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**United States Department of State**

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

**Fiscal Year 2008 Budget  
Program and Budget Guide**

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## **Program Overview and Budget Summary**

## **Program Overview**

### **Program Objectives**

The primary mission of the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) is to reduce the threat of international crime and illegal drugs to the United States and its global partners through cooperation, with emphasis on capacity building where weak justice sectors are vulnerable to terrorist threats and in countries which are critical to protecting our way of life. INL achieves its mission by deploying foreign assistance policy development and program management expertise aimed at combating international narcotics production and trafficking, combating international crime and terrorism, and strengthening law enforcement and other rule of law institutional capabilities. The bureau's strategies for implementing foreign assistance include a comprehensive range of bilateral, regional, and global initiatives and assistance programs to establish international counterdrug and anti-crime standards, foster cooperation among states, and build up the law enforcement and criminal justice sector capacity of foreign governments.

International Narcotics Control and Law Enforcement (INCLE) and Andean Counterdrug Initiative (ACI) funds support the U.S. foreign policy objective of Achieving Peace and Security and Governing Justly and Democratically. Program funds enable foreign governments to act directly against traffickers and other crime groups and cooperate more effectively with U.S. law enforcement agencies. In carrying out its mission, INL works closely with a broad range of other USG agencies, including ONDCP, Justice, Defense, Homeland Security, DEA, USAID, FBI, IRS, CIA, Treasury, and Commerce.

In addition to the core counterdrug and anti-crime missions, INL policies and programs support several other key U.S. objectives. INL programs support U.S. counterterrorism, regional stability, rule of law and democracy efforts in countries as diverse as Colombia, Afghanistan, and Iraq. Closer to home, INL assistance to Mexico, Panama, and the transit zone strengthen homeland security. The Bureau's programs to combat money laundering, terrorist financing, corruption, intellectual property rights theft, cybercrime, and human smuggling, help defend against terrorism and support democracy and economic development.

Over the past decade, and particularly since 9/11, INL has also played an increasingly important role in stabilizing post-conflict societies, primarily by supporting civilian police programs as part of international peacekeeping missions in such areas Iraq, Afghanistan, Haiti, and Kosovo.

Within the Foreign Assistance Strategic Framework, the primary program areas and program elements that INL program funds target are:

#### **Functional Objective: Peace and Security**

Program Area 1.3: Stabilization Operations and Security Sector Reform

Program Element 1.3.1: Operations Support

- Program Element 1.3.6: Defense, Military, and Border Restructuring, Reform and Operations
- Program Element 1.3.7: Law Enforcement Restructuring, Reform and Operations
- Program Area 1.4: Counter-Narcotics
  - Program Element 1.4.1: Eradication
  - Program Element 1.4.2: Alternative Development and Alternative Livelihoods
  - Program Element 1.4.3: Interdiction
  - Program Element 1.4.4: Drug Demand Reduction
- Program Area 1.5: Transnational Crime
  - Program Element 1.5.1: Financial Crimes and Money Laundering
  - Program Element 1.5.2: Intellectual Property Theft, Corporate Espionage, and Cyber Security
  - Program Element 1.5.3: Trafficking-in-Persons and Migrant Smuggling
  - Program Element 1.5.4: Organized and Gang-related Crime

**Functional Objective: Governing Justly and Democratically**

- Program Area 2.1: Rule of Law and Human Rights
  - Program Element 2.1.3: Justice System
  - Program Element 2.1.4: Human Rights
- Program Area 2.2: Good Governance
  - Program Element 2.2.4: Anti-Corruption Reforms
  - Program Element 2.2.5: Governance of the Security Sector

The goals of the bureau of International Narcotics and Law Enforcement Affairs in support of the foreign assistance strategic framework are:

**Strengthen Criminal Justice Systems:** Establish and facilitate stable criminal justice systems to strengthen international law enforcement and judicial effectiveness, bolster cooperation in legal affairs, and support the rule of law, while supporting human rights.

**Counternarcotics:** Disrupt the overseas production and trafficking of illicit drugs by means of counter-drug and anti-crime assistance and coordination with foreign nations and international organizations.

**Minimize Transnational Crime:** Minimize the adverse effects transnational crime and activities have on the United States through international cooperation and coordination, and foreign assistance.

INL strategies are:

Establish governmental control and rule of law in conflict and post-conflict areas; safeguarding human rights and increasing freedom-of-movement.

Strengthen law enforcement and the judicial systems to deter, investigate, and prosecute domestic crimes within identified nation-states.

Reduce the cultivation and production of drugs.

Restrict and remove trafficking options and capabilities of criminal organizations.

Prevent the resurgence of drug production and limit the collateral effects of the drug trade through international drug control and demand reduction projects

Protect the homeland by enhancing the physical and procedural security at designated international sites.

Build institutional capacity for international cooperation in combating transnational crimes while correcting weaknesses in international and regional multilateral institutions, international financial markets and transnational law enforcement regimes.

INL programs produce:

Fewer illegal and dangerous drugs on America's streets;

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

Improved security and political stability in post-conflict situations;

Enhanced host nation capabilities to stem money laundering and interdict sources of terrorist financing, fight corruption, protect intellectual property rights, deter cybercrime, secure borders, and counter alien smuggling;

Greater host nation capacity to directly combat corruption and organized crime; and

Improved adherence to international human rights standards by the police and the prison systems.

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

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

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

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

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

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

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

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

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

Interregional aviation provides aviation support to respective country programs for aerial eradication, mobility, interdiction, reconnaissance and logistical support.

Anticorruption programs strengthen the political will to reduce corruption and implement international standards in transparency and good governance;

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

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

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

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

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

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

Global recognition of the dangers of drugs and crime -- and the need for stronger international cooperation to fight those threats -- has steadily increased. The one-time divide between "producer" and "consumer" countries of illicit narcotics has vanished, replaced by understanding that all countries are vulnerable and that domestic drug problems are on the increase in drug producing and trafficking states around the world. Similarly, nations on all continents have begun to accept that corruption and money laundering associated with trafficking relentlessly undermine governments and national economies. U.S. leadership has

galvanized support for new multilateral instruments, such as conventions against organized crime and corruption. Meanwhile, the international community continues to support strongly the ambitious antidrug commitments embodied in the three U.N. drug conventions.

## **Policy Goals**

The fight against transnational crime and international narcotics is a national security and foreign policy priority. INL plays a key role in carrying out the President's foreign policy agenda by coordinating U.S. international drug polices with the Office of National Drug Control Policy and leading in the development and coordination of U.S. international drug and crime assistance. For countries in transition from conflict, INL's policies and programs promote stable environments, good governance and stronger public institutions. INL also uses technical expertise and capacity-building in lower-income developing and transforming nations in order to create reliable partners within a network of international legal cooperation. With sustaining partners, such as (but not limited to) the European Union, INL works to strengthen the international legal network of laws and conventions against narcotics trade, international organized and gang-related crime, and corruption.

To deal with the increasing linkage and overlap among drug, crime, and terrorist groups, INL has an integrated law enforcement effort through a range of bilateral, regional, and global initiatives to build up the law enforcement capabilities of foreign governments so they can help stop these threats before they reach U.S. soil. This includes extending our first line of defense by strengthening border controls of other countries in addition to our own, ensuring that global criminals have no place to hide, attacking international financial and trade crimes, and responding to emerging crime challenges, such as cyber crime.

INL efforts center on two Department performance goals, which relate to the foreign assistance framework areas of promoting peace and security, and governing justly and democratically:

*Achieving Peace and Security:* The United States promotes peace, liberty, and prosperity for all people; security is a necessary precursor to these worthy goals. The Department and USAID will use every means at our disposal to achieve this goal: traditional and transformational diplomacy, both bilateral and multilateral; vigilant and informed consular operations; reformed and effective foreign assistance; creative and energetic public diplomacy; and where appropriate, new technologies and operating constructs. State will directly confront threats to national and international security from terrorism, transnational crime and narcotics, weapons proliferation, failed or failing states, and political violence. State will strengthen the capability of the American Government and of international partners to prevent or mitigate conflict, stabilize countries in crisis, promote regional stability, protect civilians, and promote just application of government and law. Our diplomatic, consular, and foreign assistance activities will help shape the international security environment in ways that promote political and economic freedom and protect the dignity and human rights of all people.

For INL this means employing counternarcotics work and combating transnational crime. For counternarcotics, this includes reducing drug crop cultivation through law enforcement, eradication, and alternative development programs in key source countries, and improving the capacity of host nation police and military forces to dismantle narcotics production and trafficking centers. It also includes strengthening the ability of both source and transit countries to investigate and prosecute major drug trafficking organizations and to block and seize their assets.

*Governing Justly and Democratically:* The United States supports just and democratic governance for three distinct but related reasons: as a matter of principle; as a contribution to U.S. national security; and as a cornerstone of our broader development agenda. First, our political system and national identity are grounded in the belief that all people share fundamental rights that are best exercised and guaranteed by capable and democratic governance. Second, as outlined in the President’s Freedom Agenda and the *National Security Strategy*, anticorruption, good governance and democracy promotion are central to our national security and global war on terror. Failed and authoritarian states that do not respond to the needs of their people or respect international human rights and democratic norms pose a long-term threat to the security of the United States and other democracies. Finally, U.S. support for anticorruption, good governance and democratization reinforces our development and transformational diplomacy goals of working with partners to help them build their own sustainable institutions of democratic governance. The U.S. Government goal is to promote and strengthen effective democracies and move them along a continuum toward democratic consolidation.

Since drug and crime groups tend to thrive best in developing nations where justice sector institutions are weak, institution building in the criminal justice sector is a core ingredient of INL programs. INL’s programs are directly related to the Department’s “Governing Justly and Democratically” goal for these reasons.

To carry out our institutional development and cooperation programs, INL works closely with, and draws on, the expertise of sixteen other USG agencies, including (but not limited to) USAID, Justice, Treasury, Commerce, Homeland Security, Defense, DEA, FBI and the Coast Guard.

## **Program Performance**

Although the FY 2008 INL counternarcotics budget represents only a small part of the federal drug control budget, INL bilateral and multilateral programs and diplomatic initiatives are currently strengthening counternarcotics and law enforcement efforts in more than 150 countries around the world in support of the President's 2005 National Drug Control Strategy and other strategies aimed at fighting crime and protecting our national security interests. INL's counternarcotics and criminal justice sector capacity building programs are focused on Afghanistan and on the countries of the Andean Region in South America, the world's primary source of the heroin and cocaine, respectively. INL is committed to combating the threat posed by criminal gangs from Central America and Mexico and to working in cooperation with other countries principally affected by it. INL is also giving increased attention the entry of synthetic drugs via the Western Hemisphere into the United States, particularly Mexico, which is a source country for methamphetamines as well as heroin and marijuana.

CY 2006 posed many new challenges as INL focused on criminal justice sector capacity building in many partner countries. INL continued law enforcement advisory operations in Haiti, Iraq, and Liberia as the United States and its allies work to build stability, democracy, and economic progress in difficult post-conflict environments. Highlights of INL programmatic and diplomatic accomplishments over the year include the following:

### **ACI: Promoting peaceful stability by combating narcoterrorism.**

In 2006, the seven ACI countries made good progress against drug trafficking. The Government of Colombia set new records in eradication and interdiction, demobilized one of its three narcoterrorist illegal armed groups, and exposed narco-penetration of the government and public institutions. In Peru, despite violent ambushes of police and intimidation of alternative development teams in coca growing areas by the terrorist group Shining Path/Sendero Luminoso, the government of Peru exceeded its eradication goals. The government of Bolivia met its eradication goal, although 2006 marked the lowest level of eradication in ten years and the eradication operations did not keep pace with the replantings of coca. Ecuador scored record interdiction successes but quarreled with Colombia over perceived effects of coca spraying north of their border. Seizures in Brazil and Panama also set new records. Seizures of illicit drugs within Venezuela dropped sharply in 2006, while seizures by other countries of drugs coming out of Venezuela more than tripled. The major transit countries surrounding the drug producing countries made record drug seizures.

*Colombia:* Colombia continued its series of consecutive record-breaking years for eradication of illicit crops in 2006, spraying 171,613 hectares of coca and manually eradicating another 42,111 hectares. These represent improvements of 24 and 35 percent, respectively, over 2005's efforts, and also represent the first time Colombia has exceeded 200,000 hectares eradicated in a single year. Colombia also eradicated over 1,900 hectares of opium poppy in 2006, and declared that no plantation-sized cultivations of opium poppy remained in the country.

INL-supported programs are also working in conjunction with USG investments in alternative development programs to encourage farmers to abandon the production of illicit crops. They also help the GOC provide the public security necessary for the success of not only these programs, but of Colombia's continued social and economic development.

*Peru:* Eradicated over 10,000 hectares of coca and over 2,500 hectares more in voluntary eradication linked to alternative development. Port programs directed at interdicting maritime drug shipments contributed to the seizure of over 11 metric tons of cocaine of the national total of approximately 20 metric tons in 2006. The U.S. supported alternative development program accelerated the implementation of infrastructure and productive activities in communities participating in voluntary eradication in 2006. At the close of its fourth year, over 53,700 families have committed to the voluntary eradication program. Assistance in increasing licit business activity in alternative development areas resulted in \$5M of additional sales in districts where voluntary eradication is taking place and \$20M in other regions. Over 17,000 more families joined the Peruvian alternative development/voluntary eradication program in 2006.

*Bolivia:* Estimated coca cultivation rose 8 percent in 2005 to 26,500 hectares and the Government of Brazil (GOB) eradicated just over 5,000 hectares. However, the GOB also announced policies that would expand coca cultivation and would violate international agreements if implemented. The GOB continued a strong interdiction performance in 2006, seizing 14 metric tons of cocaine, destroying 2,619 cocaine base labs and making some 4,503 arrests during 9,132 operations. Alternative development efforts contributed to licit family income increases, with average licit gross farm gate family income in the Chapare reaching \$2,739 in 2006 (compared with \$2,667 in 2005). Chapare and Yungas high-value licit crop exports—such as bananas, pineapple, coffee, cocoa, and palm heart—increased from \$36.4 million in 2005 to \$40.6 million in 2006.

*Other ACI Successes:* *Ecuador* seized over 38 metric tons of cocaine in 2006, a large increase over previous years. In 2006, *Brazil* seized 13.2 metric tons of cocaine and 144 kg of crack. Marijuana seizures totaled 161.1 metric tons in 2006. Brazilian Federal Police also seized 57 kg of heroin. In *Panama*, INL and other USG financial assistance, technical help and professional cooperation enabled the GOP to further enhance its capability to interdict drugs and secure its land, maritime and air borders that resulted in increased drug and drug money seizures in 2006. This included over 36 metric tons of cocaine, 107.24 kgs of heroin, 4,276.9 kgs of marijuana, more than \$8 million in currency, diamonds and gold, 299 arrests for international drug-related offenses, and seven extraditions for such offenses in 2006. The United States again determined that the *Government of Venezuela (GOV)* had failed demonstrably to adhere to its obligations under international counternarcotics agreements and take other counternarcotics measures in 2006. This was due to the Venezuelan government's lack of action against drug trafficking within and through its borders and its obstructionist behavior. The GOV has not signed a letter of agreement for 2005 nor 2006, so there is no new money available for projects.

## Other Key Successes

*Mexico: Protecting our Border and Partnering Against International Threats:* In 2006, Mexico was the principal transit country for cocaine entering the United States, with approximately 90 percent of the cocaine destined for the United States passing through the Mexican mainland or the country's periphery. Most cocaine smuggled into Mexico from Colombia for distribution in the United States arrived via Eastern Pacific and Western Caribbean maritime routes in ocean vessels or go-fast boats. Traffickers also used air cargo, couriers, and mail parcels through Mexico and Central America, particularly for Colombian heroin. Geographic proximity contributed to Mexico's share of heroin market, despite Mexico's relatively small percentage of worldwide production. Mexican marijuana cultivators provided the largest foreign source of marijuana for the U.S. market. Mexico is the largest foreign source of methamphetamine distributed in the United States. While there are no reliable estimates, the annual increase in methamphetamine seizures along the United States southwest border since 2001 suggest that Mexican trafficking organizations have significantly increased methamphetamine production in Mexico for distribution into the United States. Trafficking organizations established clandestine methamphetamine laboratories in western and northwestern Mexico. Methamphetamine is smuggled along the entire southwest border. U.S. and Mexican authorities worked closely to dismantle these operations on both sides of the border.

During 2006, Mexican authorities arrested numerous drug traffickers in an attempt to dismantle major drug cartels operating in Mexico. According to the Government of Mexico (GOM), law enforcement authorities seized over 21 metric tons of cocaine, 351 kg of heroin, 621 kg of methamphetamines, 1,849 metric tons of marijuana, and 75 kg of opium gum. The Office of the Attorney General (PGR) and the Secretariat of National Defense (SEDENA) acted against personnel who engaged in corrupt practices and eradicated poppy and marijuana crops. According to the GOM, 29,928 hectares for cannabis and 16,381 hectares for opium poppy were eradicated in 2006.

*Afghanistan:* Total poppy cultivation rose in 2006 due to a deteriorating security situation primarily in southern Afghanistan. INL is working vigorously with the Government of Afghanistan in 2007 to increase governor-led eradication and forced manual eradication in the southern part of the country. Notably, production has been stable or declining in the northern and northeast provinces that have more infrastructure and are subject to central government control. This success is due largely to President Karzai's anti-narcotics campaign, pressure from key governors, and an improved central Afghan Eradication Force (AEF). Despite large gains in eradication over the 2006 season, the 2007 elimination/eradication program still faces many challenges in achieving long-term success. In 7 key poppy-producing provinces, the Poppy Elimination Program (PEP) – which is staffed by Afghan members of the Ministry of Counter Narcotics and supported by INL – developed programs to tie together public information on Afghan narcotics law and policies; locally-based Alternative Livelihood projects and partners; and monitoring and verification teams to follow crop cultivation and farmers' intentions. A robust public information campaign was carried out throughout Afghanistan employing radio, television, print

materials, and community outreach activities. Early reports indicate that cultivation is down in some Northern provinces due – in part – to these activities during the 2006 pre-planting season. The public information program funding also enabled communications capacity building in Afghanistan’s Ministry of the Interior, Ministry of Reconstruction and Rural Development, and Ministry of Agriculture. In addition to leasing fixed- and rotary-wing aircraft, INL also fielded 10 Huey II helicopters funded by the FY 2005 Supplemental to support both PEP's poppy elimination teams as well as ground-based poppy eradication conducted by the AEF. Interdiction efforts continued with DEA working closely with the Counternarcotics Police of Afghanistan (CNPA) to develop investigations leading to arrests while developing the CNPA’s capacity with the support of INL. In February 2006, the first ever arrest warrant was authorized under the new Afghanistan Drug Law. Also, in July 2006, Haji Baz Mohammed, a major Afghan trafficker, who was the first Afghan extradited to the United States, pled guilty to conspiracy to import heroin to the United States. Working with Germany to help rebuild the national police force, the U.S. continued to provide training to more than 60,000 police including nearly 6,000 border police at our Central Training Center in Kabul and seven Regional Training Centers. In addition, we deployed approximately 100 experienced U.S. law enforcement professionals throughout Afghanistan to provide on the job training and mentoring to provincial and local Afghan police. We also began implementation of a major new Ministry of Interior reform project – the pay and rank reform initiative which completely reorders the organizational structure and payroll of the Afghan Police. INL has also helped reform and support the Afghan Attorney General’s Office by supporting a team of legal reform advisors who are working with Afghan police, prosecutors, courts, defense and prisons personnel to improve management and efficiency of the criminal justice system. Notable achievements of the justice program include playing a leading role in developing strategies for the Attorney General’s Office and Ministry of Justice, coordination of a number of provincial justice conferences, and training for over 800 prosecutors, defense attorneys, and corrections personnel in four provinces. In addition, INL’s efforts on demand reduction have been strongly supported by leading Islamic clerics and organizations, and our collaboration with the Afghan Religious Affairs Ministry has provided us with rare access to mosques, allowing us to establish prevention and outreach centers in these institutions.

*Pakistan:* A Major Non-NATO ally and key partner in the global war on terrorism and narcotics, Pakistan has taken into custody hundreds of suspected al-Qaida and Taliban militants, while suffering high numbers of troop losses. Sharing a rugged 1,500-mile border with Afghanistan, Pakistan is challenged by terrorists seeking safe haven and traffickers attempting to move arms, persons, and narcotics through desolate, poorly policed areas. INL assistance through the Border Security Program involves helicopters and fixed-wing aircraft to provide surveillance capability, border outpost and road construction, patrol vehicles, communications equipment and training to address this vulnerability. Assistance also provides law enforcement agencies with training, equipment, and managerial reforms to strengthen capacity. Although counternarcotics cooperation has been excellent, and drug seizures have increased, assistance is necessary to continue to address opium poppy monitoring and eradication, economic alternatives, and demand reduction/drug awareness education programs in order to assist the Government of Pakistan with returning to poppy-free status. Increased cultivation in Afghanistan will also increase assistance needs in

Pakistan, as traffickers attempt to move higher amounts of narcotics through Pakistani territory.

*Liberia:* Using a combination of INCLE and Economic Support Funds (ESF) (the former for support of the Liberian National Police (LNP) and the latter for support of the Liberian justice sector), the INL Civilian Police and Justice Sector Support programs provided material and technical support to the Liberian government. Up to ten American police officers, working through the UN Police, provide mentoring, training, and other technical assistance for the LNP. (The following aid was made through the use of ESF funds.) In addition, the USG donated more than \$800,000 in non-lethal equipment to the LNP in the spring of 2007. American prosecutors, court administrators, and a public defender provide technical assistance to their Liberian colleagues. In December 2006, the USG donated three buses to the Liberian Ministry of Justice and the judiciary. In the first half of 2007, major renovations will commence of the main judicial building in Liberia. In addition, other structural repairs of the same building were undertaken in 2006. INL partially funded a UN assessment mission of the LNP at the beginning of 2007.

*Fighting Corruption and Setting International Standards Against Crime:* Early in his Administration, President Bush identified the fight against corruption as a key foreign policy objective. In support of this objective, INL championed and helped deliver the first global and most comprehensive instrument against corruption – the UN Convention Against Corruption (UNCAC). In 2006, the United States became a party to UNCAC, and the Department played a key role in promoting international acceptance and implementation of UNCAC. Efforts included working with the UN Office on Drugs and Crime and other countries to promote ratification and acceptance of UNCAC and promoting UNCAC as a pillar in regional anticorruption groups in the Middle East and Asia. The U.S. also worked in APEC, the Organization of American States, and other fora to promote acceptance of the "denial of safe haven" policy related to corrupt officials and their assets. The Department was also successful in developing a historic anticorruption initiative in the Middle East, which leaders endorsed at a Dead Sea, Jordan gathering hosted in February 2005 by the King of Jordan. The United States continues to advance a strong anticorruption agenda in Asia, the Middle East, and the Americas. The U.S. also used INCLE funding to support two multilateral monitoring mechanisms – the Council of Europe's Group of States Against Corruption (GRECO), and the OAS Follow-up Mechanism – that promote implementation of anticorruption commitments in dozens of countries.

*Financial Crimes and Money Laundering:* Terrorist groups, drug traffickers, and traditional transnational crime organizations share many traits, but none so compelling as the need to launder, hide, or secretly move their profits and operating funds. Over the past several years, INL has implemented an aggressive program to combat international financial crime, with an increasing emphasis on terrorist financing. In FY 2006, INL funding provided multi-agency training, bilaterally or through multilateral organizations, for more than 100 countries. To assist countries in combating money laundering, INL, in conjunction with DHS/ICE, has assisted in the development of Trade Transparency Units (TTUs) in South America. Developed as a bilateral mechanism to detect trade-based money laundering and customs fraud, TTUs have been established in Colombia, Brazil and Argentina. Another TTU in

Paraguay is in the process of being implemented. Analysis conducted by the TTU in Brazil, less than six months after its establishment, detected a scheme involving the under-valuation of U.S. exports to Brazil to evade more than \$200 million in customs duties over the last five years. Investigation of the scheme resulted in 128 arrest warrants in 238 different locations for tax evasion, document fraud, public corruption and other illegal activities. To promote global cooperation on anti-money laundering, INL provides support to the multilateral Financial Action Task Force (FATF), which has added a special set of anti-terrorist financing recommendations to both its general anti-money laundering and recently revised recommendations, and to five FATF-style regional bodies. Our programs helped “graduate” eight countries from FATF’s list of non-cooperating states and territories in 2002, five in 2003, three in 2004, four in 2005, and the remaining two jurisdictions in 2006. INL has also provided assistance to nearly half of the more than two dozen states identified by the USG as most “at risk” for terrorist financing operations. INL’s regional Pacific Anti-Money Laundering Program, designed to assist the development of viable anti-money laundering/counter-terrorist regimes to the fourteen non-FATF member states of the Pacific Islands Forum, became operational in September 2006.

*Establishing Rule of Law in Post Conflict Societies:* To meet urgent needs in countries in the post-conflict period, INL is taking measures to enhance the USG capacity to identify, train, equip, deploy and support civilian police and law enforcement and criminal justice advisors to participate in multilateral peacekeeping and complex security operations. Using INCLE, Iraq Relief and Reconstruction Fund (IRRF), Peace Keeping Operations (PKO), Freedom Support Act (FSA) and Support for East European Democracy (SEED) money, INL currently deploys more than 1,000 police and corrections advisors and justice experts in eight countries, including over 300 uniformed and armed U.S. police to conduct law enforcement operations in UN peacekeeping missions in Kosovo and Haiti, and unarmed missions in Haiti, Liberia and Sudan. INL continues to implement programs that have helped establish, train, and equip 7,300 members of the new Kosovo Police Service as well as provide training for the 3,000-member East Timor Police Service. Programs in Liberia provide mentoring, training and technical assistance for the 3,500-member Liberian police service and struggling court system. INL participated in the first police/criminal justice assessment mission to Southern Sudan following the Comprehensive Peace Agreement (CPA). INL has also deployed and supported one U.S. CIVPOL officer to the UN Mission in Sudan (UNMIS) with funds from the Bureau of African Affairs. In Iraq, INL has provided 690 international police liaison officers and 191 police trainers to support the reconstruction of the Iraqi police and the Iraqi Government's efforts to provide effective internal security. INL also is continuing to implement justice and prison programs by providing over 100 trainers/advisors in Iraq and constructing additional prison space. In Afghanistan, INL is managing police and justice programs designed to stand up and train 62,000 police in eight training centers in Kabul and the provinces, as well as assist with reform of the Justice Institutions, including the Attorney General’s Office and Ministries of Interior and Justice.

*Law Enforcement Training and Technical Assistance:* To date, the five International Law Enforcement Academies (ILEAs) in Hungary, Thailand, Botswana, New Mexico and El Salvador have trained over 28,000 officials from over 75 countries, including over 2,700 officials trained in 2006. ILEA curricula will continue to be modified to respond to emerging

transnational criminal trends in terrorism, terrorist financing, organized crime, cyber crimes and human trafficking.

*Demand Reduction:* INL's demand reduction program supports the development and evaluation of research-based prevention and treatment programs whose accomplishments can be used to improve treatment and prevention services in the United States and abroad. An independent, science-based evaluation on the long-range impact of INL-funded training for drug treatment revealed that overall hard-core drug use in Thailand was reduced from 90 percent to 8 percent (pre and 6-month post treatment) in the target population. Methamphetamine use was reduced from 82 percent to 7 percent, marijuana was reduced from 20 percent to 3 percent, and opiates were reduced from 7 percent to 1 percent, and arrests for other crimes were reduced from 40 percent to 6 percent. In addition, 3 percent of residents reported HIV risk behavior through injection prior to entering treatment. Finally, INL-funded training targeting predominantly Muslim populations resulted in the doubling of mosque-based drug intervention centers to 50 throughout all provinces in Afghanistan.

*Trafficking in Persons:* The annual *Trafficking in Persons Report*, produced by the Office to Monitor and Combat Trafficking in Persons, is the USG's principal diplomatic tool used to engage foreign governments on the issue of trafficking in persons. The sixth *Trafficking in Persons Report* was released in June 2006 and included ratings of close to 150 governments' anti-trafficking efforts. The *Report* continues to be a powerful and effective tool to spur foreign governments to take action to eradicate human trafficking. Forty-one countries adopted new legislation or amended existing legislation to combat TIP. Concrete actions taken by foreign governments have resulted in more prosecutions, convictions, and prison sentences for traffickers and comprehensive assistance for victims. In 2006, the TIP program supported public awareness and education campaigns; training for government officials, criminal justice professionals, and medical personnel; development of anti-trafficking laws; and a vast array of victim services, including medical and legal assistance, shelter, and reintegration efforts. Public affairs and outreach programs continued international coverage and widespread dissemination of trafficking information through popular media outlets including print news articles, wire stories, TV and radio segments, Internet publication, and digital video conferences – reaching an estimated 500 million people in 2006. Outreach to the business community continues to strengthen strategies to prevent sex trafficking, child sex tourism, child labor and other forms of servitude. For example, to date over 250 travel companies in 23 countries have made a commitment to combat child sex tourism by signing the *Global Code of Conduct for the Protection of Children in Travel and Tourism*.

## **Program Justification**

The FY 2008 INL budget request of approximately \$1.24 billion is designed to support President Bush's comprehensive strategy for combating the global threat of narcotics, organized crime, and terrorism. It also reflects INL's shift away from separate programs for counternarcotics and anticrime to a broader and more integrated law enforcement approach. The request builds on and strengthens ongoing initiatives in South Asia, the Andean region, and international law enforcement training while continuing to place increased emphasis on border projects. While attacking the core targets in Asia and Latin America, the strategy

focuses on strengthening host nation capabilities to fight international drugs and crime and to rebuild justice sectors in post-conflict societies. It is a long-term approach to create competent and honest counternarcotics and anticrime forces in countries where laws and institutions are weak. The strategy also supports efforts by multilateral organizations to reduce drug crop production in those major growing areas where our access is limited. Finally, the budget places special attention on anti-corruption, money laundering and financial crimes.

The FY 2008 budget request focuses on three areas: building stability and democracy in South Asia, combating narcotics and terrorism in the Western Hemisphere, and building a democratic Iraq. The United States has embarked on an ambitious and historic mission to ensure that Afghanistan – the world’s largest source of opium and heroin – is never again a haven for terrorists or a source of instability in the region or of oppression towards its citizens. Combating the drug trade there is critical to this mission, as are rebuilding the Afghan justice sector and strengthening the borders of neighboring states. The approach in Latin America is regional, aimed at eliminating both the production and trafficking of cocaine, heroin, and marijuana from the Andean Region and Mexico – as well as methamphetamine and its precursors from Mexico. The budget focuses on eradication and alternative development. It also includes a strong interdiction component both for source countries and the transit zones, as well as furnishing training and equipment to strengthen local law enforcement’s ability to capture and prosecute drug traffickers and seize their assets. The program supports projects initiated under the FY 2000 Emergency (Plan Colombia) Supplemental and continued under the Andean Counterdrug Initiative. The challenge in Iraq is to rebuild a justice sector that completely withered away under the security state of Saddam Hussein.

## **Country and Account Programs**

### **Andean Counterdrug Initiative (ACI) – \$442.8 million**

A total of \$192.5 million for Alternative Development programs in Colombia, Bolivia, Peru, and Ecuador historically funded under the ACI account are being requested in FY 2008 under the Economic Support Fund (ESF) account.

*Colombia (\$367 million):* Despite the gains made in recent years, Colombia remains a country fighting a multi-front internal war against narco-terrorists and narco-traffickers who have relied on the illicit drug economy to fund their operations. Colombia remains the supplier of roughly 90 percent of the cocaine and 50 percent of the heroin entering the United States. Aggressive disruption of the illicit drug trade, therefore, remains a top USG priority. The funding requested in FY 2008 will continue to consolidate the successes of the Plan Colombia Emergency Supplemental of 2000 and subsequent Andean Counterdrug Initiative (ACI) programs. It will also be used to further develop and strengthen the Government of Colombia’s (GOC) institutions, a necessary prerequisite for Colombia’s assumption of ownership and responsibility for USG-funded programs. INL’s FY 2008 assistance program in Colombia seeks to further Colombia’s transformational process in the areas of Peace & Security and Governing Justly & Democratically by continuing to support Colombia’s

successful counternarcotics, public security, and judicial reform programs. At the same time, we will continue to transfer responsibility and operational control of these programs to the GOC so that USG funding levels can continue to decline in the long-term.

INL's funding for Colombia will support Colombia's Strategy for Strengthening Democracy and Social Development, the GOC's follow-on to Plan Colombia. The strategy continues Plan Colombia's successful counter-terror, counter-drug, democracy, human rights, alternative development, and humanitarian policies, and places increased emphasis on consolidating state presence and development through sustainable growth and trade. Improving national security and consolidating state presence are two of the Strategy's six components which INL-funded programs directly support.

In FY 2008 the *Critical Flight Safety Program* (\$50 million) is being included in the Colombia program budget. We will continue refurbishing and upgrading aging Vietnam-era UH-1H helicopters, refurbishing UH-1N helicopters (giving first priority to eradication helicopters), extending the service life of OV-10D spray plane airframes, and initiating armament upgrades for Colombia search and rescue (SAR) aircraft.

*Peru (\$36.8 million):* Peruvian FY 2008 plans include enhancing the capabilities of the Peruvian National Police Narcotics Directorate (DIRANDRO) to conduct advanced road interdiction, riot control, greater security for eradication teams, and interdiction in hard-core areas. There will be an expanded eradication effort by the Government of Peru's Coca Reduction Agency (CORAH) in entrenched coca growing areas and areas of expansion, and continual monitoring of new coca. Police eradication targets the near-inaccessible opium poppy cultivation areas. An increased number of police and eradicators, and expansion of the area of operations will fully engage the Huey IIs, INL-owned fixed wing aircraft, and available Peruvian MI-17 helicopters. FY 2008 funds will also cover fuel, maintenance, hangars and warehousing, aircraft rental when needed, and operational support for PNP Aviation (DIRAVPOL) personnel. To help protect both program assets and personnel, funds will be used to acquire a second aircraft that can provide additional airlift to support the increase of DIRANDRO police from 400 to 2,800 personnel east of the Andes in the next two years.

*Bolivia (\$30 million):* In FY 2008, counternarcotics assistance to the Government of Bolivia (GOB) will focus on continuing to fortify law enforcement cooperation and strengthen law enforcement capability in areas such as interdiction, building local support for coca control and eradication, and highlighting the damage to Bolivian society and Bolivia's neighbors caused by increased coca cultivation, cocaine, and human trafficking. Support will boost the presence and effectiveness of the police in the Yungas and replace obsolete equipment throughout Bolivia. New eradication operations in the Yungas will require improvements to existing forward-operating bases, additional infrastructure and vehicles. The Joint Eradication Task Force (JTF) will consist of approximately 2,000 military, police and civilian personnel, with separate units conducting eradication (including the provision of force protection) in the two zones. The Blue Devils Task Force will continue the replacement of aged equipment, including 25 boat motors and 30 Zodiacs, along with 30,000 spare parts and support for 170 members, six land bases, and five mobile bases to control

natural river chokepoints. The Green Devils Task Force will provide for the repair of the aging fleet of 119 vehicles, as well as support for its personnel. The Red Devils Task Force will continue to provide support eradication and interdiction operations in the Yungas and to GOB expansion of forced eradication into the Yungas while supporting similar operations in the Chapare. Funds will also support operations and maintenance for 108 UH-II upgraded helicopters and increased operations and maintenance costs for the seven additional UH-II helicopters scheduled to arrive in FY 2007. The Black Devils Task Force goal for FY 2008 is to maintain a trained, reliable medium-lift-capable aviation unit that provides aviation support to INL projects, maintaining an operational rate of 90 percent of requested missions with several aircraft, including three C-130Bs. Alternative development projects will be funded through ESF in FY 2008. FY 2008 alternative development programs will focus on: increasing the competitiveness of licit rural enterprises, fostering more effective, transparent and responsive democratic institutions, and improving basic public services and social conditions.

*Other ACI Country Programs (\$15 million)*

*Ecuador (\$13 million):* Funds will support the Counternarcotics Police Directorate (DNA) port and canine operations and acquisition of law enforcement and communications equipment. Funding will support expanding police presence and counternarcotics operations to sensitive outlying locations inadequately protected against narcotics trafficking. Program funds will construct new DNA bases, complete with inspection stations and living quarters, which will enable the Government of Ecuador (GOE) to maintain 30- to 40-member units at key interdiction points, especially in remote sites on the northern Ecuadorian border with Colombia, and major roadways connecting Ecuador's borders and ports. Program funding will also extend and refine law enforcement police and judicial training, which is essential to improving the detection and seizure of drugs. Supporting military border and coastal control units, such as the quick reaction forces and the marine detachments, with vehicles, field equipment and operational support in FY 2008 will further strengthen Ecuador's ability to protect its national territory against narco-terrorist incursions and to interdict illicit international shipments of drugs and chemicals. Also on the demand reduction side, FY 2008 support to the Ecuadorian Ministry of Education and non-governmental organizations active in the awareness and prevention fields will continue projects that work to counter Ecuadorian public misunderstandings and disinformation regarding U.S. policies and activities and explain the true nature of drugs, terrorism and other transnational challenges

*Brazil (\$1 million):* Funding will contribute to the Government of Brazil's expanding Operation COBRA (Colombia-Brazil) to reinforce its northern borders with Peru, Venezuela, Bolivia, Guyana and Suriname. Funds will also support Brazilian law enforcement by assisting in the purchase of equipment used in conducting effective investigations and interdiction operations against narcotics cartel leaders and their associates.

