facilities for narcotic addicts at polyclinics in major cities. The government also supported counternarcotics projects carried out by NGOs. The GOL established 166 “Social Tutor” positions in schools, but was forced to abandon its plans to conduct compulsory drug tests for school children. In July 2001, the police established a toll-free, confidential phone line to collect information about the distribution of narcotics.

Methadone treatment programs have operated in major cities since 1995. Over 2001, some 4,000 people had access to those and other treatment programs. However, the efficiency of treatment, rehabilitation, and harm reduction programs has not been adequately researched. Little was done to reduce narcotics demand in correctional institutions, where some 70 percent of inmates reportedly use narcotics, and the problem simply continued among those leaving correctional institutions. The Defense Ministry has launched a program to reduce drug use among conscripts, some nine percent of whom have used drugs (mostly amphetamines). Law enforcement has contributed to the effort by staging annual operations to educate the population.

There are more than 3,500 officially registered narcotic addicts in Lithuania, more than 60 percent of whom are 20 to 34 years old. However, according to police estimates, over 30,000 out of 3.5 million of Lithuania’s inhabitants consume narcotics, and about half of them live in the capital Vilnius. Over 90 percent of drug dependency cases in Lithuania are intravenous drug users. Between January and November 2001, the number of registered HIV-infected persons in Lithuania increased from 266 to 332. Sixty-three percent of HIV-positive persons were intravenous drug users. The majority of HIV-infected persons lives in the capital, Vilnius, or the port city Klaipeda and is 20-30 years old. According to the Vilnius AIDS Center in 2000, 27 percent of their visitors were infected with Hepatitis C, but the Hepatitis C infection rate among intravenous drug users was much higher.

Treaties and Agreements. Lithuania is a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. In October 2001, Lithuania and the U.S. signed an extradition treaty. A bilateral mutual legal assistance treaty entered into force in 1999. Lithuania signed the UN Convention against Transnational Organized Crime in December 2000. In November 2001, Lithuania joined the Council of Europe's Pompidou Group to combat drug abuse and illicit trafficking in drugs.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. will continue to support the GOL in a variety of programs focused on strengthening law enforcement bodies and drug control programs in an effort to improve border security and anti-smuggling efforts. The U.S. is supporting the development of a regional "Network of Excellence" to implement effective HIV prevention programs involving Scandinavia, the Baltics, and the Russian cities of St. Petersburg and Kaliningrad. The U.S. has also trained several Lithuanian law enforcement personnel.

The Road Ahead. The road ahead will see increased cooperation between the U.S. and Lithuanian authorities. Advanced money laundering training and anti-organized crime training will continue, subject to the availability of funds. Lithuania sees itself as a partner in U.S. efforts to counter the narcotics trade and will actively assist all our agencies in deterring these activities.

Luxembourg

I. Summary

The Government of Luxembourg (GOL) is firmly committed to combating international narcotics trafficking and abuse, including money laundering. As a small country in the center of Europe with open borders, Luxembourg is particularly vulnerable to serving as an unwilling narcotics transit point.

Proportional to its size, Luxembourg has a fairly high number of drug users. The GOL is particularly concerned about the rise in recreational drug use among teenagers and young people. The GOL's counternarcotics strategy focuses on demand reduction, alternative treatment, and decriminalization of use of marijuana. Seizures of illegal narcotics, including "party drugs" like MDMA ("ecstasy"), have increased. Through extensive collaboration among the Grand-Ducal police, the DEA, and a number of other law enforcement entities in Europe, important seizures in Luxembourg led to the dismantling of two major narcotics smuggling rings in 2001. Luxembourg is a party to the 1988 UN Drug Convention.

II. Status of Country

The GOL estimates that approximately 2,450 persons in Luxembourg (0.5 percent of the total population) are high-risk consumers of narcotics. The number of such drug users has increased from 2,100 in 1997. The most prevalent narcotics in Luxembourg are opiates (84 percent of known users abuse opiates), principally heroin consumed intravenously. Cocaine and cannabis are other narcotics of primary consumption. Recreational drug use, principally marijuana and ecstasy, is another characteristic of drug abuse in Luxembourg.

Until the early 1990s, some 90 percent of illicit narcotics consumed in Luxembourg originated in the Netherlands. Consumers purchased narcotics for their own use or acquired limited quantities for resale in Luxembourg. Since the opening of EU borders, more organized distribution networks have developed in Luxembourg's illicit drugs sector. Law enforcement agencies continue to stress the negative impact of the open borders on the inflow of drugs into the country. In 1996, nine percent of registered hard-drug users reported acquiring drugs exclusively abroad; that figure dropped to three percent in 2000. (Statistics for 2000 are the latest statistics available.) Luxembourg so far has no illicit drug production.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The GOL's counternarcotics strategy emphasizes drug abuse treatment. In 2001 the GOL introduced a new law that decriminalizes the use of cannabis (marijuana) and reduces penalties for simple drug use. This step is in line with legislative trends in the neighboring countries of Belgium and the Netherlands, and European drug abuse philosophies that focus on treatment ("harm" reduction) rather than punitive enforcement. However, many observers point out that treatment can be less effective, especially for those who have committed crimes to finance their drug abuse habit, without the enforced discipline of treatment mandated by a court. The new law, introduced on April 27, 2001, foresees a legal framework for a series of harm reduction and maintenance measures such as drug substitution treatment, needle exchange, and other programs which could culminate in state-licensed injection rooms or medically controlled heroin distribution programs.

As stated in Luxembourg's National Action Plan on Drugs and Drug Addiction (2000-2004), the Ministry of Health is responsible for overall drug policy coordination. The Ministry's budget allocated to drug demand reduction measures increased from 770,000 EUR (approximately U.S. \$693,000) in 2000 to 2.71 million EUR (approximately U.S. \$2.4 million) in 2001, with additional increases of up to 34 percent

anticipated in 2002. The increases are largely due to the implementation of the 2000-2004 drug action plan.

Law Enforcement Efforts. In line with its obligations under the 1988 UN Drug Convention, the GOL continued to make progress in asset seizure and law enforcement. While the number of drug raids has grown since 1993, the quantities of narcotics seized have decreased since 1996. Moreover, the number of persons involved in trafficking (principally heroin) reportedly has increased. Luxembourg authorities speculate that the development of micro-networks for narcotics distribution may have contributed partly to the increase in traffickers. Interestingly, 58 percent of persons involved in drug seizures are not Luxembourg citizens.

Agreements and Treaties. Luxembourg is a party to the 1988 UN Drug Convention. Of the goals stated by the 1988 UN Drug Convention, Luxembourg stresses demand reduction, law enforcement, and drug-transit cooperation. Luxembourg is also a party to the 1971 UN Single Convention, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention on Narcotic Drugs. The new U.S.-Luxembourg Mutual Legal Assistance Treaty entered into force on February 2, 2002. Luxembourg has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Corruption. As a matter of government policy, senior government officials of Luxembourg do not encourage or facilitate the illicit distribution of narcotics or the laundering of proceeds from illegal drug transactions. No senior official of the government of Luxembourg engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. There has been no recent case of corruption in Luxembourg, but when a corrupt law enforcement officer has been discovered in the past, the authorities have taken appropriate action.

IV. U.S. Policy Initiatives and Programs

Luxembourg is a strong supporter of U.S. initiatives to combat drugs. As an important world financial center hosting more than 200 international financial institutions, Luxembourg collaborates closely with DEA and other U.S. officials on anti-money laundering and counternarcotics initiatives. For example, careful coordination of a joint investigation between the Luxembourg Grand-Ducal Police, the DEA offices in the United States and Brussels, and police forces in neighboring EU countries resulted in the dismantling of two separate smuggling operations in 2001. These trafficking organizations had shipped large quantities of ecstasy to the United States from and via Luxembourg.

Macedonia, Former Yugoslav Republic of

I. Summary

The Former Yugoslav Republic of Macedonia (FYROM) is neither a major producer of, nor a major transit point for, illicit drugs, but it remains a country of concern to the United States. It lies along a southern variant of the Balkan Route, which is used to ship Southwest Asian heroin to the West European consumer market. Drug seizures in 2001 kept roughly apace with those made in 2000, when illicit drug trafficking and/or interdiction increased dramatically from previous years. Increased drug trafficking to and from Kosovo in 2000 and 2001 probably indicated both that province's increased importance as a market and as a transit point. A local insurgency in Macedonia in 2001 created even more porous borders with Kosovo, southern Serbia, and Albania, and left behind a small number of land mines. Local police efforts to combat trafficking have benefited from international assistance, and appear focused and effective despite facing increasing challenges. Seizure trends in recent years may reflect both increased professionalism in the police force and increased trafficking. The political will does not exist within the government to address seriously drug trafficking and its effects in Macedonia and Europe, and needed legislation is likely to languish for at least another year. Macedonia is a party to the 1988 UN Drug Convention.

II. Status of Country

Macedonia lies along one of several overland routes used to deliver Southwest Asian heroin via Turkey to Western Europe. In recent years, this route has also been used to deliver high-grade Albanian hashish to Turkey where it is exchanged for heroin. While limited amounts of marijuana are grown in Macedonia, the market for it is small because it can not compete with the higher quality, lower priced Albanian product. Macedonia is not known to produce precursor chemicals. Cocaine does not transit Macedonia in significant quantities.

III. Country Actions Against Drugs in 2001

Policy Initiatives. An inter-ministerial committee of ministers and deputy ministers responsible for creating and implementing counternarcotics strategy exists on paper, but the National Anti-Drugs Committee (NADC), formally headed by the Prime Minister, has been rendered helpless by constant political change that has robbed it of 80 percent of its members. New appointees must be approved by a governmental commission, and in the tumultuous political climate that resulted from the ethnic Albanian insurgency in 2001, this did not happen.

A "new action plan for fighting drugs" to bring the FRYOM's counternarcotics programs and laws into accordance with EU standards has been circulating through the government since 1999. Funds from the EU to assist in counternarcotics efforts largely have not been disbursed, however, due to the 2001 security situation, although some money should be available in 2002 now that implementation of a peace settlement is underway.

The Ministry of Interior's (MOI) department for counternarcotics trafficking was refocused under the auspices of the UNDCP-PHARE program in 1999 and the MOI established an operation analysis branch of four officers in 1999. In the future, the MOI plans to establish another three to five regional operational analysis branches in field offices. The counternarcotics department maintains a good and active relationship with Interpol and the Southeast European Cooperative Initiative (SECI) Regional Crime Center in Bucharest.

Macedonia's criminal code contains only two limited sections that address narcotics trafficking. Police and customs officials have a restricted mandate: they may only arrest traffickers in the act, with drugs; they may seize vehicles involved in trafficking, but not any other assets; they may not intercept phone or other communications lines. Some loosening of these unrealistic restrictions on law enforcement are under consideration. A constitutional amendment and a law permitting wiretapping under certain circumstances have been drafted and are waiting for government approval before they can be presented to parliament. Nonetheless, the improvements under discussion are unlikely to untie the police's hands sufficiently to improve narcotics law enforcement.

Accomplishments. FRYOM counternarcotics police and customs officers working together made Macedonia's largest ever heroin seizure in 2001, when in September they discovered 44 kilograms and 33 kilograms respectively in two Turkish-plated cars that entered the country at the Bulgarian border.

Macedonian counternarcotics officials, along with their Bulgarian and Romanian counterparts, continued to receive training and support from the UNDCP-PHARE program initiated in 1997-98. This encouraged continued close regional cooperation and the police worked with neighbor-country officials on several successful controlled deliveries.

Law Enforcement Efforts. Counternarcotics police have benefited from U.S., EU, and UNDCP training and support and are focused and effective, despite a high turnover rate among their political-appointed chiefs in the MOI. Drug seizures were high for the second year in a row, despite additional challenges posed to police because of the local insurgency. Anti-narcotic police clearly understand the need to focus on major traffickers and their organizations, which are primarily ethnic Albanian, although they had difficulty doing so in 2001 because ethnic Albanian sources refused to continue cooperation with Macedonian police during the ethnically based conflict. The police also continued to operate professionally even though budget and personnel assets were redirected toward the insurgency and international funding for counternarcotics efforts were halted temporarily.

Compilation of drug seizure statistics has improved as have conduct of cases including joint operations. The UNDCP assesses, however, that MOI drug police could benefit from more in-depth training on the latest methodologies and software used to plan and conduct cases. In 2001, police brought charges against 42 drug offenders.

Corruption. Corruption is deeply entrenched and is accepted by society as a part of doing business. Low salaries encourage graft among police, customs, and other officials. Anticorruption legislation drafted with technical assistance from the World Bank was approved by the government in September for submission to parliament but has yet to be added to the parliamentary agenda.

The Government of the FRYOM does not encourage or facilitate illicit production or distribution of narcotics, or narcotics-related money laundering. The U.S. has no evidence that any senior official engages in or facilitates illicit narcotics production or distribution or related money laundering.

Agreements and Treaties. Macedonia is a party to the 1988 UN Drug Convention. A 1902 extradition treaty between the United States and Yugoslavia, which applies to Macedonia as a successor state, governs extradition between Macedonia and the United States. Macedonia has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. Macedonia is not a major cultivator or producer of illicit narcotics. There are no reports of local illicit production or refining of heroin or production of illegal synthetic drugs. The small amount of legal opium poppy cultivation that exists is controlled strictly. Registered contractors are supplied with poppy seeds and Macedonia's only processor buys the poppies and poppy straw. Production is reported to the International Narcotics Control Bureau (INCB) in Vienna. Limited quantities of marijuana are cultivated for personal use.

Drug Flow/Transit. Macedonia lies along a southern variant of the Balkan Route, used to ship Southwest Asian heroin to the West European consumer market. Macedonian drug seizures in 2001 kept

roughly apace with those made in 2000, when illicit drug trafficking and/or interdiction increased dramatically from previous years. Increased drug trafficking to and from Kosovo in 2000 and 2001 probably indicated both that province's increased importance as a market and as a transit point. An insurgency in Macedonia in 2001 weakened already insufficient law enforcement efforts along the borders with Kosovo, southern Serbia, and Albania.

Macedonian police, in general, are seizing greater quantities of heroin and arresting more traffickers each year. More than 80 percent of large-scale traffickers arrested in Macedonia are ethnic Albanian. The gangs use heavy trucks, vans, buses, and cars laden with at least ten kilograms on each trip. Since early 2001, police have noticed that the traffickers have employed ethnic Macedonian drivers in order to avoid being pulled over at the numerous police checkpoints that were erected to fight the local ethnic Albanian insurgency.

Over each of the past three years, seizures of hashish and marijuana from Albania have increased. The hashish being produced in Albania is very high quality, and is being shipped to Turkey to exchange for heroin, according to police. At the same time that the quality is increasing, price is decreasing.

The small overall quantity of cocaine that enters Macedonia generally arrives in packages of one to five kilograms via airmail or courier through one of Macedonia's two airports. The average price of a kilogram of cocaine in Macedonia is between \$20,000-\$30,000. Despite police concerns, an upward trend in cocaine trafficking by air in the near term appears unlikely, as the local airline industry has been drastically harmed by both the insurgency and the fall-out of the terrorist attacks in the United States.

Trafficking in synthetic drugs remains limited in Macedonia but officials are aware that because production is simple and costs are low they are vulnerable.

Domestic Programs (Demand Reduction). Macedonian statistics regarding drug abuse and addiction are unreliable. Most registered drug abusers use marijuana, a lesser number use heroin, and much smaller numbers have tried other drugs. While police believe heroin abuse is rising, health care officials believe that it peaked in the early 1990s. Cocaine and synthetics abuse is very modest but use of cocaine may be rising, according to health care officials.

Macedonia's health care and social welfare systems are woefully unprepared to deal with the effects of drug abuse and dependence. Limited periodic public awareness campaigns generate only simplistic admonishments not to use drugs and do not address the underlying causes of drug abuse or provide real information about its effects. The prevailing societal attitude is that only complete abstinence is acceptable, and harm reduction activities are limited. Some local NGOs have made limited efforts at prevention programs. Macedonia has one state-run outpatient clinic for drug abusers, founded in 1985, which dispenses methadone to approximately 315 registered heroin addicts each day. Two years ago, the clinic served 420 patients, but because its capacity had been exceeded, in 2000 the director closed it to new patients until new funding becomes available. Under current budget constraints drug treatment is likely to remain a low priority.

The criminal code provides for "obligatory psychiatric treatment" for convicts who commit crimes under the heavy influence of narcotics. Limited drug treatment programs are available in both prisons for pre-trial detainees and in regular state prisons. Drug addicts are treated with methadone and those showing more serious mental and physical disorders are placed in the psychiatric hospital.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. A non-resident DEA country attaché has been accredited to Macedonia since 1997. DEA officers work closely with the Macedonian police and provide coordination support for regional counternarcotics efforts. The internal conflict caused postponement of training courses that the U.S. government had planned to provide to Macedonian police in 2001. U.S. Customs officials provide technical advice and assistance to the Macedonian customs through the auspices of SECI.

The Road Ahead. Because of Macedonia's porous borders and the growing strength of regional, especially ethnic Albanian, counternarcotics trafficking gangs, Macedonia is likely to face an increased transit of illegal drugs. The United States will continue to encourage the police to keep improving regional efforts at tracking large counternarcotics traffickers and refining their analytical capabilities, with international assistance. Subject to the availability of funds, delayed training and technical assistance from U.S. and other donors is expected to resume in 2002. The United States will continue to encourage reform of the criminal code, generally enabling the use of more modern narcotics enforcement techniques such as controlled delivery of narcotics, and the paid use of criminal informants.

Malta

I. Summary

During 2001, the GOM passed legislation that directly relates to drug-related crime in Malta, including the creation of the GOM's Financial Intelligence Unit (FIU). In response to September 11, the GOM pledged to the USG its intention to establish a financial intelligence analysis operation to combat terrorism, money laundering, and other criminal enterprises including narcotics trafficking. Malta's parliament passed the necessary legislation on December 19, 2001.

In early 2001, Malta and the U.S. signed a customs mutual assistance agreement. This agreement allows the exchange of information regarding criminal investigations as well as other intelligence information on customs operations. In addition, in August 2000, the GOM authorized and supported the USG request to board and exercise jurisdiction over the M/V Suerte, a Greek-owned, Maltese flagged vessel. The vessel, which was operating in the Caribbean, was escorted to Houston, Texas, where it was detained for alleged drug smuggling.

Malta is a party to the 1988 UN Drug Convention, which it ratified in 1999.

II. Status of Country

Malta is not a significant player in the production (or trafficking) of narcotics nor does it play a large role in money laundering. Drug trafficking to Malta and overall drug abuse among Malta's youth are limited to small (but increasing) amounts of heroin, cocaine, and MDMA (ecstasy). The Government of Malta's (GOM) police and other agencies' efforts to combat the drug problem are covered in depth by the media. The police and other agencies receive full government/public support for their efforts. As Malta has the fourth largest ship registry in the world, and the largest free port container operation in the region, the narcotics transit problem could become more troubling. The USG's anticipated delivery of high tech container x-ray equipment to help detect/intercept weapons of mass destruction or other illegal shipping activity through Malta's free port later this year should have the additional benefit of assisting Malta's counternarcotics efforts.

III. Country Actions Against Drugs in 2001

Law Enforcement Efforts. Drug law enforcement in Malta is targeted at street sales. Maltese authorities also attempt to combat the movement of drugs through the airport and sea terminal. There were seizures of 4.5 kilograms of cocaine in 2001, and 2.5 kilograms of heroin. Although monitoring drugs moving through the free port is difficult because of the high volume of container shipping, the authorities have shown they can act decisively when notified by foreign law enforcement authorities of suspicious activity. Malta does not produce or have essential chemicals and hence is not a precursor or essential chemical source country. However, such materials may be transiting through the free port.

Corruption. Malta has appropriate laws governing official corruption. The USG is not aware of any problems related to or associated with corruption of public officials due to illegal drug activity. In 2001 Malta customs established a new code of conduct for all GOM customs personnel to enhance the ongoing effort against corruption.

Treaties and Agreements. Malta is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. A 1935 extradition treaty with the UK, the former colonial power in Malta, remains applicable to Malta. It has been used in the past as the basis for U.S. extradition requests, most recently in 1998 to extradite a Maltese national involved in financial crime. Malta signed the UN

Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. There is no significant cultivation/production of narcotics in Malta.

Drug Flow/Transit. Malta's most typical drug problems involve the importation and distribution of small quantities of illegal drugs for individual abuse. At present, there is no indication from any source that Malta is a major trafficking location. Drug movements through Malta's free port are a potential concern, but the nature of the problem is difficult to assess. In 1996 the GOM's seized a shipping container which held marijuana.

Domestic Programs (Demand Reduction). Malta has a government-funded agency which deals with all aspects of drug and alcohol abuse education and treatment. The agency runs awareness and drug education programs in the school system and also organizes programs for parents at the agency's headquarters. This agency also produces and sponsors counternarcotics television commercials. In addition, Caritas (a charity affiliated with the Catholic Church) is very active in drug education/awareness programs in Malta. The results from an attitude study of Malta's population on the drug abuse problem in 1999 indicated that 81 percent consider drug abuse to be a serious problem, compared with 43 percent in 1984. Increased public awareness will likely translate into increased public support for interdiction efforts.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. The USG and the GOM are finalizing several new treaties and bilateral cooperation agreements. The GOM continues to cooperate closely with USG law enforcement officials on drug-related crime. In 2001, the Federal Aviation Administration (FAA), U.S. Customs, and the U.S. Coast Guard provided training in Malta. The FAA sponsored a seminar on dangerous cargo and investigative techniques to various GOM agencies and airport personnel. The Defense Attaché (DAT) sponsored a U.S. Coast Guard maritime search and seizure training to the Armed Forces of Malta Maritime Squadron. U.S. Customs sponsored a transshipment export control workshop for Malta Customs and other related GOM agencies, and an x-ray maintenance and operational training course was conducted at the Malta airport. Since receiving this training, the police, armed forces, customs, and NDIU have steadily increased their number of arrests and seizures for drug related offenses.

In 1999 the first resident Regional Security Officer (RSO) was assigned to the U.S. Embassy in Malta, and immediately became a focal point for cooperative efforts to strengthen law enforcement. In 2001, a U.S. Customs Regional (Malta and Cyprus) Export Control Advisor was also established in Valetta. Also in 2001, a defense attaché, and the supporting Defense Attaché's Office was also established at the embassy in Valetta. The DEA Country Attaché and the FBI legal attaché, both based at the American Embassy in Rome, have provided training, support and assistance to the GOM law enforcement agencies on a continual basis. The professional relationship and cooperation between GOM police, armed forces of Malta, GOM customs and other GOM agencies and USG law enforcement agencies remains excellent.

The Road Ahead. The USG anticipates continued excellent cooperation with the Maltese authorities on narcotics problems.

Moldova

I. Summary

This year, Moldova realigned its leading counternarcotics law enforcement organization. In July 2001, the Service to Fight against Illegal Traffic in Drugs became a division of the department in the Ministry of Internal Affairs that deals with organized crime and corruption. Moldovan law enforcement authorities continue to pursue the fight against drugs, and the amount of illegal narcotics reported as seized by law enforcement officers during 2001 rose significantly over the prior year. The number of criminal cases being processed remained approximately the same. Drug use and the number of individuals addicted to drugs continues to be a problem for Moldova, but accurate statistical information in this area is not readily available. Low per capita income continues to make Moldova a relatively unattractive market for narcotics. The country is not a significant producer of narcotics or precursor chemical. In 2001, the United States provided courses of instruction aimed at improving drug law enforcement techniques. The United States also supported visits of experts who consult with state institutions on the prevention of money laundering, border control, and the fight against organized crime and corruption. Moldova is party to the 1988 UN Drug Convention.

II. Status of Country

The geographic position of Moldova produces a climate that is favorable for opium poppy and hemp cultivation, particularly in the northern region. Cultivation of marijuana is reported to be on the increase. The market for these locally cultivated drugs remains confined to local consumption and consumption in directly neighboring countries. Importation of synthetic drugs, such as MDMA (“ecstasy”), and cocaine is also increasing, in the view of knowledgeable Moldovan enforcement officials, but cost factors confine these drugs to a limited segment of the Moldovan population. Moldovan traffickers are closely connected with drug traffickers in nearby Eastern European countries. Despite limited law enforcement resources, seizures of illegal drugs (especially poppy straw and marijuana) are increasing. Moldova is not a factor of any significance in the production of precursor chemicals.