*Panama (\$1 million):* Funds will enhance Panama's interdiction capability to disrupt the regional flow of illicit drugs, chemicals, weapons, and people by improving its law enforcement infrastructure and control of its borders and international ports of entry and exit.

**International Narcotics Control and Law Enforcement – \$634.6 million and \$159 million requested for Iraq in a Supplemental**

**Other Latin America – \$50.5 million**

*Mexico (\$27.8 million):* The FY 2008 funding will support expanding the Government of Mexico's (GOM) institutional capabilities to detect and interdict illicit narcotics, contraband items including explosives and weapons, trafficked/smuggled persons and individuals seeking to enter the United States to conduct terrorist activities. INL will provide Non-Intrusive Inspection Equipment (NIIE), assistance to create up to four Center for Imagery Sharing (CIS) command centers to coordinate the operation of Portal VACIS devices throughout the country, and support the creation of improved data sharing mechanisms to public security agencies. INL will support GOM initiatives to improve its justice system and law enforcement capabilities by providing computers and communications equipment to establish a case-tracking system that will provide law enforcement officials access to a unified computer database. INL will also provide equipment and technical assistance to modernize the GOM's forensic laboratory capabilities. To assist in eradication efforts, funds will be used for imagery analysis computer hardware and software to enhance the GOM's ability to deploy its assets most effectively. For interdiction purposes, INL will provide special investigative equipment, vehicles, and computers to support the new Federal Police Corps and its Special Investigative Units. FY 2008 funding will also be used to procure additional clandestine laboratory vehicles, trailers and safety gear to assist the GOM in combating methamphetamine trafficking. INL will provide the GOM with equipment and specially trained canines for responding to drug-related crimes and work with DHS/CBP to assess security and recommend corrective action at Mexico's largest maritime ports. FY 2008 funding will be used to provide law enforcement training, including specialized training courses such as ethics in government, supervision and management, criminal investigative techniques, crime scene search and preservation of evidence, anti-corruption, and train-the-trainer. INL will also partner with governmental and nongovernmental leaders to develop, evaluate and institutionalize sustainable rule of law education programs and support anti-corruption programs.

*Haiti (\$9 million):* The FY 2008 program is divided in three general categories: police programs (*crime control assistance*), corrections program (*criminal justice assistance*) and counterdrug programs. The U.S. will contribute up to 20 police officers to the UN Stabilization Mission in Haiti (MINUSTAH) stabilization mission. U.S. officers will continue providing expertise in the areas of academy training, field training, patrols, community policing, investigations, traffic, crime analysis, forensics, police management, supervisory skills, police administration, and other specialized skills. The U.S. will continue to assist with the training of new recruits, and in-service training for existing HNP officers, including specialized training, such as supervisory, duty officer and human rights training. The U.S. will continue to assist in forensic training and the development of HNP capacities for crime analysis. The U.S. will also help the HNP to be able to respond to civil disturbances in a manner that takes advantage of non-lethal police tactics. The U.S. will continue to support the model stations program, teaching officers how to respond to crime

and run a police station on a station-by-station basis. The U.S. expects to continue providing technical assistance on corrections issues, as well as support for refurbishing some corrections facilities. These programs will closely coordinate with the Haiti Stabilization Initiative (HSI) aimed at providing concentrated, comprehensive support to Cite Soleil, including a criminal justice component. Funding will support the operations of a vetted unit of Haitian police officers, established by DEA, with special authority to conduct drug investigations. Funding to support the intelligence collection and analysis center within the HNP will also be provided. In partnership with the U.S. Coast Guard, funding will continue the ongoing effort aimed at restoring the logistical and maintenance capacity of the HCG. The refurbishment of bases at Killick and Cap Haitien will continue and additional vessels will be provided consistent with HCG capacity to maintain and operate them. Funding will be directed toward equipping and training the HCG for maritime drug interdiction operations.

*Central America (\$8.5 million):* An estimated 80-90 percent of the drugs flowing to the United States from South America passes through the Central American Corridor. The current trafficking pattern appears to focus on maritime traffic, increasingly in the Pacific, followed by land and then air traffic. Funding in FY 2008 will concentrate on interdiction of that flow in Nicaragua, El Salvador and Honduras. The largest program, in Guatemala, strengthens police ability to interdict drugs and eradicate opium poppy, model community-based operations against organized and gang-related crime, and justice system reform. Guatemala and Nicaragua programs also prevent drug addiction, combat corruption, and counter trafficking in persons.

*Caribbean (\$3.8 million):* The Caribbean accounts for an estimated 10-20 percent of the drug flow to the United States. FY 2008 funding will concentrate on the maintenance of Caribbean capabilities in interdiction, law enforcement and administration of justice. In The Bahamas, the Dominican Republic, Guyana and Jamaica, equipment and technical assistance will be provided to support vetted counterdrug units supervised by DEA. Funding will also be provided for financial investigation mentors to assist with the development and prosecution of money laundering and other financial crime cases.

*Southern Cone (\$1.5 million):* Funding will enhance the institutions and capabilities of the law enforcement agencies in Argentina, Chile and Paraguay to enable them to more effectively act against narcotics trafficking, other transborder crime, international terrorism, and possible spillover of cultivation and/or processing operations from Colombia. Funding will also support programs to encourage cross-border operations and intelligence sharing. Anti-trafficking in persons projects in Bolivia, and anti-money laundering projects in Ecuador will also be supported.

### **Africa – \$34.2 million**

*Democratic Republic of Congo (\$1.8 million):* The Democratic Republic of Congo is transitioning from years of conflict. Its law enforcement services are in need of reform and institutional development in order to meet the foreseeable security and rule of law gap that may arise when the international peacekeepers in Congo begins to draw down. FY 2008 funds will be used to implement sustainable improvements in the capacity of DRC law

enforcement institutions. Funds will provide a needs assessment, training, and technical assistance to the DRC police. The program will focus on general skills training, police academy development and possibly some specialized training courses.

*Liberia (\$4.1 million):* Strengthening Liberia's law enforcement and criminal justice capacity remains a key priority of the USG. FY 2008 funds will continue to assist Liberia develop a credible and competent criminal justice system through provision of senior advisors for the Liberian National Police and the Ministry of Justice.

*Nigeria (\$1.2 million):* Nigerian organized crime groups dominate the African narcotics trade, transporting drugs to the United States, Europe, and Asia. Nigeria-based criminal organizations are engaged in advance-fee fraud, and other forms of financial crime, including identity theft, that defraud American citizens and businesses. FY 2008 funding will be used for counternarcotics and interdiction training for Nigerian law enforcement and customs institutions, and the development of police capacity through technical assistance on digitized record keeping and training on community-based policing. Funds will also cover Program Development and Support costs for an INL Section Chief and his office staff. The section chief is responsible for overseeing INCLE programs in Nigeria, which provide assistance in counternarcotics, police modernization, and financial crime.

*Sudan (\$24 million):* Since the signing of the North/South Comprehensive Peace Agreement in 2005 (CPA), the United States has been working to support the implementation of the CPA and to assist the development of the Government of Southern Sudan (GOSS). To this end, INL programs in FY 2008 will continue to provide support to the UN Mission in Sudan through the assignment of police, corrections, and judicial officers, and enhance its bilateral assistance in the development of the police and criminal justice system through technical assistance and training to the GOSS.

*Other Africa (\$3.1 million):* Weak law enforcement institutions throughout Africa corrupt and weaken governments, undermine progress toward democracy and provide an attractive environment for terrorism and transnational organized crime. The Africa program supports states in the region with a demonstrated commitment to good governance and democratic policing, and the political will to achieve these goals. FY 2008 funds will be used for programs designed to upgrade core policing and prosecutorial skills through modernization of academies and teaching methodologies, forensic laboratory development, and counternarcotics programs. Programs will improve the capacity of governments to combat trafficking in narcotics and other contraband, illegal migration, public corruption, and financial fraud.

### **East Asia and the Pacific – \$18.2 million**

*East Timor (\$1 million):* Funds will be used to develop the civilian-led national police service, focusing on organizational management, curriculum development, training and technical assistance that will lead to the development of management, leadership and executive strategic planning skills among senior ranks.

*Indonesia (\$10.1 million):* Indonesia, the largest Muslim country in the world, is a key strategic partner in terms of fighting transnational criminal organizations and promoting regional stability. As an emerging democracy, Indonesia is an important nation in providing leadership to the Islamic world. Indonesia is also a center of criminal activity, including drug trafficking, cyber-crime, illegal migration, piracy, and is a home to terrorists. Corruption is endemic in Indonesia, including within Indonesia's National Police (POLRI). Indonesia's maritime borders, which stretch across 17,000 islands and the strategically important Malacca Strait, are largely unprotected and undefended, leaving the country vulnerable to a range of criminal activities from narcotics smuggling to terrorist infiltration. With FY 2008 funding, INL-funded projects will continue to assist POLRI establish organization-wide mechanisms to root out corruption. INL projects will also enhance the Marine Police's effectiveness by providing both patrol craft and training. FY 2008 assistance will also continue efforts to assist Indonesian in building a well-trained police force based on democratic principles, community policing, and respect for rule of law and individual rights. INL projects will assist and advise on prosecutorial and judicial reform.

*Laos (\$1.6 million):* Laos is one of the world's least developed countries, with an almost total lack of infrastructure such as roads and rail that isolates rural villages from the market economy and most government services and influence. Laos is also the second largest producer of opium in Southeast Asia. Opium crop control projects have been highly successful, with an estimated 83 percent drop in the area under cultivation between 2004 and 2006. During the same period, production declined from an estimated 49 metric tons to only 8 ½ metric tons. INL development projects reduce the production, trafficking and abuse of illicit opium by detoxifying and vocationally-training addicts and providing market-based income alternatives for farmers. Regionally produced amphetamine-type stimulants (ATS) have eclipsed opium. With the nearly completed highways connecting China to Thailand through Laos, and Thailand to Vietnam, again through Laos, plus the Mekong River, Laos remains a transit route of choice for Burmese drugs going to China and other Southeast Asian states. With FY 2008 funding, INL development will continue efforts to stem production, and deter trafficking and abuse of illicit opium by providing market-based income alternatives for farmers. FY 2008 funding will also support INL's support of Lao law enforcement operations and reform, drug awareness and demand reduction programs.

*Philippines (\$1.1 million):* The Philippines is a strategic ally and a partner in the global war on terrorism. Enhancing the capabilities of Philippine law enforcement and criminal justice sector is central to strengthening our mutual security. FY 2008 funding will continue to support law enforcement development, improved police-prosecutor cooperation and counternarcotics police development.

*Thailand (\$2.3 million):* Thailand is a long-time U.S. ally in the fight against drugs and host to one of our regional International Law Enforcement Academies (ILEAs). It also plays a leading regional role in the fight against narcotics and transnational crime. At one time, a source country for heroin, Thailand's aggressive counternarcotics strategy kept opium poppy cultivation below 1,000 hectares in 2006, for the eighth year in a row, and at the lowest level since the mid-1980s. Even so, Thailand serves as a transit zone for heroin and the sharp increase in methamphetamines coming out of Burma and other states in the region. At U.S.

urging and with INL assistance, Thailand is in the process of amending virtually all of its basic narcotics laws and all substantive and procedural criminal laws, including those that pertain to money laundering and official corruption. FY 2008 funding will continue support to Thailand's criminal investigative agency, the Department of Special Investigations (DSI), which is responsible for investigating significant, non-drug transnational and organized crime.

*Other East Asia and the Pacific (\$2.1 million):* Funds will be used primarily for law enforcement reform and development, criminal justice institution development, narcotics interdiction, and border security projects.

### **Europe – \$0.5 million**

*Turkey (\$0.5 million):* Funding would also be used to build on joint Turkish-Afghan counterdrug training conducted in early 2007, bringing in other key partners as appropriate, for example, investigative agencies from Southeastern Europe. Training and technical assistance, provided by DEA and/or other training experts will be directed at Turkish counter-drug, customs and other law enforcement entities on border control and detection techniques at land and sea ports of entry.

### **Near East – \$88.3 million + \$159 million supplemental**

*Iraq (\$75.8 million regular and \$159 million supplemental):* With FY 2008 funds, INL will build on existing efforts to promote sustainable security and respect for the rule of law in Iraq by promoting a fair, efficient, and effective criminal justice system. Pursuant to NSPD-36, DOD/CENTCOM will continue to exercise primary responsibility for, and fund, the further development of the Iraqi Ministry of Interior and policing institutions, including a 135,000-person Iraqi Police Service (IPS). The funds requested by INL will focus primarily on the other two pillars of an effective criminal justice system – the courts/judiciary and corrections institutions. INL specifically will enhance security for judges, courts, and other judicial system actors so that they can carry out their official duties without fear of intimidation; further expand cooperation, coordination and information-sharing among police, courts, and corrections entities - through development of new policies and procedures and use of technology – to improve the quality of cases coming before the courts and tracking of detainees throughout the court system (to better ensure the guilty continue to be held and the innocent released); provide training and technical assistance to judges, judicial investigators, and other court personnel focused on both technical skills and development of reasonably efficient administrative systems; promote human rights standards within the criminal justice system; support the continued deployment of federal and other U.S. criminal justice experts to provide advice and technical assistance to the Provincial Reconstruction Teams (PRTs), the Major Crimes Task Force (which investigates major cases), the Central Criminal Court of Iraq (which hears insurgent cases) and anti-corruption institutions including the Commission on Public Integrity; and assist in efforts to modernize Iraq's laws, with a focus on facilitating investigation and prosecution of modern, complex crimes. Funds also will help the Government of Iraq securely and humanely incarcerate suspected criminals. Specifically, we will facilitate the further development and expansion of the Iraq Correctional Service by

continuing to deploy U.S. correctional advisors; and build additional secure jail/prison facilities to house suspected criminals. INL will also use FY 2008 funds to develop, manage, and oversee its programs in Iraq as well as to maintain a capacity in country to provide logistics, transportation, life support, and security for advisors and trainers deployed to Iraq.

*Egypt (\$3 million):* Egypt is a democratizing and moderate Muslim state that is not only a victim of terrorism, but also a committed partner in the global war on terrorism. Egypt has long borders, which lend to the country's substantial problems with illegal migration, human smuggling, movement of transnational terrorists through Egyptian territory, drug trafficking, and smuggling of weapons and other contraband. The profits from these illicit enterprises could provide revenue sources to terrorists, and Egyptian law enforcement personnel lack many of the sophisticated tools and training required to combat these threats. These criminal activities also lead to corruption of public officials, and could weaken Egyptian institutions, undermining the rule of law in Egypt. Policing reform efforts administered through the INL program focus on the key roles that law enforcement plays in support of the rule of law, notably ensuring public safety and bringing criminals to justice. The program will seek to continue assisting Egypt's law enforcement agencies to improve the management and administrative skills of its officers, to expand capacity for strategic planning, and to promote organizational transparency.

*Lebanon (\$1.8 million):* In the wake of the 2006 Hizballah-Israel war, much of Lebanon lies in ruins, especially in the south. Lebanon had just recovered from decades of war and outside occupation and seemed headed for unprecedented economic growth and democratic development following the April 2005 withdrawal of Syrian military forces and the election of the first "made in Lebanon" government in nearly 30 years. However, Lebanon's democracy remains fragile due to sectarian tensions and continuing Syrian interference using local proxies, Hizballah, and heavily armed Palestinian rejectionist (terrorist) groups. Despite the war, Hizballah retains its arms and its dangerous state-within-a-state status. Lebanon's massive reconstruction program and the UN-supported deployment of Lebanese security forces into hitherto-Hizballah-controlled southern Lebanon provide the opportunity not only to restore Lebanon's economy but to rebalance its political system and help restore Lebanon's full sovereignty.

Supporting the democratic government of Lebanon, and the people of Lebanon, are urgent U.S. priorities. We are working toward the rapid and full implementation of UNSCR 1701, the establishment of the full sovereignty of a Lebanese Government representing all its people, and Lebanese security forces capable of protecting Lebanon's borders, sovereignty and dignity. The INL program consists of civilian police training programs to build the capacity of the Lebanese Internal Security Forces (ISF) – the national police – to help them meet this challenge. Training is provided to all police of all levels and the requisite equipment is provided to help them carry out their mission.

*Jordan (\$1.5 million):* Jordan is a key U.S. ally, committed to progressive democratic reform, and in lockstep with the United States in the war on terrorism. However, Jordan's progress implementing reform is constrained by external threats and domestic economic and political challenges. Jordan suffered two serious terrorist attacks in 2005, and disrupted

numerous other plots. Jordan is buffeted by conflicts and instability on most of its borders, and faces a critical terrorism threat. A deterioration of the security environment would damage the tourism sector and prompt foreign investors to retreat from Jordan's markets, devastating the economy, and creating political instability. The INL program will aim to assist Jordan's efforts to maintain its security.

*Morocco (\$1 million):* Morocco is a liberalizing, democratizing, and moderate Muslim state that is not only a victim of terrorism, but also a committed partner in the global war on terrorism. Morocco has relatively weak border control systems that could be exploited by terrorists and other transnational criminals. Due to its long and poorly controlled borders, extensive coastline, and proximity to Europe, Morocco has substantial problems with illegal migration, human smuggling, the movement of transnational terrorists through its territory, drug production and trafficking, and commercial smuggling. The profits from these illicit enterprises could provide revenue sources to terrorists. These criminal activities serve to undermine the rule of law in Morocco, lead to corruption of public officials, and weaken Moroccan institutions. INL programs focus on border control, including extensive technical assistance and equipment.

*West Bank/Gaza (\$3.5 million):* The funds will support U.S activities which complement broader international efforts, as called for in the Roadmap, to transform and strengthen security capabilities of the President of the Palestinian Authority (PA). Our efforts will enhance current and future operational effectiveness with the goals of: ensuring adequate protection for PA President Mahmoud Abbas and other foreign VIPs (including visiting American officials) and improving the security and management of Palestinian crossing points with Egypt and Israel, and other key areas. Funds will also be used to promote and develop activities and programs that will strengthen cooperation against financial crimes and terrorist financing.

*Yemen (\$0.5 million):* Yemen has distinguished itself as a solid partner in the fight against global terrorism. In 2004, a Yemeni court sentenced two men to death for their roles in the bombing of the USS Cole, and four others were sentenced to prison terms of five to ten years for their involvement. Given threats to peace and security in Yemen, particularly from terrorist and other transnational groups, INL assistance will be used to help enhance security by building the capacity of Yemeni law enforcement to combat these threats.

*Other Near East (\$1.2 million):* Funds will be used primarily for trafficking in persons projects in Israel and Tunisia, as well as money laundering and financial crimes projects in Algeria and the United Arab Emirates.

### **South Asia - \$311.75 million**

*Afghanistan (\$274.8 million):* The U.S. will continue to support the UK lead on counternarcotics by providing: enhanced assistance to Poppy Elimination Program (PEP) teams working with provincial officials to proactively discourage the growing of illegal crops; continued support to the Afghan Eradication Force, the Government of Afghanistan's (GOA) centrally-directed, manual poppy eradication program; expanded specialized training

and equipment of drug enforcement units; sustained search and rescue (SAR), recon, transportation, and air cover for ground-based counternarcotics programs via fixed- and rotary-wing aircraft, both INL-owned and leased; an enhanced public information campaign that amplifies the GOA's message that opium poppy cultivation is illegal and contrary to Islam; and ongoing demand reduction programs to address Afghanistan's rising rates of drug abuse and emerging HIV/AIDS epidemic. To the extent practicable, our efforts will key on strengthening the GOA's capacity to incrementally assume the management and direction of these programs. These INL-sponsored programs will work in conjunction with Alternative Livelihoods programs funded by USAID as well as INL's civilian police training and justice reform programs. We will continue to provide support for eight INL Training Centers and approximately 330 police advisors and mentors to continue the classroom-based basic skills training program for low-level police officers as needed, provide field training and mentoring for all police, provide new specialized courses emphasizing greater professionalization and skills development for the police, and Ministry of Interior reform efforts including payment of police salaries through a contribution to the United Nations Development Program Law and Order Trust Fund for Afghanistan. Justice funds will support four strategic objectives: development of institutional capacity of the permanent justice institutions, development of the operational capacity of criminal justice sector in key provinces, development of the corrections system, and professionalization of justice sector personnel, with a focus on Kabul, Wardak, Herat, Balkh, Nangarhar and Paktia provinces. Specific activities will include advisory support to the criminal justice system, specialized training and mentoring of prosecutors, defense counsel and other justice personnel, equipment and infrastructure support, a legal education program for Afghan law professors, and continued support for legal associations, licensing development and legal aid centers. Funds will also support an international trust fund for justice sector officials to help reduce corruption within the system. Funds will also be used to improve the capacity of the corrections system through training and mentoring, capacity-building projects such as setting up a prisoner tracking system, and equipment and infrastructure support for correctional facilities in Kabul and key provinces. The reintegration of Afghan women into the legal sector and improving their legal awareness will remain a focus through FY 2007. INL will also continue supporting DEA interdiction efforts by providing operational support for the Counter Narcotics Police of Afghanistan (CNPA), including the National Interdiction Unit teams, and the creation and development of the Sensitive Investigation Unit. The Huey IIs will also reinforce DEA-led interdiction, as available.

*Bangladesh (\$1.5 million):* Despite serious problems related to a dysfunctional political system, weak governance, and pervasive corruption, Bangladesh remains one of the few democracies in the Muslim world. In March 2006 Bangladesh and India signed two agreements: the Revised Trade Agreement, and the Agreement on Mutual Cooperation for Preventing Illicit Drug Trafficking in Narcotic Drugs and Psychotropic Substances and Related Matters. FY 2008 funded INL programs would address money laundering and terrorist financing, drug demand reduction, interdiction, intellectual property, and trafficking in persons.

*Nepal (\$2.7 million):* Law and order are prerequisites to the re-establishment of peace and security in Nepal, following the ten plus-year insurgency; the alternative being a failed state.

Disenfranchised sizeable minorities are resorting to Maoist tactics of violent protest and strikes to seek inclusion in the political process in the run up to the Constituent Assembly elections, part of Nepal's constitution drafting and adoption, as well as the establishment of a new government. The Nepal Police (NP) and Nepal's Armed Police Force (APF), cannot as presently staffed, equipped and trained, fill the security sector gap left by the Nepal Army's confinement to barracks. The NP and APF, having been mostly focused on counterinsurgency efforts for the past ten years, are woefully under equipped and lack modern police training to enforce law and order throughout Nepal, let alone ensure safe and fair democratic elections. INL-funded assistance, be it training or logistical support, is focused on assisting the NP and APF in their efforts to reform into police organizations that are customer-focused, service-oriented and that understand the importance of human rights in law enforcement.

*Pakistan (\$32 million):* The events of September 11 shifted the focus of INL assistance to Pakistan from drug control and related programs to law enforcement, including security of the critical border with Afghanistan and Iran. The Border Security Project provides operational support, commodities, and training to the Anti-Narcotics Force (ANF) and other law enforcement agencies to strengthen the capacity of law enforcement agencies in Pakistan to secure the western border against terrorists, criminal elements, and narcotics traffickers. U.S. assistance has enabled construction of additional Frontier Corps outposts along the porous Afghanistan-Pakistan border and of new roads to open up remote areas to law enforcement, allow forces to eradicate poppy, and facilitate farmer-to-market access for legal crops. Funding will also provide maintenance, support, and operating expenses for the USG-established Ministry of Interior Air Wing, based in Quetta. The Air Wing provides aviation support to several law enforcement agencies, particularly the Anti-Narcotics Force, the Frontier Corps in NWFP and Balochistan, and the Pakistan Coast Guards, to increase surveillance capability, improve mobility in remote areas, and assist with aerial poppy surveys. INL will also continue to support law enforcement and development activities to help modernize Pakistan's antiquated crime prevention and investigation system. Funds will be used to further enhance law enforcement capacities and to encourage more effective law enforcement cooperation within the Government of Pakistan, as well as with the United States and other countries. Funding will provide training, technical assistance, and equipment to expand investigative skills and forensics capacities, build accountability and internal control structures, enhance police training institutions, and improve managerial and leadership expertise. Due to the ever-increasing threat of opiates from Afghanistan, INL's counternarcotics program will begin to increase resources for interdiction, including disruption of transit routes, while maintaining resources devoted toward source disruption. Funding will also support construction of roads in opium poppy growing areas and will include small water schemes to improve the economic potential of newly accessible areas and encourage the cultivation of high-value, legitimate crops and intensive farming. On a more limited scale, we will continue to fund the introduction of alternative crops, such as off-season tomatoes, particularly in the non-traditional areas. We will also continue to fund drug demand reduction initiatives, including support for faith-based outreach centers and drug rehabilitation NGOs.

*Other South Asia (\$0.7 million):* Funds will be used primarily for drug awareness and demand reduction activities in India and law enforcement reform and development in Sri Lanka.

**Regional and Global Programs – \$131.1 million**

*Anticrime Programs (\$14 million):* INL will continue to support a range of diplomatic and programmatic anti-crime initiatives focusing on money laundering, corruption, alien smuggling, border security, and various intellectual property theft and cyber-related threats.

*Alien Smuggling:* The smuggling of illegal migrants, which can serve as a vehicle for terrorist entry into the United States, is a major national security concern. INL will address this concern by conducting fraudulent document training in South and Central America. The training will last five days and will cover passenger profiling, as well as fraudulent documents. The course will be attended by mid-level police and immigration officials.

*Border Security:* Porous borders greatly enhance the ability of international criminals, smugglers, and terrorists to expand their operations and avoid apprehension. However, as the first line of defense for many countries, stiff border controls can be a substantial deterrent to such activity and be a vehicle for gleaning useful information for identifying, investigating, and dismantling crime syndicates. Funds will be used to support the counterterrorism staff of the Organization of American States in their efforts to provide police training to port and airport police and private security officials. A special effort will be made to provide practical training to customs officials on inspectional techniques. This training will be conducted in an operational environment to enhance the effectiveness of the training.

*Anti-Money Laundering/Terrorist Financing:* INL will promote the use of legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets. With the Department of Homeland Security, INL will fund training and equipment for the nascent Trade Transparency Units (TTUs) in selected countries to combat funds moved through alternative remittance systems and falsified trade data. Funding will support continuation of the regional technical assistance/training program in the Pacific Island region. Regional programs are particularly cost effective because they provide training and assistance to several countries sharing similar terrorist financing and money laundering problems. Funding will also provide short- and long-term advisers to selected countries to help strengthen their overall anti-money laundering/anti-terrorist financing regimes. Through the U.N.Global Programme against Money Laundering (UNGPM), INL will fund an innovative “Financial Investigative Unit (FIU) in a Box” initiative that will develop scaled-down software that will enable small FIUs to collect, analyze and disseminate financial intelligence to domestic law enforcement and to other FIUs globally. This program will enable jurisdictions that lack fiscal and human resources to become active players in the global effort to thwart money laundering and terrorist financing at a fraction of the current start-up costs for a full-scale FIU. INL will

continue to fund UNGPML's long-term residential mentoring program and innovative programs in the Western Hemisphere through the Organization of American States. INL will also continue to support multinational anti-money laundering organizations, such as the Financial Action Task Force (FATF) and regional FATF-style bodies.

*Cybercrime, Cybersecurity and Intellectual Property (IP) Crime:* INL fills a key role in the overall USG strategy to combat criminal misuse of information technology through our ability to provide capacity-building training to foreign law enforcement. INL will continue to support law enforcement training and legislative-drafting workshops in critical IP countries. As part of the USG inter-agency working group on critical infrastructure protection (CIP), INL provides policy support and training assistance to our foreign partners to help them address cyber security concerns.

*Fighting Corruption:* Any effective anti-crime/anti-terrorism program must also attack corruption. Funding will support several international mechanisms – at the U.N., Council of Europe, OAS, Asia-Pacific Economic Cooperative (APEC) and others – to monitor and assist implementation of anticorruption commitments by more than 80 nations. Funding will also support continued implementation of the UN Convention Against Corruption, a comprehensive global framework to fight corruption that has been signed by 140 countries and ratified by 88.

*Civilian Police Program (\$2 million):* FY 2008 funding will sustain the U.S. capacity to participate in international civilian police and criminal justice components of peacekeeping missions and respond to complex security operations. The FY 2008 program will sustain INL's capacity to manage and oversee the recruitment, selection, training, equipping, deployment and support for uniformed and non-uniformed U.S. civilian police and law enforcement, justice and corrections trainers, advisors and experts overseas participating in and supporting peacekeeping missions and complex security operations. The program will also maintain a capacity to deploy these U.S. advisors, trainers and experts. Funds additionally support further development of relationships with federal, state and local law enforcement, justice and corrections associations, organizations and unions; promote high quality, standardized civilian police peacekeeping training; maintain INL management and oversight capabilities, and support in-house law enforcement, justice and corrections expertise. INL expects to continue managing post conflict operations in Iraq, Afghanistan, Kosovo, Haiti, Liberia and Sudan as well as new missions as determined by policy makers.

*Criminal Youth Gangs (\$5 million):* FY 2008 funding will integrate law enforcement, prevention and rehabilitation through regional training and technical assistance in the most heavily impacted countries, El Salvador, Honduras, Guatemala, and Panama. The program will support anti-gang units, regional sharing of law-enforcement information, and fund activities to complement/coordinate with prevention and rehabilitation interventions. INL will also support a Regional Gangs Advisor.

*Drug Awareness/Demand Reduction (\$3.5 million):* FY 2008 assistance will give particular attention to cocaine producing and transit countries in Latin America, the recurring

amphetamine-type stimulant (ATS) epidemic in Southeast Asia, the drug-related HIV/AIDS epidemics in Southeast Asia and Africa, the gang problem in Central America, and address the heroin threat from Asia, Afghanistan and Colombia. A continued area of focus will be the Middle East and South Asia where over 400 Muslim-based anti-drug programs are members of an INL-sponsored civil society/drug prevention network.

INL funding will provide support for its strategically located, sub-regional demand reduction training centers in Brazil (Southern Cone region), Colombia (Andean region), and Thailand (Southeast Asia) that disseminate latest science-based information on effective methods to prevent and reduce drug use and related violence. Training will specifically target methamphetamine abuse, intravenous drug use that leads to increased prevalence of HIV/AIDS, family support groups, relapse prevention/aftercare methods, drug use among gang members, school and peer-based prevention programs, and community and correctional-based treatment services. Funding will also support the enhancement of effective drug-free community coalition programs in Central America and the Andean sub-region of South America that assist civil society/grassroots organizations in fighting illegal drugs. These public/private sector coalitions work towards reducing substance abuse among youth, enhancing intergovernmental collaboration, and strengthening collaboration among organizations and agencies in both the private and public sectors across countries. Finally, funding will continue to enhance anti-drug outreach and aftercare centers in volatile Muslim regions where the U.S. needs to increase access to civil society such as Afghanistan, Pakistan, and Indonesia. These centers are co-located in mosques and madrassahs in collaboration with the INL/Colombo Plan network of Muslim-based anti-drug programs/civil society organizations in the Middle East and South/Southeast Asia, which includes the participation of 500 Afghan mullahs. This initiative will also benefit efforts to reduce drug consumption whose proceeds are a potential source of terrorist financing, cut into the recruitment base of terrorist organizations, enhance America's image in Muslim countries, and provide youth in at-risk areas with alternatives to radical or terrorist indoctrination centers.

*International Law Enforcement Academies (ILEAs) (\$16.5 million):* Funds will continue to support the work of the established ILEAs in Bangkok, Budapest, Gaborone, Roswell, and continue the development of the newest ILEA for El Salvador. Instruction will continue to focus on critical topics such as counter-terrorism, financial crimes, illegal narcotics, trafficking in persons, culture of lawfulness and accountability in government. Other activities will include continuing to modify curricula for core and specialized curriculum to address emerging international criminal activities, and also preliminary construction efforts for a new building to house administrative staff and student classrooms for ILEA San Salvador. INL will also continue taking steps to develop the ILEA Regional Training Center in Peru to augment the delivery of regional-specific training for Latin America.

*International Organizations (\$5.5 million):* Funding multilateral approaches to fighting crime and drugs, the International Organizations budget complements INCLE and ACI bilateral programs. Such funding has a multiplier effect by encouraging financial and political burden sharing by other countries. It not only demonstrates a U.S. commitment to combating the aforementioned global threats, but also provides the United States with an

invaluable multilateral option through which to pursue U.S. bilateral objectives. For many countries, assistance from international organizations is often more acceptable politically than direct bilateral assistance.

FY 2008 funds will support the UN Office for Drugs and Crime (UNODC) in continuing and expanding ongoing international programs that enhance law enforcement as well as judicial and financial institutions in developing countries. Funds will be used to promote the implementation of the UN Convention Against Transnational Organized Crime and its supplemental protocols against human trafficking and migrant smuggling, the three UN drug control conventions, and the legal instruments against terrorism. Funding to UNODC will also support regional precursor chemical control projects, which track the flow of those substances used in the manufacture of cocaine, heroin and amphetamine-type stimulants, including methamphetamine. In addition, INL resources will support the International Narcotics Control Board's global database of precursor chemical shipments and legitimate industrial needs. USG assistance will also help fund the UNODC Global Program against Money Laundering to combat traditional forms of money laundering and the financing of terrorism; and the global legal advisory program, which promotes full implementation of the various international drug conventions. Resources will also support the activities and assessments of UNODC's Independent Evaluation Unit, which provides reporting and analysis on the efficiency and effectiveness of UNODC program implementation. Finally, funding will also provide for a senior counter-narcotics and anti-crime policy officer to be stationed at the U.S. Mission to the European Union, to leverage EU support for U.S. policy goals in Afghanistan, Latin America, the UN and elsewhere.

Funding for the Organization of American State/Inter-American Drug Abuse Control Commission (CICAD) will continue to support the leading drug control entity within the Western Hemisphere. INL resources support key technical assistance and training projects for Latin American countries as they seek to enhance their counternarcotics institutions to effectively fight drugs and related crime. CICAD's priority areas are identified through the Mutual Evaluation Mechanism (MEM) which will begin its fourth round evaluation in 2007 - 2008. INL funding will continue to support the streamlining of the MEM process as it offers a rapid and effective diagnosis of the current drug problem in individual countries. INL additionally works with and through the organization to build multilateral support to strengthen efforts against the consumption, production, and trafficking of illegal drugs and against other forms of transnational organized crime, particularly corruption and money laundering. USG assistance to CICAD will continue to support supply reduction programs in the region that have contributed to improved institutional capacities, expanded cross-border and maritime regional capacity. INL funds will also provide CICAD the resources necessary to expand demand-side projects. CICAD has increased the number of countries – with USG funds – that are able to conduct basic epidemiological surveillance, expanded availability of drug abuse prevention education and information materials, and are developing minimum standards for treatment.

*Interregional Aviation Support (\$60.1 million):* In FY 2008, the Interregional Aviation Support budget provides coordinated core-level services necessary to operate the Department's current fleet of 189 fixed- and rotary-wing aircraft supporting counternarcotics

aviation activities worldwide. This base of support is essential to sustain logistically depot-level maintenance and the safe and professional operational employment of INL air assets. Centrally-administrated oversight includes: setting and implementation of uniform safety and training standards consistent with aviation industry practices, uniform operational procedures, logistics support, fleet level maintenance administration (including the Critical Flight Safety Program), and aviation support contract administration. INL air assets are deployed as directed by administration policy with current deployments to Colombia, Bolivia, Peru, Afghanistan, and Pakistan. The air assets are also available, as needed, to other temporary deployment locations.

Operations include eradication, mobility, interdiction, monitoring, and logistical support. The primary focus will continue to be on the aggressive aerial eradication of Colombian coca and poppy, where U.S.-funded planes sprayed over 169,000 hectares of coca in 2006. This marks the sixth consecutive year of record spray results. Aviation services in Bolivia, Peru, and Afghanistan will continue to support manual eradication as well as limited interdiction efforts. INL-owned aircraft provide Pakistan with an Air Wing capability for integrated helicopter, fixed-wing, and ground forces operations in day, night, or using night vision goggles (NVG). These assets provide surveillance along the porous, 2,000-mile Afghan-Pakistan border area to permit interdiction of trafficking in persons, narcotics, arms, and other contraband, as well as to assist in monitoring areas where opium poppy is cultivated to permit eradication efforts. The establishment of host-government self-sufficiency remains a central goal for Air Wing operations in several countries.

*Program Development and Support (PD&S) (\$19.6 million):* Funds will be used for the domestic administrative operating costs associated with the Washington-based INL Staff. Funding covers the salaries and benefits of U.S. direct hire employees, personal services contracts, rehired annuitants and reimbursable support personnel. These funds also cover field travel necessary for program development, implementation, oversight and review, as well as for the advancement of international counternarcotics foreign policy objectives. PD&S funds are also used to maintain reliable and secure information resource management systems, and for office equipment rental, telephone services, printing and reproduction, and the purchase of materials, supplies, furniture and equipment.

*Trafficking in Persons (\$4.95 million):* Efforts to combat human trafficking are still at an early stage. The Office to Monitor and Combat Trafficking in Persons will continue to use the annual *Trafficking in Persons* report as a tool for aggressive diplomatic engagement. Continued foreign assistance will be needed to help draft trafficking legislation, train law enforcement, and encourage governments to develop or expand comprehensive assistance to victims. International programs to combat trafficking will provide foreign assistance to countries with economic need and the political will to address the problem and will be prioritized in four ways: a) support for projects in Tier 3 countries; b) support for projects in Tier 2 Watch List countries; support for projects in Tier 2 countries that target law enforcement or victim protection deficiencies that may jeopardize the Tier 2 ranking; and d) support for pilot projects that are replicable and show promise. Outreach efforts will be expanded and enhanced and will focus on the faith-based, legal, and medical communities.

Interagency coordination will focus on facilitating increased federal support to combat trafficking in persons in the United States and globally.

## **Budget Summary**

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INL Budget by Program						
	FY 2006 Actual	FY 2006 Supp	FY 2007 Allocation *	FY 2007 Supp	FY 2008 Request **	FY 2008 Supp
<b>ACI Country Programs</b>						
<b>Bolivia Total</b>	<b>79,200</b>	<b>0</b>	<b>66,000</b>	<b>0</b>	<b>47,000</b>	<b>0</b>
<i>Interdiction/Eradication</i>	42,570	0	35,000	0	30,000	0
<i>Alter.Dev./Inst.Building</i>	36,630	0	31,000	0	17,000	0
<b>Colombia Total</b>	<b>464,781</b>	<b>0</b>	<b>465,000</b>	<b>0</b>	<b>506,468</b>	<b>0</b>
<i>Interdiction/Eradication</i>	307,742	0	298,930	0	366,968	0
<i>Alter.Dev./Inst.Building</i>	129,920	0	139,920	0	139,500	0
<i>Rule of Law</i>	27,119	0	26,150	0	0	0
<b>Ecuador Total</b>	<b>19,800</b>	<b>0</b>	<b>17,300</b>	<b>0</b>	<b>13,000</b>	<b>0</b>
<i>Interdiction/Eradication</i>	8,375	0	8,900	0	7,000	0
<i>Alter.Dev./Inst.Building</i>	11,425	0	8,400	0	6,000	0
<b>Peru Total</b>	<b>106,920</b>	<b>0</b>	<b>103,165</b>	<b>0</b>	<b>66,844</b>	<b>0</b>
<i>Interdiction/Eradication</i>	58,410	0	56,000	0	36,844	0
<i>Alter.Dev./Inst.Building</i>	48,510	0	47,165	0	30,000	0
Brazil	5,940	0	4,000	0	1,000	0
Panama	4,455	0	4,000	0	1,000	0
Venezuela	2,229	0	1,000	0	0	0
Air Bridge Denial Program	13,860	0	0	0	0	0
Critical Flight Safety Program	29,970	0	61,035	0	0	0
<b>Subtotal Andean Counterdrug Initiative</b>	<b>727,155</b>	<b>0</b>	<b>721,500</b>	<b>0</b>	<b>442,812</b>	<b>0</b>
* FY07 Alt Development transfer funding directly to USAID for Colombia includes previous \$10M commitment to Demob/IDP						
** FY 08 Alt Dev of \$192,500 are in ESF Funding and are not included in the ACI total of \$442,812						
<b>Africa</b>						
Liberia	990	0	1,000	0	4,130	0
Nigeria	990	0	400	0	1,200	0
South Africa	594	0	500	0	0	0
Sudan	0	0	9,800	0	24,000	0
Burkina Faso	0	0	0	0	100	0
Cape Verde	0	0	0	0	500	0
Democratic Republic of Congo	0	0	0	0	1,750	0
Djibouti	0	0	0	0	300	0
Ethiopia	0	0	0	0	150	0
Ghana	0	0	0	0	500	0
Mauritania	0	0	0	0	300	0
Mozambique	0	0	0	0	300	0
Namibia	0	0	0	0	0	0
Sierra Leone	0	0	0	0	150	0
Tanzania	0	0	0	0	450	0
Uganda	0	0	0	0	350	0
Africa Regional	594	0	500	0	0	0
Women's Justice Empowerment Initiative	0	0	7,500	0	0	0
<b>Subtotal, Africa</b>	<b>3,168</b>	<b>0</b>	<b>19,700</b>	<b>0</b>	<b>34,180</b>	<b>0</b>

INL Budget by Program						
	FY 2006 Actual	FY 2006 Supp	FY 2007 Allocation	FY 2007 Supp	FY 2008 Request	FY 2008 Supp
<b>East Asia and the Pacific</b>						
Indonesia	4,950	0	4,700	0	10,050	0
Laos	990	0	900	0	1,580	0
Philippines	1,980	0	1,900	0	1,150	0
Thailand	990	0	900	0	2,300	0
East Timor	1,485	0	0	0	1,010	0
Cambodia	0	0	0	0	200	0
Malaysia	0	0	0	0	800	0
Mongolia	0	0	0	0	670	0
Vietnam	0	0	0	0	200	0
State EAP Regional	0	0	0	0	280	0
<b>Subtotal, East Asia and the Pacific</b>	<b>10,395</b>	<b>0</b>	<b>8,400</b>	<b>0</b>	<b>18,240</b>	<b>0</b>
<b>Europe</b>						
Turkey	0	0	0	0	500	0
<b>Subtotal, Europe</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>0</b>
<b>Near East</b>						
Iraq	0	91,400	20,048	150,000	75,800	159,000
Algeria	0	0	0	0	200	0
Israel	0	0	0	0	500	0
Egypt	0	0	0	0	3,000	0
Yemen	0	0	0	0	500	0
Gaza/West Bank	0	0	0	0	3,500	0
Morocco	990	0	1,000	0	1,000	0
Tunisia	0	0	0	0	200	0
United Arab Emirates	0	0	0	0	300	0
Jordan	0	0	0	0	1,500	0
Lebanon	0	0	0	60,000	1,800	0
<b>Subtotal, Near East</b>	<b>990</b>	<b>91,400</b>	<b>21,048</b>	<b>210,000</b>	<b>88,300</b>	<b>159,000</b>
<b>South Asia</b>						
Afghanistan	232,650	0	209,740	42,000	274,800	0
Nepal	0	0	0	0	2,700	0
Bangladesh	0	0	0	0	1,500	0
India	0	0	0	0	400	0
Sri Lanka	0	0	0	0	350	0
Pakistan	37,620	0	24,000	0	32,000	0
<b>Subtotal - South Asia</b>	<b>270,270</b>	<b>0</b>	<b>233,740</b>	<b>42,000</b>	<b>311,750</b>	<b>0</b>

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INL Budget by Program						
	FY 2006 Actual	FY 2006 Supp	FY 2007 Allocation	FY 2007 Supp	FY 2008 Request	FY 2008 Supp
<b>Western Hemisphere</b>						
Bahamas	495	0	500	0	500	0
Guatemala	2,475	0	2,200	0	5,320	0
Colombia	0	3,300	0	0	0	0
Haiti	14,850	0	14,850	0	9,000	0
Jamaica	990	0	900	0	1,009	0
Mexico	39,600	0	36,678	0	27,816	0
Argentina	0	0	0	0	305	0
Bolivia	0	0	0	0	600	0
Chile	0	0	0	0	100	0
Dominican Republic	0	0	0	0	1,150	0
Ecuador	0	0	0	0	200	0
Guyana	0	0	0	0	100	0
Nicaragua	0	0	0	0	1,600	0
Eastern Caribbean	0	0	0	0	500	0
Trinidad and Tobago	0	0	0	0	500	0
Honduras	0	0	0	0	750	0
Paraguay	0	0	0	0	280	0
El Salvador	0	0	0	0	800	0
Latin America Regional	2,475	0	0	0	0	0
Southern Cone	0	0	500	0	0	0
Caribbean and Central America (Transit Zone)	0	0	1,700	0	0	0
<b>Subtotal, Western Hemisphere</b>	<b>60,885</b>	<b>3,300</b>	<b>57,328</b>	<b>0</b>	<b>50,530</b>	<b>0</b>
<b>Global</b>						
Criminal Youth Gangs	0	0	0	0	5,000	0
Interregional Aviation Support	62,865	0	63,000	0	60,100	0
International Organizations UNODC	2,960	0	4,000	0	3,750	0
International Organizations CICAD	1,000	0	1,400	0	1,750	0
Demand Reduction/Drug Awareness	9,900	0	8,000	0	3,500	0
Trafficking in Persons	4,950	0	5,000	0	4,950	0
<b>INL Anticrime Programs</b>	<b>10,395</b>	<b>0</b>	<b>13,500</b>	<b>0</b>	<b>14,000</b>	<b>0</b>
Alien Smuggling/Border Security	594	0	1,250	0	1,500	0
Anticorruption Compacts	1,485	0	0	0	0	0
Fighting Corruption	2,475	0	4,500	0	4,500	0
Financial Crimes/Money Laundering	2,475	0	4,000	0	4,000	0
Cyber Crime, IPR and CIP	3,366	0	3,750	0	4,000	0
Civilian Police Program	1,980	0	2,000	0	2,000	0
ILEA Operations	15,840	0	16,500	0	16,500	0
<b>Subtotal, Global</b>	<b>109,890</b>	<b>0</b>	<b>113,400</b>	<b>0</b>	<b>111,550</b>	<b>0</b>
PD&S	16,830	0	19,000	0	19,550	0
<b>Subtotal, INCLE</b>	<b>472,428</b>	<b>94,700</b>	<b>472,616</b>	<b>252,000</b>	<b>634,600</b>	<b>159,000</b>
<b>TOTAL INL PROGRAMS</b>	<b>1,199,583</b>	<b>94,700</b>	<b>1,194,116</b>	<b>252,000</b>	<b>1,077,412</b>	<b>159,000</b>

Program Overview and Budget Summary

**INL Budget by Program Object and Element**

	FY 2006 Allocation	FY 2006 Supplemental	%	FY 2007 Request	FY 2007 Supplemental	%	FY 2008 Request	FY 2008 Supplemental	%
<b><u>Andean Counterdrug Initiative</u></b>									
<b>Peace and Security</b>									
1.1.3 Governments Capabilities	228	0	0.02%	0	0	0.00%	0	0	0.00%
1.3.1 Operations Support	89	0	0.01%	0	0	0.00%	0	0	0.00%
1.3.2 Disarmament, Demobilization & Reintegration	18,910	0	1.46%	17,420	0	1.20%	1,000	0	0.08%
1.3.6 Defense, Military & Border Security Restructuring & Reform	34	0	0.00%	75	0	0.01%	0	0	0.00%
1.3.7 Law Enforcement Reform, Restructuring and Operations	21,250	0	1.64%	20,504	0	1.42%	20,000	0	1.62%
1.3.8 Program Support (Stabilization)	76	0	0.01%	0	0	0.00%	424	0	0.03%
1.4.1 Eradication	312,878	0	24.17%	230,464	0	15.94%	211,378	0	17.10%
1.4.2 Alternative Development and Alternative Livelihoods	148,093	0	11.44%	157,065	0	10.86%	0	0	0.00%
1.4.3 Interdiction	123,433	0	9.54%	213,726	0	14.78%	186,126	0	15.05%
1.4.4 Demand Control & Demand Reduction	3,804	0	0.29%	3,216	0	0.22%	748	0	0.06%
1.4.5 Program Support (Narcotics)	25,848	0	2.00%	10,721	0	0.74%	16,507	0	1.34%
1.5.1 Financial Crimes and Money Laundering	660	0	0.05%	1,539	0	0.11%	861	0	0.07%
1.5.5 Program Support (Crime)	20	0	0.00%	20	0	0.00%	18	0	0.00%
<b>Total Peace and Security</b>	<b>655,323</b>	<b>0</b>	<b>50.63%</b>	<b>654,750</b>	<b>0</b>	<b>45.28%</b>	<b>437,062</b>	<b>0</b>	<b>35.35%</b>
<b>Governing Justly and Democratically</b>									
2.1.1 Constitutions, Laws and Legal Institutions	1,473	0	0.11%	250	0	0.02%	250	0	0.02%
2.1.3 Justice Systems	12,074	0	0.93%	8,800	0	0.61%	5,371	0	0.43%
2.1.4 Human Rights	8,740	0	0.68%	7,800	0	0.54%	0	0	0.00%
2.1.5 Program Support (Rule of Law)	111	0	0.01%	0	0	0.00%	129	0	0.01%
2.2.1 Legislative Function and Processes	17	0	0.00%	0	0	0.00%	0	0	0.00%
2.2.2 Public Sector Executive Function	3,387	0	0.26%	0	0	0.00%	0	0	0.00%
2.2.4 Anti-Corruption Reform	350	0	0.03%	4,500	0	0.31%	0	0	0.00%
2.2.6 Program Support (Governance)	143	0	0.01%	0	0	0.00%	0	0	0.00%
2.3.3 Political Parties	1,330	0	0.10%	1,600	0	0.11%	0	0	0.00%
2.4.1 Civic Participation	17	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Total Governing and Democratically</b>	<b>27,642</b>	<b>0</b>	<b>2.14%</b>	<b>22,950</b>	<b>0</b>	<b>1.59%</b>	<b>5,750</b>	<b>0</b>	<b>0.47%</b>
<b>Investing in People</b>									
3.3.3 Social Assistance	30,690	0	2.37%	31,000	0	2.14%	0	0	0.00%
<b>Total Investing in People</b>	<b>30,690</b>	<b>0</b>	<b>2.37%</b>	<b>31,000</b>	<b>0</b>	<b>2.14%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Economic Growth</b>									
4.2.2 Trade & Investment Capacity	8,500	0	0.66%	5,400	0	0.37%	0	0	0.00%
<b>Total Economic Growth</b>	<b>8,500</b>	<b>0</b>	<b>0.66%</b>	<b>5,400</b>	<b>0</b>	<b>0.37%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Humanitarian Assistance</b>									
5.1.2 Crisis Assistance and Recovery	5,000	0	0.39%	0	0	0.00%	0	0	0.00%
<b>Total Humanitarian Assistance</b>	<b>5,000</b>	<b>0</b>	<b>0.39%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Program Support</b>									
6.1.1 Program Support	0	0	0.00%	7,400	0	0.51%	0	0	0.00%
<b>Total Humanitarian Assistance</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>7,400</b>	<b>0</b>	<b>0.51%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>TOTAL - ACI</b>	<b>727,155</b>	<b>0</b>	<b>56.18%</b>	<b>721,500</b>	<b>0</b>	<b>49.89%</b>	<b>442,812</b>	<b>0</b>	<b>35.81%</b>

Fiscal Year 2008 INL Program and Budget Guide

**INL Budget by Program Object and Element**

	FY 2006	FY 2006		FY 2007	FY 2007		FY 2008	FY 2008	
	Allocation	Supplemental	%	Request	Supplemental	%	Request	Supplemental	%
<b>INCLE</b>									
<b>Peace and Security</b>									
1.1.1 Deny Terrorist Sponsorship, Support and Sanctuary	0	0	0.00%	625	0	0.04%	150	0	0.01%
1.1.3 Governments Capabilities	13,600	0	1.05%	7,653	0	0.53%	6,920	0	0.56%
1.1.4 Program Support (Counter-Terrorism)	600	0	0.05%	100	0	0.01%	449	0	0.04%
1.3.1 Operations Support	2,970	0	0.23%	8,650	0	0.60%	2,000	0	0.16%
1.3.2 Disarmament, Demobilization & Reintegration	0	0	0.00%	0	0	0.00%	0	0	0.00%
1.3.6 Defense, Military & Border Security Restructuring & Reform	25,300	0	1.95%	13,200	0	0.91%	24,241	0	1.96%
1.3.7 Law Enforcement Reform, Restructuring and Operations	101,005	0	7.80%	45,410	50,000	6.60%	79,265	0	6.41%
1.3.8 Program Support (Stabilization)	1,027	0	0.08%	3,359	10,000	0.92%	3,877	0	0.31%
1.4.1 Eradication	200,090	0	15.46%	215,425	22,000	16.42%	249,021	0	20.14%
1.4.2 Alternative Development and Alternative Livelihoods	440	0	0.03%	189	0	0.01%	1,375	0	0.11%
1.4.3 Interdiction	34,830	0	2.69%	37,146	5,000	2.91%	45,390	0	3.67%
1.4.4 Demand Control & Demand Reduction	17,605	0	1.36%	15,520	0	1.07%	10,585	0	0.86%
1.4.5 Program Support (Narcotics)	14,934	0	1.15%	18,396	0	1.27%	17,198	0	1.39%
1.5.1 Financial Crimes and Money Laundering	3,594	0	0.28%	4,950	0	0.34%	8,266	0	0.67%
1.5.2 Intellectual Property Theft and Cyber Crime	3,366	0	0.26%	3,750	0	0.26%	4,367	0	0.35%
1.5.3 TIP & Migrant Smuggling	5,544	0	0.43%	6,350	0	0.44%	10,147	0	0.82%
1.5.4 Organized and Gang Related Crime	0	0	0.00%	1,625	0	0.11%	5,020	0	0.41%
1.5.5 Program Support (Crime)	1,034	0	0.08%	347	0	0.02%	599	0	0.05%
1.6.4 Program Support (Conflict)	0	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Total Peace and Security</b>	<b>425,939</b>	<b>0</b>	<b>32.91%</b>	<b>382,695</b>	<b>87,000</b>	<b>32.48%</b>	<b>468,870</b>	<b>0</b>	<b>37.92%</b>
<b>Governing Justly and Democratically</b>									
2.1.1 Constitutions, Laws and Legal Institutions	0	0	0.00%	300	0	0.02%	0	0	0.00%
2.1.3 Justice Systems	36,152	94,700	10.11%	73,128	137,000	14.53%	136,415	159,000	23.89%
2.1.4 Human Rights	797	0	0.06%	0	0	0.00%	0	0	0.00%
2.1.5 Program Support (Rule of Law)	4,663	0	0.36%	8,250	7,000	1.05%	15,400	0	1.25%
2.2.3 Local Government and Decentralization	0	0	0.00%	0	0	0.00%	0	0	0.00%
2.2.4 Anti-Corruption Reform	4,500	0	0.35%	7,844	21,000	1.99%	13,500	0	1.09%
2.2.6 Program Support (Governance)	377	0	0.03%	399	0	0.03%	415	0	0.03%
2.3.3 Political Parties	0	0	0.00%	0	0	0.00%	0	0	0.00%
2.3.4 Program Support (Political Competition)	0	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Total Governing and Democratically</b>	<b>46,489</b>	<b>94,700</b>	<b>10.91%</b>	<b>89,921</b>	<b>165,000</b>	<b>17.63%</b>	<b>165,730</b>	<b>159,000</b>	<b>26.26%</b>
<b>Investing in People</b>									
3.3.3 Social Assistance	0	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Total Investing in People</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Economic Growth</b>									
4.1.1 Fiscal Policy	0	0	0.00%	0	0	0.00%	0	0	0.00%
4.2.1 Trade & Investment Enabling Environment	0	0	0.00%	0	0	0.00%	0	0	0.00%
4.2.3 Program Support (Trade)	0	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Total Economic Growth</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>TOTAL - INCLE</b>	<b>472,428</b>	<b>94,700</b>	<b>43.82%</b>	<b>472,616</b>	<b>252,000</b>	<b>50.11%</b>	<b>634,600</b>	<b>159,000</b>	<b>64.19%</b>
<b>TOTAL - INL (ACI and INCLE)</b>	<b>1,199,583</b>	<b>94,700</b>	<b>100.00%</b>	<b>1,194,116</b>	<b>252,000</b>	<b>100.00%</b>	<b>1,077,412</b>	<b>159,000</b>	<b>100.00%</b>

## **Funds Transfers**

In addition to implementing program funded through the INCLE and ACI appropriations, INL manages funding received or transferred from other agencies and bureaus, such as FREEDOM Support Act (FSA), Support for Eastern European Democracy (SEED) Act, Economic Support Fund (ESF), Peacekeeping Operations (PKO), and Department of Defense funds, to implement programs on their behalf using INL project management personnel and infrastructure.

### **FREEDOM Support Act (FSA)**

FSA is the primary source of USG funding to support the democratic and economic transition in the former Soviet Union. FSA assistance supports transition process by promoting economic and democratic reform at governmental and grassroots level, including in the area of good governance, secures against threats to regional stability by strengthening border security, improving capability of law enforcement and criminal justice sector institutions, trafficking in narcotics and humans, and redirecting weapons scientists to civilian work.

FSA assistance supports twelve bilateral INL programs and regional programs that support cross-border training and information sharing. INL programs supported by FSA assistance focus on reforming law enforcement institutions and the criminal justice system, and building the capacity of justice sector institutions and actors in Eurasia.

### **Support for East European Democracy Act (SEED)**

The purpose of SEED assistance is to stabilize Southeast Europe, support the transition to market based democracies in the region, strengthen U.S. partners in the war on terrorism, and promote Euro-Atlantic integration. SEED assistance strengthens democratic governance and market reforms in Southeast Europe, builds the capacity of the judiciary, law enforcement and civilian police, supports local government, protects minority rights, and drives economic growth through policy reform and targeted technical assistance. SEED assistance is integral to U.S. efforts to fight against corruption, trafficking and organized crime in the Balkans.

SEED assistance supports eight bilateral INL programs and regional programs that support cross-border training and information sharing. INL programs supported by SEED assistance focus on combating organized crime in the Balkans, reforming law enforcement and criminal justice sector institutions, and building the capacity of justice sector actors and institutions in Southeastern Europe to uphold regional and international standards.

### **Economic Support Fund (ESF)**

The purpose of ESF assistance is to promote economic and political stability by providing assistance including to allies and countries in transition to democracy, supporting the Middle East peace negotiations, and financing economic stabilization programs, frequently in the multi-donor context. ESF advances U.S. foreign policy interests by supporting programs that develop effective, accessible, independent justice sector institutions that operate under and

promote the rule of law, increase the role of the private sector in the economy, and assist in the development of institutions necessary for sustainable democracy including civilian-based law enforcement and accountable criminal justice institutions.

ESF assistance supports police reform, law enforcement training, and justice sector reform programs in the Middle East, Africa and Asia.

### **Department of Defense Funds for Iraq and Afghanistan**

In Iraq, INL utilizes funds transferred from DOD to continue to develop the capacities of the Iraqi criminal justice system to support fair, efficient, and legitimate Iraqi Government institutions to promote peace and security, resolve disputes, and promote respect for the rule of law. National Security Presidential Directive (NSPD) 36 gave the U.S. Central Command (CENTCOM) primary responsibility for development of Iraq's security forces, including the police. The mission has been tasked to CENTCOM's subordinate command – Multi National Security Transition Command – Iraq (MNSTC-I) and its Civilian Police Assistance Training Team (CPATT). INL, with DOD funding, supports MNSTC-I's efforts by providing a foreign service officer embedded in the CPATT senior staff; 690 International Police Liaison Officers (IPLOs) through a contract with DynCorp International to provide field assessment, training, and mentoring; and 191 International Police Trainers (IPTs) through an interagency agreement with the Justice Department's International Criminal Investigative Training Assistance Program (ICITAP), which in turn employs contractors from MPRI. The FY 2008 Program assumes continued funding for the police development program from Iraq Security Sector Funds (ISSF) via DOD. These funds will support the continued deployment of U.S. police personnel who are providing training and mentoring to Iraqi counterparts throughout Iraq, under the direction of MNSTC-I.

In Afghanistan, INL utilizes funding transferred from DOD to support the police assistance mission. The police assistance mission is an international effort led by Germany and coordinated with the Afghan Ministry of Interior to rapidly develop an Afghan capacity to provide public security. The goal is to help Afghanistan develop a competent, professional, democratic police force with the necessary training, equipment, infrastructure, institutional capacity and organizational structure to enforce the rule of law in Afghanistan. To reach that goal, assistance will focus on enhancing our basic training program with specialized training and mentoring, technical assistance and institutional capacity building and reform to enhance security throughout Afghanistan.

### **Department of Defense 1207 Funds**

Section 1207 of HR1815 authorizes the Secretary of Defense to provide services, defense articles, and funds to the Secretary of State of up to \$100 million in FY 2007 to provide assistance in reconstruction, security, or stabilization. The authority is intended to improve U.S. capacity and interagency coordination for immediate reconstruction, security, or stabilization assistance to a foreign country for the purpose of restoring or maintaining peace and security in that country. State's Office of the Coordinator for Reconstruction and

Stabilization is charged with coordinating submissions for funding and monitoring programs implemented under Section 1207.

Section 1207 funds support INL programs to train and equip civilian police forces in Africa and the Middle East.

**Peacekeeping Operations (PKO) Funds**

The purpose of PKO funds is to support peacekeeping operations and other programs to further the national security interests of the United States. INL assistance using PKO funds supports law enforcement development projects and police assistance programs to further peacekeeping operations goals.

Incoming Funds Transfer Summary (\$000s)

Country	Brief	FY 2006 Actual Amount	FY 2007 Estimated Amount	FY 2008 Estimated Amount
<b>ESF</b>				
Africa, East Asia, Pacific Region, Near East Asia, South Asia, Western Hemisphere	G-TIP to carry out anti-trafficking in persons programs.	9,543	*	*
Dominican Republic	Institutional Development of the Dominican National Civilian Police	1,000	*	*
Lebanon	To support FBI Training Programs	1,000	*	*
Cambodia, Vietnam, India, Malaysia & Indonesia	G-TIP to carry out anti-trafficking in persons programs.	4,703	*	*
East Asia/Pacific, South Asia, Dominican Republic, El Salvador and Global Project	G-TIP to carry out anti-trafficking in persons programs.	1,483	*	*
Haiti - MINUSTAH	Training, vetting & Mentoring Haitian Police	2,400	*	*
Sudan Supplemental	Civilian Police to UNMIS in Sudan	2,000	*	*
Haiti Supplemental	Police Reform	5,000	*	*
Guatemala	Law Enforcement Development Program	-	1,650	*
Egypt	Police Reform Program	-	1,300	*
Liberia	Justice Sector Reform	-	3,700	*
Palestine	Palestine National Security Forces and Presidential Guard	-	86,362	*
Mongolia	FBI Training Course for Mongolian Police	-	75	*
Other Countries	-	-	*	*
	<i>(For Lebanon/Palestine CIVPOL/LE Training, Judicial Reform, Haiti, Guatemala, others)</i>	-	136,000	*
	<i>Other FY 2007 Total ESF Estimate</i>	-	373,000	*
<b>TOTAL ESF</b>		<b>27,129</b>	<b>509,000</b>	*
<b>FSA</b>				
Ukraine	Rule of Law/Anti-Corruption	3,650	*	*
Uzbekistan	Anti-Crime Training & Technical Asst.	2,580	*	*
Kyrgyz Republic	Anti-Crime Training & Technical Asst.	1,500	*	*
Independent States of the Former Soviet Union	Anti-Crime Training & Technical Asst.	32,808	*	*
Georgia	Police Reform Conference/Police Reform Program	-	25	*
Other Countries	-	-	*	*
	<i>(For Central Asia- Judicial Reform, Law Enforcement, Training &amp; Equipment)</i>	-	30,000	*
<b>TOTAL FSA</b>		<b>40,538</b>	<b>30,000</b>	*

Program Overview and Budget Summary

Country	Brief	FY 2006 Actual Amount	FY 2007 Estimated Amount	FY 2008 Estimated Amount
<b>SEED</b>				
Albania, Bosnia, Bulgaria, Croatia, Macedonia, Montenegro, Romania, Serbia, Southern Regional	Anti-Crime Training & Technical Asst.	23,281	*	*
Kosovo	Provide support for CIVPOL	32,175	*	*
Macedonia	Anti-Crime Training & Technical Asst.	150	*	*
Romania	SECI Center	-	1,505	*
Other Countries	-	-	*	*
	<i>(For CIVPOL-Resident Legal Advisors &amp; Anti Crime Programs for the Balkans and Regional Programs</i>			
<i>FY 2007 Total SEED Estimate</i>		-	50,000	*
<b>TOTAL SEED</b>		<b>55,606</b>	<b>50,000</b>	<b>*</b>
<b>DoD</b>				
Iraq		577,860	472,925	500,000
Jordan (JIPTC)		87,600	74,575	*
Afghanistan		-	399,000	*
Haiti		-	5,000	*
Somalia		-	8,250	*
Other Countries		-	*	*
<b>TOTAL DOD</b>		<b>665,460</b>	<b>959,750</b>	<b>500,000</b>
<b>PKO</b>				
<i>FY 2007 Estimate</i>		-	1,000	*
<b>Other</b>				
<i>FY 2007 Estimate DEA/CNC/NSA</i>		-	10,000	*
* To Be Determined				

## **Country Programs**

### **Andean Counterdrug Initiative**

## Bolivia

### Budget Summary (\$000)

	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>ACI</b>	<b>79,200</b>	<b>66,000</b>	<b>30,000*</b>
<b>INCLE</b>	<b>---</b>	<b>---</b>	<b>600</b>
<b>Total</b>	<b>79,200</b>	<b>66,000</b>	<b>30,600</b>

\*FY 2008 is the first year that funding for Alternative Development (AD) and Administration of Justice (AOJ) is not included in the ACI Account. AD and AOJ funding will fall under the ESF Account from FY 2008 onward, which for FY08 totals \$17 million.

### Program Objectives and Performance Indicators

Counternarcotics assistance to the Government of Bolivia (GOB) in FY 2008 will focus on continuing to fortify law enforcement cooperation and strengthen law enforcement capability in areas such as interdiction, building local support for coca control and eradication, and highlighting the damage to Bolivian society and Bolivia's neighbors caused by increased coca cultivation, cocaine, and human trafficking.

Increase the GOB's institutional capability to interdict narcotics and precursors produced within or transiting through Bolivia, and its ability to control the marketing of legal coca and to eradicate illicit coca. USG assistance in these areas will allow the Bolivian Special Counternarcotics Police (FELCN) to interdict at least 16 percent of Bolivia's potential cocaine production and reduce the amount of hectares of coca in the country as established by Law 1008, beginning with 5,000 until reaching the goal of 8,000 hectares annually.

Strengthen the ministerial National Drug Prevention Coordinating Council (CONALTID) that coordinates the GOB's anti-drug strategy, develop the coordination and policy development capacity of the Vice Ministries of Social Defense and Integrated Development and Coca; help the GOB develop and implement its social communication policies related to counternarcotics activities; and form a national demand reduction network within civil society. This will reduce actual drug use in Bolivia and rehabilitate those afflicted by drug addiction.

Increase the GOB's institutional capability to identify, prevent, and prosecute cases of trafficking in persons while increasing public awareness of the threat of trafficking to vulnerable populations in Bolivia.

## **Transformational Diplomacy**

Bolivia's Counternarcotics Program advances the Secretary's Transformational Diplomacy Peace and Security objective by funding counternarcotics projects designed to reduce the flow of illegal narcotics and precursors in Bolivia, encourage coca control, and support initiatives to explain the dangers of excess coca production, drug production, and consumption to Bolivian society. Bolivia's porous borders, weak institutions, history of political exclusion, endemic poverty and a succession of short-lived governments has created fertile conditions for regional terrorist organizations, narcotics traffickers, diverse criminal interests and trafficking in persons. While all three counternarcotics pillars (eradication, interdiction and alternative development) are critical to combating cocaine production and trafficking, the GOB's permissive coca cultivation policy undercuts one of the three pillars. Therefore, funding is primarily directed towards interdiction and pre-cursor chemical control (alternative development will be funded through ESF in FY 2008, rather than ACI). We will build local support for coca control and eradication, as well as improve the licit non-coca economy in coca growing areas.

## **Program Justification**

Bolivia remains the poorest nation in South America and the third largest producer of illicit coca and cocaine, with serious social and economic problems and regional fragmentation. The proposed policies of President Evo Morales, elected in December 2005, raises concern over the expansion of coca cultivation in Bolivia and the extent to which the GOB intends to cooperate bilaterally on counternarcotics. However, disengagement and the withdrawal of USG resources would result in the rapid collapse of much of what has been achieved over more than two decades of USG financial and policy support.

The principal challenges facing Bolivia are the control of coca cultivation especially near and in the Yungas, the need to develop new laws and regulations to control precursor chemicals, and pass new laws to modify the current Code of Criminal Procedures, which handicaps drug case prosecutions. Bolivia has produced coca leaf for traditional uses for centuries, and current Bolivian law permits up to 12,000 hectares of legal coca cultivation (mostly in the Yungas) to supply this licit market. The GOB has proposed to increase this amount to 20,000 hectares, which will require modification of Law 1008 and would be in violation of international conventions. The GOB explains that the excess coca leaf not used for internal consumption will be industrialized and exported to an international market that has yet to be identified. The GOB met its coca eradication goal of 5,000 hectares by mid December 2006, however, 2006 represented the lowest level of eradication in more than ten years. From 2001 to 2005, coca cultivation increased from 19,900 to 26,500 hectares, and as a result, Bolivia's estimated potential cocaine production has increased, from 100 metric tons in 2001 to 115 metric tons in 2005 (according to recently revised USG statistics). USG cultivation estimates show an increase in most parts of the country in 2006. Significant quantities of cocaine from Peru and Colombia traverse Bolivia to enter Brazil, Paraguay and Argentina. An increasing proportion of the cocaine both transiting and produced within Bolivia is destined for Europe,

Argentina, Brazil, Chile, Paraguay and Mexico (in the case of the last, probably for eventual sale in the United States).

## **Program Accomplishments**

The GOB eradicated just over 5,000 hectares of coca mostly in the Chapare in 2006 (only 46 hectares in the Yungas). The FELCN's interdiction results for 2006 improved over those of 2005. Through 9,132 operations, the FELCN seized 1,344 metric tons of coca leaf, 14 metric tons of cocaine base and cocaine hydrochloride (HCl), 125 metric tons of marijuana, 1,352,152 liters of liquid precursors and 323 metric tons of solid precursor chemicals. The FELCN also destroyed 4,070 cocaine base labs and detained 4,503 suspects. Alternative Development (AD) programs, which notably raised the income levels of farmers in the Chapare, shifted to a more integrated approach, with an emphasis on sustainability and increased participation by communities in developing, implementing and monitoring programs. Average licit gross farm gate family income in the Cochabamba area rose, reaching \$2,931 in 2006 (compared with \$2,667 in 2005). Estimated net licit family income in the Chapare area increased from \$2,297 in 2005 to \$2,739 in 2006, while in the Yungas, it decreased from \$1,711 to \$1,471. In both areas average licit incomes are substantially above the national average. The licit economies in coca-growing regions expanded and consolidated in 2006, providing former coca growers with opportunities to live within the rule of law and make a decent living. In the Chapare, the value of private investment increased, reaching \$88.3 million. Chapare and Yungas high-value licit crop exports—such as bananas, pineapple, coffee, cocoa, and palm heart—increased from \$36.4 million in 2005 to \$40.6 million in 2006. Over 900 kilometers of maintained and improved roads helped farmers reach markets while providing collateral social benefits to thousands of families. In 2006, the GOB also implemented two projects with the support of the Narcotics Affairs Section (NAS): a Drug Demand Reduction Decentralization Project in 20 municipalities and a project on accreditation of rehabilitation centers.

## **FY 2008 Program**

### **Interdiction**

The Special Counternarcotics Police Force (FELCN) is a Bolivian National Police (BNP) entity (comprising 1,106 NAS-supported personnel) which includes a command staff and UMOPAR (rural patrol units), plus various specialized police groups: K-9 (drug detection dogs), and the FOE (Special Operations Force). The FOE comprises some 463 personnel, incorporated from the former intelligence and special operations group, the chemical control group and the money laundering investigations group under one streamlined command; it also includes SIU (a highly specialized intelligence unit, managed by DEA), GRIRMO (mobile roadblocks unit) and GICC (containers investigation group). The FOE in all its forms provides coordination for counternarcotics operations and motivates action on time-sensitive intelligence. The Garras del Valor School is an academy for training new counternarcotics personnel in such courses as basic criminal investigation procedures, the basics of the Bolivian legal system, human rights, and jungle survival skills. The Garras School (16 personnel) also serves as a regional training center for counternarcotics police

from other Latin American countries, in order to promote regional integration. The interdiction project also includes support for 71 counternarcotics prosecutors and legal assistants who lead the investigations undertaken by the FELCN elements.

In FY 2008, NAS will continue to support the 1,387 professionals who work in interdiction, including paying for their food (MREs), field equipment and maintenance, medical care, and office rental and costs. Funding will also go towards incentives, stipends, travel and per diem, insuring that all interdiction forces have the required communications capabilities and transportation to be effective.

### **Eradication**

The Joint Eradication Task Force (JTF) consist of approximately 2,000 military, police, and civilian personnel with separate units conducting eradication (including the provision of force protection) in the two zones. The Directorate General for Integral Development of Coca Producing Regions (DIGPROCOCA) supervises the destruction of coca crops and verifies the eradication by helping to measure the fields before and after eradication is to take place. The Ecological Police will provide perimeter security for the JTF and conduct primary reconnaissance for locating coca fields.

Budget allotments reflect our concern over limited cooperation from the GOB on eradication. Funding is primarily directed towards interdiction and alternative development, with eradication financing rationalized to support limited operations and to “keep the pump primed” for increased operations. FY 2008 assistance will continue to feed approximately 1,600 eradicators (including police) and equip 4,500 people (three rotations per year) with uniforms and medical/hygienic supplies. NAS funding will also pay for full medical care, vehicle support, tents, cooking equipment, and aviation support. NAS will also continue to support and work closely with DIGPROCOCA.