III. Country Actions Against Drugs in 2001

Accomplishments. Despite resource constraints, Moldova continues to try to meet its obligations under the 1988 UN Drug Convention and other international agreements to which it is a party. In July 2001, the Service to Fight against Illegal Traffic in Drugs became a division of the department in the Ministry of Internal Affairs that deals with organized crime and corruption. The number of law enforcement personnel in this division has increased, with 25 people in the headquarters section and 105 in the field. The division focuses exclusively on counternarcotics activity. The Moldovan legislature continues its effort to develop a new criminal code and code of criminal procedure. Once approved and implemented, it is expected that the new codes will lead to improvements in all fields of criminal justice, including counternarcotics activity. Moldova is also pursuing, with U.S. support, improvements in border control aimed at decreasing the flow of illicit goods, including narcotics.

Law enforcement authorities in Moldova are hampered by lack of government funds for support equipment. Despite these limitations, Moldovan law enforcement continues to pursue narcotics traffickers and users. Local sources report that the number of drug seizures is increasing.

Law Enforcement Efforts. Some 1,912 narcotics-related criminal cases were processed by law enforcement officers in the first 11 months of 2001, roughly equal to the number processed in all of 2000. In the first 11 months of 2001, Moldovan law enforcement seized 1,682 kilograms of poppy straw, 17 kilograms of opium, 108 liters of liquid opium, and 345 kilograms of hashish/marijuana.

Corruption. Moldova has a Department to Combat Organized Crime and Corruption. Moldova does not, as a matter of government policy, encourage or facilitate illicit production or distribution of controlled substances, or the laundering of proceeds from illegal activities related to narcotics. No senior official of the Moldovan government is known to engage in, encourage or facilitate the production or distribution of illegal drugs or substances, or the laundering of proceeds from illegal activities related to narcotics. However, there is little question that corruption at border control points and among low-paid police officers facilitates drug trafficking.

Agreements and Treaties. Moldova is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances.

Drug Flow/Transit. Periodic seizures indicate that Moldova is used as a transit route for refined narcotics moving from Central Asia to Central and Western Europe and for precursor chemicals moving in the opposite direction. The seizures are, however, too sporadic to indicate whether the transit of narcotics and precursor chemicals through Moldova is increasing or decreasing.

Domestic Programs (Demand Reduction). In the area of treatment for addicted individuals, Moldova has 4,987 registered addicts. Treatment is frequently unavailable, due to resource limitations. Officials have estimated that about one percent of the population abuses drugs. Funding for counternarcotics information campaigns and education is also limited, although NGOs do some work in this area.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. Department of State sponsors several important programs to assist Moldova's efforts to control illegal narcotics. Experts from the DEA present an ongoing series of counternarcotics courses to law enforcement personnel in Moldova. Forensic and police surveillance equipment has been provided. Computer training centers have been established in a multi-year project to give Moldovan law enforcement officers the opportunity to learn how to use advanced technology. The FBI is presenting an ongoing series of courses on fighting organized crime and corruption in Moldova. Considerable support from various U.S. government law enforcement agencies for border control projects has been and continues to be provided. The response of Moldovan law enforcement and high-ranking officials to these efforts has been extremely positive and the United States is actively planning additional ways to assist local counternarcotics efforts.

Netherlands

I. Summary

Although the Dutch government has given priority to combating narcotics trafficking, the Netherlands continues to be an important transit point for drugs entering Europe, one of the largest producers and exporters of illicit amphetamine and synthetic drugs, and an important consumer of most illicit drugs. The volume of MDMA (ecstasy) exported to the United States during 2001 continued to be high. A large share of ecstasy entering the United States has been manufactured in, or transited the Netherlands, but it has not been determined that ecstasy from the Netherlands has a significant effect on the United States. The United States remains concerned about the rising imports of foreign-origin, illegal synthetic drugs into the United States, especially ecstasy from Europe.

In May 2001, the Dutch government, realizing that its efforts to fight against synthetic drugs had not produced sufficient results, announced a new five-year strategy against the production, trade, and consumption of synthetic drugs. The strategy is sound, but many of the steps it calls for are scheduled only for gradual implementation. Operational cooperation between U.S. and Dutch law enforcement agencies is excellent. Bilateral law enforcement talks held in Washington in April 2001 proved successful, and there is close Dutch-U.S. cooperation on joint counternarcotics operations in the Caribbean.

The Dutch government and public view domestic drug use as a public health issue first and a law enforcement issue second. Dutch demand-reduction programs reach about 75 percent of the country's estimated 28,000 hard drug users. The Dutch are major donors to the UNDCP and members of the Dublin Group of governments concerned with narcotics trafficking. They also chair the Dublin Group's Central European regional group. The Dutch are also active in the Financial Action Task Force (FATF) and play a key role in the Caribbean Action Task Force (CFATF). The Netherlands is a party to the 1988 UN Drug Convention.

II. Status of Country

The central geographical position of the Netherlands, with its modern transportation and communications infrastructure and the world's busiest seaport in Rotterdam, makes the country an attractive operational area for international drug traffickers and money launderers. Production of amphetamines, ecstasy and other synthetic drugs, and marijuana is significant. The Netherlands also has a large chemical sector, making it a major source of precursor chemicals used to manufacture illicit drugs. (For details, please see the Chemical Controls section of this report.)

The Dutch Opium Act punishes possession, commercial distribution, production, import, and export of all illicit drugs. Drug use, however, is not an offense. The act distinguishes between "hard" drugs that have "unacceptable" risks (e.g. heroin, cocaine, ecstasy), and "soft" drugs (cannabis products). Trafficking in the former is prosecuted vigorously. "Hard" drug dealers are subject to a prison sentence of 12 years. When this takes place on an organized scale, another one-third of the sentence is added (16 years). Sales of small amounts (under five grams) of cannabis products are "tolerated" (i.e., not prosecuted, even though technically illegal) in "coffee shops" operating under regulated conditions (no minors on premises, no alcohol sales, no hard drug sales, no advertising, and no "public nuisance"). One of the aims of this controversial policy is to separate the markets for soft and hard drugs so that soft drug users are less likely to come into contact with hard drugs. Another goal—arguably less successful—has been to separate "revenue streams" so that hard drug dealers do not use soft drug dealing as a source of capital.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Major Dutch government policy initiatives in 2001 include:

Ecstasy. In May 2001, the Dutch government, very concerned about the Netherlands's leading position in the international synthetic drug market and its leading role as ecstasy producer, announced a strong five-year (2002-2006) offensive against production, trade, and consumption of synthetic drugs. It has allocated approximately U.S. \$16 million per year for this five-year effort. The new offensive emphasizes intensified cooperation among all enforcement agencies, in which the Police Synthetic Drugs Unit (USD) plays a coordinating role. The USD's staff and budget will be expanded, and it will keep its coordinating task and remain the sole international point of contact, including for matters relating to mutual legal assistance. Other planned measures include the establishment of five regional ecstasy teams of 120 police officers, expansion of existing know-how on dismantling production laboratories, expansion of customs efforts, increased cooperation with the EU, intensified controls on chemical precursors, and more emphasis on information campaigns. Action on most of this is pending; the regional ecstasy teams, for example, are not due to be established until 2003.

USD public prosecutor Witteveen recently noted that the police and justice authorities are now practically powerless in the fight against the growing ecstasy industry in the Netherlands. He said that gains can be registered only with the establishment of a national criminal investigation service and a doubling of manpower. He also stressed the need for more aggressive investigation methods, such as the ability to employ informers. Dutch policy restrictions—but not law—on use of civilian informers are stricter than in the U.S.; it is particularly difficult for police to obtain authorization to “turn” an individual already associated with a criminal organization.

Research by the Amsterdam University Medical Center showed that ecstasy affects short-term memory, and that, particularly, women appear to be more sensitive to ecstasy use. The study, published in November 2001, proved that, not only recent users, but also people who had not used ecstasy for well over a year, had memory problems.

Cannabis. As a result of intensified controls, in 2000 the number of coffee shops where cannabis can be used dropped by 31 percent from the 1997 figure of 813 to 642. A 2001 evaluation report of Dutch “coffee shop” policy showed that, in 2000, 81 percent of the 538 municipalities in the Netherlands did not tolerate any shops at all. According to the report, about half the coffee shops were in the four largest cities. The report also concluded that the stricter measures for sales of cannabis products in coffee shops have not led to a drop in drug “tourism.”

The European School Survey Project on Alcohol and Other Drugs (ESPAD) shows that recent cannabis use among 15 and 16-year-olds in the Netherlands has stabilized at 14 percent (life-time prevalence: 28 percent). According to the 2001 National Drug Monitor, published in March 2001, the number of current cannabis users is estimated at 323,000, or 2.5 percent of the Dutch population of 12 years and older (of a total population of about 16 million). The National Drug Monitor puts the THC content in Dutch-grown hemp, “Nederwiet,” at 11.3 percent. With respect to the latter, Dutch Health Minister Borst recently stressed the need for further research into the relation between the THC content in “Nederwiet” and public health risks. She also announced information campaigns warning the public of the risks of a high THC content. Controls on illegal home cultivation of “Nederwiet” have been stepped up, but most observers note that cannabis sold at coffee shops comes overwhelmingly from Holland.

Medicinal Cannabis Use. In October 2001, the Dutch government approved a proposal by Health Minister Borst to start supplying cannabis to patients suffering from diseases such as MS, AIDS, and cancer who have a doctor's prescription. The Bureau for Medicinal Cannabis, set up by the Health Ministry, will contract cannabis growers, set up quality controls, and organize the distribution. The effective date of the measure is still uncertain.

Enforced Treatment. As of April 2001, criminal drug addicts who are repeat offenders can be sent to special drug-free prisons for two years, during which they receive treatment, job training, and

resocialization. Addicts refusing to be treated are sent to an ordinary prison. The program is meant to get so-called “revolving-door” criminals, mostly petty thieves, off the street. It is initially aimed at some 1,500 addicts in the largest cities. The effects of the new law will be scientifically evaluated.

New “Party” Drugs. Dutch drug experts warned against use of the fatal “Special K” (Ketamine) drug, which appeared in Dutch discos and rave parties in 2001. Drug dealers are selling the drug as ecstasy pills. Warnings were also issued for “polluted” ecstasy pills containing PMA, killing two people in 2001.

Accomplishments. A legal counselor has been positioned and two police liaison officers will be stationed at the Dutch Embassy in Washington, D.C. and the soon-to-be-opened Consulate in Miami. In response to complaints that Dutch drug policies have a negative impact on its neighbors, the Customs Service’s budget will be raised so that control on the outgoing (not just incoming) flow of passengers, freight, and parcel post can be intensified through extra scanners and drug-detecting dogs. The Royal Military Police unit, which handles security at Schiphol Airport, will also be expanded.

Law Enforcement Efforts. Overall drug policy is coordinated by the Health Ministry, while the Ministry of Justice is responsible for law enforcement. Matters relating to local government and the police are the responsibility of the Ministry of Interior. Dutch interregional police “IRT Kern” teams and national prosecutors give high priority to combating drug trafficking. In its offensive against synthetic drugs, the Dutch government has set aside extra funds to establish five additional ecstasy teams to combat production sites and dismantle major trafficking organizations. DEA agents have close contacts with their counterparts in the Netherlands.

Coordination of foreign law enforcement information requests would benefit from greater centralization. Given the Netherlands’s central role in the worldwide ecstasy problem, and its importance as a source of diverted precursor chemicals, Dutch enforcement officials have been receiving more requests from foreign counterparts for investigative assistance. All foreign requests are sent to a regional intelligence department. Due to reorganization, the American desk at DIN is understaffed, causing delays in responding to U.S. requests. In addition, it is often difficult for foreign authorities to find a police region with clear-cut responsibility for handling a specific case. Efforts are underway to fix this problem.

Corruption. There were no cases of drug-related corruption reported in 2001. The Government of the Netherlands does not as a matter of government policy or practice, encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions. No senior official of the government of the Netherlands engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

Cultivation/Production. Currently, about 75 percent of the Dutch cannabis market is Dutch-grown marijuana (“Nederwiet”). The relatively high THC content of domestically grown cannabis makes it more appealing to Dutch consumers than competing imports. Amsterdam University researchers estimate that the Netherlands has at least 100,000 illegal home growers of hashish and marijuana, and the number is increasing. Together they produce more than 100,000 kilograms of soft drugs and are the largest suppliers of coffee shops, according to the study. The estimates are based on a significant rise in the number of lawsuits and police raids. Authorities say they suppress large-scale commercial production.

The Netherlands dominates worldwide trade in and production of ecstasy. Whereas the number of ecstasy seizures in the Netherlands in 2000 dropped to 125 from 154 in 1999, the number of Dutch-produced ecstasy pills seized in foreign countries rose significantly. In total, the USD received some 453 reports of ecstasy seizures in 35 countries, involving 22 million pills, ten million pills more than in 1999. Some 22 percent of reported seizures took place in the Netherlands and 78 percent in other countries. The USD notes significant increases in ecstasy exports to the United States. More than 40 percent of pills seized in the Netherlands were destined for the U.S. market. In 2000, the USD dismantled some 37 production sites for synthetic drugs, of which 34 were associated with ecstasy production. Intensified actions by the Dutch police have forced some Dutch producers to relocate their activities to Belgium and Germany,

according to the USD, but the Netherlands remains the center of illicit ecstasy production. In the Netherlands, Israeli criminal organizations play a key role in the logistical aspects of the illicit ecstasy trade.

Agreements and Treaties. The Netherlands is a party to the 1988 UN Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. The Netherlands has signed but has not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants. The United States and the Netherlands have a mutual legal assistance treaty and an extradition treaty in force. (The mutual legal assistance treaty does not apply to requests for assistance relating to fiscal offenses addressed to Aruba or the Netherlands Antilles.)

Drug Flow/Transit. The Dutch government has proposed expanding the number of container scanners currently installed in the port of Rotterdam and at Schiphol Airport. The Schiphol team, in which customs officials and military police cooperate, specializes in detecting drug couriers. The number of couriers arrested at Schiphol rose from 618 in 1999 to 769 in 2000. In 2000, some 6,029 kilograms of drugs were seized at Schiphol, compared to 4,208 kilograms in 1999. Cocaine seizures rose to 4,404 kilograms from 3,200 kilograms in 1999. Of the total seizures, more than 3,000 kilograms were hidden in airfreight, and the remainder was carried by couriers. Controls of highways and international trains connecting the Netherlands to neighboring countries were also intensified.

Domestic Programs (Demand Reduction). The Netherlands has a wide variety of demand-reduction and harm-reduction programs, reaching about 80 percent of the country's 28,000 hard drug users. The number of hard drug addicts has stabilized in the past few years, their average age has risen to 38, and the number of overdose deaths related to opiates in the Netherlands has stabilized at some 40 per year. Needle supply and exchange programs have kept the incidence of HIV infection among intravenous drug users relatively low. Of the addicts known to the addiction care organizations, 75 percent regularly use methadone. Currently, some 600 chronic addicts, for whom all other forms of treatment have failed, participate in the "heroin experiment." The purpose of the program is to see whether "treating" them with a combination of heroin and methadone helps to improve their health and ability to function in society. The experiment will be assessed in the spring of 2002.

According to the 2001 National Drug Monitor, out-patient treatment centers registered some 26,605 drug users seeking treatment for their addiction in 2000, compared to 26,333 the prior year. The number of cannabis and opiate addicts seeking treatment has stabilized at 3,443 and almost 16,000, respectively. The number of assistance requests for problems with ecstasy and amphetamine use in 2000 dropped by four percent and 23 percent, respectively, from requests made in 1999, to 241 and 623 requests, respectively. However, the number of cocaine and/or crack addicts seeking treatment in 2000 rose by more than seven percent to 6,103, a growing trend which is expected to continue. About 22 percent of all new drug clients were older than 39 years. Total costs of Dutch drug treatment programs are put at 100 million dollars.

Drug use among students ages 12 years and older is generally low, ranging from a high of approximately ten percent for cannabis to a low of about one-half of one percent for heroin.

Drug prevention programs are organized through a network of local, regional, and national institutions. Schools are targeted in efforts to discourage drug use, while national campaigns are conducted in the mass media to reach the broader public. The Netherlands requires school instruction on the dangers of alcohol and drugs as part of the health education curriculum. In the fall of 2001, the Health Ministry and the Trimbos Institute launched the campaign "Drugs, Don't Kid Yourself," providing drug information to parents, teachers, and students.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Although operational cooperation between U.S. and Dutch law enforcement agencies is excellent, there is a growing concern over the Netherlands's role as the key source country for

ecstasy entering the United States. In 2000, the U.S. Embassy in The Hague proposed a three-pronged effort (political engagement, training, and enhanced consultation at the working level, and public diplomacy) aimed at improving bilateral law enforcement cooperation. The Dutch have responded positively to USG efforts.

The Road Ahead. We expect U.S.-Dutch bilateral law enforcement cooperation, already strong, to intensify. The Dutch government's Ecstasy Action Plan will further counter illicit trafficking. The Dutch synthetic drug unit will continue to make concrete progress. U.S.-Dutch cooperation in countering trafficking in the Caribbean will expand, especially with operations at the Forward Operations Locations (FOLs) on Aruba and Curaçao. (See the separate report on the Dutch Caribbean for details.) However, important differences in approaches toward "soft" drugs, as well as differing legal procedures and law enforcement structures could continue to complicate bilateral cooperation against drugs.

Norway

I. Summary

While illicit drug production in Norway remained insignificant in 2001, statistics show illicit drug consumption increased relatively strongly. Norway continued to tightly control domestic sales, exports, and imports of precursor chemicals. Norway is unlikely to become significant in terms of precursor chemicals because legislation and enforcement discourage this illicit activity on a large scale. In 2001, the number of drug seizures in Norway rose significantly (16 percent), continuing a trend of some years' duration, with cannabis seizures accounting for the bulk (38 percent) followed by seizures of benzodiazepines (20 percent) and amphetamines (15 percent). In 2001, the police stepped up efforts to track and intercept drugs in transit and seized a record 40 kilograms of heroin in January arriving from Central Europe (i.e., the FRY-Federal Republic of Yugoslavia). Norway is implementing several programs for curbing domestic drug abuse and cooperates actively with international counternarcotics efforts. Norway is party to the 1988 UN Drug Convention.

II. Status of the Country

According to police sources and Ministry of Health and Social Affairs officials, illicit drug production remained insignificant in 2001 because of Norway's tight regulations governing domestic sales, exports, and imports of precursor chemicals, and Norway's harsh climate. Norway remains a popular market and transit country for drugs produced in Central/Eastern Europe and elsewhere, but the strong increase in narcotics seizures may be helping curb the problem. Norway is unlikely to become a significant producer of precursor chemicals given its prohibitive regulatory framework and excellent law enforcement.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Several key ministries implement Norway's counternarcotics efforts. The Justice Ministry continued implementing its counternarcotics action plan to meet the objectives of the 1988 UN Drug Convention. The key goals of the plan are to reduce the inward flow of illicit drugs, curb illicit drug distribution, reduce domestic drug consumption, and coordinate with other ministries in the fight against illicit drugs and related crimes. Norway continues to cooperate closely with police forces in Nordic and other countries on drug cases. For example, in October 2001, the Justice Ministry announced it was considering sending a Norwegian police officer to Dubai Airport, in part to help monitor the smuggling of narcotics. According to the Ministry, international criminals smuggle narcotics from Dubai Airport to Norway and the other Nordic countries. The Norwegian police officer stationed there would be able to inspect travel documents of Norway-bound passengers, and turn away criminal elements known to Norwegian authorities.

In 2001, Norway's Customs and Excise Directorate continued implementing its own counternarcotics plan aimed at curbing drug imports, and seizing illicit drug money and chemicals used in narcotics production. The Customs Directorate, which has established a mobile narcotics control unit (including drug-sniffing dogs), has strengthened its surveillance and continues to coordinate its efforts with the police and the Coast Guard.

In 2001, Norway's Ministry of Health and Social Affairs continued to implement educational and other programs to reduce drug abuse through the Norwegian Directorate for the Prevention of Alcohol and Drug problems. The Ministry's counternarcotics program is outlined in a White Paper unveiled in 2000, entitled: "Narcotics Problems in Norway: Report and Anti-drugs Measures." In September 2001, the Ministry proposed the establishment of "needle rooms" where drug addicts could inject themselves under supervision in an effort to reduce narcotics-related crime and the spread of AIDS. The program was

begun on a limited trial basis. Whether this program will be continued into the future has yet to be decided.

Norway's Ministry of Defense continued to implement programs to reduce narcotics use in the armed forces by conducting seminars and distributing counternarcotics information to the military. On the local government level, counternarcotics campaigns were launched in 2000 and 2001. Illustratively, the city of Oslo, which has established an counternarcotics campaign unit, campaigned against the increasing use of cocaine and ecstasy by young people.

Accomplishments. According to the Ministry of Health and Social Affairs, Norway remains in full compliance with the 1988 UN Drug Convention, with the country's counternarcotics plans/initiatives progressing as scheduled, counternarcotics law enforcement being strengthened, and cooperation with the UNDCP remaining in place. In 2001, Norway also cooperated with EU's European Monitoring Center for Drugs and Drug Addiction (EMCDDA) on issues relating to narcotics problems and counternarcotics measures and policy. In September 2001, there was an counternarcotics festival in Lillehammer attended by government officials, the Crown Prince and former drug addicts. In 2001, there were also several counternarcotics debates aired on radio and TV.

Law Enforcement Efforts. According to statistics compiled by Norway's Criminal Police (KRIPOS), the number of drug seizures rose 16 percent during 2001 to 27,720 cases, from 23,919 in 2000 (Final Figures). According to the statistics, cannabis and amphetamine seizures rose most strongly in terms of number of seizures, but seizures of heroin and ecstasy also remained significant.

Law enforcement efforts were also stepped up, resulting in a record number of persons charged with narcotics-related crimes.

In order to discourage the use of narcotics substances, the authorities increased the fines relating to narcotics offenses in 2000. While the maximum penalty for a narcotics crime in Norway is 21 years imprisonment, penalties for carrying small amounts of narcotics remain mild. In 2001, three Eastern Europeans and one Norwegian national were given jail sentences ranging between two to seven years for smuggling 201 kilograms of hashish into Norway. In 2001, the police repeated earlier calls for bigger budgets and permission to use bugging devices to help improve the law enforcement effort.

Norwegian counternarcotics authorities cooperate frequently with their counterparts in the Nordic countries and the United States.

Corruption. While public corruption is rising, with some 250 cases reported in 2001 versus 38 cases in 1991, the level of corruption in Norway remains modest in global comparison. In 2001, Norway's specialized economic crime unit brought its biggest ever corruption case to court: A former UNICEF director allegedly received U.S. \$1 million worth of bribes in the 1989-96 period to award construction contracts to one Norwegian and six foreign companies. However, the United States has no evidence of drug-related corruption in Norway.

Agreements and Treaties. Norway is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. Norway's extradition law (of 1975) governs extradition of criminals to the United States and other countries. Norway has bilateral customs agreements with the United States, the EU, Russia, countries in Central and Eastern Europe, and other trading partners. Norway is a member of Interpol, the Dublin group, and the Pompidou group. Norway has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. In 2001, illicit cultivation of drugs remained very limited in Norway due to the country's harsh climate and tough laws governing drugs and drug distribution. Very small quantities of Norwegian-grown hashish/cannabis were reportedly detected, concealed as house plants in private premises.

Drug Flow/Transit. According to the Police Crime Unit, the inflow of illicit drugs continued to increase in 2001, with cannabis, benzodiazepines, and amphetamines in the lead. Most illicit drugs are entering Norway by road from other European countries such as the Netherlands, Belgium, Germany, and Central and Eastern Europe, especially Poland and Hungary. As in the past, some drugs have been seized in commercial vessels arriving from the European continent and Central/South America. Nationals of the Former Republic of Yugoslavia continued to reinforce their prominent position in Norway's illicit drugs market.

Domestic Programs (Demand Reduction). Government ministries and local authorities continue to initiate and strengthen counternarcotics abuse programs. According to the Ministry of Health and Social Services, the increasing number of drug-related deaths suggests that these programs need further strengthening to become effective.

IV. U.S. Policy Initiatives and Programs

As in past years, the United States had no counternarcotics assistance programs in Norway in 2001. DEA officials consult with Norwegian counterparts when required.

Poland

I. Summary

Poland's improving economic status and its relative economic success among the countries of Central and Eastern Europe has led to a growth in the country's domestic market for narcotics as well as the amount of narcotics transiting Poland to the EU and beyond. Not only are Polish law enforcement officials faced with a steady stream of narcotics from the east as well as Latin America, but they also face large quantities of domestically produced amphetamines. With EU accession on the horizon, Polish officials have made significant strides in breaking up organized crime syndicates involved in drug trafficking and identifying where further improvement is necessary. While committed to combating narcotics trafficking and use, Polish authorities are challenged by budgetary shortfalls. Poland is a party to the 1988 UN Drug Convention.