### **Operational/Logistical Support**

The entire range of USG counternarcotics projects rely upon a logistical infrastructure involving airplanes, boats, various land vehicles, helicopters, and a decentralized warehousing and supply system. This extensive support enables eradication and interdiction to operate effectively in the often primitive conditions that characterize Bolivia. FY 2008 assistance will provide the GOB with technical advice, equipment, and training for the several components under the Operational/Logistical Project, the Green Devil Task Force (GDTF), the Blue Devil Task Force (BDTF), and Infrastructure (INFRA).

*The Green Devils Task Force (GDTF)*, a unit of 125 Bolivian Army personnel with a fleet of approximately 119 light, medium, and heavy-lift utility and other types of vehicles provided by the USG, provides ground transportation in support to interdiction and eradication operations. In FY 2008, support will provide for the continued repair of the aging fleet of vehicles, including the provision of motors, spares, and fuel, as well support for its personnel to include travel costs and economic incentives.

*The Blue Devils Task Force (BDTF)* is a special unit within the Bolivian Navy that supports interdiction across the country's extensive river system and collects actionable intelligence. In FY 2008, the project will continue the maintenance and replacement of aged equipment, including 25 boat motors and 30 Zodiacs, along with 30,000 spare parts and support for 170 members, six land bases, five mobile bases (each with a large supply ship and various patrol craft) to control natural river chokepoints. Technical and material assistance in FY 2008 will allow for the gradual reduction of the scale of BDTF.

*The Field Support Program (INFRA)* supports the operating expenses for NAS facilities located outside of La Paz (including field offices, procurement, accounting, vehicle maintenance facilities and warehouses in located Santa Cruz, Cochabamba, Trinidad, Chimore, and Villa Tunari). This infrastructure provides a common support platform for NAS and DEA-supported activities throughout the country. Assistance in FY 2008 will continue to support administrative and operating expenses not attributable to individual projects, such as personal services contract (PSC) and Foreign Service National (FSN) personnel salaries/benefits, travel, transportation expenses, real property rentals, office supplies, phones/utilities, and other contracted services needed in support of NAS-supported projects within their jurisdictions.

## **Aviation**

The Aviation Support Project is designed to increase the GOB's institutional capability to provide aviation logistical support to its eradication and interdiction activities, given the state of infrastructure throughout the respective zones of operation. FY 2008 funding will provide the GOB with technical advice, equipment, and training in support of the Red Devils Task Force (RDTF) and Black Devils Task Force (BlkDTF).

*Red Devils Task Force (RDTF)*: The RDTF provides general aviation support for the eradication and interdiction programs. American citizen contractors assist the RDTF with maintenance, quality control, logistics and training, with day-to-day contract oversight. In FY 2008, the project will provide support GOB forced eradication in the National Parks, and continued limited eradication operations in the Yungas and Chapare. Assistance will go towards operational and maintenance costs for the remaining ten UH-1H helicopters. The project will also support maintenance for two light fixed-wing aircraft; a qualified force of helicopter pilots, fixed-wing pilots, crew chiefs and support technicians, and support qualification of maintenance technicians as flying crew chiefs.

*Black Devils Task Force (BlkDTF)*: FY 2008 funds will allow the project to continue to support the GOB's interdiction and eradication activities even more effectively, with the incorporation of a refurbished King Air aircraft into the project's assets. The project's other assets are three C130B aircraft, which transport project personnel and supplies throughout Bolivia and move RDTF and BlkDTF spare aircraft parts, supplies and other project equipment to and from continental U.S. Support also covers all maintenance, repairs, spare parts, and required major inspections at U.S. facilities, as well as in-country costs for fuel and per diem, uniforms, equipment and economic incentives for 81 personnel (19 pilots, co-pilots and navigators, and 62 enlisted personnel who provide maintenance support). The goal for

FY 2008 is to maintain a trained, reliable medium-lift-capable aviation unit that provides aviation support to NAS projects, while maintaining an operational rate of 90 percent of requested missions; support an American PSC who oversees BlkDTF activities, as well as four technicians who supervise maintenance; and an FSN warehouseman to maintain control of the multi-million dollar spare parts inventory.

### **Policy Development/Demand Reduction**

The ministerial-level National Drug Control Council (CONALTID) is the GOB's central policy making body for counternarcotics. The Vice Ministries of Social Defense and Coca and Integrated Development are the most significant implementers of these policies. This project supports the operations of these entities, by providing technical advice, equipment, training, consultancies and other support as appropriate.

This project also supports demand reduction activities, focusing principally on enabling civil society – through training and other interventions – to provide basic rehabilitation, diagnostic center, and other services the public sector remains incapable of delivering. The project also supports the DARE program, which will seek to reach 40,000 middle school students in a broader base of cities. Financial assistance in FY 2008 is also destined for technical schools in coca growing regions, PRIDE (national youth group), and innovative departmental demand reduction programs.

This project also has a public affairs component that promotes USG interests in drug issues, provides accurate information on counternarcotics questions and policies to the media, enhances the professionalism of the media (especially on drug-related themes) and helps generate information useful to the USG. FY 2008 assistance will go towards national contests for preventive theater, support to journalists, workshops, and a toll-free telephone hotline.

### **Program Development and Support (PD&S)**

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

### **Trafficking in Persons (TIP)**

INCLE funds will be used to assist the GOB in strengthening law enforcement and the rule of law to interrupt TIP national and transnational crime networks. Project funds will be allocated to prevention programs, including television and radio spots, and a telephone line; training for prosecutors, police, judges, and government and school officials; equipment; infrastructure such as shelters for victims and more police TIP units; and legal services support including tracking cases as they move through the Bolivian justice system.

<b>Bolivia</b>					
<b>INL BUDGET</b>					
<b>(000)</b>					
	<b>FY 2006</b>	<b>FY 06 Supp</b>	<b>FY 2007</b>	<b>FY 07 Supp</b>	<b>FY 2008</b>
<b>Interdiction</b>					
FELCN, UMOPAR, GIOE, GISUQ, GIAEF, K9, Garras School, Prosecutors	12,992	-	14,646	-	10,648
Operational/Logistical Support (BDTF, GDTF, Field Support)	3,578	-	2,872	-	3,533
Aviation (RDTF, BlkDTF, Helo Upgrade (if applicable))	3,118	-	3,324	-	3,957
<b>Sub Total</b>	<b>19,688</b>		<b>20,842</b>		<b>18,138</b>
<b>Eradication</b>					
JTF, Eco Police, DIRECO, DIGECO	10,194	-	4,200	-	4,418
Operational/Logistical Support (BDTF, GDTF, Field Support)	3,578	-	2,128	-	1,467
Aviation (RDTF, BlkDTF, Helo Upgrade (if applicable))	3,119	-	2,216	-	1,643
<b>Sub Total</b>	<b>16,891</b>		<b>8,544</b>		<b>7,528</b>
<b>Demand Reduction</b>	847	-	600	-	534
VM/SD, Demand Reduction					
<b>Border and Transportation Control</b>	34	-	-	-	-
Secure Borders					
<b>Money Laundering</b>	767	-	214	-	-
LEDP, FIU Development					
<b>Law Enforcement Restructuring</b>	593	-	1,000	-	-
OPR, LEDP					
<b>Sub Total</b>	<b>2,241</b>	-	<b>1,814</b>	-	<b>534</b>
<b>Program Development and Support</b>					
U.S. Personnel	795	-	808	-	808
Non-U.S. Personnel	1,293	-	1,287	-	1,304
ICASS Costs	788	-	800	-	800
Program Support	874	-	905	-	888
<b>Sub Total</b>	<b>3,750</b>	-	<b>3,800</b>	-	<b>3,800</b>
<b>Administration of Justice *</b>	<b>2,970</b>	-	<b>3,000</b>	-	-
<b>Alternative Development *</b>	<b>33,660</b>	-	<b>28,000</b>	-	-
<b>Trafficking in Persons</b>	-	-	-	-	<b>600</b>
<b>ACI Total</b>	<b>79,200</b>	-	<b>66,000</b>	-	<b>30,000</b>
<b>INCLE Total</b>	-	-	-	-	<b>600</b>
<b>Bolivia Total</b>	<b>79,200</b>	-	<b>66,000</b>	-	<b>30,600</b>

\*In FY06-FY07, funds are transferred to USAID who manages these programs.

In FY 2008, AOJ and AD funding comes out of the ESF Account.

The ESF Account in FY 2008 is \$17M.

## Brazil

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
5,940	4,000	1,000

### Program Objectives and Performance Indicators

Assistance to the Government of Brazil (GOB) will continue to build and strengthen Brazil's interagency law enforcement and drug interdiction border control operations. Support will also enhance federal, state, civil, and military law enforcement capabilities by providing operational support, training, and equipment to conduct more effective investigations and interdiction operations against international narcotics organizations. Specifically, assistance will:

Enable the GOB to dismantle and/or disrupt high echelon drug trafficking organizations that operate in and/or through Brazil and have criminal ties to the United States;

Increase the number of bi-lateral and multi-lateral drug investigations that Brazil participates in, leading to an increase in drugs and assets seized by the Brazilian Federal Police;

Enable Brazilian counternarcotics operations PEBRA, BRAVO, and COBRA to be self-sustaining;

Provide training to enhance GOB port and airport security which will be reflected by an increase in the number of arrests and drug seizures;

Improve the ability of federal and state law enforcement authorities to combat gang activities, such as drug- and weapons trafficking, and prison violence. This will be reflected in a five percent increase in the number of arrests of gang members.

### Transformational Diplomacy

The counternarcotics program in Brazil advances the Secretary's Transformational Diplomacy Peace and Security objective by strengthening Brazil's ability to combat narco-trafficking and gang violence, and by promoting demand reduction. In pursuit of this goal, INL assistance to Brazil will focus on improving the security of Brazil's borders with Colombia, Peru, Bolivia and Paraguay by strengthening interdiction operations along these porous borders. Assistance will also directly target state police forces and the Public Security Secretariat (SENASP) to combat the increasingly violent gang activity in Rio de

Janeiro, Sao Paulo, and other states.

## **Program Justification**

Brazil is a transit country for cocaine base moving from other Andean cultivation areas to processing laboratories in Colombia. Although Brazil is not a significant drug-producing country, it is the only country that borders all three coca-producing countries in the Andes – Peru, Bolivia, and Colombia. The sparsely populated Amazon region comprises more than one half of the country, which has long and porous borders. This makes Brazil a conduit for cocaine from the source countries to North America, Europe, and Brazilian cities. Brazil cooperates with its neighbors in an attempt to control its remote and expansive border areas where illicit drugs are transported. Additionally, cocaine and marijuana are used among youths in the country's cities, particularly Sao Paulo and Rio de Janeiro, where powerful and heavily-armed organized drug gangs are involved in narcotics-related arms trafficking. By assisting Brazil to improve its law enforcement capabilities, the United States will diminish the flow of illicit drugs passing through Brazil to the United States, as well as have an impact on illegal arms shipments and money laundering in Brazil.

## **Program Accomplishments**

In 2006, the Brazilian Federal Police seized 13.2 mt of cocaine and 144 kg of crack. Marijuana seizures totaled 161.1 mt in 2006. Brazilian Federal Police also seized 57 kg of heroin. The Tri-border area with Paraguay and Argentina is particularly porous, but in 2006 the Brazilian Federal Police (DPF) seized over 24 metric tons of marijuana and about 126 kg of cocaine in Foz do Iguacu, which had been smuggled from Paraguay. The DPF had a number of successes in 2006 against foreign narcotrafficking organizations operating within Brazilian territory; the most significant of which was the arrest of kingpin target Pablo Joaquin Rayo Montano in Sao Paulo. The GOB also broke up Mexican and Colombian groups involved in sending heroin to the United States, and is now targeting groups that sell prescription drugs illegally via the internet. The DPF is placing a higher priority on interdiction capabilities along the Bolivian border, where seizures of cocaine base increased.

In an effort to expand their collaborative efforts with neighboring countries, the Brazilian Federal Police played a major role in "Operation Seis Fronteras" to disrupt the illegal flow of precursor chemicals in the region. The GOB also supported "Operation Alliance" with Brazilian and Paraguayan counterdrug interdiction forces in the Paraguayan-Brazilian border area.

## **FY 2008 Program**

### **Narcotics Law Enforcement**

This project will contribute the additional resources and training needed to enhance BFP effectiveness in its counternarcotics efforts. Funding will support training against arms trafficking by various USG agencies. Additionally, INL funds will provide equipment, such

as bullet-proof vests, communications equipments and GPS devices that will improve Brazilian law enforcement capabilities in remote areas.

### **Northern Brazil Law Enforcement**

Funding will contribute to the GOB's various border operations to reinforce its borders with Colombia, Peru, Venezuela, and Bolivia. Specific assistance will provide training, equipment, and operational support.

### **State Security Law Enforcement:**

Funds from this project will assist SENASP and various state-level civil and military police forces by providing training and equipment for use in conducting investigations and interdiction operations against gangs and narcotics cartel leaders and their associates.

### **Program Development and Support (PD&S)**

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

<b>Brazil</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Interdiction</b>					
Federal Police Enforcement & Training	1,940	-	876	-	100
Northern Brazil Law Enforcement	2,000	-	943	-	100
State Security Law Enforcement	1,000	-	900	-	100
<b><i>Sub-Total</i></b>	<b>4,940</b>	<b>-</b>	<b>2,719</b>	<b>-</b>	<b>300</b>
<b>Demand Control &amp; Demand Reduction</b>	<b>500</b>		<b>581</b>		<b>0</b>
<b>Program Support</b>					
U.S. Personnel	125	-	176	-	176
Non-U.S. Personnel	125	-	160	-	160
ICASS Costs	125	-	170	-	170
Program Support	125	-	194	-	194
<b><i>Sub-Total</i></b>	<b>500</b>	<b>-</b>	<b>700</b>	<b>-</b>	<b>700</b>
<b>Total</b>	<b>5,940</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>1,000</b>

## Colombia

### Budget Summary (\$000)

	<b>FY 2006 Actual</b>	<b>FY 2006 Supplemental</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>ACI</b>	<b>464,781</b>		<b>465,000</b>	<b>366,968**</b>
<b>INCLE</b>	<b>---</b>	<b>3,300</b>	<b>---</b>	<b>---</b>
<b>CFSP</b>	<b>29,970</b>	<b>---</b>	<b>61,035</b>	<b>*</b>
<b>Total</b>	<b>494,751</b>	<b>3,300</b>	<b>526,035</b>	<b>366,968</b>

\* The Critical Flight Safety Program (CFSP) was merged into Colombia's ACI budget in FY2008

\*\*FY 2008 is the first year that funding for Alternative Development (AD) and Administration of Justice (AOJ) is not included in the ACI Account. AD and AOJ funding will fall under the ESF Account from FY 2008 onward, which for FY08 totals \$139.5 million.

## Program Objectives and Performance Indicators

### Disrupt Illicit Drugs

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

Reduce and discourage coca and opium poppy cultivation in traditional growing areas, as well as potential new areas for cultivation, through forced eradication and alternative development.

Counter the rapid replanting and pruning of coca in sprayed areas.

Increase manual eradication in areas where aerial spraying is not feasible.

Maintain optimal mission readiness rates for an aging air fleet that is required to fly more hours every year.

Dismantle major drug trafficking organizations and prevent their resurgence.

Interdict cocaine and heroin at current high levels until production has been more severely reduced.

Identify and destroy drug producing laboratories to reduce demand for coca leaf and opium resin.

Support the GOC's increase in the number of police to extend state authority throughout the country.

Increase Government of Colombia (GOC) control of the vast Pacific coastal zones.

Employ technical assistance and training to allow the GOC to investigate, arrest, prosecute, and convict more key narcoterrorists.

Extradite major narcotraffickers to the United States.

### **Strengthen Institutions**

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

Strengthen permanent police presence in conflictive areas to cement the recently established government presence and help construct additional stations as needed.

Continue the transition to the oral accusatory system of justice and train more judges, prosecutors, and police.

### **Consolidation and Nationalization**

Support Colombia's new Strategy for Strengthening Democracy and Social Development

Help Colombia implement the "Improving National Security" and "Consolidating State Presence" components of that strategy

Continue to transfer to the GOC greater responsibilities for counternarcotics funding, management, and operations currently supported by the USG, while maintaining operational results.

### **Transformational Diplomacy**

Peace & Security: INL assistance to Colombia has helped transform Colombia from a country on the verge of becoming a narco-state to a democratically stable, economically healthy ally in an increasingly problematic Andean region. INL's support to Colombia's security forces (both military and police) is a small but essential element of Colombia's security budget, and provides much-needed technical assistance in the areas of drug crop eradication (both aerial and manual), drug interdiction, aviation support, public security, and training. As a result, the surge in illicit crop cultivation that occurred through the 1990s reversed from 2002 to 2004. Nearly all indicators show that Colombia's security is improving: violent crime, kidnappings, acts of terrorism, and the size and influence of Colombia's terrorist organizations declined. Eradication has reduced Colombian opium poppy cultivation by 68 percent since 2001, from 6,540 hectares to 2,100 hectares in 2004. Colombian coca cultivation and potential cocaine production are well below their 2001 peak despite an upswing in the 2005 USG estimate of coca cultivation, which was due to an 81 percent increase in the survey area (there was no USG poppy estimate in 2005). Continued

support for the successful Carabinero program of expanding police presence throughout the country remains a high priority.

Colombia is still a country at war and Colombian soldiers and police still die daily in the battles for public security, establishment of state presence, and disruption of the illicit drug economy waged against the Revolutionary Armed Forces of Colombia (FARC), National Liberation Army, Colombia (ELN), and other narcotics traffickers. However, Colombia is at a turning point, and FY 2008 funds will help the GOC consolidate its hard-fought gains, further disrupt and diminish the illicit drug economy, train and equip more police and judges, and continue assuming responsibility for USG-funded programs.

**Governing Justly & Democratically:** Colombia's Latin American-style written judicial system is being transformed into a more efficient and transparent oral accusatory system. The new procedures are now in place in Bogota, Medellin, Cali, and seven other municipalities. Criminal cases in those areas are now being resolved more quickly and with a higher percentage of convictions. Although challenges remain, the GOC, with USG assistance, is working to have the system fully functioning nationwide by the end of 2008. This new judicial system, combined with Colombia's impressive extradition record, is strengthening Colombia's ability to bring justice to narco-traffickers, narco-terrorists, and other criminals.

## **Program Justification**

Despite the gains made in recent years, Colombia remains a country fighting a multi-front internal war against narco-terrorists and narco-traffickers who have relied on the illicit drug economy to fund their operations. Colombia remains the supplier of roughly 90 percent of the cocaine and 50 percent of the heroin entering the United States. Aggressive disruption of the illicit drug trade, therefore, remains a top USG priority.

The funding requested in FY 2008 will continue to consolidate the successes of the Plan Colombia Emergency Supplemental of 2000 and subsequent Andean Counterdrug Initiative (ACI) programs. It will also be used to further develop and strengthen the GOC's institutions, a necessary prerequisite for Colombia's assumption of ownership and responsibility for USG-funded programs.

## **Program Accomplishments**

Colombia's USG-supported aerial eradication program halted the rapid growth in coca cultivation that occurred through 2001. USG coca cultivation estimates went from 67,200 hectares in 1996 to 169,800 hectares in 2001, while the size of the area surveyed remained relatively stable. Between 2001 and 2005, the estimated area of coca cultivation declined by 15 percent, from 169,800 to 144,000 hectares, while the estimated potential cocaine production declined 22 percent, from 700 mt to 545 mt, despite a survey area that more than doubled in size in the same time period.

Colombia continued its series of consecutive record-breaking years for eradication of illicit crops in 2006, spraying 171,613 hectares of coca and manually eradicating another 42,111 hectares. These represent improvements of 24 and 35 percent, respectively, over 2005's efforts, and also represent the first time Colombia has exceeded 200,000 hectares eradicated in a single year. Colombia also eradicated over 1,900 hectares of opium poppy in 2006, and declared that no plantation-sized cultivations of opium poppy remained in the country.

In 2006, the Colombian National Police (CNP) formally made manual coca eradication a nationwide responsibility of regular, municipal-level police units with the initiation of an institutional plan entitled "Todos Contra la Coca," or "Everyone Against Coca."

In 2006-2007, despite intense diplomatic pressure from Ecuador, the CNP sprayed over 15,600 hectares of coca near its border with Ecuador, much of it planted by the FARC after the halted aerial eradication in that area in early 2006.

Continued intelligence coordination and more intensive utilization of the Counterdrug Brigade has kept the number of hostile fire impacts on spray aircraft below historic levels, even as the program sprayed more hectares. Reducing hostile fire incidents and impacts has helped to sustain the operational tempo of aerial eradication operations by reducing time lost to repair damaged aircraft.

In 2006, Colombia interdicted 178.3 mt of cocaine and cocaine base, their second highest interdiction total ever, and the fifth consecutive year that total has exceeded 100 mt. The INL-supported Air Bridge Denial program has caused the number of illegal flights over Colombia to decrease more than 70 percent, from 637 in 2003 to 171 in 2006. Colombian forces also destroyed 1,952 rustic cocaine base labs and 156 cocaine HCl labs in 2006.

These efforts demonstrate a coordinated attack across the entire drug supply chain - cultivation, precursors, processing, and transportation - that is depriving narco-traffickers and narco-terrorists of billions of dollars in potential income. INL-supported programs also work in conjunction with USG investments in alternative development programs to encourage farmers to abandon the production of illicit crops. They also help the GOC provide the public security necessary for the success of not only these programs, but of Colombia's continued social and economic development.

Colombia's justice system continued its transition to an accusatorial system similar to that of the United States in 2006. The GOC, with USG assistance, is working to have the system fully functioning nationwide by the end of 2008. This new judicial system, combined with Colombia's impressive extradition record, is strengthening Colombia's ability to bring justice to narco-traffickers, narco-terrorists, and other criminals. Over 20,000 prosecutors, judges, and criminal investigators have received intensive training in the new accusatory system.

Since 2002, the GOC estimates over 41,000 persons have demobilized - 11,000 under the individual desertion program and over 30,000 United Self-Defense Force of Colombia (AUC) (paramilitary) under the collective program. AUC members who chose not to demobilize, as well as those who do not qualify for the demobilization program, will

continue to be investigated and prosecuted under normal Colombian law. In 2006, FARC desertion increased over 50 percent compared to 2005.

As part of USG and GOC nationalization efforts, the USG continues to help the CNP Air Service (ARAVI) train more pilots and mechanics within Colombia and perform more maintenance and repairs in Colombia. A shift of procurement operations for aviation repair and maintenance parts from the United States to Colombia is under way, and an on-the-job training program commenced in 2006. With USG assistance, ARAVI began training for over-water Night Vision Goggle (NVG) missions in 2006.

The Air Bridge Denial (ABD) program completed its third year of operations, and the number of illegal flights over Colombia dropped to 171 in 2006, a decrease of more than 70 percent from 2003. Coordination between the Colombian Air Force (COLAF), other GOC ground forces, and Colombia law enforcement agencies also increased. One aircraft was forced down. The COLAF also coordinated with other GOC authorities to destroy illegal airfields and monitor legitimate ones. In 2006, the program resulted in eight law enforcement actions, resulting in four aircraft impounded, 1.6 tons of cocaine seized, and one arrest.

## **FY 2008 Program**

INL's FY 2008 assistance program in Colombia seeks to further the transformational process in the areas of Peace & Security and Governing Justly & Democratically by continuing to support Colombia's successful counternarcotics, public security, and judicial reform programs. At the same time, we will continue to transfer responsibility and operational control of these programs to the GOC so that USG funding levels can continue to decline in the long term.

These goals will be challenged by 1) reduced INL financial support for Colombia in FY 2008, 2) increased operational pace of all programs as a result of the rapid rate at which President Uribe has moved against narcoterrorism, and 3) the GOC's focus on rapidly augmenting its own public security forces and operations.

INL's funding for Colombia will support Colombia's Strategy for Strengthening Democracy and Social Development, the GOC's follow-on to Plan Colombia. The strategy continues Plan Colombia's successful counter-terror, counter-drug, democracy, human rights, alternative development, and humanitarian policies, and places increased emphasis on consolidating state presence and development through sustainable growth and trade. Improving national security and consolidating state presence are two of the Strategy's six components which INL-funded programs directly support.

## **Eradication**

### **The Plan Colombia Helicopter Program (PCHP)**

The PCHP consists of UH-1N, UH-1H II, UH-60L, and K-Max helicopters and is part of the Colombian Army (COLAR) Aviation program. It provides support to eradication, interdiction, counterterror, high-value targets, and humanitarian missions, using human rights-vetted Colombian military personnel. Nationalization efforts to train pilots and mechanics will continue in FY 2008, and the number of U.S. contractors is declining, according to plan. The Colombian Army Counterdrug Brigade conducts drug interdiction and provides essential ground security for aerial eradication, a crucial element in reducing ground fire aimed at our spray aircraft.

### **Colombian National Police (CNP) Aviation Support**

Funding for the ARAVI aircraft supports transport aircraft, eradication escorts, and intelligence platforms for interdiction and eradication operations. Funds are used to support the fleet of 60 rotary-wing and 21 fixed-wing ARAVI aircraft. Other major expenses will include training for CNP personnel and the purchase of spare parts, tools, contract labor maintenance costs, ammunition, training, communications support, and aviation-related infrastructure costs.

### **Colombian National Police (CNP) Support for Eradication**

This program enhances Colombia's ability to conduct sustained eradication operations against illicit cultivation. Funding will provide for operations and maintenance for the eradication aircraft fleet that includes spray aircraft, escort helicopters, imagery gathering aircraft, and heavy transport aircraft. These funds will also be used to purchase three aircraft to replace lost or aging spray aircraft, as well as the chemicals used for eradication. The new spray aircraft will be able to spray coca and poppy and will be easily supportable by the GOC, facilitating program nationalization. These funds will also support upgrades and maintenance of reconnaissance aircraft equipped with advanced imagery and mapping devices to improve the CNP's ability to locate illicit crops. Manual eradication efforts will be increased in areas where aerial spraying is not feasible, although we will proceed with caution since manual eradication is more dangerous than aerial eradication. We will provide equipment, training, and technical assistance to protect these units from mines, explosive devices, and violent narcotraffickers. The 2007 spray plan will reflect a further pursuit of smaller, more dispersed fields, as well as more frequent repeat spraying of key cultivation areas. Aircraft range limitations and severe topography will diminish efficiency and keep eradication flight hours high.

### **Colombian Army (COLAR) Counterdrug Mobile Brigade**

Continued support and development of the Counterdrug Brigade enhances Colombia's ability to conduct sustained eradication missions and interdiction operations. The majority of these funds will be used to train, equip, transport, and sustain the Counterdrug Brigade. Funding will provide logistical and operations support to the COLAR Counterdrug Brigade's interdiction operations, including high value targets, as well as to the CNP's aerial eradication missions. Funds will also provide similar support to other selected units of the Colombian military performing counternarcotics operations.

## **Colombian Army (COLAR) Aviation Support**

COLAR Aviation support enhances the ability to conduct both interdiction and eradication operations. FY 2008 funds will support the COLAR Aviation Brigade aircraft, consisting of UH-1N, UH-60, Huey II, and K-MAX helicopters that provide airlift support for eradication and interdiction operations, as well as high-value target missions. Major expenditures will include fuel, parts, repair and maintenance of the helicopters, training for crews and support personnel, and infrastructure support. FY 2008 funds will also be used to support helicopters and facilities dedicated to protecting the petroleum infrastructure in Arauca Department. In 2008, Colombia will continue to require sustained high levels of helicopter airlift support. Three battalions of the Counterdrug Brigade will continue to expand their area of operations from the conflict regions of Colombia.

## **Interdiction**

### **Airbridge Denial Program**

These funds will provide continued operational and maintenance support for the Colombian Airbridge Denial Program (ABD) consisting of five Cessna Citation 560 aircraft and two C-26 aircraft. It will also provide continued training for Colombian aircrews and USG contract ground and air safety monitors. ABD assets will conduct limited maritime air patrols needed to extend Colombian Government control over trafficking by sea. This would allow the Colombian Air Force to conduct maritime patrol missions in conjunction with the Colombian Navy and Joint Interagency Task Force South (JIATF-S) providing better coverage of the trafficking routes in, through and departing Colombian territory. Other in-country costs associated with the ABD program will continue to be funded through other headings within the Colombian Military budget.

### **Air Force Interdiction and Surveillance**

Narcoterrorists have traditionally exploited Colombia's vast and relatively unsecured borders to move illicit narcotics, weapons, money and other contraband via air. To counter this threat, logistical and technical assistance support will be provided to the Colombian Air Force for interdiction and surveillance programs in support of endgame operations against unauthorized aircraft flights (the Air Bridge Denial program) in coordination with COLAR and CNP Aviation units. Funds will cover in-country expenses and INL contractor costs in support of the ABD program. Uses include assistance in the maintenance and operation of forward operating locations, minor infrastructure improvements, fuel, training, U.S. safety monitors, and specialized equipment. Funding also pays for the contract maintenance and operation of Cessna Citation C-560, Cessna 182, and FAC C-26 aircraft.

### **Navy/Maritime Interdiction**

Colombia's extensive river network connects the interior with the coastal regions and is a key link between narcotics cultivation and processing facilities and embarkation points. These

funds will be used to train and equip specialized units to analyze operational intelligence and interdict contraband traffic, particularly along Colombia's Pacific coast. The primary beneficiaries of this program are the Colombian Navy units.

### **Colombian National Police (CNP) Support for Interdiction**

Continued support for this program enhances Colombia's ability to conduct interdiction operations by funding non-aviation CNP Anti-Narcotics Directorate (DIRAN) activities, including training and equipping DIRAN's 20 operational companies and three airmobile interdiction companies (Junglas). Funding will cover DIRAN and Junglas training costs in Colombia and at U.S. military and commercial training institutions. It will also upgrade existing DIRAN interdiction facilities, especially along Colombia's eastern, southern and western zones so that DIRAN can project force into these remote but critical areas. Funding will also provide equipment and training to sustain a DIRAN Polygraph Unit to ensure the integrity of personnel performing interdiction and security duties in Colombia's ports and other locations. The Airport Security program will continue to develop with funding for small equipment purchases and maintenance, operational expenses, anti-narcotics police training, and recertification of canines and handlers. As with eradication efforts, these programs are an ongoing cost of making the illicit drug trade unsustainable in Colombia.

### **Carabineros**

The reestablishment of public security and general government presence in conflict zones will continue to require an expansion of the CNP's presence in these zones. Funds will be used to organize, train, and equip municipal police to be stationed in new areas or dangerous areas that are currently severely understaffed. Funding will also be used to continue to organize, train and equip the 150-man mobile "Carabineros" (rural police) squadrons. Equipment purchases will include field equipment, light weapons and munitions, communications/command and control systems, medical supplies, force protection upgrades, vehicles, and operational logistics support. U.S. funds will also be used to continue to construct and upgrade hardened police stations in the larger municipalities to provide cover for reinserted CNP units in particularly conflicted areas.

### **Judicial Reforms Program**

Colombia's transition to an accusatorial judicial system similar to our own has required a significant amount of training and technical assistance and has led to a change in the roles and responsibilities of judges, prosecutors, and criminal investigators. It is hoped that the implementation of this new judicial system throughout the country will be completed in 2008. The USG, through the Justice Sector Reform Program (JSRP) and rule of law assistance, will continue to help Colombia in this process. DOJ, USAID, and other USG agencies will provide training, technical assistance, and equipment to enhance the capacity and capabilities of the Colombian system and to make it more transparent to the public. Significant training and technical assistance will be provided in the area of money laundering, asset forfeiture, and organized crime investigations. As in our police and military programs, there will be significant emphasis on respect for human rights and anticorruption

measures. Specialized units will receive training in investigating and prosecuting these types of cases. Technical assistance, specialized equipment, and training will also be provided to support areas crucial to the new judicial system like forensics and professionalization.

### **Other Programs to Promote the Rule of Law**

This portion of the budget includes drug awareness and demand reduction efforts and the important *Culture of Lawfulness program* that promotes a respect and appreciation for rule of law in the youth who comprise the future of Colombia. Already in ten cities, the program will train additional teacher trainers to move the program closer to self-sufficiency. The Culture of Lawfulness program will continue to be integrated into CNP basic training programs. We will also provide limited technical assistance and equipment to the GOC for its individual deserter program. ACI funding administered by the DOJ contributes to training for judges, prosecutors, and police, and the promotion of timely and effective investigations and prosecutions of human rights violations. Additionally, there is a program that will provide training and technical assistance to Colombian law enforcement groups that are attacking narco-terrorist finances.

### **Trafficking in Persons (TIP)**

INCLE funding will be used to help Colombia strengthen its capacity to interrupt national and transnational human trafficking networks. Training and technical assistance for law enforcement on how to identify and rescue victims, investigate cases, coordinate and prepare prosecutions, and collaborate with nongovernmental organizations are imperative. Funding will also be used to support the adoption of anti-trafficking laws, improve the legal framework for addressing TIP, and promote the rescue and protection of victims.

### **Critical Flight Safety Program**

The primary objective of the multi-year Critical Flight Safety Program (CFSP) is to ensure aircrew and aircraft safety, specifically structural integrity, of the aircraft operated by the INL Air Wing. Upon completion of this program the Department will have ensured to the best of its ability that the INL aviation fleet will not suffer loss of life or valuable aviation resources due to structural fatigue and aging aircraft. The secondary objective of the CFSP is to refurbish 30-year old, Vietnam-era military aircraft to a modern commercially supportable standard, thereby making them less costly to operate, easier to maintain, and more reliable. In summary, the Air Wing CFSP will: increase safety for aircrews and personnel flying in these aircraft; extend the service life of these aircraft, maximizing their value; control or potentially eliminate large increases in maintenance and part costs; make aircraft commercially supportable; and increase operational readiness and sustain mission success.

In FY 2008 we will continue refurbishing and upgrading aging Vietnam-era UH-1H helicopters, refurbishing UH-1N helicopters (giving first priority to eradication helicopters), extending the service life of OV-10D airframes, and initiating armament upgrades for Colombia search and rescue (SAR) aircraft.

### **Program Development and Support (PD&S)**

PD&S funds are used for general administrative and operating expenses for the planning, design, implementation, monitoring, and evaluation of INL programs in Colombia. Funds cover salaries, benefits, and allowances of direct hire and contract U.S. and foreign national personnel; residential and warehouse leasing; field travel; International Cooperative Administrative Support Services (ICASS) costs (these are the overhead costs paid to the Embassy for occupying an Embassy facility and using basic Embassy services); and other general administrative and operating expenses for counternarcotics and anticrime program planning, design, implementation, monitoring, and evaluation. The NAS may be moving to new office space within the main Embassy building in 2008; some funds will be used to adapt, equip, and furnish this new space. These funds also cover temporary duty (TDY) personnel and general administrative and indirect operating expenses that cannot be identified with a specific project.

<b>Colombia</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Support to the Colombia Military</b>					
Army Counterdrug Mobile Brigade	1,832	-	2,200	-	2,000
Army Aviation Support	123,453	-	104,080	-	99,525
Air Bridge Denial Program	4,574	**	15,800	-	14,000
Navy Maritime Interdiction Support	455	***	1,000	-	1,000
<b>Sub-Total</b>	<b>130,314</b>	<b>-</b>	<b>123,080</b>	<b>-</b>	<b>116,525</b>
<b>Support to Colombian National Police</b>					
Aviation Support	70,518	-	69,000	-	65,000
Support For Eradication	81,695	-	81,950	-	85,000
Support For Interdiction	16,513	-	16,500	-	15,000
Administrative Support	1,376	-	1,000	-	-
<b>Sub-Total</b>	<b>170,102</b>	<b>-</b>	<b>168,450</b>	<b>-</b>	<b>165,000</b>
<b>Carabineros</b>	<b>19,367</b>	<b>-</b>	<b>18,650</b>	<b>-</b>	<b>20,000</b>
<b>Judicial Reforms Program</b>	<b>5,940</b>	<b>3,300</b>	<b>6,000</b>	<b>-</b>	<b>6,000</b>
<b>Prison Security</b>	<b>89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Individual Deserter Program</b>	<b>495</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>500</b>
<b>Demand Reduction</b>	<b>228</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>214</b>
<b>Culture of Lawfulness</b>	<b>594</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>250</b>
<b>Money Laundering</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>879</b>
<b>Institutional Reform for Ministry of Defense</b>	<b>178</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bomb Squad/Explosive Database</b>	<b>228</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-Total</b>	<b>27,119</b>	<b>3,300</b>	<b>26,150</b>	<b>-</b>	<b>27,843</b>
<b>Program, Development &amp; Support</b>					
U.S. Personnel	1,938	-	1,915	-	2,223
LES	2,796	-	2,696	-	2,711
ICASS Costs	1,004	-	938	-	1,100
Program Support	1,588	-	1,851	-	1,566
<b>Sub-Total</b>	<b>7,326</b>	<b>-</b>	<b>7,400</b>	<b>-</b>	<b>7,600</b>
<b>NAS Sub-Total</b>	<b>334,861</b>	<b>3,300</b>	<b>325,080</b>	<b>-</b>	<b>316,968</b>
<b>Critical Flight Safety</b>	<b>29,970</b>	<b>-</b>	<b>61,035</b>	<b>-</b>	<b>50,000</b>
<b>Alternative Development (USAID)</b>					*
Support for Democracy	18,810	-	19,000	-	*
Alternative Development	72,005	-	73,500	-	*
Support for Vulnerable Groups/IDP	30,690	-	31,000	-	*
Demobilization and Reintegration	8,415	-	16,420	-	*
<b>AID Sub-Total</b>	<b>129,920</b>	<b>-</b>	<b>139,920</b>	<b>-</b>	<b>*</b>
<b>Counternarcotics Total</b>	<b>494,751</b>	<b>3,300</b>	<b>526,035</b>	<b>-</b>	<b>366,968</b>

\* In FY 2008 Alternative Development managed under Economic Support Funds (ESF)

\*\* \$13 million in FY 06 was funded as part of INL central budget but was spent in the Colombia country budget for ABD

\*\*\* \$13 million of FY 06 supplemental INCLE funding for the procurement of a maritime patrol aircraft for the Colombian Navy was appropriated by P.L. 109-234, but was later rescinded by P.L. 110-28.

## Ecuador

### Budget Summary (\$000)

	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>ACI</b>	<b>19,800</b>	<b>17,300</b>	<b>7,000*</b>
<b>INCLE</b>	<b>---</b>	<b>---</b>	<b>200</b>
<b>Total</b>	<b>19,800</b>	<b>17,300</b>	<b>7,200</b>

\*FY 2008 is the first year that funding for Alternative Development (AD) and Administration of Justice (AOJ) is not included in the ACI Account. AD and AOJ funding will fall under the ESF Account from FY 2008 onward, which for FY08 totals \$6 million.

### Program Objectives and Performance Indicators

#### Interdiction

Enhanced Ecuadorian National Police, criminal justice system and military forces efforts coupled with improved cooperation disrupt the transit of drugs through Ecuador from neighboring countries.

More counternarcotics police stationed along frequently used or newly emergent trafficking routes create choke points; and improvements in mobility, communications and technical operations enable a ten percent increase in drug seizures by the counternarcotics police.

Enhanced interdiction operations by the Ecuadorian army and navy in the country's coastal waters and along land borders lead to a ten percent increase in seizures.

International trafficking in drugs, persons and other illicit goods are disrupted and criminal organizations dismantled.

#### Stabilization

A ten percent increase in Ecuadorian law enforcement operations conducted along the border with Colombia discourages narcotics traffickers and illegal armed groups from crossing into Ecuador.

## **Criminal Justice Development**

Government institutions are able to better combat drug and other organized crime groups because Ecuadorian police and military personnel have the required knowledge and skills; and police, prosecutors and judges have a common understanding of permissible and best-practice investigatory techniques; documentation and evidentiary requirements; oral testimony and other necessary elements to conduct more successful investigations and prosecutions of significant drug cases under the new code of criminal procedures.

Enhanced police, prosecutorial and judicial capabilities lead to a five percent increase in prosecutions and convictions.

Money laundering and precursor chemical controls are implemented with greater specialized expertise, resulting in increased prosecutions and convictions for violations.

## **Transformational Diplomacy**

Traffickers exploit Ecuador's porous land borders, maritime ports, and its vast Exclusive Economic Zone in the Pacific. The growth of drug production by Colombian armed insurgent groups has rendered Ecuador's northern border particularly vulnerable to illicit trafficking and production. Similarly, successes against Colombian drug transport organizations have forced them to shift tactics to load drugs onto Ecuadorian vessels at sea without having crossed Ecuadorian soil. Weak public institutions, widespread corruption and a poorly regulated financial system make Ecuador vulnerable to organized crime. Border controls of persons and goods remain weak and easily evaded. The Ecuadorian National Police and military forces have neither personnel nor equipment adequate to meet all of the international criminal challenges they face.

U.S. counternarcotics assistance is provided to improve the professional capabilities, equipment and integrity of Ecuador's police, military and judicial agencies and enable them to counter illicit drug activities more effectively. There has been a dramatic increase in the use of Ecuadorian-flagged motherships carrying drugs since 2004. The U.S. is working with Ecuador to facilitate effective law enforcement regarding interdiction of suspected vessels and the judicial treatment to be accorded persons engaged in illegal trafficking. With a dollarized economy and weak banking controls, bulk currency enters and leaves Ecuador with little or no control. The USG is providing operational support to financial intelligence and investigative units being formed and trained in order to combat money laundering and financial crimes. Major USG-funded projects train police, prosecutors and judges for their roles under the revised criminal procedures, and USG programs seek to increase awareness of the dangers of drug abuse and to disseminate proper information about abuse prevention through demand reduction programs.

## **Program Justification**

Ecuador is a major transit country for illicit drugs produced in Colombia and Peru. Cocaine hydrochloride and heroin from Colombia and Peru are carried to Ecuador's air and sea ports for international distribution in volumes ranging from ingested individual loads of a few hundred grams to multi-ton sea shipments. Ecuador's porous borders with Colombia and Peru have been inadequately controlled. The growth of drug production by Colombian armed insurgent groups has rendered Ecuador's northern border particularly vulnerable to illicit trafficking and production spillover in recent years. Ecuador's long seacoast is also inadequately protected against illicit activities of all kinds. Increasingly, drugs are loaded onto Ecuadorian vessels at sea by Colombian boats without having crossed Ecuadorian soil.

While Ecuador generally cooperates with the U.S. in the fight against narco-trafficking and regional terrorism, drug trafficking has steadily increased in recent years. Ecuador's law enforcement and border control programs are inadequate to deal with this growing trend, and weak institutions, widespread corruption and an unstable government further impede progress. The Ecuadorian National Police (ENP) and military forces are inadequately equipped and trained to deal with international criminal or insurgent pressures.

Despite some advances in recent years, port cargo remains inadequately controlled. Cocaine seizures reached 38 metric tons in 2006, while seizures of heroin and precursor chemicals continued at high levels. Laboratory seizures pointed to cocaine processing activity in southern Ecuador. In November 2006, Ecuador's National Police uncovered three cocaine processing labs in southern Ecuador in the largest drug bust operation in Ecuador to date. This development indicates that Ecuador may be moving from a transit country to a production platform. Additionally, uneven implementation of the new (2001) criminal procedures code and a faulty judicial system hamper prosecutions. The USG is providing equipment, infrastructure and training to help improve counternarcotics performance.

There is no evidence that significant illicit crops or drugs are produced in Ecuador. Cultivated coca has been found occasionally in widely scattered, sparsely planted small plots. The plantations discovered from 2000 through 2006 were of little commercial significance, singly or cumulatively. Maritime cocaine shipments aboard Ecuadorian flag vessels and through Ecuadorian waters again increased in 2006. Although Ecuador has no bilateral maritime agreement with the U.S., law enforcement operators have improved their ability to work cooperatively to facilitate boarding and search of suspect vessels by United States law enforcement personnel. Detected shipments of drugs via international mail and messenger services continued at a high level in 2006.

## **Program Accomplishments**

The USG continued to receive good cooperation from the ENP and from the Armed Forces, who do the bulk of border patrolling in Ecuador and continue to seize large amounts of white gas, a chemical precursor for drug processing. The GOE continues to reinforce its security presence in the northern border area. An ongoing initiative begun in 2001 seeks to improve the staffing, mobility and communications of military and police forces in the northern

border region. Maritime cooperation has increased dramatically in response to a surge in maritime smuggling from Ecuador. Resources are being provided to the Ecuadorian Navy for expanded patrol and interdiction operations on Ecuador's northwestern coast and for in-port inspections. In August 2006, Ecuador and the U.S. finalized standard procedures for interdicting and boarding suspected smuggling vessels on the high seas. Cooperation between the USG and GOE agencies in 2006 resulted in several successful large-scale drug interdiction operations. The control of drug precursor chemicals continued through 2006 with a high level of seizures for the fourth straight year

The Counternarcotics Directorate (DNA) of the National Police was increased from 1385 to 1500 members in 2006. New DNA bases and stations were opened with USG assistance in 2006 in El Oro Province at Puerto Bolivar (Machala) and Y de Jobo. Additionally, an air police helicopter base was constructed in Pichincha Province at Santo Domingo de los Colorados. Construction of a large Ecuadorian navy pier at San Lorenzo, Esmeraldas Province to be completed by spring 2007 will give maritime forces greater flexibility to interdict maritime smuggling routes.

In 2006, construction began on a major police base and inspection station at Tulcan, Carchi Province, where the Pan American Highway joins Ecuador and Colombia. A port cargo inspection facility in Esmeraldas also was begun in 2006. Numerous smaller construction projects, including several military vehicle and aircraft support facilities, were completed during the year. Communications equipment, ground vehicles and the canine program continue to be areas supported through USG assistance and for which recent successful operations can be credited. Digital x-rays and ion scanners provided by the USG are being used for cargo and passenger inspections in many locations.

Judicial police who successfully completed a USG-provided course on the new penal code in 2002 are now training their colleagues. Major USG-funded projects begun in 2006 have successfully helped train police, prosecutors and judges for their roles under the revised criminal procedures.

The U.S. mission is working with the Ecuadorian Army to ensure that they can rapidly move trained forces to counteract incursions by Colombian insurgents on the northern border. The Narcotics Affairs Section (NAS) and the U.S. Military Group provide operational support, including field rations, fuel, uniforms, and other non-lethal field gear.

## **FY 2008 Program**

### **Narcotics Law Enforcement**

*Police Operations:* Police operations are responsible for nearly all of the drug seizures in Ecuador. USG facilities construction in recent years and the Ecuadorian government's augmentation of the Counternarcotics (CN) police force will increase the volume and range of police operations, in turn increasing the need for operational support, such as vehicles and communications. Project funding in FY 2008 sustains the DNA, which receives minimal budgetary support from the ENP. Funds will support the DNA port and canine operations;

acquisition of law enforcement and communications equipment; vehicle acquisition, maintenance, repair and operational costs; and the cost of providing a port advisor from the U.S. Customs and Border Protection Agency (DHS/CBP).

*Police Facilities Construction:* Funding will support expanding police presence and counternarcotics operations to sensitive outlying locations inadequately protected against narcotics trafficking. Program funds will construct new DNA bases, complete with inspection stations and living quarters, which will enable the GOE to maintain 30 to 40-member units at key interdiction points, especially in remote sites on the northern Ecuadorian border with Colombia, and major roadways connecting Ecuador's borders and ports.

*Police and Judicial Training:* Law enforcement training is essential to improving the detection and seizure of drugs and drug-related contraband and the disruption of trafficking organizations. Program funding will extend and refine training in implementation of the new code of criminal procedures to emphasize practical application of the code in areas such as chain of evidence, forensic science, and oral trial practice. Strong emphasis will also be given to training in proper implementation of the comprehensive money laundering law. The addition of new DNA personnel has further increased the need for basic and advanced training emphasizing ground and airborne field operations, intelligence methods, and cargo and personnel inspection techniques.

*Money Laundering and Chemical Control:* With a dollarized economy and weak banking controls, bulk currency enters and leaves Ecuador with little or no control. In order to combat this problem, the Government of Ecuador approved a draft comprehensive money laundering law in 2005. FY 2008 funds will support the formation, training and operations of new financial intelligence and investigation units. The country also produces chemical precursors and is a transit corridor for diverted chemicals. FY 2008 program funds will provide training and equipment to assist the GOE's establishment of chemical control units, as well as for the enforcement units that will support them.

### **Military Border and Coastal Control**

To discourage and counteract incursions by Colombian insurgents on the northern border, the Ecuadorian Army must be able to rapidly deploy trained forces to problem areas. Supporting military border and coastal control units, such as the quick reaction forces and the marine detachments, with vehicles, field equipment and operational support in FY 2008 will further strengthen Ecuador's ability to protect its national territory against narco-terrorist incursions and to interdict illicit international shipments of drugs and chemicals.

### **Drug Awareness/Demand Reduction**

Demand reduction programs seek to increase awareness of the dangers of drug abuse and to disseminate proper information about abuse prevention. FY 2008 support to the Ecuadorian Ministry of Education and non-governmental organizations active in the awareness and prevention fields will continue projects that work to counter Ecuadorian public misunderstandings and disinformation regarding U.S. policies and activities and explain the

true nature of drugs, terrorism and other transnational challenges. Support will include provision of informational materials, sponsor travel to view U.S. counternarcotics projects and activities, and fund guest speakers.

**Program Development & Support (PD&S)**

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

<b>Ecuador</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Interdiction</b>					
Police Operations	2,757		3,000		2,750
Police Facilities Construction	1,325		500		1,650
Police and Judicial Training	875		1,100		800
Military Border and Coastal Control	2,358		3,000		950
Drug Awareness/Public Diplomacy	60		60		50
<b>Sub-Total</b>	<b>7,375</b>		<b>7,660</b>		<b>6,200</b>
<b>Financial Crimes and Money Laundering</b>					
Money Laundering/Chemical Control	200		440		180
Program Support	0		0		20
<b>Sub-Total</b>	<b>200</b>		<b>440</b>		<b>200</b>
<b>Alternative Development</b>	<b>11,425</b>		<b>8,400</b>		*
<b>Program Development and Support</b>	<b>800</b>		<b>800</b>		<b>800</b>
<b>Total **</b>	<b>19,800</b>		<b>17,300</b>		<b>7,200</b>

\*Alternative Development now managed under Economic Support Funds (ESF)

\*\* \$200 K of FY 08 total is INCLE Funding vice ACI Funding

## Panama

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
4,455	4,000	1,000

### Program Objectives and Performance Indicators

Enhance Panama's interdiction capability to disrupt the regional flow of illicit drugs, chemicals, weapons, and people by improving its law enforcement infrastructure and control of its borders and international ports of entry and exit.

Assistance to increase operational readiness of the Panamanian National Police (PNP) Anti-Drug Sub-Directorate's (DAD), the newly created Anti-Drug Joint Task Force (FTCA), the PNP's Mobile Inspection unit, the K-9 unit, airport groups, the Riverine unit, and special operations units within the Directorate of Information and Intelligence (DIIP) will result in a 10 percent increase in seizures of illegal drugs by PNP components over FY 2007.

Establishing an effective coastal/riverine interdiction capability; ensuring better inter-agency communications capabilities; augmenting specialized units' anti-terrorism capability; and constructing border outposts will result in a 10 percent increase in the number of seizures of illicit drugs in Panama's border regions over FY 2007.

Facilitating the National Maritime Service's (SMN) move to a new Atlantic Base; supporting the National Air Service's (SAN) Fixed-wing and Rotary-wing fleets that participate in counter-drug missions; providing support to the Panamanian Coast Guard once it has been created from the merger of the SMN and the SAN; establishing a spare-parts logistics infrastructure to support previously donated USG equipment; increasing the pool of trained pilots, mechanics, and trainers; and improving communications inter-operability with other Panamanian Public Forces will result in a 10 percent increase in the number of maritime seizures of illegal contraband in and through Panamanian waters, and in air readiness and air mobility over 2007 figures.

### Transformational Diplomacy

Panama's Interdiction Program advances the Secretary's Transformational Diplomacy Peace and Security objective by funding counternarcotics projects designed to reduce the flow of illegal narcotics and other contraband through Panama and its surrounding waterways. Panama is the only land connection between North and South America, as well as a major global air traffic, financial, communications, and world commerce hub. This makes Panama

a natural nexus for transnational crime—including drug and precursor chemical trafficking, money laundering, arms trafficking, and illegal immigrants. The flow of illicit drugs has contributed to increasing domestic drug abuse, encouraged public corruption, and undermined the Government of Panama’s (GOP) criminal justice system.

## **Program Justification**

By virtue of its geographic position and well-developed transportation infrastructure, Panama is a major drug transshipment point to the United States and Europe. Panama’s containerized seaports, the Pan-American Highway, a rapidly growing international hub airport, numerous uncontrolled airfields, and unguarded coastlines on both the Atlantic and Pacific facilitate drug movement. These drugs are moved in fishing vessels, cargo ships, small aircraft, and go-fast boats. Illegal airplanes utilize hundreds of abandoned or unmonitored legal airstrips for refueling, pickups, and deliveries. The Torrijos Administration (which took office in September 2004) has cooperated closely with the U.S. and its other neighbors on security and law enforcement issues, but Panama’s budgetary constraints limit its law enforcement. U.S. support to Panama’s law enforcement agencies remains crucial to ensure fulfillment of agency missions.

## **Program Accomplishments**

In 2006, several USG-supported GOP units grew and expanded operations--the Public Ministry’s Technical Judicial Police (PTJ) Sensitive Investigative Unit (SIU) responsible for investigations of major drug and money laundering organizations; as well as the Panamanian National Police (PNP) Mobile Inspection Unit and Paso Canoas (Costa Rica border) Interdiction Enhancements, the Tocumen International Airport Drug Task Force, and the Canine Unit. International drug-related arrests increased slightly in 2006 from 2005. A three-year investigation by the Drug Prosecutors Office (DPO), the PTJ, and several other law enforcement agencies in the region culminated in the May 2006 arrest in Brazil of Pablo Rayo Montano, a Colombian-born drug kingpin. Assets located in Panama belonging to his criminal cartel were among those seized by the GOP following his indictment by a U.S. federal court in Miami.

INL and other USG financial assistance, technical help and professional cooperation enabled the GOP to further enhance its capability to interdict drugs and secure its land, maritime and air borders that resulted in increased drug and drug money seizures in 2006. This included 36,635.5 kgs of cocaine, 107.24 kgs of heroin, 4,276.9 kgs of marijuana, \$8,324,761.39 in currency, diamonds and gold, 299 arrests for international drug-related offenses, and seven extraditions for such offenses in 2006. Also in 2006, U.S. Immigration and Customs Enforcement (ICE) developed a joint strategic bulk cash smuggling initiative with Panamanian Customs called Operation Firewall, which resulted in seizures of approximately 40 kgs of gold (valued at approximately \$900,000), \$357,100 in U.S. currency, and 26,000 Euros.

The SAN also provided excellent support for counternarcotics operations, for example, seizing 500 kgs of cocaine and a stolen aircraft, and apprehending two Mexican traffickers in

April 2006. The SAN also participated in the interdiction of several go-fast targets in cooperation with Joint Interagency Task Force (JIATF) South, and seized a twin engine King Air B-90 when traces of drugs were detected through an IONSCAN machine donated by the USG. In 2006, the SMN continued to respond to USG requests for boarding and interdictions, assisted the U.S. Coast Guard (USCG) with verifying ship registry data, and transferred prisoners and evidence to Panama for air transport to the United States.

In 2006, Panama also made steady progress in other areas of law enforcement, police professionalism and integrity. A USG-funded “Culture of Lawfulness” program has trained officials from the Ministry of Education, the PNP, and the PTJ, and a separate initiative to train twelve PNP officers as certified polygraph examiners has resulted in improved PNP candidate selection. With the new precursor chemical control legislation in place, focus has shifted towards capacity building to assist in implementation of the new laws. The new legislation created a chemical control unit, which worked closely with DEA Diversion Investigators to initiate investigations on suspicious companies. The Chemical Control Unit identified 20 companies that need to be monitored on a regular basis and conducted administrative inspections at several company sites. The Chemical Control Unit also coordinated with the PNP Narcotics Unit to conduct the necessary enforcement operations. The GOP also improved its ability to combat precursor chemical diversion through training and by conducting joint investigations with the DEA in 2006. In the area of drug awareness and demand reduction, the National Drug Control Council (CONAPRED) funded seven prevention and/or treatment projects with a total cost of approximately \$1.05 million in 2006. The Ministry of Education and CONAPRED, with USG support, promoted anti-drug training for teachers, information programs, and supported the Ministry of Education’s National Drug Information Center (CENAID).

## **FY 2008 Program**

### **Interdiction/Border Control**

*Panamanian National Police (PNP):* The PNP bears the principal responsibility for disrupting the large volume of Colombian narcotics being transshipped to the United States as well as other contraband being smuggled along this principal trafficking corridor. The PNP’s funding levels remain insufficient to meet the dual challenges of confronting the Andean spillover as well as maintaining law and order in the rest of the country. USG assistance in FY 2008 will focus on training and technology to ensure the PNP’s ability to respond to these threats. The USG will provide a groundbreaking six week course in advanced police management developed by the Embassy’s Narcotics Affairs Section (NAS) in partnership with the University of Louisville’s Southern Police Institute. Additional funding will be used to leverage existing partnerships and facilitate knowledge-sharing with current partners such as Boston, Miami Dade and Vancouver, British Columbia Police Departments and prosecutorial partner, the U.S. Attorney’s Office for the District of Massachusetts. These exchanges will concentrate in key areas such as public corruption, use of crime mapping technology, community-based policing and 911 call/dispatch technology. The NAS will also continue to provide equipment (including vehicle spare parts for vehicles

previously donated by the NAS), training, and operational expenses for the PNP mobile interdiction team and the PNP's K-9 unit.

*Border Enhancement:* This project assists GOP law enforcement agencies with controlling trafficking of narcotics, arms, illegal migrants, and other contraband along the country's major transportation routes. Funds will provide training, equipment, and infrastructure support on PNP operating bases along the Panama/Costa Rican border and at the Meteti in the Darien, as well as a counternarcotics advisor to enhance security controls at Panama's major airports and choke points along the Pan-American Highway. The NAS will continue to provide equipment, training, and operational expenses for the chemical group (under the Attorney General's leadership), the Technical Judicial Police's (PTJ) vetted unit, and the Guabala checkpoint border police.

*National Maritime Service (SMN):* The SMN provides law enforcement and security for Panama's territorial waters (including the Panama Canal), a major smuggling corridor for drugs and other contrabands. FY 2008 funds will continue to provide equipment (including two new vehicles that will be used to support mobile boat maintenance teams), training, maintenance on previously USG-donated 82 ft patrol boats, infrastructure support (including the building of floating piers, boat ramps, maintenance facilities, and limited housing) on two forward operating posts in the Chiriqui province, and other operational expenses for the SMN small boat unit. Once the SMN and the SAN merge to create a Coast Guard, the NAS would also provide training to pilots and aircrew to operate a new King Air medium lift aircraft that will be used for aerial surveillance and target detection.

*Joint Intelligence Coordination Center (JICC):* The NAS and the Ministry of Governance and Justice (MOGJ) will support a Joint Intelligence Coordination Center (JICC) equipped with a digital database to facilitate information sharing to all law enforcement agencies. The JICC is a multi-agency intelligence information center. It is manned by members of all public forces and the PTJ. It has direct access to over 25 databases that house information that the JICC can access for investigative purposes on request. The JICC is also capable of providing database consults to U.S. law enforcement agencies such as DEA and DHS.

### **Program Development & Support (PD&S)**

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

<b>Panama</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Interdiction/Border Control</b>					
National Police	650	-	635	-	200
National Air Service	250	-	150	-	-
Border Enhancement	400	-	300	-	100
National Maritime Service	650	-	560	-	200
Joint Intelligence Coordination Center (JICC)	-	-	75	-	100
Panamian Customs Service	300	-	-	-	-
<b>Sub-Total</b>	<b>2,250</b>	<b>-</b>	<b>1,720</b>	<b>-</b>	<b>600</b>
<b>Law Enforcement Restructuring</b>					
Technical Judicial Police	500	-	425	-	-
Law Enforcement Modernization	375	-	300	-	-
<b>Sub-Total</b>	<b>875</b>	<b>-</b>	<b>725</b>	<b>-</b>	<b>-</b>
<b>Financial Investigations Unit</b>	<b>150</b>	<b>-</b>	<b>150</b>	<b>-</b>	<b>-</b>
<b>Anti-Corruption Initiatives*</b>	<b>350</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>Drug Awareness/Demand Reduction</b>	<b>75</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>-</b>
<b>Justice Systems**</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>Program Development and Support</b>					
U.S. Personnel	303	-	347	-	200
Non-U.S. Personnel	45	-	45	-	30
ICASS Costs	310	-	242	-	150
Program Support	97	-	121	-	20
<b>Sub-Total</b>	<b>755</b>	<b>-</b>	<b>755</b>	<b>-</b>	<b>400</b>
<b>Total</b>	<b>4,455</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>1,000</b>

\* INL will transfer a portion of these funds to USAID who will administer a few projects in this area in FY 2007

\*\* This is an INL funded and USAID administered program in FY 2007

## Peru

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
106,920	103,165	36,844

\*FY 2008 is the first year that funding for Alternative Development (AD) and Administration of Justice (AOJ) is not included in the ACI Account. AD and AOJ funding will fall under the ESF Account from FY 2008 onward, which for FY08 totals \$30 million

### Program Objectives and Performance Indicators

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

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

Improved coordination and capabilities of Peruvian agencies involved in counternarcotics law enforcement lead to more effective action against illicit drug trafficking.

Increase the Peruvian National Counternarcotics anti-drug police (DIRANDRO) to over 2800 personnel to spread DIRANDRO's presence and ability to enforce law and deny freedom of action for narcotics trafficking activities.

Maintain a comprehensive maritime and port interdiction program to diminish substantially the exploitation of Peru's northern ports by narco-traffickers through increased seizures and number of Manifest Review Units established.

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

Continuing USG support for special narcotics prosecutors and support for judicial personnel in regions with heavy narcotics caseloads results in an increase in the number of arrests/prosecutions of major criminals and narco-traffickers and a decrease in pre-trial detention time.

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

Programmed and voluntary eradication will eliminate 13,000 hectares of illicit coca in CY 2007.

The GOP establishes a reliable tracking system of the production of traditional licit coca.

The GOP, with the help of the USG, develops a reconnaissance capability to identify and eradicate 150 hectares of opium poppy cultivations.

The number of port and road counternarcotics interdiction checkpoints east of the Peruvian Andes is increased by ten percent in 2007, resulting in a ten percent increase in the number and amount of cocaine seizures over previous years.

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

Peru generates statistical data on public concerns about drug abuse and related criminal activity. The data is used to design, implement, and evaluate public awareness campaigns.

Public support and GOP political will for law enforcement efforts against illegal drug cultivation and trafficking are realized and maintained at high levels.

Both survey results and GOP actions indicate that Peruvians will no longer tolerate illegal drug cultivation and trafficking leading to a larger percentage of the Peruvian population recognizing coca cultivation and narco-trafficking as a threat to national wellbeing.

Increase in the number of prevention and training activities undertaken by grant recipients.

## **Transformational Diplomacy**

U.S. assistance will serve to strengthen governance in isolated areas where drug traffickers and terrorists operate, use aggressive eradication, interdiction and chemical control to reduce drug production, provide alternative development that reduces dependence on illicit coca cultivation, help the government improve its counter-terrorism efforts and publicize the links between drug production and common crime so that Peruvians understand that their quality of life (and not just that of Americans) is degraded by drug-trafficking. This is the most resource-intensive objective because it requires high-priced equipment like helicopters and labor-intensive manual eradication. The Nethercutt Amendment prohibits Peru from receiving military assistance since it has not signed an Article 98 agreement. No other country provides any significant financial assistance in promoting this Peace and Security objective.

## **Program Justification**

Peru is the second largest cocaine producing country in the world and a major exporter of cocaine and cocaine base to markets in South America, Mexico, the United States, and

Europe. The price, cultivation, and yield of coca are on the increase in Peru; 38,000 hectares of coca were estimated by CNC to be under cultivation at the end of 2005; an increase of 38 percent, despite the record programmed and voluntary eradication of 12,688 hectares. This equates to 34 metric tons of cocaine kept from production. It is estimated that these cultivation levels produce a potential annual harvest of approximately 110,000 metric tons of coca leaf. According to the Peruvian Institute of Statistics and Information (INEI), approximately 4 million Peruvians use up to 9,000 metric tons of coca leaf for legal purposes each year, leaving approximately 100,000 metric tons of coca leaf available to produce an estimated 190 metric tons of cocaine HCl annually. A relatively small percentage of Peruvians are involved in growing coca, processing coca leaf and trafficking cocaine and cocaine base. Despite these obstacles, the Peruvian Government has made significant progress in strengthening policy capacity and in addressing maritime smuggling of cocaine shipments, both key to long term success.

## **Program Accomplishments**

After a decade of impressive reductions of coca cultivation, the price for Peruvian coca leaf has hit 12-year highs, creating a strong economic incentive for greater production. The GOP conducted operations on land, sea, and air to disrupt the production and transshipment of cocaine. Peruvian law enforcement authorities seized 14.10 metric tons of cocaine HCl and 4.09 metric tons of cocaine base in these CY 2006 operations. The price of coca leaf continues to rise steadily, except in areas of rolling interdiction, and the number of hectares under cultivation as well as the densities of the plants in each plot have grown in areas not under GOP control.

The Crime and Narcotics Center (CNC) estimate for 2005 is 38,000 hectares of coca, a 38 percent increase from the 27,500 hectares of coca it measured in 2004 in key regions including the Monzon Valley and Ene-Apurimac River Valleys (VRAE). Expansion of coca is probably related to the sustained high prices for coca and the perception of impunity fostered by initial government reluctance to confront growers. Despite this increase, the Ministry of Interior's coca eradication group (CORAH) eradicated 12,688 hectares in 2006 (10,137 programmed, 2,551 voluntary).

Aside from its eradication efforts, NAS support has assisted the GOP in successfully accomplishing a number of strategic drug control goals. In 2006, Peru made significant progress in strengthening police capacity east of the Andes with 750 new police officers dedicated to counternarcotics law enforcement, including 150 women, reinforcing the 400 police who graduated in 2005. Their entry on duty has allowed the PNP to effect sustained interdiction in source zones and to carry out eradication in valleys where coca farmers have violently resisted programmed eradication in the past.

The GOP has also made progress in addressing and improving maritime smuggling of cocaine shipments, which is becoming the primary method of exporting multi-ton loads of cocaine. New container x-ray scanners were installed and are operational in the ports of Callao and Paita. Peruvian Customs nearly achieved their self-imposed staffing obligations for 24/7 operations in Callao and 16/7 operations in Paita. This, coupled with the export

control system enacted by Peruvian Customs, brings export control security in Peru to an all time high. As a result, the Ports Program seized 2.1 metric tons of cocaine HCl in CY 2006, more than double the amount seized last year.

There has been a remarkable push by non-governmental organizations, universities and the mass media to heighten the Peruvian public's concern about the extent of influence of narco-trafficking and the influence of narco-trafficking over coca grower organizations. Many Peruvians have lost their sympathy for "oppressed" coca farmers, and there is widespread recognition of the link between coca leaf cultivation and drug consumption.

In FY 2006, over 30 money-laundering cases researched by the GOP's Financial Intelligence Unit have been forwarded to the national prosecutor's office. In 2005, the public prosecutor won two money laundering convictions.

## **FY 2008 Program**

### **Narcotics Law Enforcement**

*Law Enforcement Support:* As in the past, interdiction operations will be conducted by air, on land, in seaports and on rivers. The use of dogs in operations has been successfully introduced. The major change in the FY 2008 police program will be the requirement to support a much-enlarged presence of the Peruvian National Police anti-drug police (DIRANDRO) in the coca growing valleys. The NAS police project will also support continued intensive training efforts at three police basic training academies, a rapid expansion of a K-9 program and new task forces that link the DIRANDRO units with regional police units (DIVANDRO) in the coca-growing valleys. This will further extend the reach of interdiction efforts in the major coca growing valleys. This will also enhance the capabilities of DIRANDRO to provide stability and security in the drug source zones, conduct advanced road interdiction and interdiction in hard-core areas. The increased workforce will enable DIRANDRO to extend its counter-drug efforts to cover areas of expansion as well as traditional growing areas.

A new project in FY 2008 is designed to establish regional task forces so that DIRANDRO troops can gain the operational support of the regional police to promote interaction between the DIRANDRO and the regional counter-drug police. Additionally, DIRANDRO will have enlarged its special operations groups sufficiently to be able to carry out continuous campaigns that encircle drug production zones, destroy cocaine laboratories, and choke the flow of chemicals in and drugs out of those zones.

*Aviation Support:* Aviation support is essential to interdiction and eradication. Since 1988 NAS Aviation has furnished support for counternarcotics efforts in Peru. A complementary goal is to prepare the PNP Aviation (DIRAVPOL) to take over the aviation program. With this aim in mind, FY 2008 will continue heavy investment of funds in training and career development of PNP aviation personnel in addition to budgeting for increased flight hours due to the presence of the 23 UH-2s fleet.

In FY 2008, with the dramatic increase of counternarcotics police personnel to 2800, a significant increase in aviation resources will be required to transport these personnel to support expanded drug interdiction and eradication efforts. Funding is required to cover fuel, maintenance, hangars and warehousing, aircraft rental when needed, and operational support for DIRAVPOL personnel.

*Port Security Support:* FY 2008 funding will focus on maintaining Peru's ability to effectively detect drugs smuggled through its commercial and fishing ports through technical assistance, training, and the provision of detection equipment. In FY 2008 emphasis will be placed on helping Peruvian law enforcement authorities, Customs, port authorities and shippers create secure cargo and container controls, and developing closer GOP interagency cooperation to inspect suspect container in Peru's main seaport, Callao, and in other ports used by narco-traffickers.

### **Eradication**

*Coca and Opium Poppy Eradication:* The FY 2008 budget will support eradication efforts by the GOP's Coca Monitoring and Reduction Agency (CORAH) in entrenched coca growing areas and areas of expansion as well as continue to monitor new coca. Police eradication targets the nearly inaccessible opium poppy cultivation areas. INL supports all CORAH operations while continuing to develop Peruvian capacity for institutional management, operations, and strategic planning. Funding covers these expenses in addition to the construction and maintenance support for offices, field camps, facilities, communication equipment, and civic action programs used by CORAH.

New equipment will allow CORAH communications specialists to work closely with the GOP and USG communications experts to inform Peruvians in the growing areas about the reasons for coca reduction and the dangers posed by the narcotics industry to individuals, families, and communities.

*Support to the Armed Forces:* The USG and the GOP are currently working to improve the capacity of the Peruvian military and police to affect air, ground, seaport, and river end games based upon actionable intelligence.

*Crop Monitoring and Research:* A branch of CORAH called CADA (Corps for Assistance to Alternative Development) monitors and maps coca and poppy cultivation, estimates cultivation for voluntary eradication programs and verifies that fields are actually uprooted. CADA will continue to map coca and poppy cultivation. It will also map opium poppy fields and work with police to detect cultivation patterns; generate geographic information that supports counternarcotics projects; and provide ground-truthing for the CNC.

In addition, a joint USG/OAS/CICAD Alternative Crop Research and Extension Project complements the bilateral alternative development program. This project will continue to perform field research into coffee and cacao diseases, with a focus on finding ways to increase production yields in alternative development areas and developing international markets. The Institute for Tropical Crops (ICT) helps former coca growers develop licit

crops, conducts research for the USDA, and collaborates with USAID, the Andean Countries Cocoa Export Support Opportunity (ACCESSO) project, and other development efforts.

### **Administration of Justice**

*Narcotics Prosecution:* In FY 2008, funding will continue to support regional senior GOP prosecutors assigned to oversee police and military drug enforcement operations, interrogate suspects and witnesses, secure evidence, supervise the destruction of illegal facilities such as laboratories or airstrips, and prepare cases for trial. Prosecutors are also needed to accompany eradication when eradicators uncover pozas, chemicals, and cocaine producing paraphernalia. Prosecutors verify that rights are not being violated and to defuse protests. With expansion of interdiction and eradication, more prosecutors are needed in the field. Funds will provide selected jurisdictions with enhanced communications and field equipment and improved facilities.

### **Drug Awareness**

*Public Relations and Media Engagement:* As the result of several years of engagement in public information, there has been a change in attitude among Peruvians about coca. They now recognize the link to drug production, corruption, and crime. A new project in FY 2008 will be the development of a training center for drug prevention agents. The project, "Seeding Awareness" aims to educate over 200,000 students and members of civic groups in drug prevention techniques so they can educate others. Additionally in FY 2008, NAS proposes supporting a major advertising and communications campaign by the NGO, Alliance for a Drug-Free Peru, to reach the farmers in coca-growing valleys.

### **Program Development & Support (PD&S)**

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

<b>Peru</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Eradication</b>					
Coca and Opium Poppy Eradication	9,200		8,000		8,000
Crop Research and Extension (ICT)	900		700		500
Aviation Support	17,000		22,300		4,699
Crop Monitoring and Research	1,600		1,500		1,000
<b>Sub-Total</b>	<b>28,700</b>		<b>32,500</b>		<b>14,199</b>
<b>Interdiction</b>					
Law Enforcement Support	16,000		10,000		7,500
Port Security Program	2,000		2,450		2,050
Peruvian Customs	3,000		3,500		2,000
Public Relations and Media	600		750		500
Administration of Justice/Prosecution	400		500		200
Support to Armed Forces	500		500		-
Chemical Control	1,000		-		-
Institutional Development	260		-		-
Aviation Support	-		-		6,595
<b>Sub-Total</b>	<b>23,760</b>		<b>17,700</b>		<b>18,845</b>
<b>Demand Reduction</b>	<b>1,500</b>		<b>1,400</b>		<b>-</b>
<b>Money Laundering</b>	<b>450</b>		<b>400</b>		<b>-</b>
<b>Program, Development &amp; Support</b>					
U.S. Personnel	726		758		585
LES	1,212		1,220		1,244
ICASS Costs	895		925		955
Program Support	1,167		1,097		1,016
<b>Sub-Total</b>	<b>4,000</b>		<b>4,000</b>		<b>3,800</b>
<b>NAS Sub-Total</b>	<b>58,410</b>		<b>56,000</b>		<b>36,844</b>
<b>Alternative Development (USAID)</b>					
Alternative Livelihood	46,582		47,165		-*
Program Support	1,928		-		-*
<b>AID Sub-Total</b>	<b>48,510</b>		<b>47,165</b>		<b>-*</b>
<b>Counternarcotics Total</b>	<b>106,920</b>		<b>103,165</b>		<b>36,844</b>

\* Alternative Development now managed under Economic Support Funds (ESF)

## **International Narcotics Control and Law Enforcement**

### **Latin America**

## Argentina

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Enhance existing law enforcement and judicial capabilities to successfully investigate and prosecute criminal cases.