II. Status of Country

Poland has become a major center for synthetic drug production, particularly amphetamines. MDMA (ecstasy) is produced in large quantities in Poland, and law enforcement officials estimate that Poland is one of the leading suppliers of amphetamines to European markets. Available information does not suggest that synthetic drugs produced in Poland have a significant effect on the United States. Poland is also a major producer of precursor chemicals as well as a transshipment route from eastern suppliers of precursors and narcotics, particularly Ukraine and Turkey.

Poland has an estimated 40,000 to 60,000 drug addicts with the drugs of choice being marijuana, amphetamines, including one called "Kompot" locally, and heroin (for smoking). Drug abuse and drug-related crime are increasing in Poland and represent a serious problem. (Drug-related crimes increased 27 percent over the previous year and arrests were up by 39 percent.) In recent years, Poland has seen significantly lower ages for first-time drug users as well as a much wider variety of illegal drugs available on the local market.

Although there are more than 400 criminal groups operating in Poland, the drug trade is largely controlled by just three syndicates operating in the Warsaw area and Gdansk. Poland's law enforcement community has had marked success in breaking up drug smuggling operations, specifically ones that had smuggled cocaine from South America, and it is continuing to improve its ability to identify and locate locally produced narcotics, much of which come from mobile clandestine laboratories.

III. Country Actions Against Drugs in 2001

Policy Initiatives. On November 17, 2000, President Kwasniewski signed into law three significant amendments to the National Program for Counteracting Narcotics (NPCN), of which the most controversial was the criminalization of possession of drugs. Previously, possession of small amounts of drugs for personal use was not illegal, but one of the new amendments calls for zero tolerance. The other two concern court-ordered drug treatment/counseling and penalization of business owners who foster an atmosphere tolerant of drug sales on their properties.

However, the amendments have had an unintended negative impact on one issue of great importance to law enforcement: the use of confidential informants (non-police agents) to purchase narcotics. Prior to the amendments, it was not illegal for such informants to possess small quantities of narcotics. However, the new legal structures ban possession and therefore non-police confidential informants cannot legally be used for "sting/buy-bust" operations. These operations would be in violation of the law because the amendments make no distinction between possession by the public in general and private individuals

acting on behalf of Polish law enforcement authorities. Although law enforcement authorities are aware of this shortcoming in legislation, the parliament has yet to consider the necessary amendment to the law.

A second set of amendments that took effect on November 14, 2001, authorizes stiffer penalties for production, import, export, purchase, possession, and storage of precursors with intent to produce illegal drugs. The new amendments also oblige managers of firms manufacturing precursors to inform law enforcement officials immediately if they observe any suspicious movement of precursors. In what may be a trend toward more transparency in the Polish legal system, law enforcement officials now have authorization to store small amounts of drugs for law enforcement purposes, including “sting” operations by undercover police.

The National Bureau for Drug Prevention, in cooperation with other institutions, is responsible for counteracting drug addiction. The Bureau is currently drafting the new National Drug Strategy, which it is expected to complete at the end of 2001.

Accomplishments. The DEA and the Polish Central Bureau of Investigations recently completed the second phase of an investigation targeting an international operations smuggling MDMA (ecstasy). This operation, based in Warsaw and Krakow, is responsible for the manufacture of a deadly form of ecstasy, commonly referred to as PMA/PMMA. A single source in Poland has been linked to more than 20 deaths worldwide resulting from the use of PMA/PMMA.

Law Enforcement Efforts. The Polish government has undertaken the task of reorganizing its Central Investigation Bureau (the Polish equivalent of the FBI). U.S. authorities are uncertain how this will affect bilateral working relationships on narcotics issues.

The United States’ recent donation of two x-ray vans will assist in detection of narcotics at Poland’s eastern border crossings. Other technological improvements installed along the eastern border include motion-sensing equipment and infrared surveillance cameras. Heroin seizures this year (243 kilograms through the first nine months of 2001) exceeded seizures during the same period of 2000.

Corruption. Poland’s new government and the new commander of the Polish National Police, Antoni Kowalczyk, have identified the fight against corruption among public officials as a priority and have announced plans to implement an overarching anticorruption program (to include new legislation and organizational changes) throughout the country. While instances of small-scale corruption—bribery, smuggling, etc.—are prevalent at all levels within the Customs Service and among the police, the USG is not aware of large-scale corruption that facilitates the production, processing or shipment of narcotic and psychotropic drugs and other controlled substances.

Polish National Police internal affairs offices and the Central Investigation Bureau have stepped up efforts in the past year to investigate small-scale corruption that impedes or discourages police investigations or prosecution. The number of cases investigated and successfully prosecuted relative to the number of reported incidents, however, remains low.

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

Agreements and Treaties. Poland is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1962 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the 1972 Single Convention. Poland and the United States have an extradition treaty and a mutual legal assistance treaty in force between them. In December 2000, Poland signed the UN Convention against Transnational Organized Crime and the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and in October 2001 the Protocol against the Smuggling of Migrants. Poland has not yet ratified either this Convention or the two protocols because additional legislative changes are required. Increased drug seizures and a higher prosecution rate demonstrate Poland’s commitment to these agreements.

Drug Flow/Transit. While synthetic drugs are manufactured in Poland (the precursors are usually imported from other countries), heroin, hashish, and cocaine, besides being consumed on the local market, frequently transit Poland en route to Western Europe. However, police say they lack a basis to estimate, with any precision, the amount of illegal drugs flowing through Poland.

Domestic Programs (Demand Reduction). The Law on Counteracting Drug Addiction requires the Ministry of Education to provide a drug prevention curriculum for schools and to provide support for demand reduction projects based on a community approach. In reality, these programs have not been sufficiently funded to allow implementation throughout the school system.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. Continued seminars and train-the-trainer programs, conducted by the DEA, will be part of the 2002 outreach plan as part of the overall goal of stemming the flow of illicit narcotics through Poland and terminating the production of narcotics on its territory.

Bilateral Cooperation. The DEA maintains close contact with Polish law enforcement officials on narcotics matters and cooperates with two full-time agents from the FBI posted in Warsaw. In addition to numerous liaison meetings between DEA officials and their Polish counterparts, the United States hosted a four-day training seminar on laboratory techniques for narcotics detection and analysis. Other seminars and information-sharing sessions on organized crime included specific references to the narcotics trade.

The Road Ahead. Subject to the availability of funds, the USG will fund programs addressing enhanced technological capacity to manage organized crime investigations, development and implementation of the financial intelligence unit; an anticorruption curriculum for the public schools will strengthen Poland's ability, over the long term, to fight narcotics trafficking and abuse.

Portugal

I. Summary

Portugal is a significant international gateway into Europe for drug smuggling. Domestically, heroin use poses the most significant health risks, followed by hashish and cocaine. Drugs enter by air and sea and transit overland both to and from other European countries. Most drugs transiting Portugal enter from North Africa, South America, and Turkey. U.S.-Portuguese cooperation on drugs includes visits by U.S. officials and experts, training of law enforcement personnel, and assistance in establishing rehabilitation programs. Portugal participates actively in international counternarcotics efforts. The GOP views drug addiction as a public health problem and administers a wide variety of treatment and “harm reduction” programs, including methadone and needle-exchange programs. In 2001, following a European trend, a new law decriminalizing drug use in small quantities went into effect. Portugal is a party to the 1988 UN Drug Convention.

II. Status of Country

Drug smugglers use Portugal as a point of entry for shipments headed into Europe from North Africa (notably Morocco), from Latin American countries (particularly Brazil, Venezuela, Colombia, and Ecuador), and increasingly from Turkey. Portugal’s open borders with other parties to the Schengen Agreement simplify the work of drug smugglers, and linguistic and cultural ties with Brazil and the former Portuguese colonies in Africa facilitate trafficking from those countries. Moroccan hashish and Afghan opium have entered Portugal through the Schengen countries. Cocaine and heroin enter Portugal by commercial aircraft, truck, and maritime vessel. Heroin refined in Turkey transits to Portugal through Holland and Spain and is consumed domestically or exported. Cocaine produced in Colombia transits through Brazil and Portugal en route to the rest of Europe. The United States has not been identified as a final destination for drugs transiting Portugal. Portugal requires the identification to the Customs Bureau of end users of all narcotics-related chemicals imported into Portugal.

III. Country Actions Against Drugs in 2001

Policy Initiatives. On July 1, 2001, a new law took effect that decriminalizes drug use for both “casual” consumers and addicts. Under the new law, “consumption, acquisition, and possession of drugs for personal use,” becomes a simple administrative offense. The maximum quantity allowed any one person is not to exceed ten days’ worth of drug supply, for example, 2.5 grams of hashish or one gram of cocaine or heroin. The penalties for consumers are monetary fines not unlike a speeding ticket. Fines for possession of methadone, morphine, opium, cocaine, and amphetamines range from U.S. \$25 to U.S. \$325, and for possession of hashish from U.S. \$25 to U.S. \$150. After paying the fine, the user is referred to a Commission for the Deterrence of Drug Addiction, a team of substance abuse professionals, for treatment and/or onward referral.

On August 25, 2001, another new law was passed aimed at improving international judicial cooperation in criminal matters. The new law allows for criminal investigations in Portugal to be carried out by teams of Portuguese and foreign, primarily EU-member country, investigators. These joint investigations can only be pursued if there is reciprocity and an appropriate treaty with the country in question. The new law allows foreign law enforcement personnel in conjunction with Portuguese police to engage in extensive surveillance of drug deliveries and transactions in order to facilitate apprehension of more traffickers; conduct undercover operations, something previously forbidden by Portuguese law; and utilize wiretaps and other telecommunication intercepts in criminal inquiries. This new law brings Portugal in line with EU practice and reflects the EU’s increasing interest in fighting international organized crime in general, and the drug problem in particular.

Accomplishments. In February 2001 a resolution of the Council of Ministers established the government's 30 main objectives in the fight against drugs and drug addiction. This master plan, required to be accomplished by 2004, sets the course of Portugal's increasing efforts to combat drug trafficking, sale, and abuse. The objectives include: strengthening the fight against drug trafficking and money laundering; establishing a joint program with Spain to control the cross-border flow of drug traffickers and consumers; establishing national treatment centers; deploying mobile units designed to fight the spread of infectious disease; providing syringe exchange programs; and creating a data processing network for the National Information System by the end of 2001 to optimize information gathering and drug consumption surveys.

Law Enforcement Efforts. Portugal has four separate law enforcement agencies that deal with the drug problem—the Judicial Police (PJ), the Public Security Police (PSP), the Republican National Guard (GNR), and the Customs Bureau (DGAIEC). The PJ is a unit of the Justice Ministry with overall responsibility for investigating criminal matters and coordinating enforcement efforts. The PSP and GNR, units of the Internal Affairs Ministry, are uniformed forces operating in the cities and countryside, respectively, although in practice overlap often occurs. Two separate units fulfill the functions of a Coast Guard, the Maritime Police, and the Fiscal Brigade, patrolling inland waterways and the coast. PSP officers in some cities are involved in a “safe schools” project similar to the D.A.R.E. drug awareness program in the United States.

In March of each year, the previous year's drug use and apprehension statistics are released. According to the report for the year 2000, there was a dramatic increase in the volume of drug apprehensions. Heroin seizures increased sevenfold, and seizures of cocaine and hashish rose threefold each. Three metric tons of cocaine were seized in 2000, and more than one-half of one metric ton of heroin was seized in 2000. Portugal explains these increases to be primarily a result of increased and improved police strategies.

In November and December 2001, Portuguese police concluded months of investigations by arresting 33 drug traffickers and seizing hundreds of thousands of doses of heroin, hashish, cocaine, and ecstasy. In December, police dismantled two international rings of traffickers. In the first, 12 traffickers were arrested while in the process of receiving four million doses of hashish. In the second, authorities apprehended the leaders of a ring smuggling ecstasy pills from Spain and the Netherlands.

Corruption. No cases of systematic or large-scale corruption were reported in 2001.

Agreements and Treaties. Portugal is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention on Narcotic Drugs. A customs mutual assistance agreement (CMAA) has been in force between Portugal and the United States since 1996. Portugal and the United States cooperate in extradition matters under a 1908 extradition treaty. The extradition treaty does not cover financial crimes, drug trafficking, or organized crime. However, drug trafficking offenses are extraditable through application of the 1988 UN Drug Convention. Portugal has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants. The United States and Portugal have a 1928 arrangement for the exchange of certain information regarding the traffic in narcotic drugs. Drug liaison officers from Spain, Germany, and Britain are stationed in Lisbon, and the DEA office in Madrid maintains close contact with Portuguese authorities. Maritime interdiction cooperation between Portugal and Spain continued in 2001, following the terms of the 1998 treaty between the two countries.

Portugal is a member of the Pompidou Group of the Council of Europe, which began in 1971 as a Europe-level forum to discuss and formulate policy and coordinate actions on narcotics and trafficking issues. During the February 2001 Council of Ministers meeting setting forth a national drug strategy, Portugal established a specific mission to the Pompidou Group. This mission, strengthening Portugal's ties to the group, is a step forward in Portuguese international involvement in fighting narcotics trafficking

and use. The European Monitoring Center on Drugs and Drug Addiction (EMCDDA), an EU facility, is located in Lisbon and serves as an information clearinghouse for EU countries.

Cultivation/Production. In Portugal, illicit drug production is not a significant concern.

Drug Flow/Transit. Portugal's exposed geographic position and its long, rugged coastline and proximity to North Africa offer an advantage to traffickers who smuggle illicit drugs into Portugal. Cooperation between criminal elements in the far north of Portugal and the nearby Galician underworld appears to be increasing; joint operations to smuggle narcotics now seem a realistic possibility. A Turkish trafficking group seeks to turn the Iberian Peninsula into a narcotics distribution center for all of Europe, but has not been successful yet.

Domestic Programs (Demand Reduction). Drug programs overall are coordinated by the Secretary of State for the Presidency of the Council of Ministers, who is directly responsible to the Prime Minister. The Institute for Drugs and Drug Addiction, a new Portuguese government office, serves as a statistical gathering and dissemination center for narcotics issues. It also serves as the country liaison office for the European Monitoring Center on Drugs and Drug Addiction (EMCDDA). The results of a comprehensive drug consumption survey of 70,000 youth aged 13 to 18, commissioned by the Institute and conducted by a local university, are due to be published in April 2002. The Institute also promotes counternarcotics public service advertising campaigns similar to campaigns on the danger of AIDS. As a part of the law decriminalizing drugs, which came into force July 2001, the government established regional commissions charged with reducing demand for drugs and facilitating the treatment of consumers. These commissions determine what treatment if any is necessary and what fines will be imposed upon those arrested for drug use under the new law. The Ministry of Health administers needle exchange, psychiatric, methadone, and detoxification programs. The Portuguese consider drug addiction to be an illness, not a crime. Branch clinics of the Ministry of Health offer methadone treatment. Registered addicts can obtain prescribed doses of methadone from any pharmacist, and thus avoid having to go to a public clinic. Long-term clinics offer free detoxification.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The DEA office in the U.S. Embassy in Madrid cooperates with the Portuguese Judicial Police on high-profile cases. The Portuguese Customs Bureau cooperates with the United States under the terms of the 1996 CMAA.

In 1999, Embassy Lisbon's Office of Defense Cooperation (ODC) arranged for a U.S. Coast Guard mobile training team to conduct boarding officer training with the Portuguese Customs Bureau. Two more classes were conducted in February 2001, with more planned for 2002.

The ODC (Office of Defense Cooperation) at the U.S. Embassy in Lisbon, through the Extended Military Education and Training program (E-IMET), provided funding for the Portuguese Navy and a private company (International Health Resources Management) to develop a drug and alcohol rehabilitation program. The Portuguese Navy has signed an agreement with the Portuguese Industry Association that will allow civilian organizations and businesses to utilize drug testing and treatment services from this program. The final phases of implementation and evaluation of this program occurred in 2001. Run according to American Medical Association standards and using the Hazelden Model, the program changed in 2001 from a closed to a more cost-effective open-style program. A U.S. Navy physician specializing in drug addiction and treatment conducted a training session for Portuguese Navy physicians in 2001.

The Road Ahead. In the future, the United States will continue to cooperate and collaborate with the GOP to combat illicit drug trafficking and related crimes, including money laundering.

Romania

I. Summary

Romania is not a major source of production or cultivation of narcotics, although cultivation of hashish and some poppy fields were discovered toward the end of the year. Romania lies along a well-established route used to funnel heroin and opium from Southwest Asia to Western countries, and Romania has recently begun to serve as a source of amphetamines. Accordingly, Romania is a country of concern to the United States. Romania is also used as a diversionary transit point for South American cocaine destined for Western Europe. In 2001, Romania made some major drug seizures and the price of heroin began to rise toward the end of the year. A national plan to address drug abuse was announced. Allegations of corruption continued to damage the image of the primary drug fighting law enforcement body. Romania is a party to the 1988 UN Drug Convention.

II. Status of Country

Romania lies along what is commonly referred to as the northern Balkan Route, and it serves as a transit country for narcotics moving from Southwest Asia, through Turkey and Bulgaria and onward toward Western Europe. In addition, a large amount of precursor chemicals transits Romania from West European countries south toward Turkey. In 2001 law enforcement officials for the first time seized laboratories producing synthetic drugs. Additionally, toward the end of the year cannabis and poppy crops were discovered for the first time. Law enforcement officials noted that a trend of increasing domestic use continued in 2001. While officials stated that heroin and marijuana were the primary drugs consumed in Romania, the use of synthetic drugs such as MDMA (ecstasy) increased among segments of the country's youth.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In October 2001 the Romanian government launched a National Program for Drug Prevention to combat a worrying trend of increased drug consumption in Romania. An inter-ministerial commission with representatives from the Ministry of the Interior, the Police Institute for the Prevention of Criminality, the Ministry of Health, the Ministry of Public Administration, the Ministry of Youth and Sports, and some NGOs was formed to supervise this program. Joint teams of police and social workers carry out educational and preventative programs against drug consumption outside the capital.

Romania is home to the Southeast European Cooperative Initiative (SECI) Organized Crime Center. The SECI Center, which became operational at the beginning of 2001, has sponsored a regional task force with Romanian participation to shut down heroin smuggling networks. In 2001, the Romanian National Police received training and technical assistance under the EU's PHARE program to combat synthetic drugs and received PHARE help in drafting legislation controlling precursor chemicals. The government submitted a chemical precursor control bill to Parliament in early November.

Accomplishments. Romanian courts have sentenced several drug traffickers to long sentences under the tough provisions of the narcotics law enacted in 2000, and the Romanian police are establishing an undercover drug investigation unit to take full advantage of the authority for undercover operations that the drug law provides. Romanian agencies, such as the National Police, Border Police, and Customs Administration (VAMA) continue to offer a good degree of cooperation in working with the USG. Inadequate resources and corruption remain the most significant impediments to combating narcotics trafficking in Romania.

Law Enforcement Efforts. In 2001 Romania significantly increased the amount of drugs confiscated, primarily due to two major hashish seizures in Constanta harbor. Romanian police cooperation with Belgian police following these seizures led to a seizure of 6.3 metric tons of hashish in Antwerp. Additionally, information provided to Tanzanian authorities following these operations led to the arrest in Tanzania of several members of a smuggling network and seizure of a hashish processing facility. Cooperation with the United States led to the dismantling of a ring smuggling cocaine from Ecuador. While a smaller amount of heroin was confiscated in 2001, after the start of military operations in Afghanistan in October, there was a dramatic rise in the street price of heroin, and Romanian police officers reported that aggressive enforcement operations were partially responsible. There was a four-fold increase in the amount of amphetamines and “club drugs,” primarily MDMA (ecstasy), confiscated in 2001 over 2000. As of September 30, almost 14 metric tons of hashish, 14.87 kilograms of heroin, 1.28 kilograms of opium, 2.47 kilograms of cocaine, and 66,552 amphetamine pills had been seized. Police raided and destroyed, for the first time in Romania, a precursor storehouse and a laboratory for production of amphetamines. Arrests through September 30 numbered 439 individuals.

Law enforcement resources dedicated to fighting narcotics in Romania are limited. The Romanian police reorganized its primary drug fighting service, the Directorate for Combating Organized Crime and Anti-Drug Operations (DCCOA) early in the year. The DCCOA was reorganized into two divisions, an organized crime division and an counternarcotics division. The counternarcotics side of the DCCOA now has some 50 officers; it now has internal squads working undercover operations, precursor chemicals, internal and external drug trafficking squads, and an analysis unit. In addition, one or two officers are assigned to each of Romania’s newly established 15 regional organized crime offices.

Corruption. Corruption remains a serious problem within the Romanian government. The reorganization of the DCCOA was triggered by a scandal in which the head of one of its drug squads was accused of using an informant to divert drugs for sale. Press allegations that a senior Ministry of the Interior officer used this reorganization to protect his wife from being investigated for procurement of precursor chemicals used to produce heroin bedeviled the Ministry of the Interior all year. In October the Romanian government announced an ambitious national plan to prevent corruption, but implementation had not begun by year’s end (2001-2002). Thus, it is premature to assess the impact of the plan on reducing corruption in Romania. The incentives for corruption in Romania remain high. The Ministry of the Interior did conduct an asset review of all its personnel during the year to detect illegally obtained wealth, and brought court cases against a few officers as a result.

Agreements and Treaties. Romania is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. An extradition treaty is in force between Romania and the United States, and Romania and the United States signed a mutual legal assistance treaty in October 2001, but it awaits ratification. Work has begun on a technical assistance agreement under which the UNDCP would provide Romania with funds for fighting narcotics trafficking and drug abuse. Romania is also working with the UNDCP to fight narcotics trafficking by sea. Romania has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Drug Flow/Transit. Illicit narcotics from Afghanistan enter Romania primarily over land through its southern border with Bulgaria. However, drugs are also brought into the country via the Black Sea port of Constanta, as well as via the country’s international airports. Once in Romania, the drugs move either north through Hungary, or west through Yugoslavia, on their way to Western Europe. Police estimated that 80 percent of the drugs that enter Romania continue on to Western Europe, while the remaining 20 percent are consumed in-country.

Domestic Programs (Demand Reduction). While consumption of narcotics in Romania has historically been low, this appears to be slowly changing, and the Romanian government is becoming increasingly concerned about domestic drug consumption. Detoxification programs are offered through

some hospitals, but are very limited. These programs are hampered by a lack of resources, and when heroin prices rose during the military operations in Afghanistan late in the year desperate addicts overwhelmed them. As of September 30, 2001, only 400 individuals were registered as drug addicts in all of Romania.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. In response to strong interest by the Romanian National Police and other Romanian agencies with narcotics law enforcement responsibilities, the USG has offered a wide range of training geared toward fighting narcotics, corruption, and money laundering. State Department-sponsored training in 2001 included courses that the FBI led on interview and interrogation, as well as homicide investigation. Other State Department-funded programs in 2000 were offered through the Department of Justice's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT). These programs included a seminar on fighting corruption. Separately, the DEA offered a course on criminal intelligence analysis to SECI Center officers and Romanian law enforcement authorities, and the U.S. Secret Service offered courses on financial crimes to SECI Center officers and Romanian law enforcement. The U.S. Customs Service, which has several representatives posted in Romania, provided training to improve border enforcement. The DEA's activities in Romania are coordinated by the DEA's regional office in Vienna. The U.S. Coast Guard conducted maritime law enforcement training under EUCOM's (European Headquarters, U.S. Army) Joint Contact Team Program (JCTP).

The Road Ahead. Following the reorganization of its drug efforts, Romania has put a serious emphasis on its counternarcotics efforts and cooperation with the USG. The USG believes that cooperation will continue, as the Romanian government has become increasingly concerned about domestic drug consumption. The new drug law enacted in 2000 is expected to make a noticeable difference in the country's fight against drugs over the coming year and beyond. Subject to the availability of funds, counternarcotics, money laundering, and corruption-related training will continue in 2002.

Russia

I. Summary

The continued increase in the flow of Afghan heroin into the country across the southern Russian border dominated drug issues in the Russian Federation in 2001. According to estimates by the Drug Control Department, as much as 99 percent of the heroin seized in 2001 originated in Afghanistan. The sharp increase in the supply of heroin has caused the price of heroin to drop sharply, which has stimulated demand to an unprecedented extent. 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 Russian Ministry of Interior (MVD) 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. Although Russia continues to be a depressed market for cocaine, international cocaine traffickers are increasingly using Russia as a transit point for onward shipment to Europe. LSD and methamphetamine abuse is increasing across Russia. The increase in the manufacture and sale of “designer drugs” such as MDMA (“ecstasy”) is also an area of special and growing concern to Russian and international law enforcement.

In 2001 the Russian government continued to display an increasing interest in counternarcotics cooperation, and Russian law enforcement authorities deepened their bilateral investigative cooperation and intelligence sharing, particularly in the aftermath of September 11. The Putin administration declared counter-terrorism to be the most important priority of the international community at this time, and citing the relationship between terrorist funding and narcotics, declared that interrupting this cash flow was essential. The Putin administration indicated an increased interest in exploring a multi-faceted approach including demand reduction and prevention, introducing a draft national counternarcotics strategy for the first time September 28. Russia ratified the Russia-U.S. Mutual Legal Assistance Treaty (MLAT) in 2000, and following U.S. Senate advice and consent to ratification, the treaty was brought into force on January 31, 2002. Russia is a party to the 1988 UN Drug Convention.

II. Status of Country

Russia is a transit country for heroin and opium, most of which comes from Afghanistan and approximately half of which is destined for Europe. A small percentage reaches the United States as well. Individual criminals of Russian origin use Russia to transship cocaine, averaging in the 50-60 kilogram range per illicit shipment, to Europe and elsewhere. Russia is a small producer of cannabis, opium poppy, and ephedrine for domestic consumption, and it is a significant producer/diverter of precursor chemicals for export for the production of Afghan heroin. Production of amphetamines and synthetic drugs for domestic consumption is minor, but on the rise, and with the ready availability of precursors and sophisticated chemists, Russia may be poised to become a major producer of synthetic drugs to Europe and the United States. Russian-Israeli criminal groups are known to be involved in synthetics trafficking in the United States—Russian-based criminal groups could exploit this connection to enter the U.S. synthetic drug market as suppliers.

While the Russian economy is currently on an upswing, Russia remains a depressed market for cocaine. Russian demand for cocaine fell abruptly after the economic crash of 1998, and even at its peak it never equaled demand for heroin, which is much cheaper, more plentiful, and more easily imported. European and U.S. markets for cocaine are far more profitable than Russian markets and cocaine seized in Russia is typically in transit to Europe. While there have been seizures as large as several tons, such as that seized on a Russian-owned vessel off the coast of a European country, there were no large seizures in 2001. Russian law enforcement authorities consider cocaine trafficking a growing, but not yet major criminal threat.

Heroin trafficking continues to be the primary drug problem facing Russia. The Taliban stepped up production and export of opium and heroin into Tajikistan and Kazakhstan and on into Russia just as the economic crash of 1998 plunged Russia into a period of economic crisis. The crash resulted in a sharp drop in the standard of living for many Russians, high unemployment rates, and a decrease in the technical and financial resources available to law enforcement and drug treatment programs. Alcohol and substance abuse increased. The crisis, coupled with the widespread availability of cheap heroin, contributed to a rapid increase in serious heroin abuse and addiction, and a concomitant steep increase in HIV and AIDS. It is believed that as much as 80 percent of Russian HIV infections are related to intravenous drug use. Russian authorities resist needle exchange programs for fear of appearing to encourage heroin abuse. HIV-suppressing therapies exceed the financial capability of most Russian clinics and victims remain for the most part untreated, representing a grave concern for Russian health authorities. Certain areas in Russia are said to have the fastest growing rate of HIV infection in the world.

Given the porous nature of the border (which was an internal border only ten years ago) and the lack of technical and financial support for law enforcement, it is clear that Russia is ill-equipped to handle the growing inundation of the country with Afghan heroin. Even if half of the heroin moving in Russia finds its way into European or other markets, prices for a gram of heroin in Russia have fallen from an average U.S. \$70 in 1999 to a low in 2000 of U.S. \$10, to a post-September 11 average of U.S. \$35 per gram. After September 11 and the start of the U.S.-led bombing campaign against the Taliban in Afghanistan, Russian law enforcement reported a significant spike (up as much as 30 percent) in heroin prices and a decrease in quality/purity. By December, heroin prices had stabilized, but high purity heroin was still priced higher than before September 11. The average Russian heroin user cannot support a heroin habit without resorting to some form of criminal activity. The MVD reported that drug-related crimes increased 4.5 percent during the first nine months of 2001, and that drug-related crimes by organized crime members increased 25 percent during the same period. Clearly, Russia has a major interest in seeing poppy/heroin production in Afghanistan curtailed.

Domestic distribution of drugs in Russia is handled by the same traditional Russian criminal organizations that have long conducted other criminal operations in the various regions of Russia. Trafficking into the country is often handled by members of various ethnic groups who tend to specialize in certain categories of drugs in specific areas. Heroin is mainly imported by Afghans, Tajiks, and other Central Asians across the southern border with Kazakhstan into European Russia and western Siberia. Vietnamese and Chinese traffic heroin, opium, and ephedrine into eastern Siberia, whose inhabitants also manufacture methamphetamine in kitchen laboratories for personal use. Ukrainians traffic in cannabis, while Nigerians and some other Africans traffic mostly in heroin. Azeris, Chechens, and Tajiks dominate the heroin trafficking at the street level in northwest Russia. Russian law enforcement report that larger and more powerful organized crime groups in the country allow these groups to operate unmolested in exchange for a share of the drug profits.

III. Country Actions Against Drugs in 2001

Until 2000 drug trafficking by Russians or through Russia was not given a high priority by Russian policy makers or law enforcement officials. Russia had little drug abuse and halting the transit of narcotics through the country was deemed a lower priority than other seemingly more critical criminal activities. Russian authorities have recognized in the last few years that drug trafficking is now a serious national security threat to Russia.

Policy Initiatives. The Putin administration has demonstrated that it places a high priority on law enforcement (raising salaries of all Russian police 20 percent in 2001) and on control of narcotics. This became an even more important priority in the wake of September 11 and the increased importance of depriving Afghan terrorists of their profits from the drug trade. Russian authorities have stepped up their levels of international counternarcotics cooperation in interdiction and enforcement. From the highest levels of government down, recent years have seen a marked increase in the willingness of Russian

authorities to cooperate with international counternarcotics efforts, and U.S. efforts in particular. Russian counternarcotics efforts rely heavily on law enforcement, but they have recently displayed an increased willingness to initiate cooperation and accept assistance in the areas of demand reduction and treatment as well. In this connection, in November 2001, President Bush and President Putin issued a statement of mutual interest to expand cooperation between the U.S. and Russia on efforts to stop illegal trafficking of drugs and in preventing and treating drug abuse addiction.

Accomplishments. In October 2000 the Russian Duma ratified the Mutual Legal Assistance Treaty (MLAT). The U.S. Senate provided its advice and consent to ratification of the MLAT on December 19, 2001. The MLAT was brought into force by exchanging instruments of ratification on January 31, 2002, thereby replacing the Mutual Legal Assistance Agreement between the United States and Russia.

Multilateral Cooperation. The UNODCCP (UN Office of Drug Control Crime and Counter-Narcotics) in Moscow continued to implement several important projects: “Technical Assistance in Control and Prevention of Drugs and Related Organized Crime,” which provides equipment and training for counternarcotics units in Russia; “Training Center for CIS (Confederation of Independent States) Countries at Domodedovo,” a regional project, which establishes a program for training representatives of counternarcotics units of various CIS countries in the Russian police training facility at Domodedovo in Moscow; and a project to provide equipment and training to the Russian Border Service personnel who police the Tajik-Afghan border to halt the flow of heroin before it reaches the Russian border. The UNODCCP reports that while these projects have the support of the Russian authorities being trained, Russia has not allocated any funding for continued cooperation.

Law Enforcement Efforts. The 1998 law on narcotics and psychotropic substances criminalized the purchase and possession of drugs and stiffened the penalties for distribution and large-scale trafficking. While this law has done nothing to discourage the growing substance abuse in Russia, it has given law enforcement a somewhat increased ability to deal with serious drug traffickers. Sentences by courts continue to be comparatively light. Many courts have been unwilling to accept evidence obtained through wiretaps or undercover work, but new provisions in the code of criminal procedure explicitly authorize courts to accept evidence obtained through clandestine surveillance, when that surveillance has been approved in advance by a court.

Limited resources seriously handicap Russian law enforcement authorities’ response to narcotics. Russian law enforcement officials and the UN estimate that the flow of Afghan heroin alone has increased fourfold in the last three years, while Russian law enforcement budgets, funding equipment procurement, have remained static, equipment has deteriorated, and veteran officers have been lost to attrition. Almost no new funding is available for equipment replacement or procurement of new technology. Funds for training are also extremely limited.

Within these limitations Russian drug control units have continued to strengthen and deepen their interagency cooperation and to reach out to other nations for bilateral and multilateral international cooperation. Russia’s multi-agency counternarcotics task force has continued to develop and improve its cooperation with other Russian enforcement forces targeted on narcotics.

Seizures of heroin rose again in 2001, with Russian Customs seizing 307 kilograms in 216 seizures as of mid-December 2001, up from 206 kilograms for 2000. Russian Border Guards reported seizing 2,400 kilograms of heroin as of the start of December 2001 (including 12 major seizures in excess of 100 kilograms each), an almost threefold increase from the 880 kilograms seized in 2000.

One of the most significant seizures occurred in July 2001, when Russian authorities seized 135 kilograms of heroin and 7.7 kilograms of marijuana concealed in a cargo of cotton on board a railcar in Astrakhan. The shipment originated in Afghanistan and was destined for Switzerland, via Tajikistan, Kazakhstan, Russia, and Ukraine. Some of the most dramatic seizure increases have taken place not in Russia, but on the Afghan-Tajik border where the Russian Federal Border Service provides assistance in cooperation with Tajik forces. According to UNODCCP figures, between January and October 2001, 6,680 kilograms

of illegal narcotics were seized, including 3,034 kilograms of heroin and 3,004 kilograms of opium. The total amount of drugs seized during this period in Tajikistan is almost double that seized during the same period in 2000. Heroin seizures increased almost three-fold, from 1.1 tons in 2000 to over three tons in 2001. Opium seizures also increased consistently from two tons in 2000 to three tons in 2001.

Corruption. There were no reported cases of narcotics-related corruption that facilitated the production, processing, or shipment of narcotics and psychotropic drugs and other controlled substances or the laundering proceeds of illegal drug transactions, or that discouraged the investigation or prosecution of such acts. President Putin has said that controlling corruption is a priority for his administration, but actually doing so will require a constant effort. Inadequate budgets, low salaries, and a lack of technical resources and support for Russian law enforcement authorities hamper performance, sap morale, and encourage corruption.

Agreements and Treaties. Russia is party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. In 1995, the Russian Border Service concluded an agreement with Kyrgyzstan and Tajikistan to reinforce trilateral counternarcotics cooperation on the borders with Afghanistan, Pakistan, and Iran. Russia is a party to the 1992 Kiev Treaty on Cooperation in Interregional Drug Investigations. Russia has signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

The Annex of the U.S.-Russia Mutual Legal Assistance Agreement of 1996 specifically listed any crime associated with trafficking in illicit drugs and psychotropic substances as a basis for making a request for assistance under the agreement. It listed money laundering, government corruption, and organized crime as well. On December 19, 2001, the U.S. Senate provided its advice and consent to ratification of the Mutual Legal Assistance Treaty with Russia and the MLAT entered into force on January 31, 2002. The MLAT makes dual criminality the basis for rendering or requesting mutual legal assistance under the terms of the Treaty. The treaty may significantly enhance the mutual legal assistance process between the two states. In July 1998 the DEA and the Ministry of Internal Affairs signed a Memorandum of Understanding (MOU) on Counternarcotics Cooperation. A 1995 MOU between the Russian Federal Border Service and the U.S. Coast Guard provides for cooperation in Maritime Drug Interdiction. The U.S. Attorney General and the Director of the Federal Security Service (FSB) signed an MOU that provides for the sharing of intelligence on counternarcotics between the DEA and the FSB.

Cultivation/Production. Although there are no official statistics on the extent of opium cultivation in Russia, the USG has no evidence to suggest that more than 1,000 hectares of opium are cultivated. In the first six months of 2001, Russian authorities eradicated 13,506 square kilometers (6.6 tons) of wild opium and 29,820 square kilometers (40,537 kilograms) of cultivated opium. Wild cannabis is estimated to cover some 1.5 million hectares in the eastern part of the country. Russian authorities eradicated 1,283.8 tons of wild cannabis and 35,472 kilograms of cultivated cannabis from January-June 2001. Although illegal cannabis plots eradicated decreased from 1,923 plots (142,873 square kilometers) in the first two quarters of 2000 to 1,204 plots (136,365 square kilometers) during the same period in 2001, the total number of hemp plants eradicated during this period in 2001 increased dramatically to 893,154 plants from 150,753 plants in the same period of 2000. The MVD reported that throughout 2001, new zones for storing raw poppy and cannabis for drug production continued to be identified.

Drug Flow/Transit. Heroin from Southwest Asia flows through Central Asia, particularly Tajikistan and Kazakhstan, over the southern border into Russia, for domestic distribution and consumption and for onward shipment to Europe and, to a much lesser extent, the United States. The port city of Astrakhan and the Black Sea port of Novorossiysk are major transit points for Turkish-refined Afghan opium, and Afghan heroin into Russia. Vast amounts of daily sea traffic, consisting of passengers, automobiles on ferries, and bulk goods in trucks are used to conceal heroin into Russia. All routes mentioned above are also used in reverse to smuggle multi-ton quantities of the heroin precursor chemical, acetic anhydride, to

the clandestine laboratories producing Afghan and Turkish heroin. The lack of border controls with China and Mongolia facilitates smuggling, including drug trafficking, through that region. In the east, the Chinese continue to import the precursor ephedrine for the domestic production of methamphetamine in kitchen laboratories in quantities for personal use. Cocaine traffickers also route Colombian cocaine for transshipment to Europe and elsewhere through Russian seaports and airports.

Domestic Programs (Demand Reduction). In 2001 Russian authorities continued to explore possible cooperation and assistance in the area of drug abuse prevention and treatment. Russian authorities have approved a comprehensive counternarcotics strategy that would combine education, health, and law enforcement efforts. Russian law enforcement authorities also have come to support the idea that demand reduction should complement law enforcement efforts to reduce supply. President Putin and Security Council Secretary Rushailo have both stated that addiction should be considered and treated as a disease, rather than prosecuted, although they strongly opposed the legalization of “light” narcotics. The 1998 Narcotics Law provides for compulsory treatment of drug abusers who come to the attention of the authorities. The law, however, also restricts drug abuse treatment to government facilities.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Objectives. The principal U.S. goal is to help strengthen Russia’s counternarcotics law enforcement capacity to help meet the challenges of international drug trafficking into and across Russia. The United States also aims to help strengthen and develop Russian law enforcement personnel.

Bilateral Cooperation. In 2001 the U.S. Department of State’s Bureau for International Narcotics and Law Enforcement Affairs provided counternarcotics, anticorruption, and money laundering training conducted by five U.S. agencies, including the DEA, to over 200 trainees. The trainees were primarily law enforcement personnel in the Ministry of Internal Affairs (MVD), the Federal Security Service (FSB), and Customs, but programs also reached out to legislators, court officials, NGO’s, and health professionals among others in demand reduction and drug abuse treatment. The program also included technical advisors working on institutional change. The United States supported other programs in the region, including community police programs that contain a significant counternarcotics component, and funded several NGO programs that focus on this aspect of community relations.

A joint Russian-U.S. controlled delivery in 2000 proved to be a significant confidence-building measure for Russian-U.S. law enforcement. It strengthened and deepened our cooperation resulting in a greater number of joint investigations and a freer sharing of counternarcotics intelligence in 2001. This increased even more dramatically in the aftermath of September 11.

The Road Ahead. Russia gives an increasingly high priority to counternarcotics efforts and has indicated a desire to deepen and strengthen its cooperation with the United States and other bilateral and multilateral international counternarcotics efforts. We will encourage Russia to implement its recently drafted comprehensive, long-term national strategy against drugs, which should include measures of effectiveness and be embedded in a national budget. U.S. law enforcement officials and their Russian counterparts will develop multidisciplinary sustainable law enforcement assistance projects that combine equipment, technical assistance, and expert advisors in an effort to develop and strengthen the investigative, enforcement, and interdiction capabilities of law enforcement units responsible for drug control in Russia. The United States will encourage Russia to sign a letter of agreement, under which the United States will provide law enforcement and narcotics assistance.

Slovak Republic

I. Summary

Slovakia lies at the crossroads of two major drug transit zones, the traditional east-west routes from Ukraine and the Russian Federation and the historic “Balkan Route,” which runs from Southwest Asia to Turkey and on to Germany, France, and other Western European countries. As it has in the past two years, the Government of the Slovak Republic (GOSR) funded the fight against narcotics at slightly higher levels in 2001 than it had during the previous year. Domestic drug use appears to have been on the rise again in 2001. The GOSR is party to the 1988 UN Drug Convention.

II. Status of Country

One of the main concerns of the GOSR is the continuing use of Slovakia as a transshipment point for smuggling illicit drugs. The GOSR continues to concentrate on east-west smuggling from Ukraine and Russia. Enforcement officials say that Russian organized crime groups have continued to be active in heroin trafficking this year. Slovak authorities are also placing increased emphasis on the Balkan Route and the suspected Albanian criminal organizations that use this route. Albanian traffickers cooperate with criminal organizations in neighboring countries to move heroin to market.

The influence of organized crime on drug sales and use continued to increase in 2001. According to the Slovak National Drug Squad, Albanian organized crime groups are responsible for 90 percent of all drug trafficking in Slovakia. Slovak police think organized crime groups have more resources and are masterminding increasingly complex operations. The Slovak police have cracked some organized crime cases, but they admit that they are still unsure of the full extent of the problem. The GOSR has modestly increased funding for law enforcement efforts aimed at combating illegal narcotics. Slovakia does not have laws that specifically control precursor chemicals involved in the production of illegal narcotics, but is also not a major source of diverted chemicals. Authorities do not believe that diversion of these chemicals is a problem in Slovakia.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Fighting organized crime and corruption is among the government’s top priorities. While cooperation with other nations in the fight against narcotics trafficking is not equally effective in all branches of the government, the GOSR has cooperated closely on a number of cases of international drug trafficking. Of particular note is the improving cooperation between the Slovak Customs Directorate, neighboring states, and the United States. Slovak customs officers tend to be very professional and have been granted a better budget. With the passage of a new Customs Act, scheduled to go into effect early next year, the authority of customs officials will be broadened, further strengthening border enforcement against drug trafficking.

Accomplishments. The current government, elected in 1998, has largely completed a reorganization of the police and National Drug Service. The Slovak Customs Directorate has sought to share more authority with the police in investigating cases of narcotics trafficking, and this will be facilitated by implementation of the Customs Act.

Law Enforcement Efforts. The number of attempts to smuggle illegal narcotics in 2001 appears to have increased compared with 2000. The majority of those apprehended were not Slovak citizens. The Border Service reports that, as was the case last year, most seizures at the borders were for marijuana trafficking.

Corruption. The current government is trying to reduce corruption through legal reform and increased education. While observers believe that some progress has been made, most believe corruption is still a

serious problem, particularly at the lower levels in the law enforcement agencies. This corruption affects enforcement of applicable counternarcotics laws. The GOSR continues to implement an anticorruption program for government employees, which embraces all ministries.

Agreements and Treaties. The Slovak Republic is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. The bilateral extradition treaty between Czechoslovakia and the United States has continued in force between the United States and the Slovak Republic. The Slovak Republic signed the UN Convention against Transnational Organized Crime in December 2000 and signed the Protocol to Prevent, Suppress and Punish Trafficking in Persons and the Protocol against the Smuggling of Migrants in November 2001.

Cultivation/Production. Indications are that small amounts of marijuana continue to be grown in all regions of the country, but that it is for domestic consumption only. It does not appear that cocaine or heroin is being produced within Slovakia. While some use of MDMA (ecstasy) among Slovaks has been reported, there have been no reports of its production within the country.

Drug Flow/Transit. The shared border with Hungary and Ukraine was the site of the greatest number of attempts to enter Slovakia with illegal substances. The greatest number of attempts to smuggle substances out of Slovakia was noted at the Czech and Austrian borders.

Domestic Programs (Demand Reduction). The Slovakian government supports efforts to discourage drug abuse through education in the schools. Treatment of drug abusers is also provided by the National Health Service.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. As in prior years, Slovak enforcement officials participated in several Department of Justice courses in 2001, funded by the U.S. Department of State. These classes were designed to increase the resistance to corruptive influences at the working level, and to improve counternarcotics and anti-organized crime detection/investigative skills.

The Road Ahead. Through bilateral cooperation, the United States will continue to encourage the GOSR to maintain its tough stance on drug interdiction and to expand its enforcement and prevention capabilities by modernizing responsible agencies.

Slovenia

I. Summary

Slovenia is neither a major drug producer nor a major transit country for illicit narcotics. The Government of Slovenia (GOS) is aware that Slovenia's borders with EU countries make it an attractive potential transit country for drug smugglers, and it continues to pursue active counternarcotics policies. Slovenia's goals of attaining EU membership in 2003 and full Schengen membership in 2005 resulted in an intensive focus on border controls in 2001. As a successor state to the Socialist Federal Republic of Yugoslavia, Slovenia is a party to the 1988 UN Drug Convention.

II. Status of Country

Slovenian authorities believe that its borders with Italy, Austria, Hungary, and Croatia and its short Adriatic coastline make Slovenia a potential target for Albanian, Turkish, and Italian criminal organizations trying to smuggle heroin into Western Europe via the "Balkan Route." Slovenia's main cargo port, Koper, located on the North Adriatic, is also viewed as a potential transit point for South American cocaine and North African cannabis destined for Western Europe. Drug abuse is not yet a major problem in Slovenia, although authorities keep a wary eye on heroin abuse which continues to increase.

III. Country Actions Against Drugs in 2001

Policy Initiatives/Accomplishments. The GOS continued to make counternarcotics a priority for all levels of law enforcement in 2001. Cooperation with officials from the United States and from EU member states to improve interdiction has also continued. Slovenia is a participant in the SECI Regional Center for Combating Transborder Crime and participates in the EU's PHARE Multi-Beneficiary Drug Program.

Law Enforcement Efforts. Active counternarcotics efforts among Slovenian law enforcement authorities led to a decrease in narcotics-related criminal activity in 2001 and a commensurate decrease in drug seizures. The most striking success was a seizure in eastern Slovenia of nearly ten tons of acetic anhydride acid (which police estimated could have been used to produce nearly four tons of heroin) in transit from Italy to an undisclosed location in Eastern Europe. Additionally, 73 kilograms of heroin were seized in two drug operations on the Slovenian-Croatian border in August 2001. Cooperation with U.S. law enforcement officials has been excellent, particularly with regard to ongoing joint investigations.

Law enforcement agencies seized 1,773 MDMA (ecstasy) tablets in 2001, compared with 26,804 ecstasy tablets in 2000 and 1,749 tablets in 1999. In 2001, 88.9 kilograms of heroin were seized, compared with 394.8 kilograms of heroin in 2000 and 32.2 kilograms in 1999. In addition, 170.56 kilograms of cannabis were seized in 2001, compared with 3,431 kilograms of cannabis in 2000 and 313.8 kilograms in 1999. One exceptionally large seizure in 2000 explains the departure from the normal range of cannabis seizures in Slovenia.

Corruption. Slovenia does not, as a matter of government policy, encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug activities. No senior Slovenian official engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug activities. However, corruption among low-paid police and border control officials certainly facilitates some narcotics trafficking.

Agreements and Treaties. Slovenia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The 1902 extradition treaty between the United States and Yugoslavia remains in force between the United States and Slovenia. Slovenia signed the UN Convention against Transnational Organized Crime in December 2000 and in November 2001 signed the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants, and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Slovenian law enforcement authorities have been willing and capable partners in several ongoing U.S. investigations. The U.S. supported training of some Slovenian law enforcement officials during 2001; the U.S. provided no commodity or program assistance.

The Road Ahead. Based on the high quality of past cooperation, we expect to continue joint U.S.-Slovenian law enforcement investigations in 2002. Subject to the availability of funds, the United States plans to provide specialized counternarcotics and other law enforcement training to Slovenian authorities in 2002, as necessary.

Spain

I. Summary

Spain is an important transit country to Europe for cocaine smuggled from South America and hashish from Morocco, and is increasingly a transshipment point for MDMA (“ecstasy”) going to the United States. Evidence available to date does not suggest that ecstasy that transits Spain en route to the United States has a significant effect on the United States. Spain remains active in counternarcotics efforts globally, especially in Latin America. After terrorism, drug trafficking is Spain’s highest law enforcement priority. Spain is a party to the 1988 UN Drug Convention.

II. Status of Country

Spanish law enforcement agencies seized a record amount of cocaine during the year. Trends indicate that Spain is an important gateway for cocaine shipments from the Andean countries into Europe. Spain is increasingly a transit point to the United States for ecstasy from the Netherlands. Spanish police continue to seize large amounts of mainly Moroccan hashish, much of which is intended for other parts of Europe. The majority of heroin that arrives in Spain is transported via the Balkan route from Turkey. Spanish law enforcement authorities made their first seizure of Colombian heroin in 2001.