Improved interoperability between federal law enforcement agencies

Strengthen the Government of Argentina (GOA) judicial branch's capacity to prosecute human trafficking cases and provide victim assistance.

Increased human trafficking cases are brought to trial.

Increased prosecutions of individuals and government officials involved in human trafficking.

Increased number of trafficking victims are reintegrated into society.

Improve coordination among NGOs dedicated to fighting human trafficking.

Increased number of joint activities sponsored by NGOs working on anti-TIP programming.

### Transformational Diplomacy

The USG's counternarcotics efforts in Argentina advances the Secretary's Transformational Diplomacy Peace and Security objective by funding counternarcotics projects designed increase the capacity of Argentine federal and provincial law enforcement agencies to reduce the trafficking of illicit narcotics through Argentina via land, commercial air and maritime routes. There are indications that there is more cocaine passing through Argentina than previously believed, particularly in containerized cargo. Although most of these drugs remain in Argentina or are trans-shipped to Europe, some make their way to the United States. Drug trafficking and related transnational crimes are a direct threat to democratic institutions and regional stability.

## **Program Justification**

Argentina is not a major drug producing country. However, because of its advanced chemical production facilities, it is one of South America's largest producers of precursor chemicals. Law enforcement authorities believe that the amount of cocaine passing through Argentina continued to increase in 2006. The law enforcement authorities believe that the amount of cocaine passing through Argentina continued to increase in 2006. Marijuana remains the most commonly smuggled and consumed drug, with cocaine (HCl) and inhalants ranked second and third, respectively. Focused analytical and technical training will enhance the institutions, capabilities and interoperability of the Argentine law enforcement agencies to enable them to more effectively act against narcotics trafficking, other trans-border crime, and to counter possible spillover of cultivation and/or processing operations from Bolivia.

## **Program Accomplishments**

The U.S. Drug Enforcement Administration (DEA) reports that it assisted the Argentine authorities in the seizure of 2,532 kg of cocaine in 2006. DEA also assisted the GOA in the seizure of 9.12 kg of heroin, and 77 kg of marijuana. In June 2006 the Gendarmeria seized a truck with approximately 1,105 kg of coca leaf. Although coca leaf is consumed by the local indigenous population in a number of Argentina's northern provinces, seizures of this size are unusual. From January 2006 to September 2006, the USG-funded Northern Border Task Force (NBTF) seized approximately 684,220 kgs of illicit chemicals, a significant increase over the amount seized during the same periods in 2005 and 2004. The NBTF also seized 9.12 kilograms of heroin at the La Quiaca international port of entry in the Province of Jujuy.

## **FY 2008 Program**

### **Northern Border Task Force (NBTF)**

The NBTF, which operates in Argentina's Northeastern province of Salta, along the sensitive Bolivian border, is the primary focus of USG counternarcotics assistance. Funding will continue to support this inter-agency operation involving federal and provincial law enforcement through training and upgrading of equipment. The 85 law enforcement personnel associated with the NBTF put approximately 150,000 kms/year on their five vehicles, covering the Bolivia borders in the provinces of Salta and Jujuy. The USG will purchase one additional vehicle to supplement this overtaxed fleet.

### **North East Border Task Force**

Embassy agencies are anxious to duplicate the success of the inter-agency NBTF model in the Northeastern province of Misiones, which forms the Argentine portion of the sensitive Tri-border Area comprised of the Argentina, Paraguay, and Brazil. Working with the Gendarmeria, Prefectura and Misiones Provincial police, funding will be used to purchase a vehicle and provide office equipment including computers, a printer, internet server and secure communications equipment. Training for the new Task Force would include basic

narcotics investigation school and tactical training for as many as 70 federal and provincial law enforcement officers.

### **Law Enforcement Support**

Support will focus on providing intelligence-based training, equipment and software to improve GOA law enforcement agencies' capacity to conduct complex investigations and support successful prosecutions. This would include training on computer-based intelligence analysis software and charting software that will allow law enforcement to chart organizations, money flow and communications. USG funding will provide training in the use of Real-Time Analytical Intelligence Database (RAID) software, a data base that allows for the systematic study and exploitation of massive evidence data from large narcotics-related arrests.

### **Trafficking in Persons**

The GOA has spent considerable efforts to raise public awareness of human trafficking and has made anti-trafficking education a regular part of training for law enforcement and judicial officials through its Office of Assistance to Victims of Crime. IOM has also conducted a good portion of the law enforcement training on trafficking. In recent months a number of bills seeking to criminalize trafficking in persons have been introduced in the Argentine Congress, and many are optimistic that anti-TIP legislation will pass in 2007. Funding TIP-related training to judges and law enforcement officials will help build on this positive momentum, and strengthen institutional capacity to effectively prosecute human trafficking.

<b>Argentina</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Interdiction</b>					
Northern Border Task Force	-		-		40
North East Border Task Force	-		-		40
Law Enforcement Support	-		-		25
<b><i>Sub-Total</i></b>	-		-		<b>105</b>
<b>Trafficking in Persons/Migrant Smuggling</b>	-		-		<b>200</b>
<b><i>Total</i></b>	-		-		<b>305</b>

## Bahamas

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
495	500	500

### Program Objectives and Performance Indicators

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

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

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

Cooperation and coordination with U.S. law enforcement will increase and several major Bahamian drug trafficking organizations will be dismantled.  
The number of narcotics trafficking and money laundering cases successfully prosecuted will increase.

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

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

### Transformational Diplomacy

The Bahamas, an archipelago the size of California strategically situated only 50 miles from U.S. shores offers the U.S. vital opportunities to disrupt the movement of illicit drugs and illegal migrants, combat international financial crime, and protect our shores from terrorism. U.S. investment will continue to focus on interdiction efforts. The Bahamas remains a major an entry point for illegal drugs, illegal migrants and contraband from Haiti, Cuba and other countries. OPBAT, a multi-national, multi-agency drug interdiction effort, that brings together personnel from the Drug Enforcement Administration, the Department of Homeland Security (including the U.S. Coast Guard and U.S. Customs), the Defense Department, the Department of State, the Royal Bahamas Police Force, and the Royal Turks and Caicos

Islands Police, will continue to spearhead U.S. efforts to protect our South East border from international drug trafficking into and through The Bahamas.

## **Program Justification**

Cocaine from South America arrives in The Bahamas via go-fast boats, small commercial freighters, or small aircraft from Jamaica, Hispaniola and Venezuela. During the 1980s, it was estimated that 70 percent of the drug flow from South America transited the islands, whereas in recent years, the estimated flow has declined to less than 10 percent. In 2006, the U.S. Joint Interagency Task Force reported that multi-ton cocaine shipments took place to the Turks and Caicos Islands and The Bahamas from Venezuela. Although none of these shipments were successfully interdicted, they could indicate yet another shift in the drug flow through the islands. OPBAT is the largest, most effective, and longest-existing interdiction effort in the Caribbean. One of the dividends of this long history of cooperation is that the Bahamian drug police are among the best in the Caribbean. No other drug unit has had better success in dismantling trafficking organizations.

## **Program Accomplishments**

The Bahamian Police Drug Enforcement Unit (DEU) continued its unparalleled record of success in taking down drug trafficking organizations in 2006. Following an eight-month long joint DEU/DEA investigation into narcotics smuggling at the airport, five baggage handlers were arrested in the U.S. and four others were arrested in The Bahamas. Total cocaine seizures by OPBAT and Bahamian police increased to 1.6 mts, from 1 mt in 2005. At the same time, marijuana seizures increased from 13 mts to 140 mts. The DEU arrested 1,399 persons on drug-related offenses and seized drug-related assets valued at nearly \$2.5 million.

## **FY 2008 Program**

INL will cease funding its direct hire position in the Narcotics Affairs Section to increase the resources available to support ongoing projects

### **Law Enforcement Investigations**

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

### **Operation Bahamas Turks and Caicos (OPBAT)**

This project will support the maintenance of OPBAT bases and provide equipment for interdiction operations.

### **Program Development and Support (PD&S)**

PD&S funds International Cooperative Administrative Support Services (ICASS) costs, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>The Bahamas</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>					
Law Enforcement Investigations	35	-	35	-	200
OPBAT	85	-	85	-	240
Fast Response Boats	-	-	-	-	-
<b>Sub-Total</b>	<b>120</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>440</b>
<b>Drug Awareness/Demand Reduction</b>	-	-	-	-	-
<b>Program Development and Support</b>					
U.S. Personnel	275	-	280	-	-
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	100	-	100	-	60
Program Support	-	-	-	-	-
<b>Sub-Total</b>	<b>375</b>	<b>-</b>	<b>380</b>	<b>-</b>	<b>60</b>
<b>Total</b>	<b>495</b>	<b>-</b>	<b>500</b>	<b>-</b>	<b>500</b>

## Chile

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	---	100

### Program Objectives and Performance Indicators

Deepen and expand cooperation among law enforcement entities within Chile, and between Chile and regional partners.

Conclude an extradition treaty between Chile and the United States.

Reduce Chile's role as a transshipment country for narcotics from the Andean region to the U.S. by improving the interdiction, investigative and prosecutorial capabilities of Chilean law enforcement officials.

Increase by eight percent the quantity of cocaine and heroin seized.

Increase by ten percent the number of drug cases prosecuted by the Chilean counternarcotics unit

Deepen judicial reform in Chile by expanding citizens' understanding of their legal rights, strengthening prosecutorial and investigative capabilities of criminal justice officials, and encouraging alternative resolution methods to support the new system.

Increase by ten percent the number of judicial personnel in Santiago and other regions trained using U.S. speakers and the international visitor program.

### Transformational Diplomacy

The counternarcotics program in Chile advances the Secretary's Transformational Diplomacy Peace and Security objective by funding counternarcotics projects designed to bolster its ability to combat narcotrafficking, transborder crime, and international terrorism. A proactive Chilean law enforcement and judicial system where its components cooperate in apprehending and bringing criminals to justice will enhance Chilean and regional counternarcotics efforts.

### Program Justification

Chile is a transshipment point for illegal narcotics, including Andean cocaine and heroin destined for the United States and Europe. Chile has a growing internal cocaine and

marijuana consumption problem, with Ecstasy becoming increasingly popular. Chile is also a source of essential chemicals for use in cocaine processing in Peru, Colombia, and Bolivia. There is evidence that trafficking in people into and through Chile for labor and sexual exploitation is increasing. Within a modern but secretive banking system, terrorist financing and money laundering activity continues to increase. Chile faces significant challenges in implementing judicial reform that transformed the country's criminal justice system from inquisitorial to adversarial, and in investigating and prosecuting certain crimes such as money laundering, terrorist finance, intellectual property right violations, and trafficking in people.

## **Program Accomplishments**

In 2006, Chilean authorities seized 15,295 kg of cocaine HCl (more than five times that reportedly seized in 2005), 2,388 kg of cocaine base, 147 kg of crack cocaine, 3,639 dosage units of ecstasy, 2,700 kg of marijuana (about half that seized in 2005), and 118,762 marijuana plants. They also seized 220 liters of acetone, and 27,400 kg of sulfuric acid. Law enforcement agencies arrested 27,343 persons for drug-related offenses, more than twice the 12,878 who were arrested on similar charges in 2005. Chilean authorities are also undertaking proactive enforcement initiatives to address the domestic distribution sources of cocaine, marijuana, and ecstasy. One joint investigation in 2006 conducted by DEA and the Carabineros, led to the seizure of more than 400 kg of cocaine and the disruption of a major Colombian transportation cell. Chile, in coordination with the USG, conducted a successful highway drug interdiction program called Operation Pipeline and established a joint multi-Chilean law enforcement agency narcotics task force in Arica, which is the primary point of entry of Peruvian cocaine.

2006 was the first year of Chile's newly-instituted adversarial judicial system; based on oral trials rather than documents. Chile also initiated an "informal" drug court pilot program. These and related programs have led to greater public trust in the new system, and cases are being resolved faster.

## **FY 2008 Program**

### **Interdiction and Chemical Control**

Funding in FY 2008 will help the Government of Chile (GOC) to establish a counter-drug task force comprised of the Investigative Police, Coast Guard, Chilean Customs, and the Prison System Administrators in Chile's northern region. Provision of training and equipment will enable the task force to conduct maritime and overland trafficking operations.

### **Justice System Reform**

Funding will provide training for lawyers, judges, and law enforcement to enable them to more effectively investigate and prosecute narcotics cases, as well as cases involving money laundering, trafficking in people, and intellectual property rights.

**Program, Development and Support (PD&S)**

PD&S funds will be used to pay for field travel, International Cooperative Administrative Support Service (ICASS) costs, and general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Chile</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Interdiction</b>					
Interdiction	-	-	-	-	80
Justice System Reform	-	-	-	-	15
PD&S	-	-	-	-	5
<b>Total</b>	-	-	-	-	<b>100</b>

## Dominican Republic

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	*	<b>1,150</b>

\* In FY 2006 and FY 2007, some funding from the Latin America Regional and Caribbean and Central America Regional budgets, respectively, were used for programs in the Dominican Republic.

### Program Objectives and Performance Indicators

Enhance existing law enforcement targeting of narco-trafficking organizations.

Increased number of interdictions and quantity of drugs seized.

Improve the ability of the Dominican Government (GODR) law enforcement officials to successfully investigate and prosecute criminal cases.

Increased number of arrests and successful prosecutions of drug traffickers.

### Transformational Diplomacy

Counternarcotics assistance advances the Peace and Security objective of strengthening the rule of law by enhancing the ability of law enforcement to dismantle international narco-trafficking organizations. Dominican police will receive training and technical assistance aimed at improving their capacity to intercept drug shipments and to conduct investigations that lead to the arrest and prosecution of traffickers.

### Program Justification

The Dominican Republic is a major drug transit country in the Caribbean and Dominicans operate major trafficking organizations in the United States – particularly on the East Coast. According to the U.S. Joint Interagency Task Force – South (JIATF-S) there were 75 suspect drug flights from Venezuela, a 167percent increase from 2005 to 2006. The U.S. Marshals Service receives excellent cooperation from the GODR National Drug Control Directorate (DNCD) Fugitive Surveillance/Apprehension Unit and other relevant Dominican authorities in arresting fugitives and returning them to the United States to face justice. The DNCD, houses DEA’s Center for Drug Information (CDI), which serves as a clearinghouse for intelligence within the Caribbean and plays an important role in interdiction efforts.

## **Program Accomplishments**

In 2006 Dominican authorities seized 5 metric tons of cocaine, 236.8 kilograms (kgs) of heroin, 363,433.6 units of ecstasy (MDMA), and 362.4 kgs of marijuana. One single seizure in September netted a record 2.5 metric tons of cocaine. The DNCD made 8,809 drug-related arrests in 2006. Of these, 8,563 were Dominican nationals and 246 were foreigners. The GODR extradited 26 Dominicans, including the head of an international drug trafficking organization responsible for transporting thousands of kgs to the United States.

## **FY 2008 Program**

### **Interdiction**

This project will focus on improving the ability of the DNCD to gather intelligence on, investigate, and prosecute drug smugglers through training and technical assistance. Support will be provided to the DNCD vetted unit and the canine unit. Funds will be used to improve data collection and analysis by the Port police and to provide surveillance equipment for port security. Training and mentoring in the development and prosecution of financial investigations will be provided to police investigators and prosecutors.

### **Program Development and Support (PD&S)**

PD&S funds International Cooperative Administrative Support Services (ICASS) costs, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Dominican Republic</b>				
<b>INL BUDGET</b>				
(\$000)				
	FY 2006	FY 2006 Supp	FY 2007	FY 2008
<b>Narcotics Law Enforcement</b>				
Port Security	-	-	-	200
Border Security (canine)	-	-	-	100
Trafficking in Persons	-	-	-	-
Airport Security	-	-	-	-
Intelligence Fusion and Analysis	-	-	-	150
Vetted Unit	-	-	-	300
<b>Sub Total</b>	-	-	-	<b>750</b>
<b>Program Development and Support</b>				
U.S. Personnel	-	-	-	200
Non-U.S. Personnel	-	-	-	50
ICASS Costs	-	-	-	150
Program Support	-	-	-	-
<b>Sub-Total</b>	-	-	-	<b>400</b>
<b>Total</b>	-	-	-	<b>1,150</b>

## Eastern Caribbean

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	---	500

\* In FY 2006, some funding from the Latin America Regional budget was used for Eastern Caribbean programs.

### Program Objectives and Performance Indicators

Augment ability of responsible agencies to investigate, prosecute, seize criminal assets, interdict illicit drug and chemical shipments and control money laundering.

Performance indicators include:

Increased number of interdictions and quantity of drugs and contraband seized.

Increased number of arrests and successful prosecutions of drug traffickers and money launderers.

Increased amount and value of illicit assets seized and forfeited.

### Transformational Diplomacy

In the area of interdiction, INL funding contributes to the Peace and Security objective by enhancing the capacity of Eastern Caribbean law enforcement to counter drug trafficking and related crimes such as money laundering, arms trafficking and corruption. The Eastern Caribbean remains a vulnerable platform from which transnational criminals can threaten the security interests of the United States. INL funds will provide specialized training and technical assistance for criminal and money laundering investigations. INL funds would also support the maritime drug interdiction operations of the Regional Security System (RSS) defense and police forces.

### Program Justification

The principal U.S. interests in the seven countries of the Eastern Caribbean – Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines – are preventing and combating transnational criminal activity against the United States, including terrorism, narcotics trafficking, alien smuggling, and financial

crimes. These Eastern Caribbean countries make up a significant portion of the “third border” of the United States which is a transit zone for drugs -- mostly cocaine and marijuana products, going from South America to U.S., Europe and other markets. Drug trafficking and related crimes, such as money laundering, drug use, arms trafficking, official corruption, violent crime, and intimidation, have the potential to threaten the stability of the small, democratic countries of the Eastern Caribbean and, to varying degrees, have damaged civil society in some of these countries.

## **Program Accomplishments**

Overall drug seizures declined in 2006 while the number of arrests for drug-related offenses in the individual islands varied widely. In Barbados, the authorities reported seizing 92.6 kgs of cocaine and 4,698 kgs of marijuana. Barbados authorities arrested 623 persons –five of whom were major traffickers – as compared with 2,551 arrests in 2005. Grenadan authorities arrested 407 persons on drug charges, an increase over 2005 when they arrested 285 persons. Through October 2006, Antigua and Barbuda forces seized eight kilograms (kgs) of cocaine and 75 kgs of marijuana, arrested 112 persons on drug-related charges, and prosecuted five traffickers. Eradication efforts increased significantly from the previous year, from 500 marijuana plants in 2005 to more than 25,000 marijuana plants in 2006. From January through October 2006, Dominican law enforcement agencies reported seizing 50.85 kgs of cocaine and 583.5 kgs of marijuana. Most of the more than 92,000 marijuana plants under cultivation were eradicated. Dominican police arrested 287 persons on drug-related charges, double that of the previous year, and prosecuted eight major drug traffickers. The Government of St. Kitts and Nevis officials reported seizing 21.4 kgs of cocaine, representing a 50 percent reduction in seizures from the previous year, and approximately 57.5 kgs of marijuana from January through October 2006. However, 67 arrests were made in the same period, almost double the number of arrests in 2005, and eradication of marijuana plants increased from approximately 6,243 in 2005 to over 31,000 in 2006. The Government of St. Lucia reported seizing 50.7 kgs of cocaine and 515.8 kgs of marijuana from January through October, 2006 – down nearly 50 percent from 2005, but also reported arresting 300 persons on drug charges and prosecuting two major drug traffickers.

## **FY 2008 Program**

The program focuses on combating trans-national criminal activities, primarily maritime drug trafficking, money laundering and financial crimes.

### **Narcotics Law Enforcement/Interdiction**

The DEA-led Operation Reef Shark targets trafficking organizations using specially selected and vetted law enforcement personnel from the islands to conduct investigations aimed dismantling their operations. In FY 2008, funding will provide technical assistance and training to the police participating in Reef Shark.

From 1999 to 2006, INL funded the operational and maintenance costs (approximately \$1.5m annually) of two C-26 maritime surveillance aircraft. In cooperation with the RSS marine

law enforcement units and the UK, the aircraft conducted interdiction operations. The program also provided boats, training and other technical assistance to the maritime law enforcement units. FY 2008 funding will support the maintenance of the boats and training for the maritime interdiction units.

### **Money Laundering**

Funding will be used for the mentoring of financial investigators and prosecutors involved in developing and prosecuting money laundering cases. Treasury Office of Technical Assistance financial mentors will make periodic visits to the seven Financial Investigative Units in the Eastern Caribbean.

### **Program Development and Support (PD&S)**

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

<b>Eastern Caribbean</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>					
<b>Law Enforcement/Interdiction</b>	-	-	-	-	300
<b>Money Laundering</b>	-	-	-	-	100
<b><i>Sub-Total</i></b>	-	-	-	-	<b>400</b>
<b>Program Development and Support</b>					
U.S. Personnel	-	-	-	-	-
Non-U.S. Personnel	-	-	-	-	40
ICASS Costs	-	-	-	-	60
Program Support	-	-	-	-	-
<b><i>Sub-Total</i></b>	-	-	-	-	<b>100</b>
<b><i>Total</i></b>	-	-	-	-	<b>500</b>

## El Salvador

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	*	800

\* In FY 2006 and FY 2007, some funding from the Latin America Regional and Caribbean and Central America Regional budgets, respectively, were used for programs in El Salvador.

### Program Objectives and Performance Indicators

El Salvador is a transit point for drugs en route to the United States by land and sea. It is also one of three Central American countries most affected by the transnational gang crime that also impacts the United States. El Salvador suffers from extremely high rates of violent crime. The homicide rate is 58 per 100,000 people, most of which are unsolved.

The program will enhance the abilities of the Government of El Salvador (GOES) law enforcement agencies to better detect and intercept shipments and detain traffickers.

Increased number of interdictions and quantity of drugs and contraband seized.

Government forces able to respond to growing number of suspect movements.

Broadened and more effective exchanges of information with USG and among regional partners.

Improved intelligence and law enforcement capacity will result in more convictions for crimes and lower crime rates.

Increased arrests and convictions for violent crime.

The program will reduce gang-related crime by strengthening an integrated law enforcement and prevention program complementing the regional gangs program.

Number of arrests and convictions for gang related crime in USG assisted areas will increase.

Number of information-based activities to improve collection, analysis and sharing of gang-related data will increase.

Increased number of law enforcement/justice system personnel trained in anti-gang techniques.

Vulnerable youth will avoid joining gangs.

Increased number of people enrolled in USG assisted gang prevention programs .

Youth enrolled in gang-prevention programs remain uninvolved in gangs.

## **Transformational Diplomacy**

El Salvador is a Transforming Country, as it a low income country that meets the Millenium Challenge goals. The program in El Salvador supports the Peace and Security Goal, addressing Narcotics Interdiction (1.4.3) and Organized and Organized and Gang-Related Crime (1.5.4) by improving the ability of the Government of El Salvador (GOES) Law Enforcement capacity to combat narcotics trafficking and gangs.

## **Program Justification**

El Salvador is a transit point for cocaine and heroin that flow through the Eastern Pacific and by land. El Salvador hosts a Forward Operating Location for trafficking detection and interception. Recent trends show increased drug flow though the Eastern Pacific. El Salvador is also plagued by criminal youth gangs that commit extortion, murder and other violent crimes. U.S. assistance primarily focuses upon developing El Salvador's law enforcement agencies and anti-gang capacity.

## **Program Accomplishments**

El Salvador has intercepted or deterred both land and sea transit of drugs. El Salvador inspected over 14,000 vehicles at the significant north-bound border crossing El Amatillo, seizing 13 kg of marijuana, seven kg of cocaine, and 10 kg of heroin, and arrested 28 traffickers. In 2006, the National Police (PNC) seized a total of 445 kilograms (kgs) of marijuana, 100 kgs of cocaine, and 23 kgs of heroin. Law enforcement worked closely with U.S. authorities on priority targets of mutual interest to both the United States and the GOES. El Salvador is improving conviction rates by integrating police and prosecutors in investigations.

In a trilateral operation with Guatemala and the United States, El Salvador disrupted trafficking operations in the Pacific off the littoral coasts of Central America. The operation resulted in the seizure of an additional eight kg of cocaine and the arrest of 22 individuals for trafficking offenses.

In 2007 the U.S. will support updating El Salvador's fingerprint system, providing information to U.S. and to regional authorities on transnational criminals, especially those with gang affiliation.

## **FY 2008 Program**

### **Narcotics and Law Enforcement Project**

*Port and Airport Security, Border Security:* The US will provide training and equipment, including trained canines, for port, airport and border inspections, including the key Pan American Highway unit at El Amatillo.

*Intelligence Fusion and Analysis:* Working in conjunction with the Department of Justice technical assistance, INL plans to support the modernization of GOES fingerprint and crime databases to improve investigations and increase arrests and convictions of criminals. This will support law enforcement against “common” crime as well as gang-related crime.

*Criminal Gangs:* Funding in FY 2008 will support a bilateral program to cover El Salvador-specific expenses for technical assistance and equipment. It will promote the expansion of law enforcement anti-gang units to include juvenile justice, prosecutors, prevention and community representatives. These units will oversee an integrated program that includes prevention as well as law enforcement. The USG is also providing regional training and technical assistance to gangs units through a separately funded program.

### **Program Development and Support**

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

<b>El Salvador</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>					
Port and Airport Security	-	-	-	-	50
Border Security	-	-	-	-	100
Intelligence Fusion and Analysis	-	-	-	-	150
<b><i>Sub Total</i></b>	-	-	-	-	<b>300</b>
<b>Criminal Gangs</b>	-	-	-	-	<b>300</b>
<b>Program Development and Support</b>	-	-	-	-	<b>200</b>
<b><i>Total</i></b>	-	-	-	-	<b>800</b>

## Guatemala

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
2,475	2,200	5,320

### Program Objectives and Performance Indicators

Guatemala is a major transit point for drugs en route to the United States. It is also one of three Central American countries most affected by the transnational gang crime that also impacts the United States.

The Government of Guatemala (GOG) continues progress in the international arena to actively pursue narcotraffickers and combat money laundering.

The quantity of seized drugs will exceed 2005 levels.

The prosecution and investigation of money laundering cases will increase.

The GOG will continue anti-corruption initiatives, including zero tolerance of government corruption.

Legislation and/or procedures will be developed to effectively use seized assets.

Legislation on organized crime, passed in 2006, will be used by law enforcement authorities and lead to increased convictions.

Precursor chemical control system will begin to fully monitor chemicals and detect diversions.

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

Number of arrests and successful prosecutions will rise as cooperation between police and prosecutors increases and they become more proficient at investigation.

The GOG continues to facilitate pending extradition cases.

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

Surveys show a declining rate of drug use.

The GOG expands its integrated law enforcement, prevention and community involvement plan to combat gang crime, resulting in more effective prevention and law enforcement.

Number of arrests and convictions for gang-related crime will increase.

Increased/improved collection, analysis and sharing of gang-related data among law enforcement agencies.

Increased number of law enforcement/justice system personnel trained in anti-gang techniques.

Vulnerable youth will avoid joining gangs.

Increased number of people enrolled in gang prevention programs.

Youth enrolled in gang-prevention programs remain uninvolved in gangs.

## **Transformational Diplomacy**

Guatemala falls in the developing country category-it is a low-income country not yet meeting Millennium Challenge Corporation (MCC) performance criteria. The goal for Peace and Security is to address key challenges to security and law enforcement. INL programs address two key challenges in Guatemala, both of which have a direct impact on the United States: interdiction of drugs flowing through Guatemala to the United States; and stopping transnational gang crime by improved law enforcement and prevention. For Governing Justly and Democratically, the goal is the adoption of policies and programs that accelerate the strengthening of public institutions. INL specifically supports legislative and judicial reforms leading to improved law enforcement and less corruption.

## **Program Justification**

Guatemala sits at a crucial position on the transit corridor for drugs flowing from South America to the United States. Its long and sparsely inhabited border with Mexico makes it a transportation node for sea, air and land narcotics transshipment. The USG estimates indicate that 80-90 percent of drugs reaching the United States are shipped by land, air and sea through the Central American corridor to Mexico and the United States. The country suffers from severe crime, widespread poverty and malnutrition, economic inequality and, a decade after the peace agreements, continued gaps in indigenous inclusion. These factors complicate the fight against drug transshipment, alien smuggling and other transnational crimes, and the concomitant corruption. The growing problem of transnational youth gangs affects the region and the United States.

The current administration has taken a public stand against crime, drugs and corruption, and has pushed back against blatant transit in the Peten area bordering Mexico. But several alarming trends continue. Drug smugglers are paying for services in drugs rather than cash,

contributing to increasing internal trafficking, use and crime. Drug money is rumored to be financing local election campaigns in smuggling areas. Youth gangs continue to spread beyond the capital to regional cities and rural areas, bringing extortion, crime and violence. It is believed that these transnational criminal organizations are involved in other aspects of organized international crime, especially trafficking in narcotics and alien smuggling.

The significant poppy cultivation of the 1980s was largely eliminated but there has been a resurgence of small plots in remote areas—accompanied by violent resistance to eradication. There is also some marijuana cultivation for domestic use. GOG narcotics control police carry out manual eradication, interdiction, port control operations, narcotics investigations, and road interdiction and inspection functions. INL funds help support all of these activities. In 2008 INL will fund increased activity by the recently restructured and vetted anti-drug. INL funding will also support two anti-gang efforts: a bilateral program extending the model precinct program outside of Guatemala City and a regional program integrating the efforts of law enforcement and prevention in the most affected countries.

The combination of drug-fueled corruption, drug and alien trafficking, crime, and gang-related violence has the potential to make areas of the country ungovernable and degrade regional stability, economic growth, and security of American citizens. Guatemala's commitment to a corruption-free democracy is being challenged. Already government control of some remote areas is fragile at best. The GOG is acutely aware of the impact of narco-trafficking and related corruption and crime. It is devoted to combat it but requires additional assistance.

## **Program Accomplishments**

Seizures in 2006 were limited to 281 kgs of cocaine because of the purge and restructuring of the drug police in response to corruption. They eradicated 79 hectares of opium poppy, and took part in two multinational anti-drug operations. Guatemala also pledged to host a regional Counternarcotics Coordination Center at a regional meeting in January 2006. During 2006, the Ministry of Health inspected all drug manufacturers and distributors for compliance to rules related to potassium permanganate, a precursor chemical for cocaine processing, and the government began prosecution of traffickers in precursor chemicals. Guatemala passed organized crime legislation that gives new tools, such as wiretapping and undercover operations, to law enforcement.

## **FY 2008 Program**

### **Narcotics and Law Enforcement**

The overall goal for this project is to support the GOG's counternarcotics institutions to effectively disrupt drug trafficking and illicit crop production in Guatemala. This project focuses on enhancing the investigative and operational capacity of Guatemalan law enforcement agencies to disrupt the trafficking of drugs and other trans-border crime.

In 2006 the anti-drug police unit, the SAIA, was restructured as a screened investigative unit, with all participants undergoing vetting and polygraphing. Port inspections were assigned to a new separate unit, DIPA. In 2008, the USG will support the SAIA with training, technical assistance and equipment. It will also train police investigators, prosecutors and judges in modern techniques of gathering and analyzing data to increase evidence-based seizures, arrests and convictions. The USG will also provide training, technical assistance, equipment, and operational support to improve the GOG's interdiction, including ports.

Funding will also be used for bilateral and multi-lateral counternarcotics missions, such as "Mayan Jaguar," and Central Skies regional deployments. It will support Regional Aerial Reconnaissance and Eradication (RARE) missions to locate opium poppy and subsequent eradication missions.

This project also supports two full-time advisors, a U.S. police advisor and a U.S. customs advisor.

### **Demand Reduction and Public Awareness**

Domestic drug use is a growing threat. Traffickers supply drugs as payment for services, increasing domestic supply, and gangs have become involved in retail drug sales. This program continues to work with the Executive Secretariat for the Commission Against Addiction and Drug Trafficking (SECCATID) to support school education projects, improvements to rehabilitation centers, and public information campaigns.

### **Narcotics Prosecutor Assistance**

Guatemala urgently needs more successful prosecutions and convictions of narcotraffickers and corrupt officials, as many arrests do not result in convictions. The Prosecutor Assistance project assists the Public Ministry's (Attorney General) special prosecutors units (counternarcotics, anti-money laundering and anti-corruption units) with investigation case development and processing, improving effective and transparent cases that fully respect internationally recognized human rights. The program will improve the capabilities of special prosecutors in the, prosecution and management of cases. It will also provide specialized training for prosecutors dealing with high-profile drug trafficking and money laundering cases.

The Anti-Corruption Reform (Good Governance) project will focus on the anti-corruption and anti-money laundering prosecutors units of the Public Ministry. It will help them implement better interagency coordination, better resource allocation procedures and training. USG assistance will also be geared towards reducing impunity through the establishment of better operational procedures and enhanced administrative systems.

### **Combating Criminal Gangs**

The Law Enforcement Development Program (previously funded under a separate mechanism) works with a model precinct to develop better policing to combat crime,

especially gang-based crime and violence. Funding will replicate the program, which is designed to institute modern methods of policing that rely on community input to combat crime, in additional municipalities. The program improves police and prosecutor skills and coordination, involves communities in crime monitoring and reporting, and strengthens police accountability and transparency.

### **Program Development and Support**

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

<b>Guatemala</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Narcotics Law Enforcement</b>					
Narcotics Interdiction	150	-	300	-	700
Eradication	100	-	100	-	250
Institutional Development	810	-	590	-	1,320
<b>Sub Total</b>	<b>1,060</b>	<b>-</b>	<b>990</b>	<b>-</b>	<b>2,270</b>
<b>Transnational Crime</b>					
Financial Crime	-	-	-	-	50
Organized/Gang Related Crime	-	-	-	-	2,000
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,050</b>
<b>Administration of Justice</b>	<b>495</b>	<b>-</b>	<b>350</b>	<b>-</b>	<b>250</b>
<b>Drug Awareness/Demand Reduction</b>	<b>220</b>	<b>-</b>	<b>130</b>	<b>-</b>	<b>100</b>
<b>Program Development and Support</b>					
U.S. Personnel	280	-	*320	-	150
Non-U.S. Personnel	107	-	110	-	200
ICASS Costs	267	-	270	-	270
Program Support	46	-	30	-	30
<b>Sub-Total</b>	<b>700</b>	<b>-</b>	<b>730</b>	<b>-</b>	<b>650</b>
<b>Total</b>	<b>2,475</b>	<b>-</b>	<b>2,200</b>	<b>-</b>	<b>5,320</b>

\* Transfer Cost of Incoming Director included.

## Guyana

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	---	100

### Program Objectives and Performance Indicators

Enhance the abilities of Guyana's law enforcement agencies to detect and intercept shipments and detain traffickers.

Increased number of interdictions and quantity of drugs and contraband seized.

Increased number of arrests and successful prosecutions of drug traffickers and money launderers.

### Transformational Diplomacy

The Caribbean accounts for an estimated nine percent of the drug flow to the United States. Guyana's vast, ungoverned hinterland is available as an operating platform for transnational traffickers in cocaine, weapons, and people. Political stability is threatened by ethnic and social divisions and by the corrosive financial power of narcotics-traffickers. U.S. assistance will help improve the capabilities of Guyana's police and military to deny transnational criminals the use of Guyanese territory for transshipment of illegal drugs to the United States. U.S. assistance will help improve the extremely limited capabilities of Guyana's police and military through training and equipment, including helping an investigative unit get under way and furthering the Guyanese military's ability to deny transnational criminals the use of Guyanese territory.

### Program Justification

Guyana is a transshipment point for cocaine destined for North America, Europe and the Caribbean. The Government of Guyana's (GOG) inability to control its borders, a lack of strong law enforcement presence and aircraft or boat patrol allow traffickers to move drug shipments via sea, river, and air with little resistance. The economic, political and social conditions in Guyana make it a prime target for narcotics traffickers to exploit as a transit point for cocaine. The country's remote geographic location and limited law enforcement capabilities, as well as high levels of corruption, make the country a prime location for use by drug traffickers.

## **Program Accomplishments**

In 2006, Guyanese top drug trafficker Shaheed “Roger” Khan was indicted by a federal court in New York for conspiracy to import cocaine into the United States. To augment this important arrest and extradition, the Guyana Police Force (GPF) Narcotics Branch and the Customs Anti-Narcotics Unit (CANU) arrested dozens of drug couriers at Guyana’s international airport en route to the Caribbean, North America, and Europe. Guyana authorities discovered and destroyed more than 6,500 kgs of marijuana in 2006. The Guyana Defense Force Coast Guard (GDFCG) has the lead for maritime counternarcotics operations. The GDFCG conducts patrols with the interceptor boat donated by the USG in 2005, but has not yet interdicted any narcotics shipments.