No coca is grown in Spain, and production of cannabis and opium is minimal. Illicit refining and manufacturing of illicit drugs in Spain is minimal. However, small-scale laboratories that convert cocaine base to cocaine hydrochloride are discovered and confiscated each year. Spain has a pharmaceutical industry that produces precursor chemicals. Under the National Drug Plan (PNSD), Spain effectively controls shipments of precursor chemicals from the point of origin to destination.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Spanish policy on drugs is directed by the national drug strategy, which is in effect from 2000 to 2008. The strategy, approved in 1999, amplified the scope of law enforcement activities, such as permitting sale of seized assets in advance of a conviction and allowing law enforcement authorities to use informers. The strategy also outlined a system to integrate drug addicts back into society. The strategy targets money laundering and illicit commerce in chemical precursors and calls for closer counternarcotics cooperation with other European and Latin American countries. The national drug strategy is slated for comprehensive reviews of achievement in 2003 and 2008.

The National Central Drug Unit coordinates counternarcotics operations among various government agencies, including the security forces and the Customs Service, and appears to function well.

Spain is a member of the UNDCP major donors group and the Dublin Group of Countries Coordinating Narcotics Assistance. Spain chairs the regional Dublin Group for Central America and Mexico. Spain also funds programs through the Organization of American States’ Inter-American Drug Abuse Control Commission. Spain has pledged \$100 million to support Plan Colombia and has targeted institutional strengthening of police and judicial forces, alternative development, and demand reduction. Spain sponsors numerous training courses for Latin American police and judicial authorities. With funding from the European Commission, the PNSD is advising several EU candidate countries on counternarcotics legislation and practices.

Law Enforcement Efforts. Spanish law enforcement seized a record amount of cocaine during 2001, and continued to seize large amounts of hashish. Spanish cocaine seizures, over 25 metric tons through August, may account for half or more of the total amount seized in Europe. A few specific interdictions accounted for much of the total. The Civil Guard seized 3,100 kilograms in the northern port of Bilbao in

July. In August, the National Police seized nearly 4,500 kilograms, in an operation in Barcelona and Valencia. In a DEA-assisted operation that resulted in the arrest of one of Spain's major traffickers, the National Police also seized 5,000 kilograms from a cargo ship in the Atlantic.

Agreements and Treaties. Spain is a party to the 1988 UN Drug Convention, and all of the Convention's articles are applied in Spain. Spain is also a party to the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention on Narcotic Drugs. Spain is also a party to the 1990 Strasbourg Convention. Spain has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants. Extradition between the United States and Spain is governed by a 1970 extradition treaty and its three supplements. The U.S.-Spain Mutual Legal Assistance Treaty has been in force since 1993. The United States and Spain also have signed a customs mutual assistance agreement. The United States and Spain entered into an arrangement on the exchange of information regarding narcotics trafficking in 1928, which remains in force. A bilateral agreement between the United States and Spain on cooperation to reduce the demand for narcotic drugs entered into force in 1993.

Spain is a party to European conventions on mutual assistance in criminal matters, extradition, the transfer of proceedings in criminal matters and the international validity of criminal judgements. Spain has mutual legal assistance treaties or bilateral counternarcotics agreements with most countries in Latin America, as well as with Morocco, Israel, and Turkey.

Cultivation/Production. Coca leaf is not cultivated in Spain, and cannabis is grown in insignificant quantities. Opium poppy is cultivated under strictly regulated conditions for research. Refining and manufacturing of cocaine and synthetic drugs is minimal, with some small-scale laboratories converting cocaine base to cocaine hydrochloride.

Drug Flow/Transit. Spain remains a significant gateway to Europe for Andean cocaine and North African hashish. The amount of cocaine seized by Spanish authorities in 2001 is thought to be considerably more than the domestic market could absorb. Spain is increasingly a transit point to the United States for ecstasy and other synthetic drugs produced mainly in the Netherlands. The number of couriers carrying ecstasy from Spain arrested upon entry to the United States increased. Some of the heroin smuggled into Spain may continue to other European countries. Spanish authorities made their first seizure of Colombian heroin in 2001.

Domestic Programs (Demand Reduction). The Spanish national drug strategy identifies prevention as its principal priority. In that regard, PNSD continued its publicity efforts targeting Spanish youth. Spain's autonomous local communities provide treatment programs for drug addicts, including methadone programs and needle exchanges. Prison rehabilitation programs also distribute methadone.

Corruption. There is no evidence of corruption among senior government officials or their involvement in the drug trade or the laundering of the proceeds of illegal drug transactions; however, there were some arrests of individual law enforcement officers for involvement in trafficking. The Spanish government does not as a matter of policy or practice encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions.

IV. U.S. Policy Initiatives and Programs

U.S. goals and objectives for Spain are focused on maintaining and increasing the current excellent bilateral and multilateral cooperation in law enforcement and demand reduction. The United States seeks to promote intensified contacts between officials of both countries involved in counternarcotics and related fields. Latin America remains an important area for counternarcotics cooperation.

Sweden

I. Summary

Sweden is not a significant illicit drug producing, trafficking, or transit country. Swedish drug policy still envisions zero tolerance and seeks a drug-free society in the long run.

In January 2002, the Minister for Health and Social Affairs announced the GOS's 2002-2005 National Action Plan regarding narcotics, and made public his choice for Special Coordinator for Drug Issues in Sweden (similar to the U.S. Drug Czar). The new Coordinator, Bjorn Fries, is a Social Democrat and a Municipal Commissioner from southern Sweden with experience countering racism and neo-nazism among the young. The Coordinator will implement the new plan, coordinate efforts of the various departments, agencies, municipalities, and NGOs, and report back to the Minister. A high-ranking law enforcement representative, NGOs, and the media immediately criticized the government's plans as too vague, with too few clear goals and lacking concrete action recommendations. An Alternative Commission published detailed counterproposals to those incorporated in the government's report.

According to law enforcement sources, though more drugs are being seized, more drugs are also available virtually everywhere in Sweden. Greater availability of higher-purity amphetamines, the Swedish drug of choice, and lower prices have characterized the last few years.

Swedish authorities remain concerned about the entire drug scene, but in particular, continued abuse of brown (smoking) heroin in Balkan, Middle East, and other immigrant communities. Attitudes have gradually changed and Swedish youth now are more willing to experiment with drugs. Some young people use Rohypnol (the "date rape drug") or MDMA ("ecstasy"). Drugs from Eastern Europe and the New Independent States (NIS) are a growing problem for Swedish law enforcement. In 2001, Sweden continued its cooperation in international counternarcotics policy coordination fora, including the UN, the Dublin Group, the Pompidou Group, and the EU. Along with the Baltic nations, Sweden combats drug trafficking and money laundering vigorously. Sweden is a party to the 1988 UN Drug Convention.

II. Status of Country

Unlike some European countries, Sweden does not tolerate the use of even "soft" drugs. However, increased travel, study abroad, and broader Internet use have increased young people's exposure to drugs and to the liberal attitudes toward drugs of other nations. In this land of consensus, a 2001 poll showed that 94 percent of Swedes over 15 believe that individuals over 18 should be legally prohibited from smoking hashish or marijuana. Another poll in 2001, by Temo for the daily Dagens Nyheter, shows that 96 percent of Sweden's population supports a restrictive drug policy. According to the Swedish Council for Information on Alcohol and Other Drugs (CAN), there has been a gradual increase in the number of students who have tried narcotics. In 1989, three percent of Sweden's 16-year-olds had tried drugs, and in 2001 the figure was ten percent for boys and nine percent for girls.

Cannabis and amphetamines are still the most common drugs in Sweden. Police report that indoor cultivation of cannabis remains small scale. The price of brown heroin went up in late 2001. Brown heroin seems to be popular among immigrant youth. The Stockholm Police estimate that 80-90 percent of the heroin traffickers in Stockholm are of immigrant background. Some young people use ecstasy. The media warn of the dangers of GHB (Gamma-Hydroxy-Butyrate), which the GOS now classifies as a narcotic drug. Seizures indicate some Swedes still use psilocybin.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The GOS aims to reduce the number of new drug abusers, to motivate more drug abusers to quit, and to diminish the supply of narcotics.

Swedish customs and police officials continue to train other Baltic nations in countering drug trafficking, in intelligence work, in investigative methods, and in methods to identify drug abusers. They have projects in the Baltic nations, Poland, and the St. Petersburg and Kaliningrad areas of Russia, which advance forensic science, fight against illegal migration and narcotics trafficking, create witness protection programs, and counter organized crime. The GOS also participates in the Nordic-Baltic Police Academy.

In 2001, Denmark assumed from Sweden the chairmanship of the Task Force on Organized Crime in the Baltic Sea Region. The Task Force's mandate has been prolonged to 2004. Denmark in 2001 hosted a seminar on the increasing incidence of ecstasy use. In addition, there have been two meetings of the Amphetamine Project in the eastern Baltic Sea region, which uses a Warsaw forensic laboratory to profile amphetamines. Examples of operational activities are a project to make it possible for Baltic enforcement officials to observe controlled deliveries of narcotics, and "Operation Small Aircraft" aimed at detecting smuggling via small airports. (For more information on all the expert groups, see <www.balticseataaskforce.dk>.) The bilateral Polish-Swedish project called "Sigismund" brings customs and police officers together to work to identify manufacturers and smugglers of amphetamines.

Sweden participates in a number of international fora, including the UN Commission on Narcotic Drugs, the UNDCP, the Dublin Group, and the Pompidou Group. During 2001, Sweden continued actively to promote the improvement of the multilateral counternarcotics activities of UNDCP and to stress preventive work. Sweden's contributions to the UNDCP were about U.S. \$3.5 million in both 1999 and 2000, and U.S. \$3.7 million in 2001.

Accomplishments. The Swedish International Development Authority (SIDA), allocated about U.S. \$1 million in 2000 for multilateral and bilateral UN Normative Instruments Projects against drugs and tobacco, primarily in Africa and to a lesser extent in Asia. In 2001, it allocated U.S. \$1.2 million for these projects; the funding level should remain the same in 2002. Sweden's contribution to the UN World Health Organization's substance abuse program was about U.S. \$200,000 per year in 2000 and 2001, and should be the same in 2002.

The National Narcotics Commission concluded its work in 2001, producing broad-based evaluation reports on drug policy, and proposing ways to strengthen the counternarcotics effort. Many ideas later appeared in the GOS's January 2002 National Action Plan. The plan allocates U.S. \$31.5 million over three years for anti-drug efforts in Sweden. Of this sum, about a third is to go to rehabilitation of inmates, staff training, and research. The goal is to offer all drug-abusing inmates care and treatment. The remainder will be distributed to the 289 municipalities for counternarcotics projects.

Since 1999 it has been a crime to drive under the influence of narcotics or certain prescription drugs legally described as substances with "dependence-creating qualities or Euphoria-creating effects."

Agreements and Treaties. Sweden is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. Sweden signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants in December 2000.

Sweden has bilateral customs agreements with the United States, Germany, the United Kingdom, the Netherlands, France, Finland, Denmark, Norway, Iceland, Spain, Poland, Russia, Estonia, Lithuania, Hungary, Latvia, the Czech Republic, and Slovakia. Through the EU Sweden has entered into agreements with several other nations regarding mutual assistance in customs matters, including drugs.

Sweden cooperates with the United States in extradition matters under a 1961 convention and a 1983 supplement. In December 2001 Sweden and the United States signed a mutual legal assistance treaty.

As EU President, Sweden in the spring of 2001 placed a high priority on counternarcotics efforts, especially illegal production of narcotics, preventive measures, and drug problems in the EU candidate nations. Sweden is a driving force behind implementing the 2000-2004 EU Action Plan on Drugs. In late 2000, Sweden won support for its formal proposal to the EU Council for two Council decisions against synthetic drugs in Europe, one regarding the establishment of a system of special forensic profiling of synthetic drugs, and one concerning a transmission system of drug samples within the EU. In addition to these "CASE initiatives," Sweden successfully invited all member states to join a four-year operational pilot program to profile seized amphetamines. All member states agreed to participate. The Forensic Laboratory in Linköping, Sweden, performs analyses, and Europol coordinates the law enforcement intelligence aspect.

Law Enforcement. Swedish law enforcement authorities are very effective.

In May 2001, there was a major seizure (16 kilograms) of cocaine in Gothenburg Harbor aboard a banana boat from Colombia via Costa Rica. In July 2001, five kilograms of cocaine were seized on a boat, which arrived in Koping harbor from Ecuador via Bremerhaven.

In 2001, Swedish customs authorities and police seized 113,500 tablets of Rohypnol in 904 seizures, including: 86,000 tablets, possibly from Lithuania, in August 2001; and 25,000 tablets from Bulgaria in a car crossing the Oresund bridge linking Denmark and Sweden in October 2001.

In May 2001, the Swedish Medical Products Agency decided to change Rohypnol's classification to the more restrictive Schedule 2.

No major illegal laboratories were detected in Sweden in 2001.

In 2001, Swedish police and customs drug liaison officers were posted in St. Petersburg, Bangkok, Athens, The Hague, London, Warsaw, Tallinn, Riga, Berlin, Budapest, Moscow, and Amman. Sweden has both a customs and a police officer in Europol in The Hague. There are two Swedish policemen at Interpol's Coordination Center in Lyon.

Swedish counterparts cooperated with the DEA in 2001 in investigating a case, which resulted in dismantling an ecstasy laboratory in California and seizing cash and precursor chemicals.

Corruption. Corruption is practically non-existent in Sweden. Anticorruption laws and transparency effectively deter public officials from engaging in the illicit production or distribution of drugs, or from involvement in money laundering.

Cultivation/Production. Illicit drugs are not cultivated or produced in significant amounts in Sweden, but there is some small cultivation of cannabis in private homes, using seeds bought via the Internet.

Drug Flow/Transit. In 2001, Sweden remained a destination for synthetic drugs from Poland entering through the Netherlands, Germany, and Denmark. Drugs enter the country concealed in commercial goods, by mail, by air, by ferry, and by truck over the new Oresund bridge linking Denmark to Sweden. Poland was the source of approximately half of all amphetamines seized in 2001; lesser amounts originated in the Netherlands, Estonia, and Lithuania. Pakistani brown heroin reportedly is smuggled in by ethnic Albanian crime groups through the former Yugoslavia, the Czech Republic, or Slovakia, and then via Germany and Denmark, and by ferry or over the new Oresund bridge to Sweden.

Cocaine continues to be smuggled into Sweden most often by air passengers from South America, via EU airports, mainly London, Frankfurt, and Paris. Reportedly, criminal groups from Eastern Europe are also involved.

Sweden is not a major source of precursor chemicals for producing illicit drugs. Sweden's precursor chemical controls comply with the goals of the 1988 UN Drug Convention.

In 2001, law enforcement officials in Sweden did not encounter any drugs intended for the United States.

Domestic Programs (Demand Reduction). Since 2001, the National Institute of Public Health has a new role in Sweden's public health efforts. It assists Sweden's 289 municipalities in tracking the extent of drug abuse. The municipalities now have responsibility for providing compulsory drug education in schools.

Several NGOs are devoted to drug abuse prevention and public information programs. Under Swedish law, individuals who abuse drugs can be sentenced to drug treatment.

"European Cities Against Drugs" (ECAD), an alliance of major cities that espouses zero tolerance policies and no liberalization, is a growing Europe-wide movement founded in Sweden in 1994. Its policy is based on the UN conventions on drugs and the UN Convention on the Rights of the Child. The alliance maintains its secretariat in Stockholm. In September 1999, ECAD opened its first regional office in St. Petersburg and in 2001 it opened an office in Riga. The organization cooperates with various counternarcotics organizations in the United States, including National Families in Action and Drug Watch International, and is networking with Latin America, Asia, and Australia. At present, 260 cities and municipalities in 30 European nations are members of ECAD.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. The United States has sought to engage with the Swedes and the Baltic Sea Task Force on Organized Crime, and coordinates with the latter through the representatives of the U.S. Justice Department in Brussels.

Bilateral Cooperation. Swedish cooperation with U.S. law enforcement authorities continues to be excellent. DEA representatives, stationed abroad in many nations, continue to cooperate very well with Nordic customs and police liaison officers posted abroad. The DEA's office in Copenhagen has an outstanding relationship with law enforcement officers in Sweden.

The Road Ahead. The United States looks forward to continuing its already good counternarcotics cooperation with Sweden, particularly in the Nordic-Baltic context and in the former Soviet Union. The United States will pursue enhanced cooperation with the Baltic Sea Task Force on Organized Crime and with Sweden through the EU.

Switzerland

I. Summary

Switzerland plays a role as both a consumer market and transit route for illicit narcotics, but it is not a significant producer of illicit narcotics. Heroin use was down slightly during 2001, while the use of other drugs, particularly cannabis, increased. The Swiss public continues to strongly support the government's four-pillar counternarcotics policy, highlighting prevention and education, treatment, harm reduction, and law enforcement. A new drug bill continues its way through the parliament, aimed at decriminalizing cannabis use and concentrating enforcement efforts against other drugs. Although the Swiss government has delayed ratification of the 1988 UN Drug Convention until the revised narcotics legislation has passed, it adheres to the Convention in practice.

II. Status of Country

In a country of approximately seven million people, about half a million are thought to use cannabis regularly. Roughly 30,000 people are addicted to heroin and/or cocaine, and more than 7.5 percent of the population use a narcotic substance regularly in Switzerland. While the use of heroin has stabilized and even shown a slight decrease in recent years, the use of cannabis and synthetic drugs, especially MDMA (ecstasy), has increased sharply. Police are also concerned about the continuing trend by casual users to mix cannabis and other amphetamine-type stimulants (ATS) or "Thai pills," often at all-night dance raves, when dehydration and physical exhaustion can complicate a person's reaction to drugs. To cope with a growing number of tragic cases where young people have consumed dangerous unknown substances, mobile labs have been made available to analyze drugs for buyers on the spot without police interference.

III. Country Actions Against Drugs in 2001

Policy Initiatives. Switzerland continued to pursue its campaign against narcotics, which is based on a "Four-Pillar" program introduced in 1991. The program hinges on prevention and demand reduction through education, treatment, harm reduction, and law enforcement focusing on fighting hard drugs.

Parliament continued to consider a new drug bill aimed at decriminalizing cannabis use and concentrating enforcement efforts against other drugs. The full spectrum of political parties supports the bill to one degree or another, except for the conservative Swiss Peoples Party (SVP), which opposes the proposal outright.

The new law is designed to regulate the significant "gray market" for hemp products by limiting the number of retail outlets and permitting sales only to adults residing in Switzerland. Prices for hemp farmers and distributors also would be regulated and authorities would limit the acreage under cannabis cultivation and work to prevent drug exports. The bill is expected to pass during 2002.

Beginning January 1, 2002, jurisdiction for all cases involving international drug trafficking will shift from the cantons to the federal prosecutor. In addition, a new judiciary police force will be set up and 25 investigation judges will be hired.

Further controls on narcotic and psychotropic substances take effect on January 1, 2002, after which it will become illegal to advertise products that contain narcotic or other psychotropic substances without government certification. Violators who put human lives at risk could face fines up to U.S. \$121,000 or imprisonment.

Accomplishments. Swiss drug control authorities say that therapy and treatment programs have improved the physical and mental well being of many addicts and reduced incidents of drug-related crime.

The total number of cocaine and heroin addicts in Switzerland has stabilized at roughly 30,000 in recent years. Swiss officials credit needle exchange programs with reducing drug-related AIDS and hepatitis. Drug-related mortality increased from 181 deaths in 1999 to 205 in 2000, the most recent year for which information is available. Of these, 152 persons were over 27 years old. The average age of newcomers into the heroin treatment program is 32.6 years.

Law Enforcement Efforts. Cannabis seizures increased dramatically from 8,000 kilograms in 1999 to 18,000 kilograms in 2000. (Available information on seizure rates for 2001 is only preliminary.) The number of narcotics apprehensions during 2000 increased slightly to 46,558 (from 44,307 in 1999) but wide disparities among cantons exist. Apprehensions increased 23.9 percent for cannabis, 57.5 percent for amphetamines, and 77.8 percent for other hallucinogens, and they decreased 12.4 percent for cocaine and 12.7 percent for heroin. Police do not believe the drop in heroin and cocaine arrests indicate any significant change in usage. Approximately 81 percent of the offenses reported were for consumption.

Preliminary information on seizures of cocaine and heroin for year 2001 indicates that quantities will be below 2000. Police sources believe the decrease is due to traffickers deliberately transporting and stockpiling smaller amounts to avoid large seizures. According to Swiss law enforcement authorities, foreigners play a primary role in the Swiss drug scene, especially in distribution. During 2000, 2,353 out of 2,460 persons arrested were non-Swiss. While West Africans dominate cocaine trafficking, Kosovar Albanians control the Swiss heroin market.

On August 14, 2001, police sources reported that police dismantled a network responsible for trafficking Thai pills and arrested 102 persons during the operation. Among them were the kingpins operating out of Switzerland. A total of 450,000 pills were seized. Furthermore, investigators have concluded that trafficking of Thai pills is linked closely to trafficking in women. In the months after the seizure, there was mounting evidence suggesting that a highly organized drug network was responsible for trafficking of Thai pills in Switzerland. Efforts continue to work closely with Thai enforcement to dismantle these trafficking organizations.

Police sources report that customs officials seized no less than 1,091 kilograms of various drugs, in addition to 67,000 Thai pills. In May 2001, 33 persons originating from Kosovo and Albania were arrested in Vaud and 12 kilograms of heroin were seized.

A recent police raid in Valais seized 50 tons of hemp at Valchanvre, a plantation facility owned by a long-time proponent of the decriminalization of "soft" drugs. Police sources said that the hemp plants seized contained 40 percent THC, well above the legal 0.3 percent, and could be valued at U.S. \$24.2 million if sold through hemp shops. Both the owner and an accomplice of the Valchanvre company have been arrested. The owner could face a 16-month prison sentence for repeated offences. He said he would start a hunger strike in protest.

Corruption. There are no indications of narcotics-related corruption among Swiss judicial, administrative, or law enforcement officials.

Agreements and Treaties. Switzerland and the United States cooperate in law enforcement matters through bilateral extradition and mutual legal assistance treaties. An agreement for the exchange of information regarding drug trafficking entered into force between Switzerland and the United States in 1929.

Switzerland's membership in the UN Commission on Narcotic Drugs has expired on December 31, 2001 and has not been renewed. New elections to the Commission will take place in 2005. Switzerland is a major donor to the UNDCP and works closely with the International Narcotics Control Board (INCB), the World Health Organization (WHO), and the Council of Europe's Cooperative Group to Combat Drug Abuse and Illicit Drug Trafficking (Pompidou Group). Switzerland adheres to the 1988 UN Drug Convention in practice and has adopted legal instruments to implement its provisions. Formal ratification, however, is delayed until revisions to the narcotics law are completed. Switzerland is a party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the

1971 Convention on Psychotropic Substances. In December 2000, Switzerland signed the UN Convention against Transnational Organized Crime. The government intends to conform national law to the recommendations of the Chemical Action Task Force (CATF) and new EU regulations.

Cultivation/Production. Police estimate that approximately 200 tons of hemp were harvested in Switzerland during 2000. Easily satisfying domestic demand, Swiss hemp is also exported, primarily to neighboring countries. The existing Swiss narcotics law permits the cultivation of hemp if the harvest is not destined for narcotics use. Government subsidies are available to farmers growing industrial hemp with THC levels below 0.3 percent. Illicit production of high THC-content hemp is increasing, but exact figures are not available, although police estimated production during 1999 at 300 tons. Police have also expressed concern over the increase in domestic production of ecstasy and other synthetic drugs.

Drug Flow/Transit. Switzerland is both a transit country for drugs destined for other European countries and a destination for narcotics deliveries, especially heroin and cocaine. Drug traffickers often smuggle narcotics through the Zurich airport.

Domestic Programs (Demand Reduction). Switzerland focuses heavily on prevention and early intervention to prevent casual users from developing a drug addiction. Youth programs to discourage drug use cost \$6 million annually, according to the Federal Health Office (FHO). On February 23, 2001, the Swiss government hosted an international conference on heroin-assisted treatment which attracted government representatives, researchers, and field experts from over 15 countries. The goal of the conference was to exchange knowledge concerning this new treatment option for heavily addicted persons and to discuss the need and possibilities of creating a permanent pool to exchange knowledge and research results on heroin assisted treatments.