## **FY 2008 Program**

### **Narcotics Law Enforcement**

In FY 2008, funding will go towards initiatives that demonstrate success in interdicting drug flows. U.S. assistance will help improve the extremely limited capabilities of Guyana's police and military through training and equipment, targeting the GPF Narcotics Branch. Funding will also assist CANU, which tasked with conducting law enforcement activities mainly at ports of entry, by providing more support and equipment at the main five transit points. Funding will be used to support the DEA-lead vetted intelligence unit within the GPF.

<b>Guyana</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>					100
<b><i>Total</i></b>	-	-	-	-	<b>100</b>

## Haiti

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
14,850	14,850	9,000

### Program Objectives and Performance Indicators

Effective law enforcement and public order in Haiti significantly reduces the attractiveness of illegal migration and the ability of criminals to traffic drugs into the United States, while promoting economic development and long-term stability.

Existing and 1,000 newly recruited Haitian National Police will continue to be vetted and trained to democratic policing standards to form the core of a credible, competent police force. Haitian police will be able to respond to reports of crime in a timely manner, conduct effective patrols, direct traffic, communicate effectively, and conduct internal and criminal investigations, with crime reducing over time. Incidences of human rights abuses by police will decrease.

U.S. police officers continue to serve in Haiti under the auspices of the UN Stabilization Mission in Haiti (MINUSTAH), helping to maintain law and order, and advising, training, vetting, restructuring, and monitoring the Haitian National Police.

As citizens begin to have confidence in the police as an institution, reporting of crime will increase, as will police capability to respond. Security on the streets will improve, as measured by a return to normal business and reduction of daily gunfire.

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

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

Financial Investigative Unit (FIU) investigations lead to prosecutions and convictions, of money launderers, corrupt individuals and government officials.

The volume and the value of assets seized.

### Transformational Diplomacy

Improved security is critical to strengthening democracy, providing stability, establishing an environment for economic growth and investment, improving respect for human rights, and

reducing drug trafficking, illegal immigration, and other transnational crime. The INL police reform and counternarcotics assistance program supports the Peace and Security objective by focusing on the development of an honest, professional and effective police force. INL funds 20 of the 50 police officers to the UN Mission who train, mentor and provide operational support for the Haitian National Police (HNP). To stem the drug flow through Haiti, we have partnerships with Haitian authorities and are creating institutions to fight both drug trafficking and related money laundering. We will continue to support DEA's vetted counterdrug units and the development of the Haitian Coast Guard's interdiction capability, as well as the efforts of the government's Financial Investigative Unit to combat money laundering and corruption. The criminal justice program supports the Governing Justly and Democratically objective by improving the infrastructure and management of the prison system.

## **Program Justification**

Strengthening Haiti's law enforcement capacity is a key U.S. priority. The HNP has little real capacity to investigate or respond to crimes, patrol, keep public order or even communicate internally. These basic prerequisites for enforcing the law are lacking throughout Haiti, but particularly in Port au Prince slums which are the epicenter of anti-government and criminal activity. It is estimated that a minimum of eight metric tons of cocaine from South America transits Haiti on its way to U.S. markets. Cocaine arrives in Haiti by go-fast boats, other vessels and by small aircraft. It is then shipped onward by sea in vessels or containers or by land through the Dominican Republic. In addition to posing problems for the United States, the drug trade in Haiti undermines the rule of law in that fragile country by fostering corruption and fomenting armed violence perpetrated by criminal gangs and political opposition groups.

Stability in Haiti will contribute to its economic growth, enhancing security in the region and diminishing the attractiveness of illegal migration to the United States. To help achieve stability, INL will continue to support peacekeeping operations, including by providing U.S. police to the civilian police component of MINUSTAH, the lead player in HNP reform and retraining. U.S. support for MINUSTAH is pivotal to the mission's success.

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

## **Program Accomplishments**

To become a credible and competent police force, the HNP requires extensive training, mentoring and vetting. The U.S. assisted MINUSTAH in providing training and vetting support for over 1,500 new recruits and 1,000 additional officers in FY 2006. We made the police academy operational and began an in-service training program for existing HNP officers, which trained all police in the regions in basic police techniques and human rights by the end of FY 2006. The U.S. provided forensics training and equipment, as well as training on, and provision of, appropriate non-lethal means of responding to crisis situations.

The U.S. also greatly enhanced the operational capacity of the HNP, with the provision of communications links at individual police stations throughout Haiti to enable officers in stations to communicate with officers in the field, along with motorcycles and trucks for officers to patrol and respond to crisis situations. The U.S. joined other donors in supporting the UN model police station concept which involves rehabilitating a police station while the officers in that station are vetted and trained by the UN. The U.S. will have completed a minimum of thirteen model stations throughout Haiti by the end of FY 2007.

This assistance enabled the HNP, despite a chronic lack of resources, to achieve some success in the counternarcotics area. During 2006, DEA vetted and trained the HNP counter drug unit (BLTS), conducted limited drug interdiction operations, and selected the members of a Sensitive Investigative Unit that will become operational in 2007. The Haitian Coast Guard conducted patrols and participated in a drug interdiction operation from its Killick base in Port au Prince. It also reestablished operations at its renovated based in Cap Haitien. The Financial Investigative Unit continued to take actions against money laundering and corruption and seized \$17.6 million in assets of a convicted Haitian trafficker.

## **FY 2008 Program**

The FY 2008 program focuses on police reform (crime control assistance), corrections (criminal justice assistance), and counternarcotics. These programs began in 2004 and are proceeding in cooperation with the Haitian Government, MINUSTAH, and other donors.

### **Crime Control**

*Civilian Police:* INL will support up to 20 of the 50 police officers the U.S. is contributing to the MINUSTAH stabilization mission. U.S. officers will continue providing expertise in the areas of academy training, field training, patrols, community policing, investigations, traffic, crime analysis, forensics, police management, supervisory skills, police administration, and other specialized skills. U.S. CIVPOL officers will continue to monitor the HNP to discourage and report human rights violations. They will also continue to co-locate with Haitian officers in their stations and engage in joint patrols, to increase public confidence in the police.

*Training and Equipment:* We and our donor partners estimate that 8,000-12,000 HNP are needed to provide public order in Haiti and believe a force this size is sustainable over the long term. Funds will be used to continue assisting the HNP to recruit, select and train a minimum of 1,200 qualified officers. Specialized units, including forensics, SWAT, and traffic will be strengthened and trained. HNP supervisory, management, and human rights training will be provided as well as periodic in-service training for existing HNP officers. Together with that training, we will provide appropriate equipment, communications and mobility.

*Police Accountability and Reform:* Corruption is a major problem within the HNP. Targeted assistance will be given to the Inspector General's office to enhance HNP capacity to

perform internal police investigations, exercise effective command and control over the police force, and ensure adherence to policies and procedures.

*Crime Control/Forensics:* Upgrades to police infrastructure combined with targeted training and vetting will continue. Up to 8 stations will be repaired under the model station program and training will be provided on the operation of police stations and on the basics of community policing. The U.S. will continue to assist in forensic training and the development of HNP capacities for crime analysis. The U.S. will also help the HNP to be able to respond to civil disturbances in a manner that takes advantage of non-lethal police tactics.

### **Criminal Justice**

*Corrections:* These funds will be used to continue with the effort to renovate deteriorating structures that present security and disease threats to detainees, and to alleviate the serious human rights violations currently presented by jail conditions. The corrections effort also includes the development of a program to equip and train Haitian prison personnel to operate a pre-trial diversion program and to educate and rehabilitate some of the criminal population.

### **Counternarcotics**

*Special Counterdrug Unit:* The HNP counterdrug unit (BLTS) currently has 45 vetted officers. Funds in FY 08 will be used to expand the unit and provide additional training and equipment – including radios and vehicles. Within the BLTS, DEA formed in 2006 a Sensitive Investigative Unit (SIU) of specially selected and trained officers who conduct special operations and collect intelligence against the major traffickers in Haiti. Funding will support the deployment of elements of both units throughout the country, as well as the intelligence collection and analysis center within the HNP.

*Haitian Coast Guard:* Funds will be used to support port security and maritime interdiction operations from HCG bases at Killick and Cap Haitien. In partnership with the U.S. Coast Guard, funding will continue the ongoing effort aimed at restoring and upgrading the logistical and maintenance capacity of the HCG. Additional vessels will be provided consistent with HCG capacity to maintain and operate them and a third base may be established on the south coast, a region known for narcotics trafficking. A key initiative will be co-locating other HNP units to increase GOH presence and improve operational results.

*Financial Investigative Unit:* Funding – on a shared basis with Treasury - will provide technical assistance and financial investigation mentors to support the expansion of the unit (UCREF) and the Financial Crimes Task Force within it. Located at the Central Bank, UCREF conducts money laundering and corruption investigations.

**Program Development and Support (PD&S)**

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

<b>Haiti</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Civilian Police Program</b>	<b>6,500</b>	-	<b>6,500</b>	-	<b>3,500</b>
<b>Police Development and Reform</b>					
Training and Equipment	2,450	-	3,500	-	1,100
Police Accountability and Reform	1,500	-	800	-	600
Crime Prevention/Forensics	1,500	-	800	-	500
<b>Sub Total</b>	<b>5,450</b>	-	<b>5,100</b>	-	<b>2,200</b>
<b>Criminal Justice Development</b>					
Corrections	1,000	-	1,000	-	920
<b>Sub Total</b>	<b>1,000</b>	-	<b>1,000</b>	-	<b>920</b>
<b>Counterdrug Support</b>					
Marine Interdiction	600	-	650	-	600
Anti-Money Laundering	250	-	350	-	380
DEA Vetted Unit	375	-	500	-	700
<b>Sub-Total</b>	<b>1,225</b>	-	<b>1,500</b>	-	<b>1,680</b>
<b>Program Development and Support</b>					
U.S. Personnel	490	-	510	-	500
Non-U.S. Personnel	45	-	60	-	60
ICASS Costs	130	-	145	-	135
Program Support	10	-	35	-	5
<b>Sub-Total</b>	<b>675</b>	-	<b>750</b>	-	<b>700</b>
<b>Total</b>	<b>14,850</b>	-	<b>14,850</b>	-	<b>9,000</b>

## Honduras

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	*	<b>750</b>

\* In FY 2006 and FY 2007, some funding from the Latin America Regional and Caribbean and Central America Regional budgets, respectively, were used for programs in Honduras.

### Program Objectives and Performance Indicators

Honduras is a transit point for drugs en route to the United States. It is also one of three Central American countries most affected by the transnational gang crime that also impacts the United States. Honduras was part of a regional funds account for the Central America and Caribbean account in FY 2007 and the Latin America Regional Account in FY 2006 and earlier.

The program will enhance the abilities of the Government of Honduras (GOH) law enforcement agencies to better detect and intercept shipments and detain traffickers.

Increased number of interdictions and quantity of drugs and contraband seized.

Government forces able to respond to growing number of suspect movements.

Broadened and more effective exchanges of information with USG and among regional partners.

Augmented ability of responsible agencies to investigate, prosecute, seize criminal assets, interdict illicit drug and chemical shipments and control money laundering.

Increased number of arrests and successful prosecutions of drug traffickers and money launderers.

### Transformational Diplomacy

INL FY 2008 funds advance the Transformational Diplomacy goals of Peace and Security. Honduras falls in the Transforming Country category--it is a low-income country, but has met MCC performance criteria for policy reforms. The goal for Peace and Security is to address key challenges to security and law enforcement. The INL program addresses a key challenge that affects both Honduras and the United States: interdiction of drugs flowing

through Honduras by air, sea or land. The USG estimates indicate that 90 percent of drugs reaching the United States are shipped by land, air and sea through the Central American corridor to Mexico and the United States.

### **Program Justification**

Honduras faces serious social and economic challenges that limit its ability to effectively guarantee peace and security. A poorly educated, under-employed population, over half of which is under the age of 19, will double in size in 25 years further straining the country's limited capacity to provide education, employment, and social services. Honduras's geographic location makes it a transit point for narcotics trafficking, alien smuggling, trafficking in persons, and other organized crime activities that overwhelm law enforcement and judicial systems. Recent reports indicate that such transit is increasing, as narco-traffickers have been shifting their boat traffic from Guatemala to Honduras. The largely inaccessible Atlantic coast region is particularly vulnerable to trafficking activities.

### **Program Accomplishments**

The new administration has made combating drug activities one of its major priorities. This includes the expansion of maritime interdiction, especially along the north coast where most of the drug trafficking occurs; strengthening international cooperation; and initiatives to weed out corrupt officials at the Ministry of Public Security. The GOH has developed a plan to reform and improve the National Police, including the addition of 2,300 officers in 2006 and 2,000 in 2007, reorganization of the police command, and a purge of cops who have committed crimes or are linked to drug traffickers. Drug-related arrests at Honduras' borders increased as a result of road interdiction operations. GOH maritime interdiction has been successful in apprehensions and arrests of persons and ships involved in drug trafficking in conjunction with USG assistance. GOH law enforcement agencies have also intercepted several major shipments of weapons for drugs conducted between Honduran gun runners and Colombian drug dealers.

### **FY 2008 Program**

#### **Narcotics Law Enforcement**

The program will support the expansion and improvement of the GOH law enforcement efforts to stem drug flow through its territory, especially by land and sea. It will help strengthen law enforcement in vulnerable areas, such as the remote Atlantic coast, improve information gathering and analysis, and improve inspections at ports and border crossing points. The program will work closely with the GOH to support improvement of law enforcement through training, technical assistance, and anti-corruption measures, and will support limited equipment and operational expenses.

#### **Program Development and Support**

Funds will support salaries, benefits and allowances of one U.S. and one foreign national personnel, International Cooperative Administrative Support Service (ICASS) costs and general administrative and operational expenses for program planning, design, implementation, monitoring and evaluation.

<b>Honduras</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>					
Port Security	-	-	-	-	375
Border Security	-	-	-	-	375
<b>Total</b>	-	-	-	-	<b>750</b>

## Jamaica

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
990	900	1,009

### Program Objectives and Performance Indicators

To improve the Government of Jamaica's (GOJ) ability to take incisive action to disrupt and deter drug trafficking and other transnational criminal activities, while maintaining strong and corrupt-free law enforcement institutions.

The GOJ will investigate, prosecute, and convict corrupt officials at all levels of government service to ensure the integrity of law enforcement institutions.

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

The GOJ will continue to disrupt international trafficking organizations and will increase the amount of seizures of cocaine by taking concrete steps to ensure the operational readiness of the Jamaica Constabulary Force (JCF), the Jamaica Defense Force (JDF), and the Customs' Contraband Enforcement Team (CET).

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

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

### Transformational Diplomacy

Jamaica faces the pressures of narcotics trafficking, money laundering, corruption and crime that risk undermining the rule of law and democratic governance. Supporting Jamaica's transformation into a more secure, democratic, prosperous and stable partner represents a major U.S. policy goal. In FY 2008, the U.S. will focus its efforts in support of counter-drug, anti-crime and anti-corruption efforts among other obstacles and opportunities for advancing the transformational democracy goal.

## **Program Justification**

Jamaica is a major transit point for cocaine enroute to the United States and is also a key source of marijuana and marijuana derivative products for the Americas. Jamaica's difficult to patrol coastline, over 100 unmonitored airstrips, busy commercial and cruise ports and convenient air connections make it a major transit country. Corruption has become a major barrier to effective law enforcement and judicial institutions, seriously undermining counternarcotics efforts and degrading the rule of law.

The Jamaican government is committed to combating all illegal drug-related criminal activity. They began 2006 with an ambitious legislative agenda that included financial crimes, port security, and the use of DNA in criminal cases. The GOJ has taken steps to protect itself against drug trafficking and other types of organized crime by intensifying its law enforcement efforts and enhancing international cooperation.

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

## **Program Accomplishments**

During 2006, the GOJ seized narcotics destined for the United States, arrested key traffickers and criminal gang leaders and dismantled their organizations. While operating under severe resource constraints, the GOJ assigned high priority to counternarcotics missions.

Through the continued implementation of its 2005-2008 Corporate Strategy for Reform, which includes a reorganization of police divisions, the JCF's efforts to control crime and improve community policing resulted in a 16 percent decrease in crime. In August 2006, two priority targets associated with major cocaine trafficking organizations were arrested for allegedly transporting cocaine shipments from Colombia to the United States, resulting in the seizure of five tons of cocaine, 11 vehicles and over USD 70,000 in cash.

Since its inception in October 2004, through December 2006, Operation Kingfish, a multinational task force (GOJ, U.S., U.K., and Canada), launched 1,378 operations resulting in the seizure of 56 vehicles, 57 boats, one aircraft, and two containers conveying drugs. Kingfish was also responsible for the seizure of 13 metric tons of cocaine and over 27,000 pounds of compressed marijuana.

In 2006, through cargo scanning, the Jamaican Customs Service seized over 3,000 pounds of marijuana, 10 kilograms of cocaine and approximately USD 500,000 at Jamaican air and sea-ports.

The JDF Air Wing and Coast Guard have also been actively involved in maritime interdiction efforts. The JDF, JCF, and the Financial Investigations Division worked closely with the USG to investigate significant narcotics trafficking and money laundering organizations.

In 2006, the GOJ seized 109 kilograms of cocaine, 59,770 kilograms of cannabis and destroyed 524 hectares of cannabis. Local law enforcement officers, together with international law enforcement officers, continued to aggressively target major drug trafficking organizations. The JCF arrested 6,793 persons on drug related charges, including 269 foreigners, in the first eleven months of 2006.

## **FY 2008 Program**

Requested funding level for FY 2008 will permit the GOJ to undertake an integrated set of counter-drug, anti-money laundering and anti-corruption efforts:

### **Narcotics Law Enforcement**

These projects are constructed to strengthen the GOJ's capability to identify, investigate and prosecute drug traffickers, money launderers and other international criminals and dismantle their criminal organizations; apprehend fugitives from justice; interdict shipments of illicit drugs; eradicate marijuana cultivation; and counter public corruption. Requested funding will be used to support fugitive apprehension, intelligence gathering, analysis and dissemination, tracing of illegal firearms, anti-corruption programs, police reorganization efforts, and financial crimes through counternarcotics sub-projects with limited equipment, training, operational support and replacement vehicles.

### **Border Control and Port Security**

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

### **Maritime Interdiction**

This project supports the U.S.-Jamaica maritime counternarcotics cooperation agreement by strengthening the GOJ's ability to successfully interdict vessels transporting drugs. In the past, the USG has provided and refurbished several boats for the JDF/CG. Requested funding will be used for training and equipment to sustain a vessel maintenance program, and provide continued support for GOJ efforts to establish forward positioning sites that will enable the rapid deployment of boats for maritime drug interdiction operations.

**Program Development and Support (PD&S)**

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

<b>Jamaica</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Narcotics Law Enforcement</b>	210	-	300	-	309
<b>Border Control and Port Security</b>	70	-	-	-	50
<b>Maritime Interdiction</b>	250	-	200	-	250
<b>Program Development and Support</b>					
U.S. Personnel	150	-	100	-	140
Non-U.S. Personnel	60	-	50	-	80
ICASS Costs	130	-	200	-	150
Program Support	120	-	50	-	30
<b><i>Sub-Total</i></b>	<b>460</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>400</b>
<b><i>Total</i></b>	<b>990</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>1,009</b>

## Mexico

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
39,600	36,678	27,816

### Program Objectives and Performance Indicators

#### Border and Port Security

Strengthen Mexico's ability to control its borders, ports of entry, and choke points within its national transportation system through the detection and interdiction of illicit narcotics, contraband items including explosives and weapons, trafficked/smuggled persons and individuals seeking to enter the United States to conduct terrorist activities.

More effective and rapid screening of vehicles and trains for contraband, illicit drugs and smuggled aliens, and reduced delays of legitimate traffic moving north towards our common border.

#### Interdiction

Continue bilateral cooperation targeting the disruption of the command and control of Mexico's drug trafficking organizations (DTOs). Enhance the capacity of Mexican law enforcement agencies (LEAs) to interdict trafficking in narcotics and precursors and the illicit proceeds that derive from them.

These efforts should result in a 10 percent increase in the volume of seized drugs and precursor chemicals; the number of drug production facilities discovered and destroyed; the amount of cash seizures; and, the number of drug-related arrests.

Establish interconnectivity between the respective command and control centers of Mexico's LEAs, to maximize coordination of joint operations and investigations.

Seamless use of information between the different databases supporting each of the operations centers will lead to more effective investigations and prosecutions.

#### Institution Building

Support the complete restructuring of the federal police force, by merging three separate entities into a new Federal Police Corps (CFP), and promote the professionalization and modernization of Mexico's law enforcement institutions and criminal justice sectors.

Improved GOM capacity to conduct credible investigations based on forensic evidence successfully prosecute criminal organizations.

Increased efficiency of the police academy structure will enhance flow-through by over 50 percent, and provide a full range of training (from courses for new recruits, to specialized investigative & technical training, to management training)

Advance the creation of a Unified System of Crime Reporting, a platform that links federal police and prosecutors with state police/prosecutors and municipal police, one that dovetails with our support for "digitalization" of cases within Office of the Attorney General (PGR)

Unified System is established across CFP and PGR; the process of extending it down into state police/prosecutors has been completed to at least three states.

### **Social Sector Support**

Support demand reduction programs to educate the public about the harmful personal and societal effects of drug abuse and the growing gang problem.

Surveys identify those requiring assistance

Public awareness campaigns conducted on the rising threat of methamphetamines and gangs to Mexican society.

### **Transformational Diplomacy**

The United States has enormous shared interests in Mexico -- politically, economically and with regard to our own national security. Mexico is also the principal transit route for cocaine and an important producer in its own right of the heroin, marijuana and methamphetamine consumed in the United States. Mexico's police and judicial institutions have been unable to curb the powerful narcotics cartels, whose activities have a direct impact across our shared border. Drug-related corruption and a pervasive lack of adequate resources within Mexico's law enforcement institutions encourages narcotrafficking, alien smuggling and other transnational crime; more importantly, it increases U.S. vulnerability to terrorism. Weaknesses in Mexico's institutions also affect its democratic stability and governability. Mexico's juridical system is undergoing significant reform as well, to diminish its opaqueness and increase its efficiency. All its public institutions are struggling to stem the endemic corruption that afflicts them. It is the highest priority for the United States to support Mexico's efforts to improve security along our shared border and to create a society that enjoys rule of law and encourages job-creating investment.

Positive, proactive collaboration between the governments in pursuit of our many common objectives will help Mexico evolve into a modern state that can be a successful partner across a wide range of mutually beneficial issues. U.S. assistance can help deepen democracy's roots and strengthen Mexico's institutions of governance. The Calderon Administration is eager to work closely with the U.S. to these ends.

**Peace and Security:** The extensive shared border, and the poverty that motivates millions to cross it illegally each year, places "peace and security" at the top of the list of U.S. transformational diplomacy priorities with regard to Mexico. Counternarcotics activities (including support for Mexico's interdiction and demand reduction activities, as well as Mexico's evolving anti-money laundering regime) are crucial, not only due to the damage that illegal drugs cause to the U.S. population, but also due to the threat that uncontrolled criminality poses to our broader pursuit of border security and to Mexico's own democratic stability. U.S. support for Mexico's restructuring of its police and judicial institutions is key to enhancing Mexico's ability to address the security issues of greatest concern to the United States, including international terrorism. U.S. assistance to Mexico's law enforcement entities will be used primarily to improve their infrastructure and to provide training.

**Governing Justly and Democratically:** Our pursuit of transformational diplomacy will focus resources on strengthening Mexico's ability to govern justly and democratically. The development of the judicial sector is key, not only for fighting crime and terrorism, but also for Mexico's economic modernization and competitiveness (and the creation of a level playing field for U.S. investors) through the introduction of an oral trial system and a general revamping of Mexico's legal codes.

U.S. support will also train and provide technical assistance to reform and professionalize federal, state and local police personnel. These efforts should help address the escalating drug-related violence across the country, especially in the border region.

## **Program Justification**

The Calderon Administration has demonstrated an expanded commitment to attack the cartels and the illicit trade in drugs and precursors, in order to provide for greater public security. To accomplish this, it is undertaking a restructuring of its justice system and of its law enforcement institutions. Meanwhile, our respective LEAs have benefited greatly from an unprecedented level of cooperation. These initiatives will not change reality overnight, and Mexico will continue to require extensive assistance to confront Mexican DTOs, the principal producers of marijuana and methamphetamine bound for the United States. Mexico also remains a key transit zone for the vast majority of the South American cocaine consumed in the United States. The 2,000-mile shared border presents Mexican DTOs with ample opportunities to enter the U.S. market, where they have established extensive networks.

The inauguration of President Calderon in 2006 ushered in a period of increased cooperation on our common priorities in law enforcement. INL will continue current programs critical to both our interests, concluding the implementation of projects begun during the Fox Administration and undertaking new ones designed in concert with the Calderon Administration's own set of priorities.

Narco-violence along the Mexico/U.S. border has escalated in recent years, as Mexican DTOs fight over territory to fill the vacuums left by the recent imprisonment and death of

prominent DTO leaders. The restructuring of the federal police force will help address this loss of prescriptive control.

Mexico also shares our concern over the rising tide of production and trade in methamphetamines in its territory, and INL will help it undertake activities that raise public awareness and target the movement of contraband precursors and finished drug. INL will also seek ways to help the GOM disrupt gang activities that are increasingly encroaching on Mexico along its borders.

## **Program Accomplishments**

The unprecedented law enforcement support and cooperation provided by the Fox Administration during its six years in office presented INL with a unique opportunity to assist the GOM's efforts to improve its law enforcement capabilities. The Calderon Administration intends to build upon these first efforts to establish credible and transparent juridical and law enforcement institutions that merit the respect and confidence of the people of Mexico.

INL's prior assistance helped Mexico harden its northern border against the illegal trafficking of narcotics, cash, arms and other illegal contraband through improvements in its physical inspection infrastructure and through training. In CY 2006, an Non-Intrusive Inspection Equipment (NIIE) unit at the Mexico City International Airport helped intercept over \$50 million of illegal drug money heading south. The Advanced Passenger Information System (APIS), another product of INL assistance, has provided U.S. law enforcement agencies with data on millions of travelers, identifying hundreds of individuals sought by law enforcement agencies. Six SENTRI (Secure Electronic Network for Travelers' Rapid Inspection) lanes were also established, expediting border crossing lanes for pre-cleared, low-risk commuters and allowing authorities to concentrate more inspection resources on high-risk travelers.

Every year Mexico expends significant resources on its interdiction and eradication efforts. Annually the GOM destroys thousands of hectares of illicit poppy and marijuana cultivation, seizes tons of drugs (heroin, cocaine, methamphetamines, synthetics and marijuana), intercepts millions of dollars of criminal proceeds, arrests and prosecutes thousands of criminals and extradites record numbers of criminals. The quality of these extraditions rose significantly in January 2007, when the Calderon Administration delivered narco-kingpin Osiel Cardenas into U.S. custody.

Mexico also made significant advances in meeting its long-term law enforcement goals. During the Fox Administration, the PGR invested significant resources in its units dedicated to investigation (AFI - Federal Investigative Agency), intelligence (CENAPI - Counternarcotics and Anti-Crime Intelligence Center) and prosecution (SIEDO - Deputy Attorney General's Office on Organized Crime). The Calderon Administration is already implementing plans to restructure the federal police force in its entirety, making it more efficient and responsive to the needs of preserving public security. It is also undertaking an historic juridical reform, which will modify the Constitution and code of criminal procedure to provide for oral trials under an accusatorial system. INL will complement these landmark

changes by providing the support and coordination needed to bring USG law enforcement expertise to help Mexico accomplish these goals.

## **FY 2008 Program**

The FY 2008 project activity falls within two basic categories: Peace and Security, and Governing Justly and Democratically. These activities are designed to balance short-term operational objectives (which can yield immediate results in the form of improved seizures of illicit drugs) with long-term institutional development (which will strengthen the GOM's permanent capacity to fight DTOs and provide for a political-economic system based on rule of law).

### **Government Capabilities**

INL will provide assistance that will expand the GOM's institutional capabilities to detect and interdict illicit narcotics, contraband items including explosives and weapons, trafficked/smuggled persons and individuals seeking to enter the United States to conduct terrorist activities. The support will focus principally on two sets of activities: the provision of Non-Intrusive Inspection Equipment (NIIE) and of mechanisms that improve data sharing. INL will provide NIIE equipment and help the GOM to create up to four Center for Imagery Sharing (CIS) command centers that will coordinate the operation of Portal VACIS devices throughout the country. The other activity will improve the institutional capacity of public security agencies to act effectively against terrorism, by establishing relevant data linkages.

### **Eradication**

INL provision of computer hardware and software to assist in imagery analysis will enhance the GOM's ability to deploy its eradication assets most effectively. This effort will build upon our recent investment in an Operations Center and Air Services Section that coordinate eradication missions.

### **Interdiction**

INL will assist the GOM's effort to disrupt international crime and narcotics trafficking, by improving its law enforcement infrastructure. Provision of computers and communications equipment that complement GOM-developed software will enable the GOM to establish the new Consolidated Crime Information System (CCIS).

INL will also provide special investigative equipment, vehicles, and computers to support the new Federal Police Corps and its Special Investigative Units. It will also work with DHS/CBP to assess security and to recommend corrective action at Mexico's largest maritime ports. INL will also procure additional clandestine laboratory vehicles, trailers and safety gear to assist the GOM in combating methamphetamine trafficking. INL will also provide equipment and specially trained canines for responding to drug-related crimes involving firearms and explosives.

## **Demand Control and Reduction**

This project supports demand reduction activities and collaboration including the annual Bi-National Demand Reduction Conferences, collection and development of better epidemiological data relating to drug abuse in Mexico (carried out by CONADIC), and NGO involvement in prevention, treatment and rehabilitation, particularly along the northern border. Acquisition activities will consist mainly of grants, and computer hardware and software equipment.

## **Financial Crimes and Money Laundering**

INL will help the GOM to disrupt money laundering by inter alia facilitating the provision of strategic and tactical information relating to ongoing joint investigations. This builds the capacity to combat criminal financing and engages Mexico in countering both domestic and transnational criminal financing efforts and complements on-going anti-money laundering initiatives of the Secretariat of Finance and Public Credit's Financial Intelligence Unit (FIU). Support will include consultancies, special investigative equipment, hardware/software packages and specialized training. The expected outcomes are (1) an enhanced Mexican ability to initiate investigations autonomously and to cooperate with those of USG agencies, and (2) an increase in asset seizures and forfeitures by the GOM.

## **Justice Systems**

*Law Enforcement Training:* Will provide training and technical assistance to the Office of the Attorney General (PGR) and the newly restructured federal police force; and will also include specialized training courses for the Secretariat of Public Function (Mexico's version of the General Accounting Office) and various offices of State Attorneys General in partnership with the PGR. In these mixed classes, investigative and prosecutorial personnel of the PGR and PGJE undergo specialized training -- providing the side benefit of fostering increased interaction and teamwork among personnel at the federal and state levels. Specialized training will include such courses as: Ethics in Government; Supervision and Management; Criminal Investigative Techniques; Crime Scene Search and Preservation of Evidence; Anti-Corruption; and, Train-the-Trainer (which includes curriculum development for instructors).

*Police and Justice System Restructuring:* The Calderon Administration has launched changes that will improve Mexico's justice system and law enforcement capabilities. INL will support these initiatives by 1) providing computers and communications equipment as part of the establishment of a case-tracking system that will provide PGR officials access to a unified computer database for administrative, investigative and operational matters; 2) providing computer hardware and software, systems design and programming support for the Center for Analysis, Planning, and Intelligence Against Organized Crimes (CENAPI); and 3) providing equipment and technical assistance to modernize and sustain the capabilities of the PGR Forensic Laboratory, including in such areas as the Integrated Ballistics Identification System and DNA systems needed for identification of human remains.

## **Anti-Corruption Reform**

*Culture of Lawfulness:* The Culture of Lawfulness Project partners with governmental and nongovernmental leaders to develop, evaluate and institutionalize sustainable rule of law education programs. INL assistance provides for consultancies and the production of materials for distribution through four channels:

1. **Schools:** By influencing the attitudes and knowledge of the next generation of leaders, students become an important constituency for promoting the rule of law and preventing violence and illegality.
2. **Police:** Through their daily interaction with the citizenry, the police play a critical role in shaping and reinforcing public perceptions and behavior, especially with respect to the rule of law. Proper police activity deeply influences the community and reinforces a culture of lawfulness.
3. **Mass media:** In addition to exposing crime and corruption, the media can actively promote a culture of lawfulness through news programs, documentaries, and entertainment which reduce public fatalism and empower citizens.
4. **Centers of moral authority:** Faith-based and secular NGOs are in daily contact with a significant percentage of the population in urban as well as rural areas. Many of these institutions have their own educational centers, professional training and media.

*Support for GOM Anti-Corruption Initiatives:* INL support will enable the Calderon Administration to identify and root out corruption within the federal bureaucracy. INL support will include equipment, training and technical assistance in such areas as ethics, anti-corruption and internal affairs for the CFP and the Office of Professional Development of the Secretariat of Public Function. This training will usually be given by U.S. law enforcement personnel.

## **Program Development and Support**

INL funds will also be used for salaries, benefits, allowances and travel of direct hire and contract U.S. and foreign national personnel, residential leasing, ICASS funding and other administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

<b>Mexico</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006 Enacted</b>	<b>FY 2006 Supp</b>	<b>FY 2007 Estimate</b>	<b>FY 2007 Supp</b>	<b>FY 2008 Request</b>
<b>Governments' Capabilities</b>					
Non-Intrusive Inspectional Equipment	12,600	-	6,653	-	5,072
Data sharing	1,000	-	1,000	-	500
<b>Sub-Total</b>	<b>13,600</b>	<b>-</b>	<b>7,653</b>	<b>-</b>	<b>5,900</b>
<b>Defense, Military and Border Reconstruction</b>					
Border Support Infrastructure	-	-	-	-	4,000
<b>Sub-Total</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>4,000</b>
<b>Eradication</b>	<b>200</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>200</b>
<b>Interdiction</b>	<b>14,540</b>	<b>-</b>	<b>12,916</b>	<b>-</b>	<b>11,672</b>
<b>Financial Crimes and Money Laundering</b>	<b>500</b>		<b>625</b>	<b>-</b>	<b>500</b>
<b>Justice Systems</b>					
Professionalization and Training	3,000	-	5,000	-	3,000
Police & Justice System Restructuring	5,000	-	7,112	-	645
<b>Sub-Total</b>	<b>8,000</b>	<b>-</b>	<b>12,112</b>	<b>-</b>	<b>3,645</b>
<b>Anti-Corruption Reform</b>	<b>480</b>		<b>782</b>		
<b>Total Sub-Operational Support</b>	<b>37,320</b>	<b>-</b>	<b>34,288</b>	<b>-</b>	<b>25,917</b>
<b>Demand Control and Demand Reduction</b>	<b>500</b>	<b>-</b>	<b>790</b>	<b>-</b>	<b>200</b>
<b>Program Development and Support</b>					
U.S. Personnel	455		450		449
Non-U.S. Personnel	260		220		800
ICASS	435		430		50
Program Support	630		500		400
<b>Sub-Total</b>	<b>1,780</b>	<b>-</b>	<b>1,600</b>	<b>-</b>	<b>1,699</b>
<b>Total</b>	<b>39,600</b>	<b>-</b>	<b>36,678</b>	<b>-</b>	<b>27,816</b>

## Nicaragua

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	*	1,600

\* In FY 2006 and FY 2007, some funding from the Latin America Regional and Caribbean and Central America Regional budgets, respectively, were used for programs in Nicaragua.

### Program Objectives and Performance Indicators

The program will enhance the abilities of the Government of Nicaragua (GON) law enforcement agencies to better detect and intercept shipments and detain traffickers.

Increased number of interdictions and quantity of drugs and contraband seized.  
Government forces able to respond to growing number of suspect movements.  
Broadened and more effective exchanges of information with USG and among regional partners.

Augmented ability of responsible agencies to investigate, prosecute, seize criminal assets, interdict illicit drug and chemical shipments and control money laundering.

Increases in the number of arrests and successful prosecutions of drug traffickers and money launderers.

### Transformational Diplomacy

Nicaragua is a “transforming country,” a low income country that meets the MCC policy and democracy guidelines. The US policy objectives are strengthening democracy and governance, promoting economic growth, and improving security.

### Program Justification

Nicaragua’s geographic location makes it is a significant sea and land transshipment point for cocaine and heroin. In addition, its porous borders, weak state institutions and lack of rule of law, especially in the Atlantic Coast region, permit illicit activities. The Government of Nicaragua (GON) is making a determined effort to fight both domestic drug abuse and the international narcotics trade, and to prevent establishment of the criminal youth gangs. In FY 2007 INL programs began focusing on helping the Nicaraguan police improve their capacity to investigate trafficking and money laundering, in addition to supporting interdiction.

## **Program Accomplishments**

In 2006, the GON carried out major seizures of transshipped South American cocaine and heroin headed for U.S. markets. The Nicaragua National Police (NNP) also conducted operations against local drug distribution centers and large shipments transiting the country, gathering intelligence on their locations and making arrests. The new Police Chief began her tenure in September 2006 by implementing immediate anti-corruption measures, including replacing some key personnel. The 850-man Nicaraguan Navy, with assistance from the USG, is developing a long-range patrol capability, using two donated patrol boats have been completely retrofitted as of 2006. The Drug Abuse Resistance Education (D.A.R.E.) program has expanded to secondary schools. During 2004-2006, 22,000 students received certificates

## **FY 2008 Program**

In 2006 INL helped support the establishment of an Anti-Corruption Unit, a vetted police unit devoted to the linked crimes of trafficking and money laundering. In 2008 INL will continue support of the new unit and will also support interdiction efforts. Nicaragua will also coordinate with the new Regional Gangs Project, as community policing program is a recognized, an example of effective gang prevention.