According to the FHO's August 2001 report on the Heroin Prescription Program, authorities dispensed 155 kilograms of heroin during calendar year 2000, compared to 148 kilograms in 1999. According to the report, 80 percent of this (or 124.5 kilograms) was for injection and the rest was in tablet form. Two hundred kilograms were imported (the stored amount is generally larger than actually required to prevent program disruption through delivery or harvest fluctuations). The FHO also reported that in 2000, 1,038 addicts were enrolled in the Heroin Prescription Program, nearly three-quarters of whom were male. The number of specialized treatment centers increased from 16 in 1999 to 20 during 2000 but the FHO reported that these treatment centers could only accommodate four percent of the total drug addict population. To prepare the report, the FHO reviewed all patients who had been in treatment for at least two years. The FHO found that their physical and mental well being, social conduct, and consumption habits had improved significantly. Of the 175 people who left the program in 2000, 72.6 percent (or 127) of these switched to methadone treatment or to abstinence-oriented treatment. When compared to 1999, the positive leave (i.e., switch to methadone treatment) has increased from 59.5 percent to 72.6 percent this year. Medical treatment is estimated to be about U.S. \$12,000 per year per person (U.S. \$31.8 per day). The burden of the financing, which amounted to U.S. \$11.5 million in 2000, is shared by the federal government (seven percent), the Cantons and local communities (38 percent), the government national health insurance (27 percent), and patients (28 percent).

To combat the high risk of HIV and hepatitis infection among intravenous drug users, the federal government also supports various harm reduction measures. These include needle exchange programs, injection rooms, and housing and employment programs. FHO findings show that a person's risk of contracting HIV and hepatitis is inversely proportional to his or her level of social integration. Compared to the late 1980's, the incidence of new HIV infections among addicts has decreased significantly.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. officials continue to receive excellent cooperation from their Swiss counterparts in justice and law enforcement efforts to combat narcotics trafficking and money laundering. Organized within the framework of the bilateral joint economic commission, Swiss and U.S. government

and private sector officials met in December for two days of anti-money laundering/economic crime consultations in Bern, Switzerland. The event reflected the growing cooperation between the United States and Switzerland in on issues relating to law enforcement and money laundering.

The Road Ahead. The United States will continue to build on its strong bilateral cooperation in the fight against narcotics trafficking and money laundering. In particular, the United States will urge Switzerland to use experiences gained in fighting terrorist money laundering to become more proactive in seizing and forfeiting funds from narcotics money laundering. The United States also will monitor Switzerland's revisions of its narcotics law and urge Swiss authorities to ratify the 1988 UN Drug Convention without reservations.

Tajikistan

I. Summary

Tajikistan is not a major producer of narcotics, but is a major transit country for heroin and opium from Afghanistan. The opium/heroin moves through Tajikistan through Central Asia and on to Russian and European markets, and it generally does not enter the United States. The volume of drugs following this route via multiple methods of transportation is significant and growing. Although there were dramatic gains in the total volume of drugs seized, the Government of Tajikistan (GOT) continued to have difficulty combating drug trafficking and other narcotics-related problems in a coordinated manner. Drug abuse of heroin, opium, and cannabis in Tajikistan is a growing problem. Tajikistan's medical infrastructure is highly inadequate and cannot address the population's growing need for addiction treatment and rehabilitation. The GOT remained committed during the year to implementing a counternarcotics strategy and cooperative programs with the UN Office for Drug Control and Crime Prevention (UNODCCP). It has also participated in the UN Six Plus Two counternarcotics initiative, signing the Regional Action Plan, which it helped to draft. Tajikistan is a party to the 1988 UN Drug Convention.

II. Status of Country

Geography and economics have made Tajikistan an attractive transit route for illegal narcotics. Its border with opium-producing Afghanistan, which is dominated by mountainous terrain, is thinly guarded, difficult to patrol, and easily crossed without inspection at a number of points. The disruption of normal economic activity during the 1992-1997 civil war gave rise to a warlord class whose leaders continue to jostle for control of the lucrative narcotics trade. With the average monthly income in the country remaining below U.S. \$10, the temptation to become involved in narcotics-related transactions remains high for many segments of society. In-country cultivation of narcotic crops is minimal, and the GOT is unaware of any processing or precursor chemical production facilities.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The Presidential Office's Drug Control Agency (DCA), created in 1999 with UNODCCP support, continued to implement a number of programs with the UNODCCP designed to strengthen Tajikistan's drug control capacity. The programs are part of a "Security Belt" strategy to stem drug trafficking from Afghanistan. The DCA aims to centralize the GOT's counternarcotics efforts and support drug treatment and rehabilitation efforts. The GOT appears to be giving counternarcotics law enforcement a higher priority than in the past, but it remains subject to pressure from regional power centers, benefiting from trafficking. The GOT's resources for counternarcotics efforts remain limited.

Accomplishments. Despite a slow start due to a lack of resources and infighting with other government security organs, the DCA became fully operational in April 2000. It recruited and trained a capable staff, well regarded by the UNODCCP. During 2001, it continued to raise its profile in the country and increased its public outreach efforts. The DCA also extended its links with international organizations and foreign states while expanding its cooperation with other Tajik security agencies.

Law Enforcement Efforts. During the first ten months of 2001, Tajikistan officials reported seizing 8.1 tons of illegal narcotics, including 3,780 kilograms of heroin and 3,590 kilograms of opium. Heroin seizures increased sharply over the previous year's ten-month totals (1.9 MT), while opium seizures fell sharply from 4.8 MT last year to 3.6 MT this year. Given the ten-to-one ratio between heroin and opium, opium equivalent seizures rose sharply. Russian Border Guard personnel were responsible for more than half the seizures. Although Tajik and Russian border forces are Tajikistan's first and main line of defense

against illegal narcotics trafficking, they remain unequal to the task. Given low pay and high incentives for corruption, they are at times, in fact, part of the problem.

Corruption. Influential figures from both sides of Tajikistan's civil war, many of whom now hold government positions, are widely believed to have a hand in the drug trade. While it is impossible to determine how pervasive drug corruption is within government circles, salaries for even top officials are low and often seem inadequate to support the lifestyles many officials maintain. Even when arrests are made, the resulting cases are not always brought to a satisfactory conclusion. As a matter of policy, however, Tajikistan does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. While accusations of drug-related corruption are routinely made by political figures against their enemies, there is no direct evidence of senior officials of the GOT engaging in, encouraging, or facilitating illicit production or distribution of such drugs or substances.

Agreements and Treaties. Tajikistan is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1972 UN Convention on Psychotropic Substances. It has signed the Central Asian Counternarcotics Protocol with the UNODCCP and neighboring Central Asian countries. Tajikistan is a party to the World Customs Organization's International Convention on Mutual Administrative Assistance for Prevention, Investigation, and Repression of Customs Offenses (the Nairobi Convention), Annex X on Narcotics Cases. Tajikistan signed the UN Convention against Transnational Organized Crime in December 2000.

Cultivation/Production. Opium poppies and, to a lesser extent, cannabis, are cultivated in limited amounts, most in the northern Aini and Pendjikent districts. Opium cultivation has been limited by law enforcement efforts and because it has been cheaper and safer to cultivate opium poppies in neighboring Afghanistan until the events following September 11.

Drug Flow/Transit. An estimated 80 percent of the narcotics produced in Afghanistan are smuggled across the border into Tajikistan's Shurobod, Moskovski, and Pyanj districts, according to GOT statistics. While the GOT may be overestimating the percentage of Afghanistan's drug production that transits Tajikistan, the total volume of drugs is certainly high. One UN estimate put the amount of heroin from Afghanistan going through the country at roughly 30 to 50 tons a year. Hashish from Afghanistan also transits Tajikistan en route to Russian and European markets.

Domestic Programs (Demand Reduction). The DCA expanded its initiatives aimed at increasing drug awareness, primarily among school children. However, the number of young addicts continues to grow—over 60 percent of Tajikistan's drug addicts fall into the 18-30 age group. The DCA also significantly expanded its public advocacy efforts in mass media outlets.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG is committed to providing counternarcotics and law enforcement training to Tajikistan. Because security restrictions precluded the USG from providing training in Tajikistan, the USG provided law enforcement training at venues outside the country.

The Road Ahead. The UNODCCP will remain the principal agency supporting counternarcotics efforts in Tajikistan. The United States will continue to provide law enforcement training, encourage similar support from Western European countries, and promote regional cooperation as essential to improve counternarcotics performance for all countries in the region. It is unclear what effect U.S. operations and the removal of the Taliban in Afghanistan will have on the cross-border drug trade, but every effort will be made to assure the effects are positive.

Turkey

I. Summary

Turkey's geographical position makes it an important transit route for Southwest Asian opiates moving to Europe. It is also an operational base for major international drug organizations involved in drug smuggling, drug production, and drug trafficking, as well as drug-related money laundering. Turkish law enforcement organizations focus their efforts on stemming drug flows, intercepting precursor chemicals, and destroying illicit heroin processing laboratories. While most of the heroin trafficked via Turkey is marketed in Western European countries, some also finds its way to the United States. There is no clear evidence that the heroin that enters the United States from Turkey is in an amount that has a significant effect on the United States, but Turkey is a country of concern to the United States. There is no appreciable cultivation of illicit narcotics in Turkey other than marijuana grown primarily for domestic consumption. There is no evidence of diversion from Turkey's legitimate opium poppy cultivation and pharmaceutical morphine production program. Turkey is a party to the 1988 UN Drug Convention.

II. Status of Country

Turkey is a major transshipment point for heroin passing from Southwest Asia to Europe. More significantly, it is also a major operating base for international narcotic traffickers responsible for all aspects of trafficking and refining drugs. Afghanistan is the source of most of the opiates (whether opium, morphine base, or heroin) smuggled into Turkey. Such opiates form the bulk of the heroin trafficked each year from Turkey to Western Europe and, to a lesser extent, to the United States.

The top priority of Turkish law enforcement and counternarcotics forces is to break up large drug trafficking rings. The counternarcotics forces continue to increase the sophistication of their operations, including their ability to conduct controlled deliveries domestically and internationally.

Turkish authorities continue to seize large amounts of heroin and precursor chemicals, such as acetic anhydride, and they continue to disrupt heroin laboratory operations at various locations in Turkey. Precise data on the amount of heroin and other opiates trafficked via Turkey is difficult to determine, but the DEA estimates that trafficking operatives in Turkey are involved in the smuggling of at least four to six tons of heroin per month.

While Turkey is one of the world's two traditional licit opium-growing countries, recognized by the U.S. government and the International Narcotics Control Board (INCB), there is no appreciable illicit narcotics cultivation in Turkey other than marijuana grown primarily for domestic consumption. The Turkish government maintains strict control on its licit poppy program, which provides opiates for the international pharmaceutical market. In 2001, the Turkish government continued its studies to improve its seed yields and processing techniques. The government's studies resulted in development of a poppy strain with increased morphine content. Poppy seeds from this strain have already been distributed to farmers for the 2002 crop year.

Turkey had a good licit poppy crop in 2001, thanks to mild weather conditions and sufficient rainfall. Poppy seeds remain a valuable food crop in Turkey's domestic market. The U.S. government is in the final stages of a longstanding program to work with the Turkish government to improve its licit poppy production.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The Turkish government is increasingly concerned about drug abuse in Turkey. Experts believe that although the number of drug abusers in Turkey remains small, the share who are

addicts has increased rapidly in recent years. The Drug Monitoring and Guidance Board, which was established in 1997, continues to meet regularly to address Turkey's drug problems. The Board acts as a policy maker, with its membership including ministers and top-level bureaucrats. The Turkish government has strict controls on its licit poppy program and the USG is not aware of any diversion from the program.

Accomplishments. The Turkish government continued to enforce its active counternarcotics policy in 2001. The Turkish International Academy against Drugs and Organized Crime was established under the auspices of the UN and Turkish National Police in 2000. The academy trained 170 participants in 2001. Fifty of them were international (i.e., non-Turkish) law enforcement officers. International participants were from OECD countries, the Black Sea Economic Cooperation Group, and the Balkans. The training program led to enhanced cooperation and information sharing in law enforcement among the participating countries.

Law Enforcement Efforts. Turkish law enforcement agencies, particularly the Turkish National Police, are technically well-equipped and have the trained personnel to conduct complex operations. During 2001, Turkish law enforcement agencies, including the Turkish National Police, the Jandarma (rural police), Customs, and the Coast Guard, conducted successful operations and seized over 5.1 tons of heroin, 10.1 tons of hashish, and 1.7 million synthetic drug pills. There were 9,064 drug-related arrests and a significant increase in seizures of precursor chemicals, particularly acetic anhydride. Most of the hashish seizures came from the eastern part of Turkey, whereas heroin seizures were mostly from border gates in the western part. The Jandarma, responsible for patrolling Turkey's rural areas, increased the number of its units specialized in drugs in 2001 and made several important seizures. Turkish officials continue to maintain a close relationship with their American and European counterparts, as well as with the UNDCP. Turkish officials meet periodically with drug liaison officers based in Ankara and Istanbul.

Corruption. The Turkish government continued to struggle against corruption in 2001. The Turkish government established an anticorruption supervisory committee in 2001, under the guidance of the IMF and the World Bank. The committee, which aims to increase transparency and efficiency in the public sector, has members from the Prime Minister's Office, Auditing Board, Finance Ministry, Justice Ministry, Interior Ministry, Treasury, and the Financial Crimes Investigative Board. The Turkish government conducted two significant anticorruption operations in 2001, one in the Energy Ministry and the other in the Public Works Ministry, charging several individuals with corruption and wrong-doing in government contract tenders. The operations resulted in the resignation of both ministers and the arrest of many high-level officials. The Turkish government took another significant step against corruption by issuing a new state procurement law, which is in full compliance with EU standards. There is no evidence of corruption of high-level officials facilitating the transit or refining of narcotics in Turkey. Lower-level officials, such as those at border crossing points, might be involved in corruption that facilitates narcotics trafficking, but the government's ongoing effort against corruption strives to apprehend and punish such individuals.

Agreements and Treaties. Turkey is a party to the 1988 UN Drug Convention and has been a member of the Financial Action Task Force since 1991. Turkey is also a party to the 1961 UN Single Convention on Narcotic Drugs and has signed but not ratified the 1972 Protocol amending the Single Convention. Turkey is a party to the 1971 UN Convention on Psychotropic Substances. Turkey has signed but not ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants. The United States and Turkey have a 1928 arrangement for the exchange of certain information regarding drug trafficking. The Turkish government signed three instruments of the Council of Europe in 2001: the Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime; the Criminal Law Convention on Corruption; and the Civil Law Convention on Corruption. By signing these conventions, the Turkish government agreed to take a broad range of steps to address the problems of corruption and money laundering.

The United States and Turkey have longstanding bilateral treaties covering extradition and mutual legal assistance in criminal matters.

Cultivation/Production. Illicit cultivation of narcotic plants, primarily marijuana, is minor and has no impact on the United States. Licit opium poppy cultivation is strictly controlled by the Turkish Grain Board (TMO), with no apparent diversion into illicit channels. Farmers receive a higher return from the sale of poppy seeds for traditional recipes than the sale of the low alkaloid poppy straw to the government. The U.S. government is in the final stages of a multi-year program to work with TMO to improve the alkaloid content of the poppies and the efficiency of TMO's operations. Preliminary results of this program are quite encouraging. TMO officials have started reducing the cultivation areas in 2001, as they distribute the high morphine-content seeds to farmers. The seeds promise more useable alkaloids per unit of land cultivated, thus increasing land productivity.

Drug Flow/Transit. Turkey remains a major route, storage, production, and staging area for the flow of Southwest Asian heroin to Europe. Turkish-based traffickers and brokers operate directly and in conjunction with narcotic suppliers, smugglers, transporters, laboratory operators, drug distributors, money collectors, and money launderers in and outside Turkey. They negotiate, arrange, finance, control, direct, and engage in the smuggling of opiates (whether in the form of opium, morphine base, or heroin) to Turkey, and from Turkey to markets largely in Western Europe.

Heroin and morphine base are smuggled overland through Turkey's eastern borders and by sea to Turkey's coastal areas. The opiates imported into Turkey usually are received, owned, stored, and further distributed by Turkish-based traffickers.

Afghanistan is the original source of most of the opiates reaching Turkey. Afghan opiates, and also hashish, are stockpiled at storage and staging areas in Pakistan, from where ton or larger quantities are smuggled by overland vehicles to Turkey via Iran. Multi-ton quantities of opiates and hashish also are moved to coastal areas of Pakistan and Iran, where the drugs are loaded on ships waiting off-shore, which then smuggle the contraband to points in Turkey along the Mediterranean, Aegean, and/or Marmara seas. Opiates and hashish also are smuggled overland from Afghanistan via Turkmenistan, Azerbaijan, and Georgia to Turkey.

Traffickers in Turkey illegally acquire the precursor chemical acetic anhydride, which is used in the production of heroin, from sources in Western Europe, the Balkans, and Russia. During the 27-month period from July 1, 1999 to September 30, 2001, over 56 metric tons of illicit acetic anhydride were seized in or destined for Turkey.

Turkish-based traffickers operate illicit laboratories refining morphine base into heroin at various locations in Turkey. Some Turkish criminals operate heroin laboratories in Iran, near the Iranian-Turkish border. The ready availability of opiates originating from Afghanistan and precursor chemicals from other countries enables major traffickers in Turkey to continue to operate illicit laboratories converting morphine base into heroin. These heroin laboratories continue to pose a problem for law enforcement authorities and to provide Turkish-based traffickers with heroin, enabling them to control much of the heroin marketed to Western Europe.

Domestic Programs (Demand Reduction). While drug abuse remains low in Turkey compared to other countries, the number of addicts seems to have increased rapidly in recent years. The Turkish government has increased the number of drug treatment centers and established five new AMATEM (Alcohol and Substance Abuse Treatment Clinic) centers in various parts of Turkey, in addition to the first clinic in Istanbul. Due to lack of financial resources, most of the new centers focus on treatment and have no prevention programs. AMATEM Istanbul remains the only center working on prevention as well as treatment. The Health Ministry conducted a drug abuse survey in seven metropolitan cities in Turkey in 1995. Since then, the ministry has not been able to conduct any other survey on drug abuse due to lack of financial resources. In the 1995-2000 period, the Istanbul AMATEM clinic conducted various drug abuse surveys in Istanbul and one nationwide survey, which revealed a significant increase in drug abuse in

Turkey, particularly among school children. Istanbul AMATEM has broadened its outreach to local schools and doctors in an effort to better educate children about the dangers of drugs. While the Turkish government and Turkish society are increasingly aware of the need to combat drug abuse, the agencies in charge of drug awareness and treatment remain under-funded.

The UNDCP has supported Turkey's efforts against drug trafficking and abuse for 25 years. The UNDCP has not received any targeted budget contribution for Turkey since 1998, except U.S. \$300,000 for the Turkish International Academy against Drugs and Organized Crime. Turkey has good relations with the UNDCP and will continue to work closely with the UNDCP once there is new budget allocation for Turkey.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. U.S. policy remains to strengthen Turkey's law enforcement capability to combat narcotics trafficking and to enhance Turkey's ability to control money laundering and financial crimes.

Bilateral Cooperation. The United States enjoys excellent bilateral cooperation with Turkey on narcotics issues. Turkish counternarcotics forces have developed technically, and have become increasingly professional, in part based on the training and equipment they received from the United States.

The Road Ahead. Turkey has been going through a serious political and economic transformation in order to become a part of the global economy and a member of the EU. After the two economic crises of 2001, Turkey is more dependent than ever on international financial assistance, which requires Turkey to undertake economic reforms. Going through this reform process, the Turkish government continues to take radical measures to improve transparency in the government, in the private sector, and particularly in the banking system. The USG expects Turkey to continue to improve its efforts to combat drug trafficking, money laundering, and corruption. There is no question of Turkey's will to fight narcotics crime, but its ability to do so efficiently could be impacted negatively by the continuing domestic economic crisis.

Turkmenistan

I. Summary

Turkmenistan is not a major producer or source country for illegal drugs or precursor chemicals, but due to its proximity to drug producing countries, especially Afghanistan, Turkmenistan remains a transshipment route for traffickers seeking to smuggle contraband to Turkish, Russian and European markets. Turkmenistan shares a rugged and remote 1180-kilometer border with Afghanistan as well as an 800-kilometer boundary with Iran. Counternarcotics efforts in Turkmenistan are carried out by several agencies, to include the Committee for National Security, State Customs, and State Border Guards Service. The government of Turkmenistan (GOTX) continues to commit itself to supporting a vigorous counternarcotics effort, but its law enforcement agencies are hampered by a widespread lack of equipment, resources, and training. Anecdotal evidence and contacts with government officials and non-governmental organizations strongly suggest that domestic drug abuse is steadily increasing, although concrete statistics are difficult to obtain. Turkmenistan is a party to the 1988 UN Drug Convention, having signed it on June 18, 1996, and is making a sincere attempt to meet the Convention's goals.

II. Status of Country

Turkmenistan is not a major producer or source country for illegal drugs or precursor chemicals, but it remains a transit country for the smuggling of narcotics and precursor chemicals. The flow of Afghan opiates destined for markets in Turkey, Russia and Europe, including drugs such as heroin, opium and other opiates enters Turkmenistan directly from Afghanistan, and also indirectly from Iran, Pakistan, Tajikistan and Uzbekistan.

The bulk of Turkmen counternarcotics resources and manpower is located on the borders with Afghanistan and Iran. Turkmen crossing points on the Uzbek border, where law enforcement efforts are primarily directed at interdicting smuggled commercial goods, is a potentially attractive route for narcotics traffickers. Caspian Sea ferryboat traffic from Turkmenistan to Azerbaijan and Russia also continues to be a viable smuggling route. In addition, Turkmenistan Airlines operates international flights connecting Ashgabat with Abu Dhabi, Bangkok, Birmingham, England, Frankfurt, Istanbul, London, Moscow, New Delhi and Tehran, all of which could potentially be used by traffickers.

In general, specific seizure statistics are unavailable for any of the potential routes. The GOTX did, however, report increases in drug seizures along the Uzbek border for 2001. The majority of those arrested were Turkmen citizens attempting to smuggle heroin or opium through legal border crossing points. The contraband was usually hidden on the smuggler's body or concealed in cars or buses. Anecdotal evidence and official contacts report truck or railcars transport large consignments of narcotics out of Turkmenistan. In the past year, Turkmen authorities have also arrested an increasing number of couriers, mostly Turkmen or Tajik citizens, who swallow narcotics, and attempt to pass legal crossing points on the Uzbek border.

Turkmen officials reported a considerable drop in the number of large-scale drug seizures along the Turkmen-Afghan frontier at the two border entry points, as well as significantly fewer crossings by, and confrontations with armed smugglers on the border (although some still occurred). Although they have provided no statistics to substantiate their claim, Turkmen officials have speculated that in addition to Uzbek smugglers, smuggling organizations in Afghanistan, Pakistan and elsewhere may be returning to more traditional routes through Iran due to military operations in Afghanistan. They have also attributed the decline in seizures on the Afghan border to increased Turkmen law enforcement presence on the Afghan border. Turkmen authorities have also reported a recent trend of smugglers attempting to move their drugs via legal entry points in hidden compartments in vehicles and in containerized cargo.

The domestic street price for illegal drugs dramatically changed after September 11, according to official contacts. Heroin, pre-September 11, sold for approximately U.S. \$15 per gram and opium approximately U.S. \$2 per gram. (N.B. Police sources suggest that the average street purchase is between 0.4 and one gram, constituting 20 to 40 doses) Turkmen authorities reported that immediately following September 11 the street price for heroin based narcotics plummeted, only to rise nearly six times the normal price by mid-to late-September, where it has remained. There have been reports that large quantities of opiates left Afghanistan in mid/late September/early October. A successful Taliban ban on poppy production in Afghanistan during the 2000/2001 growing year sharply reduced new production, reducing the amount of opiates moving throughout the region. Traffickers depended on stocks, and when they were exhausted, street opium prices in several regional countries (e.g., Iran) rose sharply.

Prior to the price increase, anecdotal evidence suggested (and police sources have alluded to) an increase in the domestic user population, in particular in the capital of Ashgabat and the second largest city of Mary. There are no indications that the price rises following September 11 have resulted in declines in usage. The Ministry of Health reported that the heroin problem has stabilized since '98-'99, however street contacts report that heroin abuse continues to escalate and that abusers have little fear of being caught or prosecuted. The Turkmen Ministry of Health estimates that six to seven percent of the population use illegal drugs; unofficial estimates put the user population at ten to eleven percent, virtually all of them young people. While officials are reluctant to provide specific statistics, there is an indication that the quality of the heroin continues to be very poor. Officials also report that 98 percent of the heroin users in Turkmenistan are smoking the narcotic, rather than injecting it. One source reported, however, that needles and throw-away syringes are easily obtainable and are regularly shared by users, opening up the possibility for HIV transmission.

Turkmen law enforcement authorities continue to engage in operations to prevent the smuggling of the precursor chemical acetic anhydride (AA) through Turkmen borders. These efforts are primarily focused around the large rail and truck border crossing point at Kuska on the Afghan border. Between 1998 and 2000 Turkmen authorities seized nearly 146 tons of AA produced in India (eight metric tons at the Kuska border alone).

The manufacture, possession, sale and use of illicit narcotics are illegal under the Turkmen criminal code, which went into effect in 1997. Although the code provided for the death penalty in certain trafficking cases, President Niyazov's 1999 moratorium on capital punishment remains in effect. Those convicted of possession of even small amounts of illegal drugs are routinely sentenced to eight to ten years in prison; these sentences are mitigated by the President's annual custom of granting amnesty to all but the most hardened criminals in celebration of the new year.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In early 2001 the Turkmen parliament approved new legislation allowing Turkmen law enforcement personnel to conduct searches of private residences. Under the new law, police may legally search a residence only after presenting evidence of the presence of weapons, explosives or more than five kilograms of narcotics to a city, county or regional government-appointed commission which then decides whether to issue a search warrant. The U.S. embassy has no indication as to the effect this new legislation has had on Turkmen drug enforcement efforts. There are reports have heard that the police do not abide by the new law.

Accomplishments. Work on a National Drug Intelligence Information Center was completed in early 2001 in connection with the final phase of an institution building project sponsored by the UN Office of Drug Control and Crime Prevention (UNODCCP). The operational heart of the Information Center consists of a central server in the Ministry of Internal Affairs connected with computer systems in the State Drug Control Commission, the Committee for National Security, the State Border Guard Service, the General Prosecutor, and the Ministry of Health. The GOTX hoped that the Information Center and resulting connectivity between its primary law enforcement agencies would facilitate the collection,

analysis, and exchange of drug related intelligence, and enhance the effectiveness of Turkmen counternarcotics efforts. Unfortunately, the project collapsed in less than a year as a result of poor maintenance of the equipment. The central computer server is damaged and most computer stations are not functioning.

Law Enforcement Efforts. The GOTX continues to give high priority to counternarcotics law enforcement. Despite a lack of modern equipment and sufficient transport, Turkmen border forces are effective in detecting and interdicting illegal crossings by armed smugglers. According to GOTX officials, there are now female border guards along the Turkmen border checkpoints being used to effect searches of suspected female traffickers. Nearly half of all traffickers now arrested at border crossings are female. Official statistics have only been provided for the first five months of 2001. In that period Turkmen law enforcement agencies detained 169 border violators and seized 1298 kilograms of narcotics. In 2000, 5,245 kilograms of hashish, 129 kilograms of opium, and 50 kilograms of heroin were seized in Turkmenistan. GOTX officials have provided no full-year statistics for 2001 concerning the seizure of cocaine, poppy seed, poppy straw, marijuana, or Acetic Anhydride (AA) in Turkmenistan.

Corruption. Statistics on or information concerning police corruption in Turkmenistan is difficult if not impossible to obtain. However, the low salaries of Turkmen law enforcement officials, combined with their broad general powers, fosters an environment in which corruption could readily occur. Furthermore, a palpable general distrust of the police by the Turkmen public, bolstered by anecdotal evidence of police officers soliciting bribes under the guise of routine traffic stops, suggests corruption in Turkmen law enforcement. To combat this problem, the USG has scheduled for late 2002 community policing, police transition and internal affairs courses for Turkmen law enforcement.

Agreements and Treaties. On June 18, 1996 Turkmenistan acceded to the 1998 UN drug convention. Turkmenistan also is a party to the 1961 UN Single Convention and its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. During the October 2000 Tashkent Conference on Drugs, Organized Crime and Terrorism, the GOTX formally approved its participation in the UNDCP-sponsored precursor control project for Central Asia and signed the conference draft agreement on priority areas of cooperation.

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

Drug Flow/Transit. Turkmenistan remains a transit corridor for smuggling organizations seeking to transport opium and heroin to markets in Turkey, Russia and the whole of Europe and for the shipment of precursor chemicals to drug producing countries. According to GOTX officials, the quantity of drugs intercepted this year along the Afghan border has been very small due to border fortifications and interdiction efforts which, according to the GOTX, are deterring traffickers from attempting to transport narcotics out of Afghanistan through Turkmenistan.

Turkmenistan's nearly 1800 kilometer Uzbek frontier remains thinly staffed by border guard forces in comparison to its boundaries with Afghanistan and Iran. In addition, Turkmenistan's Uzbek border has numerous legal crossing points that are ill-equipped in comparison to those on its Afghan and Iranian frontiers. GOTX officials have expressed concern to Embassy officers that the Uzbek frontier has increasingly become an attractive alternative for smugglers seeking to circumvent more stringent controls on Turkmenistan's southern borders in the wake of ongoing coalition military operations.

Turkmenistan's two major border control agencies, State Customs and the Border Guards, are significantly handicapped in carrying out their drug enforcement duties by a systematic lack of adequate resources, facilities and equipment. Most Turkmen border crossing points have only crumbling, rudimentary inspection facilities for screening vehicle traffic and lack reliable communications systems, computers, unloading and x-ray equipment, as well as dogs trained in narcotics detection. Even as

Turkmen law enforcement does a creditable job of drug interdiction given its limited resources, GOTX officials and U.S. Embassy officers believe Turkmenistan will continue to serve as a major transit route for illegal drugs and precursors.

Domestic Programs/Demand Reduction. Currently, the Ministry of Health operates six drug treatment clinics: one located in the capital, Ashgabat, and one in each of the five provinces. Narcotics users can receive treatment at these clinics without revealing their identity and all clinic visits are kept strictly confidential. The GOTX has permitted the implementation of a UNODCCP/UN AIDS project for the prevention of drug abuse, AIDS and sexually transmitted disease among youth in Turkmenistan. The project calls for a drug abuse assessment of five to six Turkmen cities over a one or two month period. The Ministry of Health is the focal point for assessing all data to be gathered in the survey.

IV. U.S. Policies and Initiatives

Bilateral Cooperation. The USG continually seeks to assist Turkmenistan in updating its law enforcement institutions and body of law to counter the illegal drug trade. In an effort to increase Turkmenistan's counternarcotics capabilities, the USG and the GOTX signed a bilateral Project Assistance Agreement on September 21, 2001 for the provision of law enforcement training and forensic laboratory equipment to Turkmenistan. The completion of this agreement marked an important step towards expanding meaningful cooperation between the two governments in the area of law enforcement. This agreement establishes a three-year project designed to improve Turkmen law enforcement agency efforts against narcotics and organized crime, specifically focusing on improving criminal investigations through the scientific and forensic analysis of evidence.

Nine Turkmen candidates attended Session 30 of the core course for mid-level law enforcement managers at the International Law Enforcement Academy (ILEA) in Budapest from March to May 2001, under USG sponsorship.

The Road Ahead. In the coming year, the USG will continue to cooperate with Turkmenistan in its fight against the illegal drug trade. This will be accomplished by working with international and domestic non-governmental organizations and programs, such as UNODCCP and the American Bar Association, to enhance the ability of Turkmen judicial and legal institutions to combat narcotics smuggling organizations and crime associated with illegal drugs. The USG will also encourage the GOTX to institute long-term demand reduction efforts and will foster supply reduction through interdiction training, law enforcement institution building and the promotion of regional cooperation. To this end, the USG plans to continue its efforts, greatly welcomed by the GOTX, to train Turkmen counternarcotics law enforcement officials. In 2002 the USG will conduct training for Turkmen officials in the fields of forensic chemistry, drug enforcement, passenger interview and vehicle inspection techniques, and will establish a police academy development program.

Ukraine

I. Summary

Trafficking and use of narcotics continued to increase in Ukraine in 2001. The Government of Ukraine continued to take concrete steps to limit illegal cultivation of poppy and hemp. The transit of narcotics through Ukraine remains a problem. Ukraine is a party to the 1988 UN Drug Convention, and it follows the provisions of the Convention in enacting counternarcotics legislation. Combating narcotics trafficking continues to be a national priority for law enforcement bodies, though a lack of resources seriously hinders Ukrainian efforts. Coordination between law enforcement agencies responsible for counternarcotics work has improved, but still remains a problem due to regulatory constraints.

II. Status of Country

Ukraine is not a major drug producing/transit country, though Ukrainian officials state that trafficking of narcotics through Ukraine has increased due to its location on a main transit route for Afghan heroin headed for Europe. Domestic use of narcotics is also rising and the number of drug addicts is increasing. Ukraine is a significant transit corridor for narcotics originating in Central and Southwest Asia (Afghanistan, Pakistan) and former USSR republics, as well as originating in Central and Eastern Europe. Numerous ports on the Black and Azov seas, porous borders, poorly financed, and under equipped border and customs controls make Ukraine susceptible to drug trafficking.

According to preliminary statistics for the first nine months of 2001, approximately 36,000 criminal cases involving narcotics were prosecuted, and approximately 33,000 people were convicted or fined, a minor increase over last year's figures for the same period. Unemployed persons under the age of 30 committed most crimes connected with drugs.

The number of officially registered drug addicts in Ukraine now exceeds 106,000, including almost 5,000 teenagers. The total figure is an increase of approximately 6,000 over last year's figures. The number of unregistered abusers is estimated to be more than five times that number. Drug addiction results in more than 1,000 deaths every year, according to Ukrainian health authorities. Marijuana is becoming more popular with young people. Nevertheless, opium straw extract remains the main drug of choice for Ukraine addicts. Young people use synthetic drugs more frequently. Hard drugs such as cocaine and heroin are still too expensive for Ukrainian drug users, but law enforcement officials indicate a rise in heroin use due to the reduced price for this drug. Ukrainian efforts to combat narcotics are seriously hampered by the lack of resources (e.g., financing, personnel, equipment).

III. Country Actions Against Drugs in 2001

Policy Initiatives. Operation "Channel" is an important example of a new international cooperation effort aimed at interdicting the smuggling of drugs on Ukraine's borders with Russia, Belarus, and Moldova. As a result of four joint operations with neighboring Russia, Belarus, and Moldova, 212 drug couriers were arrested and 576.6 kilograms of drugs were seized.

During the last five years the Ukrainian parliament passed a package of drug control laws. The laws are well drafted and constitute a solid legal basis for combating narcotics effectively. These laws are in line with the 1988 UN Drug Convention.

Under this legislation, the counternarcotics enforcement responsibility is given to the Ministry of Interior (MVS), the State Security Service (SBU), the State Customs Service, and the Border Guards. In 1993, the Drug Enforcement Department (DED), an independent department within the MVS was created. The

DED reports directly to the Minister of Interior and is staffed by 1,725 personnel. Despite understaffing, the DED has achieved positive results in combating drug trafficking.

The national counternarcotics coordinating council, established in 1994 in the Cabinet of Ministers to coordinate the efforts of government and public organizations to combat drugs, is currently drafting a counternarcotics program for the period through 2008. The main objective of the program is to make qualitative changes in the national strategy for combating narcotics. Although many of the measures in previous national counternarcotics plans (1994-1997, 1998-2000) were constrained by lack of funding, the MVS is giving a priority to counternarcotics actions and is providing overall support to the maximum extent available.

Drug trafficking groups are increasingly using Ukrainian seaports to transit drugs to the West. Therefore, the government is increasing activities by the State Security Service and other agencies to interdict the shipment of drugs by sea. Authorities have also increased counternarcotics measures to interdict drugs at Ukrainian airports.

In 2001, the Ukraine became an observer nation in the South East Europe Cooperative Initiative (SECI) Organized Crime Center. The member nations and observer countries are pooling their limited resources to effectively and successfully confront regional drug trafficking and other criminal threats to the area. As an observer nation, the United States provides technical expertise and financial assistance to SECI's efforts.

Accomplishments. As stated above, Ukraine's efforts to implement counternarcotics plans have been hampered by the severe lack of funding for law enforcement and social agencies. Nevertheless, the Ministry of Health and the Ministries of Education And Culture are working with the MVS to intensify counternarcotics educational programs. A pilot project approved by the Ministry of Health directed at demand reduction was initiated in Donetsk Oblast; it dispenses methadone to addicts.

In 2001 Ukrainian law enforcement bodies succeeded in breaking up more than 3,000 criminal groups involved in drug activities.

Ukrainian law enforcement authorities dismantled and arrested the members of the "Palermo" group, a drug ring that operated in Odessa Oblast in southern Ukraine and was involved in the production and cultivation of opium sold in Moldova and Ukraine. At the time of the arrest, 40 liters of opium extract, 25 kilograms of poppy straw, 90 liters of special solvent, and 20 liters of acetone were confiscated. During the last three years, the security service of Ukraine has closed more than 120 international channels of smuggling. They confiscated 800,000 doses of heroin and cocaine, and 35,000 doses of MDMA ("ecstasy") and other drugs.

Law Enforcement Efforts. Cooperation between law enforcement agencies involved in counternarcotics efforts (mainly MVS, SBU, Customs, and Border Guards) is improving, though it is still severely hampered by conflicts over investigative jurisdiction. During the first nine months of 2001, Ukrainian law enforcement agencies were successful in seizing approximately 29 tons of narcotic drugs. This included in-country seizures of 4 kilograms of heroin, 2.7 tons of marijuana, 110 kilograms of opiates, 5.7 kilograms of hashish, 26 tons of opium poppy straw, 8,207 doses of "ecstasy," and 47 doses of LSD. Every year the government conducts operations to destroy poppy and hemp fields. In 2001, government authorities destroyed 233,000 square meters of opium poppy, marijuana, and wild cannabis fields.

Corruption. Ukrainian politicians, private citizens, and international experts point out that corruption remains a major problem. Corruption in Ukraine is rarely linked with narcotics, though it decreases the effectiveness of efforts to combat organized crime, a major factor in the narcotics business. In an exception to this rule, in Vynnytsia oblast, three police officers were convicted for the cultivation and production of marijuana. To combat corruption, the Ukrainian government has adopted a set of laws and decrees. At the beginning of 2001, the government approved a national plan of action to combat corruption.

Agreements and Treaties. Ukraine is a party to the 1988 UN Drug Convention and has also signed specific counternarcotics project agreements with the UNDCP. Ukraine is a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. It is also a party to the Agreement of the Police Forces of the Members of the Commonwealth of Independent States, which provides for coordination of operational drug control activities, and bilateral counternarcotics agreements were signed with the security services of Belarus and Russia. Intergovernmental agreements providing for joint enforcement efforts against illicit drug trafficking have been signed with the Czech Republic, Austria, Hungary, Poland, Bulgaria, Romania, Slovakia, Germany, and the UK. The Ukrainian parliament (Rada) ratified the U.S.-Ukraine Mutual Legal Assistance Treaty in Criminal Matters in September 2000. Ukraine signed the UN Convention against Transnational Organized Crime in December 2000 and signed the Protocol to Prevent, Suppress and Punish Trafficking in Persons and the Protocol against the Smuggling of Migrants in November 2001. A 1989 memorandum of understanding and a 1990 agreement between the United States and the USSR, both of which address narcotics, apply to Ukraine.

Cultivation/Production. Opium poppy is basically grown in western, southwestern, and northern Ukraine, while hemp cultivation is concentrated in the eastern and southern parts of the country. Small quantities of poppy and hemp are grown legally by licensed farms, which are closely controlled and guarded. The Cabinet of Ministers approved such cultivation for the food industry in late 1997. At the beginning of 2001, law enforcement authorities discovered a “home laboratory” producing narcotics in Zaporizhzhia oblast. More than 20 kilograms of opium poppy were confiscated. Despite the prohibition on the cultivation of drug plants (poppy straw and hemp), 7,000 cases of illegal cultivation by private households were discovered.

Drug Flow/Transit. Ukraine continues to experience an increase in drug trafficking from Central and Southwest Asia, Russia, Romania, Moldova, and Poland. Turkish criminal groups use Ukraine’s seaports as part of the “Balkan Route” for smuggling narcotic drugs. During the last two years, more than 45 conspiracies relating to international drug trafficking were broken up. Shipments are usually destined for the west, and arrive by road, rail, or sea. While opium and marijuana are mostly produced locally, synthetic drugs are basically imported from Romania, Hungary, Poland, Germany, and other European countries.

Domestic Programs (Demand Reduction). Ukrainian officials are trying to reduce drug demand through preventive actions at schools, because most Ukrainian drug abusers are under the age of 30. Drug information centers have been opened in the cities with the highest levels of drug abuse. NGOs operating with assistance from international institutions have conducted a number of rehabilitation programs have been conducted throughout the country.

IV: U.S. Policy Initiatives and Programs

U.S. Policy and Objectives. U.S. objectives are to assist Ukrainian authorities to develop effective counternarcotics programs both in interdiction (particularly of drugs transiting the country) and demand reduction, as well as to prevent Ukraine from becoming a money laundering center. The DEA, the Department of Treasury, and the Department of Justice have sponsored a number of training courses and conferences in such areas as drug interdiction, forensic science, money laundering, and management training. The United States has provided technical assistance in the drafting of new Ukrainian money laundering legislation.

The Road Ahead. By international standards, Ukraine does not yet have a serious drug problem. However, trafficking of narcotic drugs from Asia and the cocaine regions of Latin America to European destinations through Ukraine is increasing as drug traffickers look for new ways to circumvent Western European customs and border controls. Demand reduction and treatment of drug abusers remain problems requiring close attention. Law enforcement agencies need continued assistance in modern techniques to fight drug trafficking. In spite of financial problems, Ukrainian law enforcement agencies collaborate effectively with law enforcement counterparts from other countries. Ukrainian authorities have

expressed interest in more U.S. training and assistance to combat narcotics trafficking. They also are interested in forming broader professional links and exchanging information with the United States and other countries.

United Kingdom

I. Summary

The United Kingdom (UK) is a consumer country of illicit drugs. Like other developed nations, the UK faces a serious domestic drug problem. The UK is in the fourth year of a ten-year drug strategy to address both the supply and demand aspects of illegal drug use. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. Crime syndicates from around the world tap into the underground narcotics market and use the UK as a major shipping route. If enacted, new legislation introduced in October 2001 will improve the UK's asset forfeiture capabilities. The United States and the UK held their first drug summit in October 1999. The UK is party to the 1988 UN Drug Convention.

II. Status of Country

British drug policy addresses both supply and demand reduction, while the government's counternarcotics strategy addresses international, national, regional, and local plans and initiatives. Marijuana remains the most-used illicit drug in the UK, but with an estimated 200,000 problem opiate users, a major concern is heroin and other more harmful drugs (notably powder and crack cocaine). Cocaine use seems to have been on the increase over the last five years, especially among young people. The UK's major drug survey shows that, although the proportion of adults using drugs other than cocaine in the previous year has not changed significantly since 1994, the proportion using cocaine in the past year increased significantly among both adults (from 0.5 to 1.7 percent) and among teenagers aged 16 to 19 (from one to four percent). Use of crack also increased during 2001 to approximately one per cent of young people. Virtually all parts of the UK, including many rural areas, confront the problem of drug addiction to at least some degree. The death toll from heroin/morphine rose from 445 in 1997 to 754 in 1999 in England and Wales. Similarly, in Scotland the figure rose from 74 in 1997 to 196 in 2000. All acute drug-related deaths in the United Kingdom rose from 3,160 in 1997 to 3,333 in 1999. In all cases, these are the most recent statistics available. The UK government launched its Action Plan to Reduce Drug-Related Deaths on November 13, 2001. It announced a three to five-year program of campaigns, surveillance, and research that will play a key role in achieving the government's objective to reduce such deaths by 20 percent by 2004.

The number of people dealt with by the Criminal Justice System for possession of cocaine rose by 70 percent between 1997 and 1999 (from 2,375 to 4,036). The number for crack cocaine rose by 114 percent (from 388 to 829), and heroin by 42 percent (from 7,213 to 10,236), during the same period. In the 1999/2000 British fiscal year, Customs seized Class A (Schedule One) drugs valued at \$1.9 (1.2 BPS) billion. Seizures of, and arrests for, some other drugs (e.g., amphetamines and cannabis), however, have gone down, reflecting shifts in priorities in the government's counternarcotics strategy and in targeting by enforcement agencies.

The National Criminal Intelligence Service (NCIS) reports that Britain faces its worst-ever threat from national and international organized crime. Drugs are linked to about 80 percent of all organized crime in London, and about 60 percent of UK crime overall.

III. Country Actions Against Drugs in 2001

Policy Initiatives. The British government has developed a ten-year strategy, first launched in 1998, that emphasizes the importance of all sectors of society working together to combat drugs. Drug problems do not occur in isolation, but are often linked to other social problems. Trends in drug abuse reflect wider UK government reforms in the welfare state, education, employment, health, immigration, criminal justice, and economic sectors.

The strategy focuses on Class A (i.e., hard) drugs and has four elements: young people, to help them resist drug misuse and to permit them to reach their full potential in society; communities, to protect them from drug-related, antisocial and criminal behavior; treatment, to enable people with drug problems to recover and live healthy, crime-free lives; and drug availability, to limit access to narcotics on the streets. Key performance targets have been set in each of these four elements. The targets and progress against them are currently being reviewed to ensure they have the right balance and focus.

The UK plays a leading role within the EU in combating drugs. Under the 1998 UK presidency, work was begun on a new EU drug strategy for 2000-2004; the Cardiff European Council (June 1998) endorsed its essential elements. In a speech to the Scottish Parliament in March 2000, Prime Minister Tony Blair spoke of his concern about the serious drug problems that EU member states share with applicant countries. He called for EU action against drugs to be given a much higher priority and made a number of proposals for member states to increase exchange of information, develop common key indicators for measuring their progress in tackling drug-related problems, make early progress in developing common sanctions for drug traffickers, and provide more practical help to the EU candidate countries in dealing with their drug problems.

These and other proposals were subsequently included within the EU Action Plan on Drugs 2000-2004, developed under the Portuguese Presidency and approved by the European Council at Feira in June 2000. The UK has acted swiftly to increase its assistance to EU applicant countries, particularly those on the heroin smuggling route through the Balkans, including an 18-month, cooperative counternarcotics program with Bulgaria.

The head of the Drugs and International Crime Department (DICD) at the Foreign and Commonwealth Office (FCO), Michael Ryder, is the UK Special Representative for international drug issues. Following the general election in 2001, David Blunkett (UK Home Secretary) took responsibility for delivery (i.e., implementation) of the drug strategy. Keith Hellawell, until July 2001 UK Anti-Drugs Coordinator, has been engaged by the UK government to support the work being undertaken to help EU applicant countries prepare the necessary drug strategies and related infrastructure to meet the drug-related requirements of EU membership.

The UK works closely with the UNDCP and was its third-largest bilateral donor in 1999-2001. The British play a leading role in a number of international drug-control fora, including the Council of Europe's Pompidou group, the Dublin group, EUROPOL's drug unit and other EU fora, and the Financial Action Task Force (FATF). The UK chairs the South Asian region of the Dublin group and is an active counternarcotics advocate in the many mini-Dublin groups throughout the world. During the UK's 1999-2000 fiscal year, the UK disbursed approximately U.S. \$9.2 (BPS 6) million in aid and assistance focusing on the primary Southwest Asian and Balkan heroin routes and on the Latin American and Caribbean cocaine routes. This level of assistance and key targets for assistance continued in 2001.

In July 2000, the UK government's Spending Review targeted expenditures on the root causes of drug misuse that will rise significantly to approximately U.S. \$1.5 (1 BPS) billion by 2003-2004. By then, expenditure on treatment services will be approximately U.S. \$617.5 (401 BPS) million, a 70 percent increase over current figures. Additionally, an extra U.S. \$330 (220 BPS) million over three years was announced in the 2001 budget for Communities Against Drugs (CAD) to support local community partnerships which are tackling the problem of drugs and drug-related crime in their areas.

A range of drug-prevention activities, targeting young people, has already been undertaken. In particular, a program to develop new drug-prevention services for young people at risk of drug misuse will be an integral component of the 26 Health Action Zones (a broader health-policy initiative).

Legislation was passed in 2000 under the Criminal Justice and Court Services Act, which gives police the power to test criminal suspects for Class A drug use when an offense may be linked to hard-drug misuse. Courts will be required to weigh a positive test result when deciding bail, and testing will be extended to

offenders serving community sentences and those on parole. These proposals are being pilot tested in three areas before wide scale introduction.

In Scotland, the government published in May 2000 its Drugs Action Plan, which sets out action in support of the implementation of Scotland's 1999 counternarcotics strategy. Additional funding has been allocated for three years from 2001/2002 which will, for example, increase treatment and rehabilitation services in communities and prisons, and provide extra investment for programs for children, young people, and families.

Accomplishments. The Drug Treatment and Testing Order is a community-based sentence, authorizing local courts to require offenders to undergo treatment and submit to mandatory and random drug testing. The Order began as a pilot program in September 1998 in three areas of England. It was rolled out nationally in England and Wales on October 1, 2000, after the pilot program demonstrated that the combination of treatment and random testing (to monitor progress) significantly reduced illegal drug use and criminal activity of offenders subject to the Order. By March 2001, over 1,200 orders had been made. Accelerated by a centrally funded, three-year endowment of approximately U.S. \$30.8 (BPS 20) million in 1999, arrest referral schemes for all local police-custody facilities in England and Wales have achieved almost 90 percent coverage and are well ahead of the 2002 target for full coverage.

In January 1999, the Home Secretary announced a new initiative to reduce smuggling of drugs into prisons, and the government launched a prison service drug treatment program. Counseling, assessment, referral, advice, and care/treatment services (CARATs) are now available in every prison in England and Wales and the annual caseload is likely to exceed the target of 20,000 full assessments for 2002.

The Drugs Prevention Advisory Service, launched in April 1999, is now supporting local drug action teams (DATS) in delivering all four aims of the drug strategy. In May 1999, the UK Anti Drugs Co-ordination Unit (UKADCU) published the UK's first comprehensive counternarcotics plan, which set tough, binding targets to be monitored by appropriate government departments. Key targets include reductions in the number of young people using heroin and cocaine; availability of heroin and cocaine among young people; and recidivism by drug-misusing offenders (all by 25 percent by 2005, and 50 percent by 2008). Another key target is to increase the number of people accessing treatment services (by 66 percent by 2005, and 100 percent by 2008).

According to the UKADCU Annual Report for 2000/2001, published in July 2001, progress is being made toward all targets. Achievements include: a steady expansion and improvement of drug education in schools; 16 percent more people presenting for treatment from April to September 2000 compared to the period from April to September 1998; the establishment of the National Treatment Agency in April 2001, responsible for drug treatment provision, including the setting and monitoring of drug misuse treatment standards through a pooled government budget; a new Connections Service, delivered through regional partnerships, to provide 13 to 19-year-olds with information, advice, guidance, and support tailored to their needs. The first 12 Connections Partnerships began delivering the service in April 2001; the remaining 31 will begin in 2002.

Results of the National Treatment Outcome Research Study (NTORS) indicated that five years after treatment significant reductions in former users' drug consumption and related offending had largely been sustained, supporting the strategy's aim of getting offenders into treatment. The NEW-ADAM survey program—in which adult arrestees provide a urine sample for drug testing, and are interviewed about their recent and longer-term drug use and offending behavior—produced a third report, based on eight locations visited in 1999/2000. This showed that 65 percent of arrestees tested positively for at least one illicit drug; and 30 percent tested positive for two or more substances. Twenty-nine percent tested positive for opiates (including heroin) and/or cocaine (including crack). In future years, reports covering a minimum of 16 sites will provide more extensive data.

Law Enforcement Efforts. Law enforcement in the UK is a multi-agency effort. HM Customs and Excise, the National Crime Squad, and regular police forces—supported by the National Criminal

Intelligence Service and the security and intelligence agencies—work effectively to reduce the supply of drugs that enter and are distributed within the UK. In Scotland, the Scottish Drug Enforcement Agency (similar to the U.S. DEA) was established in 2000.

UK forfeiture law (known in UK law as “confiscation”) applies to proceeds of all indictable offenses and a small number of specified offences. The United States enjoys good cooperation from the UK. The UK honors U.S. freeze requests and was one of the first countries to enforce U.S. civil forfeiture judgments. In October 1999, Prime Minister Blair asked the Cabinet Office Performance and Innovation Unit (PIU) to assess the government’s efforts at confiscating criminal proceeds. In June 2000, the PIU published its detailed report “Recovering the Proceeds of Crime,” criticizing the effectiveness of the UK’s efforts both in pursuing and collecting on confiscation orders and finding that existing powers are under used. The PIU has, among other things, proposed the creation of a national confiscation agency dedicated to recovering criminal assets, the adoption of civil forfeiture laws, and the promotion of greater international cooperation. Incorporating many of the recommendations in the PIU report, the Proceeds of Crime Bill was introduced in Parliament in October 2001. The UK government has also published its first Asset Recovery Strategy. More information can be found on the Internet at www.homeoffice.gov.uk/proceeds.

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

Agreements and Treaties. The U.S.-UK Mutual Legal Assistance Treaty (MLAT) entered into force in December 1996. The United States and United Kingdom also have a mutual legal assistance treaty relating to the Cayman Islands, which has been extended to Anguilla, the British Virgin Islands, Montserrat, and the Turks and Caicos Islands). The United States and the UK are also party to a 1928 agreement for the direct exchange of information regarding the traffic in narcotic drugs and a 1981 agreement to facilitate the interdiction by the United States of UK vessels suspected of trafficking in drugs. The UK is a party to the 1988 UN Drug Convention and complies fully with its provisions. The UK is also a party to the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. The U.S.-UK Extradition Treaty was updated most recently in 1985. The UK is party to the WCO International Convention on Mutual Administrative Assistance for Prevention, Investigation and Repression of Customs Offenses (“Nairobi Convention”) Annex X on assistance in narcotics cases. The U.S.-UK Customs Mutual Assistance Agreement (CMAA) dates from 1989. In December 2000, the U.K. signed the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants.

Cultivation/Production. Marijuana is cultivated in limited quantities for personal use, and occasionally sold commercially. Most illicit amphetamines and MDMA (ecstasy) are imported from continental Europe, but some are manufactured in the UK in limited amounts. Authorities destroy crops and clandestine facilities as detected.

Drug Flow/Transit. Steady supplies of heroin and cocaine enter the UK. Although some 90 percent of heroin in the UK (amounting to around 30 tons a year) normally comes from Southwest Asia, chiefly Afghanistan, the quantity of opiates entering the UK in 2001 was distorted by the ban on opium poppy cultivation in Afghanistan instituted by the Taliban in July 2000, and thereafter effectively enforced. Trafficking was not banned, however, and supplies of Afghan opium stock from previous years’ crops were released and supplied to the markets in Western Europe and the UK. This situation resulted in an initial decline in opiates reaching the UK, followed by a sharp increase from depressed levels, beginning in the fall of 2001. A significant amount of the heroin eventually imported into the UK is handled at some point by UK-based Turkish criminal groups although Turkish criminals in the Netherlands and Belgium also channel heroin to the UK. Pakistani traffickers also play a significant part, but most of the heroin they import, normally in small amounts by air couriers traveling direct from Pakistan, is destined for British cities where there are large South Asian populations. Caribbean criminals (primarily West Indians or British nationals of West Indian decent) are increasingly involved in the supply and distribution of heroin

as well as cocaine. Most heroin probably enters the UK through ports in the southeast, although some enters through major UK airports with links to Turkey, Northern Cyprus, and Pakistan. Strategies and operational measures to combat the traffickers are now the subject of concerted action by all the UK's law enforcement and intelligence agencies. This more coordinated approach, with greater emphasis on intelligence and in partnership with international law enforcement agencies has led to greater success in disrupting trafficking groups and increasing seizures.

The UNDCP believes that drug traffickers increasingly use some of the Central Asian Republics of the former USSR as alternative smuggling routes to the UK. British authorities have been unable to verify this.

Hashish comes to the UK primarily from Morocco. Cocaine imports are estimated at 25-40 tons a year and emanate chiefly from Colombia. Supplies of both cocaine and crack cocaine reach the UK market in a variety of ways. Around 75 percent of cocaine is thought to be carried across the Channel from consignments shipped from Colombia to mainland Europe and then brought to the UK concealed in trucks or private cars, or by human couriers or "mules." Traffickers based in the UK are the organizers. The Caribbean, chiefly Jamaica, is a major transshipment point from Colombia with import to the UK being achieved by air freight and by increasing numbers of couriers, normally women, attempting to conceal internally (i.e., through swallowing in protective bags) up to 0.5 kilogram at a time. A synthetic drug supply originates out of Western and Central Europe: amphetamines, ecstasy, and LSD have been traced to sources in the Netherlands and Poland; some originates in the UK.

The UK helps fund a UN counternarcotics program as well as offering bilateral assistance for drug interdiction efforts in Iran, a key country on the heroin transit route. The UN project covers training and equipment primarily to strengthen counternarcotics work at Iran's borders with Afghanistan and Pakistan. British assistance includes direct training (by HM Customs and Excise) and equipment to strengthen Iran's exit border with Turkey, which fills gaps that the UNDCP's project does not meet.

Domestic Programs (Demand Reduction). The UK government's demand reduction efforts focus on school and other community-based programs to educate young people and to prevent them from ever starting on drugs. New guidelines were enacted in November 1998 to help teachers and youth-workers warn young people about the dangers of drugs. The Drug Prevention Advisory Service (DPAS) was established in 1999 to provide school and community teams to give specialist prevention advice to all locally based drug action teams. The Standing Conference on Drug Abuse has also published guidance for teachers on managing drug problems in school, and the Positive Futures initiative set up in March 2000 aims to divert vulnerable young people away from drugs and crime through involvement in sport. Initial results show reductions in criminal activity and truancy and improved community awareness.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Law enforcement cooperation between the United States and the UK is excellent and growing. The U.S. and UK governments have conducted periodic consultations at the senior level since 1989 to coordinate and harmonize policies, plans and programs on all counternarcotics fronts. The first U.S.-UK drug summit, held in London in October 1999, revealed near unanimity on U.S.-UK drug issues, ranging from drugs in prisons to doping in sports, and demonstrated that domestic and foreign drug policy issues have merged. Cooperation from the Channel Islands and Isle of Man has improved significantly in the past few years.

The Road Ahead. The United States looks forward to continued close cooperation with the UK on all counternarcotics fronts. The impact of events in Afghanistan on heroin supply to the UK could be quite significant, especially if the poppy ban announced by the Interim Authority can be implemented successfully.

Uzbekistan

I. Summary

Uzbekistan is primarily a transit country for opiates and cannabis originating in Afghanistan. Well-established trade routes facilitate the transit of these narcotics to Russia and Europe. There is a small, but growing market for heroin, especially among rural populations. The Government of Uzbekistan (GOU) has shown its commitment to eliminating the narcotics trade, but lacks the appropriate resources, personnel, and training to complete this enormous task. According to the National Center for Drug Control, law enforcement officers seized a total of 405.8 kilograms of illegal narcotics in the first six months of 2001, the most recent period for which statistics are available. The government considers the fight against drugs to be a high priority. Uzbekistan is a party to the 1988 UN Drug Convention.

II. Status of Country

While there is no significant drug production in Uzbekistan, several transshipment routes for opium, heroin, and hashish originate in Afghanistan and cross Uzbekistan to Russia and Europe. Precursor chemicals have in the past traveled the same routes in reverse on their way to laboratories in Afghanistan and Pakistan, but there were no seizures of precursors in 2001. The volume of narcotics crossing Uzbekistan continues to grow. Effective government eradication programs have eliminated nearly all illicit production of opium poppies in Uzbekistan.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In January 2001, the Cabinet of Ministers passed a Resolution entitled “On the Licensing of Activities Connected with the Circulation of Narcotics, Psychotropic Substances and Precursors,” which entered into force on March 1, 2001. The Resolution was in response to international demands to address the problem in Uzbekistan and assists in implementing a project on precursor chemicals sponsored by the UN Office of Drug Control and Crime Prevention (UNODCCP).

Special committees within the Ministry of Health and the Ministry of Internal Affairs in consultation with National Center for Drug Control, are authorized to issue licenses to enterprises or individuals involved in the importing, exporting, and transit of precursors. The Licensing Resolution also contains requirements on oversight of storing precursor chemicals, production of existing narcotics, and the development of new substances. The nontransferable licenses are good for up to five years. The Ministry of Health issues quarterly reports that are fed into a national database, which contains information regarding the number of licenses issued, the identity of the recipients of the licenses, the activities undertaken under the licenses, and the substances to which the licenses relate.

According to the coordinator of the UNODCCP precursors project, the implementation of the Licensing Resolution in 2001 was fairly smooth. There are, however, still a few issues to be addressed, including the determination of the minimum quantity (i.e., one liter, ten liters) of a precursor substance that should be considered controlled for domestic movement and the need to bring product labeling into accordance with international standards.

On August 14, 2001, the GOU and the USG signed a letter of agreement (LOA) on narcotics control and law enforcement assistance. Under the LOA, the USG has provided funding for projects to enhance the ability of Uzbek law enforcement agencies to combat narcotics trafficking and organized crime.

Accomplishments. The passage of the 2001 Licensing Resolution reflects Uzbekistan’s serious commitment to comply with the 1988 UN Drug Convention. The Resolution will make the transportation of illegal precursor material through Uzbekistan more difficult. By regulating and monitoring all legitimate

activities involving precursor materials, the GOU hopes to clamp down on the flow of precursors to Afghanistan and Pakistan.

Uzbekistan continues to take steps to comply with the 1988 UN Drug Convention's goals on combating illicit cultivation and production within its borders. The annual "Black Poppy" eradication campaign has virtually eliminated illicit poppy cultivation in Uzbekistan. According to Ministry of Internal Affairs officials, there are no reports of significant narcotics production in Uzbekistan. Efforts to achieve other goals of the 1988 UN Drug Convention goals are hampered by the lack of effective laws, programs, money, appropriate international agreement, and coordination among law enforcement agencies.

Other UNODCCP projects underway in Uzbekistan are "Strengthening the Capacities of the Drug Law Enforcement Agencies of Uzbekistan in Data and Information Collection," "Strengthening Drug Law Enforcement Capacities in Data and Information Collection in Central Asia," "Preparatory Assistance on Demand Reduction: Rapid Situation Assessment of Drug Abuse in the Central Asian Countries," and "Preparatory Assistance on Demand Reduction: Needs Assessment on Drug Abuse in Central Asia."

Law Enforcement Efforts. Preliminary statistics from the National Center for Drug Control show that in the first six months of 2001, Uzbek law enforcement seized a total of 405.8 kilograms of illicit drugs. The amount of confiscated heroin accounts for nearly half of that total. Three agencies with separate jurisdictions have counternarcotics responsibilities: the Ministry of Internal Affairs (MVD), the National Security Service (NSS), and the State Customs Committee. The MVD concentrates on domestic crime, the NSS handles international organized crime (in addition to its traditional foreign intelligence role), and the Customs Committee works at the border. Despite this apparently clear delineation of responsibilities, the lack of operational coordination diminishes the effectiveness of counternarcotics efforts. The National Center for Drug Control was designed to minimize mistrust, rivalry, and duplication of efforts among the agencies. The Center has had limited success in doing so to date, despite its mandate to oversee coordination under the 2000 narcotics law.

None of the law enforcement agencies specialize in counternarcotics. The MVD, although it has 140 officers dedicated to counternarcotics, is also the national police force with the full range of law enforcement responsibilities. The NSS is successor to the KGB and includes foreign intelligence and counterespionage in its portfolio. The Customs Committee gave a higher priority to counternarcotics in 2001.

According to National Center reports, there was increased attention focused on investigating major traffickers and their organizations. Smuggling rings are relatively small, family-run operations, with no single group controlling any single region or the whole country. Most groups are located on the border between Uzbekistan and Tajikistan, where family members can cross the border more easily. There is also some smuggling through Turkmenistan into Uzbekistan.

Lack of money for equipment and training remains the greatest difficulty faced by all three agencies. They therefore rely heavily on international assistance from the UNODCCP, United States, UK, and other countries to improve their capacities. Basic necessities, such as uniforms, footwear, and reliable all-terrain vehicles to replace aging Soviet-era equipment, remain in short supply.

Corruption. There were no major narcotics-related corruption cases in 2001. Nonetheless, due to inadequate salaries for law enforcement officials, especially at lower levels, corruption and bribery remain a problem and are sometimes related to narcotics. The National Center reports officers involved in drug trafficking are prosecuted to the full extent of the law.

In August, the Procuracy was appointed the lead agency for all criminal investigation matters, particularly corruption cases. Previously, depending on the nature of the crime, other agencies conducted most investigative work. Corruption, organized crime, national security violations, major crimes, and terrorism fell under the purview of the NSS. Now, to demonstrate investigative independence and avoid the appearance of bias or favoritism, the Procuracy conducts corruption investigations.

Agreements and Treaties. Uzbekistan is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol amending the Single Convention. Uzbekistan has signed the Central Asian Counternarcotics Memorandum of Understanding with the UNDCP. In 1994, Kazakhstan, Kyrgyzstan, and Uzbekistan formed the Central Asian Economic Commission, which included pledges to cooperate in the battle against illegal drugs. In April 1998, Tajikistan joined the group. These four countries signed an agreement in September 1999 on cooperation in combating transnational crime, including narcotics trafficking. The five Central Asian countries, Azerbaijan, Georgia, Iran, Pakistan, and Turkey are also members of the Economic Coordination Mechanism supported by the UNDCP.

Uzbekistan is party to the Commonwealth of Independent States multilateral extradition and mutual legal assistance agreements and has bilateral agreements with several other states. Uzbekistan and the United States signed a letter of agreement in August 2001, under which the United States is providing counternarcotics assistance. Uzbekistan has bilateral agreements to cooperate in the fight against narcotics and in other areas of law enforcement with Russia, Ukraine, Georgia, Kazakhstan, Kyrgyzstan, Turkmenistan, the Czech Republic, Germany, Turkey, and Pakistan. In November 2000, President Karimov committed to bilateral counternarcotics cooperation with China. Uzbekistan signed the UN Convention against Transnational Organized Crime in December 2000 and signed the Protocol to Prevent, Suppress and Punish Trafficking in Persons and the Protocol against the Smuggling of Migrants in June 2001.

Cultivation/Production. The government's eradication efforts, named "Operation Black Poppy," has all but eliminated illicit opium poppy cultivation in Uzbekistan.

Drug Flow/Transit. Several major transnational trade routes facilitate the transportation of opiates and cannabis from Afghanistan to Russia and Europe. Until recently, the Afghan-Uzbek border crossing at Termez was closed, thus most narcotics transiting Uzbekistan entered Uzbekistan from Tajikistan. There is also some smuggling through Turkmenistan into Uzbekistan. Uzbek transport police and Customs Committee officials regularly apprehend drug smugglers on the Dushanbe-Moscow train.

Since the beginning of 2001, the National Center reports that drug seizures along the borders have decreased while seizures within Uzbekistan have increased. According to the head of the Center, this change resulted from traffickers using new, undetected routes across borders. Narcotics shipments are not interdicted until they reach transshipment points within the country. According to Center statistics, the overall number of narcotics smuggling-related crimes decreased by 40 percent during the first six months of this year compared with the same time period in 2000. The head of the Center attributed at least part of this decrease to improved interdiction operations in Tajikistan. He noted an increase in narcotics seizures on the Tajik side of the border, preventing the passage of shipments into Uzbekistan.

Chemical precursors originating in Russia and Ukraine, bound for laboratories in Afghanistan, have transited Uzbekistan in the recent past. However, there were no significant seizures of precursors in 2001.

Domestic Programs (Demand Reduction). According to the Ministry of Health (MOH), the number of registered addicts as of July 1, 2001, was 16,660. There are no official estimates for unregistered addicts. Unofficially, the number of registered addicts reflects only ten to 15 percent of the actual drug addicts in Uzbekistan. Hospitals with drug dependency recovery programs are inadequate to meet the increasing need. The MOH and National Drug Control Center recognize the need to focus increased attention on the problem but do not have sufficient funds to move forward. Drug awareness programs are administered through schools and the mahalla (neighborhood) support system. The data collected by UNODCCP, as part of projects on demand reduction (Rapid Situation Assessment and Needs Assessment on Drug Abuse), is currently being analyzed. Prisons, schools, and hospitals were among the institutions surveyed.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG is providing the GOU with assistance designed to prevent illicit drug activities in and through the territory of Uzbekistan, and to increase the effectiveness of the fight against the trade in illicit narcotic substances. In 2001, the USG provided training and equipment to the Customs Committee, the MVD, the NSS, and the Procuracy.

The USG assisted Uzbekistan's counternarcotics effort in several ways, including FBI seminars attended by Uzbek law enforcement, focused on investigating computer crimes, organized crime, and internal control mechanisms; the U.S. Customs Service conducted a two-week training course for contraband enforcement teams with Uzbek Border Guards and Customs Committee; the DEA organized seminars dealing with precursor chemicals, regional drug enforcement, and airport narcotics interdiction; and the U.S. Coast Guard conducted a riverine planning conference, followed by a riverine operations seminar to strengthen Uzbekistan's anti-smuggling capabilities.

The Road Ahead. U.S. in-country advisors will work with all appropriate Uzbek agencies to improve narcotics detection and drug interdiction, and U.S. training and commodity assistance will be increased.

Yugoslavia, Federal Republic of

I. Summary

The Federal Republic of Yugoslavia (FRY) remains a transit country for illegal drugs moving along the Balkan route from Western Asia to Europe and beyond. Ten years of economic sanctions and political isolation have created an enforcement gap that the drug trade has been able to exploit. A lack of funds and modern equipment severely hinders proper monitoring of goods transiting the FRY. FRY law enforcement authorities are working to close the enforcement gap and make the FRY unattractive as a drug transit country. The FRY is a party to the 1988 UN Drug Convention.

II. Status of Country

The Balkans is an important corridor for the drug trade from Turkey and the Middle East to Western Europe and beyond. The FRY remains a viable and well-used segment of this corridor, and the FRY is a country of concern to the United States. The break-up of the former Yugoslavia, the growth of smuggling during the war, and the FRY's subsequent economic and political isolation weakened enforcement of the country's borders. A decade of economic sanctions further reduced the FRY's technical ability to monitor its borders, thereby making the FRY an attractive drug transit route. With the exception of marijuana, the FRY does not appear to have problems with drug production and cultivation or the production of precursor chemicals.

Drug transit is the main problem in the FRY. In 2001, FRY authorities seized varying quantities of heroin, cocaine, marijuana, and MDMA (ecstasy). The FRY government has expressed concern over maintaining control over the porous border between Kosovo and Albania, and problems associated with the unrest in Kosovo and southern Serbia. FRY officials also note the difficulty of controlling the FRY's border with Montenegro. In this regard, the Montenegrin government, which espouses a pro-independence policy, has strictly limited cooperation with federal authorities.

III. Country Actions Against Drugs in 2001

Policy Initiatives. In 2001, the FRY government committed to cooperating with and becoming a member of INTERPOL.

Accomplishments. The FRY opened an INTERPOL office in Belgrade and appointed a Yugoslav representative to the office. The FRY government also established an counternarcotics task force to act as a coordinating and think-tank-type body in their war on drugs.

Law Enforcement Efforts. FRY authorities reported 3,060 seizures in 2001, up from 2,307 in 2000. As a result of the seizures, FRY authorities confiscated 2,350 kilograms of marijuana, 60 kilograms of heroin, 10,435 ecstasy tablets, 590 grams of hashish, and 2.5 kilograms of cocaine. FRY police reported that arrests were made in all cases and convictions sought. However, a loophole in Yugoslav laws, allowing for the possession of these drugs if for personal use only, negatively effected conviction rates. Police and customs officials worked jointly to combat drug smuggling in the FRY.

Corruption. Press reporting does not indicate that members of the current regime are involved in the drug trade. However, in March 2001, FRY police officers reportedly seized 600 kilograms of pure heroin stored in the safety deposit boxes of a Yugoslav bank by members of former Yugoslav leaders Slobodan Milosevic's regime, suggesting significant corruption of the Milosovic regime.

Agreements and Treaties. The FRY has ongoing customs agreements with Russia, Romania, Bulgaria, Hungary, and Macedonia. The 1902 U.S.-Yugoslav extradition agreement remains in effect. The FRY is a

party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. The FRY ratified the UN Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress and Punish Trafficking in Persons, and the Protocol against the Smuggling of Migrants on September 6, 2001.

Cultivation/Production. Serbian police report that approximately 90 percent of the marijuana seized in Yugoslavia is grown in country, while the remaining 10 percent is imported from Albania. The police report that this marijuana is grown for distribution inside Yugoslavia. The remaining narcotics were imported to or transiting Yugoslavia.

Drug Flow/Transit. FRY police claim that the “Balkan” drug trade route (Turkey-Bulgaria-Hungary-Yugoslavia-Austria) is still operating and that 85 percent of the drugs seized in Yugoslavia were in transit to Western Europe and onward. The police report that the majority of the drugs transit the FRY via roads, but that some of the drugs enter Yugoslavia from Romania, crossing into the FRY via the Danube River. According to the police, planes and air traffic are not extensively used for drug trafficking. The FRY police believe that Albanian marijuana is being smuggled into the country through Kosovo.

Domestic Programs (Demand Reduction). The FRY, despite severe budgetary problems, is engaged in an counternarcotics campaign aimed at educating elementary-age school children about the dangers of drugs. A key aspect of this campaign is posters illustrating drugs available in the FRY. They are distributed to schools for use with classroom instruction on the subject. The FRY is also engaged in a public affairs campaign using television ads and billboards to negatively portray drug use.

IV. U.S. Policy Initiatives and Programs

The United States currently does not have any bilateral programs with the FRY. However, consultations and information sharing has begun between the United States and Yugoslav officials in furtherance of both the war on drugs and the war against terrorism.