## **Interdiction, Intelligence Fusion, and Money Laundering**

The vetted unit will develop intelligence on money laundering and on drug trafficking that can be used for interdiction, arrests, and, most importantly, identifying and dismantling criminal organizations and seizing their assets.

## **Border Security**

The U.S. will continue support to the crucial Peñas Blancas crossing on the Pan American Highway, and will provide occasional equipment support to maritime patrols on the Atlantic and Pacific coasts.

## **Demand Remand Reduction**

Drug consumption in Nicaragua is a growing problem, particularly on the Atlantic coast, where the increase in narcotics transshipment during recent years has generated a rise in local drug abuse. INL will continue to support the D.A.R.E. Program, which has grown to include secondary students since it was first established in elementary schools in 2001.

## **Trafficking in Persons**

Support is provided to the Nicaraguan Police's Women's Unit to prevent Trafficking in Persons (TIP) crimes. INL will assist the Ministry of Government and National Police with

prevention programs against TIP by providing the Ministry and the Police with brochures, teaching materials, anti-trafficking videos and other awareness raising materials that the Ministry and Police can use to reach secondary school students and other high risk audiences.

### **Program Development and Support**

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

<b>Nicaragua</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>					
Border Security	-	-	-	-	150
Trafficking in Persons	-	-	-	-	150
Intelligence Fusion and Analysis	-	-	-	-	700
Money Laundering	-	-	-	-	150
<b>Sub Total</b>	-	-	-	-	<b>1,150</b>
<b>Gang Prevention and Law Enforcement</b>	-	-	-	-	<b>110</b>
<b>Drug Awareness/Demand Reduction</b>	-	-	-	-	<b>150</b>
<b>Program Development and Support</b>	-	-	-	-	<b>190</b>
<b>Total</b>	-	-	-	-	<b>1,600</b>

## Paraguay

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	*	280

\* In FY 2006 and FY 2007, some funding from the Latin America Regional and Southern Cone budgets, respectively, were used for programs in Paraguay.

### Program Objectives and Performance Indicators

Enable the Government of Paraguay (GOP) to strengthen its technical and operational ability to interdict narcotics, conduct complex criminal investigations, and arrest traffickers.

Increased quantity of cocaine seized by ten percent; increased presence of National Anti-Drug Secretariat (SENAD) in areas where it previously had little or no presence; expanded SENAD operations.

Assist the GOP in reaching out to students, teachers and parents, to reduce and prevent the consumption of illegal drugs.

GOP updates its national study of the prevalence of risk factors, and tracks the effectiveness of its school-age demand reduction programs.

### Transformational Diplomacy

The counternarcotics program in Paraguay advances the Secretary's Transformational Diplomacy Peace and Security objective by providing training, equipment and operational support designed to enhance the Government of Paraguay's ability to investigate narcotics-trafficking organizations and interdict drug shipments, as well as control demand for illicit drugs.

### Program Justification

Paraguay is attractive to international narcotics traffickers due to its strategic position between Bolivia, Brazil, and Argentina. Cocaine from Bolivia is shipped overland into Paraguay and into Argentina and Brazil for transshipment to Europe, Africa and the Middle East. Traffickers also take advantage of the lack of law enforcement presence in much of Paraguay's national territory. A number of individuals and groups involved in financing terrorism in the Tri-Border Area (TBA) are also involved in drug trafficking. In 2006, as

SENAD expanded its operations into Pedro Juan Caballero (PJC) and other areas, it arrested several major drug traffickers, and made three record-high weapons seizures. Although SENAD enjoys solid support from the highest levels of the GOP and the Paraguayan public, its operational effectiveness is hampered by the limited financial resources of the GOP. U. S. Government assistance is necessary for SENAD to continue achieving the kind of results it has repeatedly produced.

Paraguay is surrounded by countries (Brazil, Argentina, and Uruguay) that all have serious problems with consumption of illicit drugs. Paraguay has an extremely low rate of cocaine consumption, but only a serious demand reduction effort will prevent cocaine consumption from increasing.

### **Program Accomplishments**

During 2006, SENAD seized 493 kg of cocaine, 58,671 kg of marijuana, 39 vehicles, three boats, one farm, and three planes. SENAD also destroyed 1,202 hectares of marijuana, an increase of 202 hectares over 2005 (enough to produce three metric tons of marijuana) out of an estimated 5,500 hectares under cultivation. SENAD arrested several major Brazilian drug traffickers including Arnoldo Moreira de Macedo, Ubiratan Brescovich and Marcelinho Niteroi.

Since the opening of the new SENAD regional office in PJC, Paraguay has expanded its counternarcotics and investigative activities in the region, producing more arrests and seizures. In addition, SENAD opened two new regional offices in Salto la Guaira and Pilar. All these regional offices will enhance SENAD's presence as they are strategically located near Paraguay's borders with Brazil and Argentina.

### **FY 2008 Program**

#### **SENAD Equipment and Commodities Assistance**

This project enhances SENAD's ability to conduct counternarcotics enforcement activities, by providing training and technical assistance for SENAD Agents. FY 2008 funds will be used to train SENAD agents in investigative methods, provide computers and software, and purchase equipment such as uniforms, GPS units, and bullet-proof vests.

#### **SENAD Operational Support**

This project provides funding to support SENAD investigations of major narcotics traffickers. Funds will be used to provide operational expenses, such as gasoline, helicopter fuel, vetting of investigators and prosecutors from the Public Ministry.

#### **Narcotics Detection Canine Program**

Support will enhance the GOP's narcotics enforcement activities through the use of narcotics detection canines. 2008 funding will purchase of additional canines and provide operational

support to existing teams to facilitate drug inspections and interdiction as SENAD expands its operations into new areas of Paraguay.

### **Control Money Laundering and Financial Crime**

Paraguay is in the process of strengthening its legislation governing money laundering and terrorism finance. Funds will be used to provide equipment and operational support to Paraguay's Anti-Money Laundering Secretariat (SEPPRELAD).

### **Demand Reduction Program**

The goal of this project is to continue and expand the GOP's drug abuse awareness program and will build on the achievements of previous years. Funds will be used to assist SENAD with travel and administrative costs in conjunction with its demand reduction outreach program, and to enable the GOP to update its national study of the prevalence of risk factors in order to track the effectiveness of its demand reduction programs.

### **Program, Development and Support (PD&S)**

PD&S funds will be used to pay the salary, allowances, and benefits for one part-time contract employee supporting the INL program. In addition, PD&S will support International Cooperative Administrative Support Services (ICASS) costs and other general administrative and operating expenses for program planning, design, implementation, monitoring and evaluation.

<b>Paraguay</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Interdiction</b>					
SENAD Equipment and Commodities Assistance	-	-	-	-	90
SENAD Operational Support	-	-	-	-	50
Narcotics Detection Canine Program	-	-	-	-	20
Control Money Laundering and Financial Crime	-	-	-	-	15
Strengthen Judicial System	-	-	-	-	-
Intellectual Property Rights	-	-	-	-	-
Drug Awareness/Demand Reduction	-	-	-	-	20
<i>Sub-Total</i>					<b>195</b>
<b>Program Support</b>					
Program Development and Support	-	-	-	-	<b>85</b>
<b>Total</b>	-	-	-	-	<b>280</b>

## Trinidad and Tobago

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
*	*	500

\* In FY 2006 and FY 2007, some funding from the Latin America Regional and Caribbean and Central America Regional budgets, respectively, were used for programs in Trinidad and Tobago.

### Program Objectives and Performance Indicators

Improved mobility, communications and technical operations enable increased drug seizures by the Government of Trinidad and Tobago's (GOTT) law enforcement agencies.

Increase drug seizures by ten percent.

### Transformational Diplomacy

Trinidad and Tobago, situated seven miles off the coast of Venezuela, is a convenient transshipment point for illicit drugs, primarily cocaine and marijuana, but also heroin. Increased law enforcement success in Colombia has led to greater amounts of illegal drugs transiting the Eastern Caribbean. U.S. programs strengthen Trinidad and Tobago's ability to detect and interdict drug shipments, bring traffickers to trial, and attack money laundering and counter-narcotics corruption. In addition, U.S. funds provide Trinidadian law enforcement organizations with training, technical assistance, equipment and vehicles in support of the counter-narcotics crime efforts. U.S. programs also improve education and employment possibilities for persons at risk for involvement in illegal drug use and criminal behavior.

### Program Justification

The GOTT has faced a rapid escalation in violent crime over the last few years, including murders, kidnappings for ransom, and at least four bombings. The Colombian drugs-for-arms trade, for which Trinidad and Tobago serves as a transit point, has provided many of the weapons fueling this crime. Illicit drugs arrive from the South American mainland, particularly Venezuela, on fishing boats, pleasure craft and commercial aircraft. Smuggling through the use of drug swallows continued to rise in 2006.

## **Program Accomplishments**

The GOTT has cooperated with the U.S. on counterdrug issues and allocated significant resources of its own to the fight against illegal drugs. In 2006, The GOTT National Drug Council continued to implement counter-drug policy initiatives, including elements of the country's counter-drug master plan which addresses both supply and demand reduction. The GOTT enhanced the capabilities of the Special Anti-Narcotics Unit (SAUTT), which has the responsibility for both anti-drug and anti-kidnapping operations. This unit was provided with training in crime scene management, first responder responsibilities, investigation techniques, forensic evidence gathering, surveillance, interview techniques and also given technical support. In addition, a multi-purpose building was constructed to house the Crime Academy where the Police and SAUTT officers are taught anti-crime techniques.

As a result of joint operation between GOTT authorities and foreign law enforcement counterparts, there were 43 arrests from January to September 2006 and 2,500 kilograms (kgs) of cocaine were seized/intercepted in the Caribbean Sea, Barbados, United Kingdom and Spain, and 3,200 kgs of marijuana in Canada and the Netherlands. As of September 30, 2006, the GOTT seized approximately 1,000 kgs of cocaine, 162 kgs of heroin, and over 1,500 kgs of cannabis in various forms. The GOTT also eradicated over 192,550 cannabis plants, 47,400 seedlings, and 271,264 kgs of cured marijuana.

Also in 2006, anti-crime and law enforcement bills were passed. The bills focused on streamlining the police service and holding it more accountable as well as increasing the penalties for certain crimes, including kidnapping. These laws significantly enhance the effectiveness of law enforcement in fighting narcotics and other criminal offenses. The GOTT continued to implement training recommendations made by an American criminal justice specialist to improve capacity to detect narcotics and appropriately manage crime scenes. In addition, the GOTT acquired two armed helicopters, an aerial surveillance system outfitted with radar and imaging systems, a forward-looking infrared camera and twenty-four mobile police radios, and upgraded its coastal radar assets.

## **FY 2008 Program**

The key U.S. policy objective is to assist the GOTT to eliminate the flow of illegal drugs through Trinidad and Tobago to the United States. Joint efforts focus on strengthening the GOTT's ability to detect and interdict drug shipments, bring traffickers and other criminals to trial, attack money laundering, and counter drug-related corruption. U.S. funding will support the enhancement of the Special Anti-Narcotics Unit, by providing the necessary training and technical support to ensure the increased seizures of drugs. Funding to support operations of the Organized Crime Narcotics and Firearms Bureau (OCNFB) will help increase seizures of various types of illicit drugs and disruption of the drug trade.

## **Narcotics Law Enforcement**

The U.S. will continue to work closely with the GOTT's law enforcement agencies to strengthen their counterdrug and crime capabilities by providing training and operational

support to Special Anti-Crime Unit and the OCNFB. The U.S. will continue to support and assist the Criminal Investigation unit in fulfilling its five-year plan of integrating with other law enforcement agencies and conducting money laundering and illegal source of income investigations. Funding will also go towards supporting the Counter Drug and Crime Task Force (CDCTF) in implementing counter drug operations throughout Trinidad and Tobago.

### **Border Control and Port Security**

The project is designed to improve the GOTT's capability to disrupt the movement of drugs and other contraband via commercial cargo and conveyances at airports, seaports and free trade zones. Requested funding will be used to train and equip SAUTT personnel, purchase an additional vehicle to transport members of SAUTT between duty stations at the main points of entries.

### **Demand Reduction**

Funding will go towards supporting the demand reduction efforts by the GOTT through the sponsorship of schools, police youth clubs and public awareness campaigns.

### **Maritime Interdiction**

This project supports the U.S.-GOTT maritime counternarcotics cooperation agreement by strengthening the GOTT's ability to successfully interdict vessels transporting drugs. Requested funding will be used for training and equipment to provide continued support for GOTT's Coast Guard efforts.

### **Program Development and Support**

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

<b>Trinidad and Tobago</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Narcotics Law Enforcement</b>	-	-	-	-	<b>200</b>
<b>Border Control and Port Security</b>	-	-	-	-	<b>100</b>
<b>Maritime Interdiction</b>	-	-	-	-	<b>30</b>
<b>Drug Awareness/Demand Reduction</b>	-	-	-	-	<b>50</b>
<b>Program Development and Support</b>					
U.S. Personnel	-	-	-	-	-
Non-U.S. Personnel	-	-	-	-	69
ICASS Costs	-	-	-	-	51
Program Support	-	-	-	-	-
<b>Sub-Total</b>	-	-	-	-	<b>120</b>
<b>Total</b>	-	-	-	-	<b>500</b>

## **Africa**

## Burkina Faso

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	---	100

### Program Objectives and Performance Indicators

To strengthen the capacity of the criminal justice sector to investigate and arrest criminals engaged in trafficking in persons crimes and assist victims of trafficking.

Number of host government-civil society partnerships implementing cooperative programs as a result of U.S. Government efforts.

Number of individuals in host nation who receive training on trafficking in persons related issues.

### Transformational Diplomacy

Trafficking in persons (TIP) is a growing transnational crime that undermines peace and security and the goal of transformational diplomacy. Through force, fraud, and coercion, TIP deprives people of their most basic human rights; people are bought and sold into prostitution, coerced into indentured servitude or bonded labor, and captured to serve as child soldiers and camel jockeys. High profits subvert the rule of law by corrupting government officials and weakening police and criminal justice institutions. Human trafficking is a global problem that has country-specific, regional, and transnational elements.

### Program Justification

TIP is an egregious abuse of human rights that is also a public health menace and a global threat to the rule of law. This modern-day form of slavery involves both sexual and labor exploitation, and takes many forms. Around the world, people are sold into prostitution, coerced into indentured servitude or bonded labor, and captured to serve as child soldiers and camel jockeys. The U.S. Government estimates that hundreds of thousands of persons are trafficked across international borders each year for labor and sexual exploitation.

The lead government advocate on the issue is the Office to Monitor and Combat Trafficking in Persons (G/TIP) at the Department of State, established in October 2001 pursuant to the Trafficking Victims Protection Act of 2000. This office is responsible for developing, monitoring and overseeing USG anti-trafficking policy and programs; compiling the largest government-produced annual *Trafficking in Persons Report* (the TIP Report); and advancing public awareness and advocacy involving practical solutions to governmental organizations

(NGOs), international organizations, Congress, and the media, toward the goal of eradicating this form of modern-day slavery.

## **Program Accomplishments**

Country-specific funding for Burkina Faso is requested for the first time in FY 2008.

### **FY 2008 Program**

This level of foreign assistance was recommended to provide funds that will increase prevention and prosecution efforts. Burkina Faso was ranked in 2005 and 2006 as a Tier 2 country, and the government is making significant efforts to fully comply with the minimum standards. More emphasis, however, needs to be placed on training law enforcement officials and increasing efforts to prosecute and convict traffickers. Burkina Faso is one of few countries in the region with known trafficking rings, which have been linked to regional smuggling rings. This level of sophisticated organized crime requires an equally sophisticated law enforcement response. Our foreign assistance will provide the training required that will assist Burkinabe law enforcement to successfully infiltrate and destroy these criminal rings. Further, foreign assistance will be used to sensitize the public on the issue, in an effort to reduce and eventually eliminate trafficking crimes committed by extended family members of the victims.

<b>Burkina Faso</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>100</b>
<b><i>Total</i></b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>100</b>

## Cape Verde

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

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

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

Sustainable improvements in law enforcement capabilities through the modernization and professionalization of law enforcement groups.

Increased numbers trained at select police training facilities; development and implementation of modern curricula and adult teaching methodologies in select police training facilities; development and implementation of strategic plans for improving law enforcement training; development of a modern laboratory facility to assist police in its counter-narcotics investigations; and improved bilateral law enforcement cooperation result in more effective law enforcement.

### Transformational Diplomacy

Cape Verde is one of the most democratic countries in all of Africa, despite some problems with its legislative and presidential elections held in January and February 2006. However, Cape Verde is known to be a transit point for illegal drugs from South America en route to Europe and mainland Africa. Money laundering is a key problem tied to the flow of illegal drugs. The INL program will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding a counternarcotics and law enforcement development program focused on strengthening Cape Verde's law enforcement capabilities in interdiction.

## **Program Justification**

The African continent is still a very weak link in international drug control. Over the past few years, major seizures have been carried out in the Gulf of Guinea region (Togo, Cape Verde and Ghana). The ten islands of Cape Verde are favored locations for transshipping, unloading, storing and picking up cargoes of illicit goods transported by vessels arriving from the Caribbean, the Atlantic coast of Latin America and West Africa on the way to Europe. This strategic position on maritime routes is compounded by the limited material and human resources devoted to combating this trafficking.

Over the past year, although police seizures of cocaine destined for Europe have increased domestic consumption of the drug as well as drug-related crime. There is also increased concern with money laundering and organized crime associated with trafficking activities.

To date, there has been no indication that cocaine is being smuggled to the United States from Cape Verde. That said, a new direct flight between the United States and Cape Verde suggest the possibility of this issue directly effecting the United States.

The main challenges identified in terms of combating drugs and related crime are: lack of accurate information on the scale of the scourge; detection of existing networks and their transnational links; identification of suitable measures to curtail trafficking and the influence of criminal networks; and capacity building of the Cape Verde police.

Such criminal activities corrupt and weaken governments, undermine progress towards the establishment of democratic institutions, hinder economic growth and foreign investment, and create an attractive environment for terrorism and other transnational crime.

INL crime and drug programs in Cape Verde will support the development of professional and sustainable law enforcement institutions capable of detecting and deterring criminals operating in their country.

## **Program Accomplishments**

Severe budget constraints for INL programs in Africa over the past few years limited the ability to initiate new programs. Nevertheless, INL was able to provide some counternarcotics assistance for Cape Verde in the past, including the provision of drug identification kits in 1999. Cape Verde was also invited to participate in two regional DEA seminars in Nigeria in 2004 and 2006. These seminars discussed operational and interdiction strategies, and helped coordinate Cape Verde's counter-narcotics activities with other West African countries. Cape Verde also attended a regional DEA seminar in Nigeria in 2006.

## **FY 2008 Program**

FY 2008 will be the first year of program funds for Cape Verde. Funds will be used to assist the Government of Cape Verde law enforcement in enhancing its counter-narcotics capabilities to prevent and interrupt the future movement of trafficking of narcotics in and around the country. INL assistance will provide basic skills training for Cape Verde's law

enforcement including technical assistance on surveillance and inspection operations, money laundering, and financial crimes to ensure more effective transnational crime prevention activities. INCLE funds will also provide for the development of a modern laboratory facility to assist police in its counter-narcotics investigations.

**Cape Verde****INL BUDGET**

(\$000)

	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Counternarcotics</b>	-	-	-	-	<b>500</b>
<b><i>Total</i></b>	-	-	-	-	<b>500</b>

## Democratic Republic of Congo

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	---	1,750

### Program Objectives and Performance Indicators

To assess and build the capacity of law enforcement services in the Democratic Republic of Congo (DRC) to detect, investigate and prosecute crimes, as well as provide security in urban areas.

Assistance will emphasize skills-based training, but also may include technical assistance, and equipment delivery. The current capabilities and needs of law enforcement in the DRC will be assessed. Police academy development and training on general police skills will improve the capacity of DRC police to prevent crime and use developed techniques in criminal investigations.

Sustainable improvements in law enforcement capabilities in the DRC will be achieved through the modernization and professionalization of law enforcement services in the DRC.

Increased numbers trained at police training facilities and academies; development and implementation of modern curricula and adult teaching methodologies in police training facilities and academies; development and implementation of strategic plans for improving law enforcement training.

### Transformational Diplomacy

Developing policing capabilities in the DRC advances the Transformational Diplomacy Peace and Security Objective through supporting and building law enforcement services capable of improving security in the DRC, assisting the DRC's emergence from conflict and into a democratic and stable state.

### Program Justification

The DRC is emerging from a brutal and complex conflict, which severely impaired, among other things, any capability to foster the rule of law. The DRC is a resource rich country, but widespread insecurity has impeded its development. A 2002 peace agreement improved security and provided space for a transitional government, which held elections in late 2006 and early 2007. It is imperative to support the new government's ability to provide security and rule of law, especially as the UN Organization Mission in the Democratic Republic of Congo (MONUC) peacekeeping force begins to draw down its presence.

Developing the capacity of DRC law enforcement to provide security, deter and investigate crime, and provide modern training for its officers will greatly improve the DRC's ability to fill the security gap that MONUC may leave behind.

### **Program Accomplishments**

FY 2008 funds represent the first year for INL assistance to the DRC.

### **FY 2008 Program**

INL funds will be used to implement sustainable improvements in the capacity of DRC law enforcement institutions. This will include a needs assessment. The program will focus on training and may include general skills training, police academy development and specialized training courses. The program may also include technical assistance and equipment procurement. In its first year the program will have a specific focus on Kinshasa, the capital and a major urban area.

<b>Democratic Republic of the Congo</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
Law Enforcement Development	-	-	-	-	1,750
<i>Total</i>	-	-	-	-	1,750

## Djibouti

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

To strengthen the capacity of the criminal justice sector to investigate and arrest criminals engaged in trafficking in persons crimes and assist victims of trafficking.

Number of host government-civil society partnerships implementing cooperative programs as a result of U.S. Government efforts.

Number of individuals in host nation who receive training on trafficking in persons related issues.

### Transformational Diplomacy

Trafficking in persons (TIP) is a growing transnational crime that undermines peace and security and the goal of transformational diplomacy. Through force, fraud, and coercion, TIP deprives people of their most basic human rights; people are bought and sold into prostitution, coerced into indentured servitude or bonded labor, and captured to serve as child soldiers and camel jockeys. High profits subvert the rule of law by corrupting government officials and weakening police and criminal justice institutions. Human trafficking is a global problem that has country-specific, regional, and transnational elements.

### Program Justification

Trafficking in persons (TIP) is an egregious abuse of human rights that is also a public health menace and a global threat to the rule of law. This modern-day form of slavery involves both sexual and labor exploitation, and takes many forms. Around the world, people are sold into prostitution, coerced into indentured servitude or bonded labor, and captured to serve as child soldiers and camel jockeys. The U.S. Government estimates that hundreds of thousands of persons are trafficked across international borders each year for labor and sexual exploitation.

The lead government advocate on the issue is the Office to Monitor and Combat Trafficking in Persons (G/TIP) at the Department of State, established in October 2001 pursuant to the Trafficking Victims Protection Act of 2000. This office is responsible for developing, monitoring and overseeing USG anti-trafficking policy and programs; compiling the largest government-produced annual *Trafficking in Persons Report* (the TIP Report); and advancing

public awareness and advocacy involving practical solutions to non-governmental organizations (NGOs), international organizations, Congress, and the media, toward the goal of eradicating this form of modern-day slavery.

## **Program Accomplishments**

Country-specific funding for Djibouti is requested for the first time in FY 2008.

### **FY 2008 Program**

Djibouti was included in the annual TIP report for the first time in 2006, and was ranked in the Tier 2 Watch List. Due to its location between Ethiopia, Yemen, and Somalia, Djibouti is particularly vulnerable to both labor and sex trafficking. This level of foreign assistance was recommended for Djibouti for the purpose of supporting the passage of an anti-trafficking statute, encouraging prosecutions once the statute is in place, and increasing awareness of the TIP issue among government and law enforcement officials, as well as the general public. To date, the Djiboutian Government has shown minimal understanding of TIP, but recent actions demonstrate that interest in the issue is forming. The government provided the Embassy with statistics for inclusion in the 2007 TIP report, and very recently published an editorial piece about child prostitution in a national newspaper. Our foreign assistance in 2008 will support this growing recognition of TIP realities by funding capacity-building and legislative activities.

<b>Djibouti</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>300</b>
<b><i>Total</i></b>	-	-	-	-	<b>300</b>

## Ethiopia

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The capacity of the criminal justice sector of Ethiopia to detect, investigate and prosecute crimes of concern to the U.S. will be strengthened. Capacities to improve border security and deny money laundering will be strengthened

Skills-based training will be emphasized; specialized law enforcement and border security units will receive training and implement modern procedures and training methods; increased numbers of criminal and financial investigations conducted by trained units; improved capability of border security to deny use of borders for illicit activity.

Sustainable improvements in law enforcement capabilities in Ethiopia will be achieved through the modernization and professionalization of select law enforcement and border guard units.

Increased numbers trained at training facilities; development and implementation of modern curricula and adult teaching methodologies in select training facilities.

### Transformational Diplomacy

Denying funds and cross-border movements to international criminal organizations advances the Secretary's Transformational Diplomacy Peace and Security objective by mediating the negative effect of transnational crime on Ethiopia's development and controlling threats to Ethiopia's population, the second largest in Africa.

### Program Justification

Nearly half of Ethiopia's the population lives in poverty (45 percent). Literacy is low (42 percent) infrastructure is inadequate, and there is high infant mortality, widespread food insecurity, and minimal access to healthcare. The on-going tensions stemming from the still-unresolved Ethiopia-Eritrea border conflict, several domestic insurgencies, and continuing instability in Somalia all negatively impact economic development in Ethiopia. All these factors make Ethiopia's population vulnerable to transnational crimes such as trafficking in small arms or in persons.

At the same time, the capital, Addis Ababa is a modernizing city of increasing financial importance in the region. Unregulated financial and cash courier networks in Addis and elsewhere in Ethiopia are vulnerable to abuse by criminal and terrorist organizations looking to launder money and transfer funds.

### **Program Accomplishments**

FY 2008 represents the first year of funding for this program

### **FY 2008 Program**

INL funds will be used to achieve sustainable improvements in the capacity of select Ethiopian law enforcement and border institutions to combat illegal migration and trafficking in people, narcotics and other contraband; and to combat money laundering and terrorist financing.

<b>Ethiopia</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Border Security</b>	-	-	-	-	150
<b>Total</b>	-	-	-	-	150

## Ghana

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The capacity of Ghanaian law enforcement to address financial crimes and an increase in the number of fraud cases investigated and prosecuted.

Sustainable improvements in law enforcement capabilities to combat drug traffickers.

Improved capacity to address counter-narcotics through investigations, operational planning, and operations.

Increased cooperation and coordination between law enforcement agencies on counter-narcotics efforts.

The Narcotics Control Board is established as leaders in drug law enforcement in the region.

### Transformational Diplomacy

Embassy Accra is now the fourth largest U.S. Mission in the Africa Bureau. FY 2008 assistance is designed to establish and sustain effective, professional and accountable law enforcement services to address financial crimes. This will lead to an improved capacity for the GOG to protect persons, property, and democratic institutions against criminal and other extralegal elements.

Additional assistance will be used to assist the GOG in combating narcotics trafficking through training to improve coordination and enhance drug and crime interdiction capabilities and capacities. INL programs will develop the GOG law enforcement capabilities to assert the rule of law and contribute to the development of sustainable peace and security.

### Program Justification

Ghana is a stable, pro-American, market-oriented democracy in a region dominated by conflict and authoritarian rule. It is playing an increasingly important regional leadership role, as a two-time chair of Economic Community of West African States (ECOWAS), as the world's fourth largest contributor of UN peacekeeping forces, and as a member of the UN

Security Council. Ghana is committed to democracy, civilian control of the military and rule of law, with a lively media and an independent judiciary and Electoral Commission. Ghana has been a strong partner for the United States in the Global War on Terrorism and could serve as an anchor of stability and democracy in West Africa.

Nonetheless, Ghana's democratic institutions remain weak. While there is general respect for rule of law, the security services lack trained personnel, sufficient resources and adequate codes of conduct. Corruption undermines the judiciary and the Ghana police.

Meanwhile, Ghana's security challenges are growing. Ghana has a rising and significant problem with international crime, including fraud and financial crime. Consular fraud is endemic. Illegal arms trafficking is a serious problem. While Ghana passed a trafficking in persons law in 2005, GOG authorities have little understanding of how to implement the law.

According to DEA and other foreign law enforcement intelligence, Ghana has become a major transshipment and warehousing location for tons of cocaine from South America, as well as large quantities of heroin from Afghanistan or the "Golden Triangle". By all accounts, Colombian drug trafficking organizations have established strong ties with Ghanaian and Nigerian criminal networks based out of Ghana.

## **Program Accomplishments**

In recent years, INL funds have increased the capacity of the Ghana Narcotics Control Board, which has resulted in an increase in narcotics seizures. INL funds have also been used in the past year to fund a highly successful 14-week basic police training course as well as ongoing 8-week police courses run by ICITAP. This training has the strong backing of the Inspector General of Police and has already been replicated, which the Department of Justice reports is unprecedented in Africa.

Programs aimed at institutional law enforcement development in Sub-Saharan Africa have met with success despite limited funding and brief histories. INL funded the establishment of a bicycle patrol program in Accra, Ghana to advance the concept of community policing. Since the program's launch in 2002, the Accra patrol team has inspired a new initiative to duplicate the bicycle patrol concept in Kumasi, a regional capital in the southern part of Ghana. In August 2004, 40 patrol bicycles were donated to the Ghana Police Service (GPS) to create a new community policing patrol unit in Kumasi. The Ghanaians are coordinating the training of the new officers, applying the "train the trainers" concept.

In July 2005, instructors presented a comprehensive 18-week train-the-trainer program to thirty members of the Ghanaian Police Force. The instructors imparted Problem Based Learning (PBL) techniques, which have proved to be extremely effective throughout Africa. The instructors worked with the students to tailor a Basic Recruit Training (BRT) curriculum to meet the needs of the Ghanaian police. Topics included: First Responder, Gender/Sex Crime Issues, Force Protection and Civil Disorder Management. The tailored curriculum will be institutionalized into the police academy.

The BRT training has already positively impacted the investigative capabilities of the GPS. In October 2005, the GPS requested that two officers who were participating in the INL training report to Headquarters to investigate a politically sensitive crime committed against a foreign-national female by a Ghanaian citizen. The GPS leadership has reported that the training the officers received in crisis intervention and techniques of interviewing victims of sexual assault is critical to both resolving serious incidents and in conducting professional criminal investigations.

## **FY 2008 Program**

### **Financial Crimes**

Ghana has a growing problem with financial crime, including relationship and gold fraud, fake checks, and credit card and other scams. This project would provide training and equipment to enable the GOG to fight back on financial crime. It would also provide technical assistance to elements of the GOG engaged in implementing the money laundering bill. Finally, it would provide assistance in developing a public awareness campaign, involving law enforcement and civil society.

There is a growing trend of American citizens victimized by financial crimes. Our research suggests that personal relationship fraud has tripled in and commercial fraud has grown by around 50 percent in the last year in Ghana. Such fraud is impacting U.S. businesses and undermining Ghana's business environment. It is contributing to corruption and money laundering. The GOG is unprepared to address the problem. The police's Commercial Fraud Unit, in charge of investigating such scams, lacks Internet access, computers and training in financial crime. The Serious Fraud Office, which handles fraud linked to government resources, also has very little ability to track such cases. Few officers are trained in dealing with financial crime.

The GOG is expected to pass a money laundering bill and establish a Financial Intelligence Unit in the next six months, which will create new demand for skills to combat financial crimes. With increased capacity of law enforcement and a public relations campaign, this project could address Ghana's growing corruption concern in a tangible way with direct benefits to U.S. interests. This project fits the needs identified in the 2008 MPP, Prevention and Response to Terrorism Goal Paper.

### **Counternarcotics**

The project will consist of technical assistance and training to address counter-narcotics issues affecting the country. Training may include a two-week Regional Advanced Drug Enforcement Seminar with emphasis on international control deliveries, conspiracy investigations, and operational planning. The program may include targeted training for mid-level narcotics enforcement supervisors from Ghana to address the need to increase the management and supervisory skills of mid-level supervisors in law enforcement agencies in Ghana. Ghana has not previously received this type of training. Training may also include

assistance in planning and preparing for operations by GOG law enforcement to conduct investigations on drug traffickers.

<b>Ghana</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Law Enforcement Development</b>	-	-	-	-	<b>250</b>
<b>Counternarcotics</b>	-	-	-	-	<b>250</b>
<b><i>Total</i></b>	-	-	-	-	<b>500</b>

## **Liberia**

### **Budget Summary (\$000)**

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>990</b>	<b>1,000</b>	<b>4,130</b>

### **Program Objectives and Performance Indicators**

U.S. police advisors provide training and technical assistance to the Liberian National Police (LNP) to continue the development of the LNP as a professional police service. Non-lethal equipment for carrying out their policing duties is procured and donated to the LNP. Support is also given to strengthening the LNP's physical plant. \$1.5 million is requested to support these activities.

U.S. justice advisors, including prosecutors, a public defender, court administrators, and a corrections specialist, provide technical training and support to the justice sector in Liberia. In addition, equipment for carrying out their justice roles is procured and donated to the various justice sector organizations. Support is also given to strengthening the justice sector's physical plant. \$4.75 million is requested to support these activities.

### **Transformational Diplomacy**

The Civilian Police (CivPol) project advances the Secretary's Transformational Diplomacy Peace and Security objective, specifically Stabilization Operations and Security Sector Reform, by funding U.S. police advisors to the LNP. Rule of law is a keystone for the continued stability, security, and future development of Liberia. As one of the primary guarantors of rule of law in Liberia, the LNP's successful transformation is crucial to ensuring the country's overall future. Continued technical and material support, through providing U.S. advisors, donating equipment, and developing the LNP's infrastructure, will strengthen the LNP and thereby contribute to Liberia's peace and security.

The Justice Sector Support Liberia (JSSL) project advances the Secretary's Transformational Diplomacy Governing Justly and Democratically objective, specifically Rule of Law and Human Rights, by funding justice sector advisors, training activities, and developing and strengthening its infrastructure. This support is focused not only the judicial system, but also the Ministry of Justice, the corrections system and other organizations contributing to the justice sector and rule of law in Liberia. Without a properly functioning judicial system, prosecutors, able defenders, and trained corrections personnel, the goals of rule of law and respect for human rights cannot be achieved in Liberia. All the JSSL activities go directly to improving the quality of justice and observance of human rights in Liberia.

## **Program Justification**

After more than two decades of conflict and instability, Liberia's ability to enforce its own laws and maintain the peace remains tenuous. The November 2005 election of Ellen Johnson –Sirleaf as President of Liberia, the first female president on the African continent, brought a new sense of hope to the Liberian people. Maintaining peace and stability by ensuring enforcement of Liberian laws is a top priority of the new President. LNP infrastructure and capabilities remain weak, posing significant challenges to effective law enforcement. Additional challenges include rising domestic violence and trafficking in women and children. The Liberian public views the LNP with skepticism and mistrust. Strengthening the ability of the new Liberian government to address these and other law enforcement problems is a key program priority.

Since December 2003 the United Nations Mission in Liberia (UNMIL) has been providing security and maintaining the peace with a UN Police component of approximately 1,015 officers from 37 different nations. The U.S. contribution to UNMIL, which reached a high of 76 officers in early 2004, is critical to U.S. interests in maximizing effectiveness of UNMIL. There are 10 U.S. civilian police officers currently assigned to UNMIL. UNMIL is scheduled to deliver a draw-down plan to the Security Council before the next mandate review in March 2006. The plan will include a draw-down timetable that is linked to the security situation, an evaluation of progress on developing Liberian police and armed forces, and a forward-look assessment of Liberian capabilities to establish and maintain the rule of law. The UN is expected to remain in Liberia until mid 2008.

## **Program Accomplishments**

With the assistance of U.S. police provided to UNMIL, training of the Liberian police continues. There are approximately 750 trainees at the police academy, 500 trainees undergoing in-field training, 2,300 graduates from the academy in total, and an additional 250 LNP employees who underwent in-service training. U.S. police advisors are continuing to provide technical advice and support to the LNP. Uniforms and other basic supplies for the planned 3,500 strong LNP force have been procured and will be donated to them in the spring of 2007.

Training of justice sector personnel continues. Aside from the improved quality of their Liberian counterparts' work, concrete successes include the creation of the first public defender program in Liberia's history, renovations to the main judicial building in Monrovia, the Temple of Justice, creation of a case-numbering system that will eventually be replicated nationally, the donation of two buses to the Temple of Justice, training of the prosecutor's office, and fostering ties between the LNP and the prosecutor's office.

## **FY 2008 Program**

The FY 2008 CivPol program will provide several high-level U.S. police officers to serve as technical advisers to the LNP. These officers will continue mentoring, advising and monitoring the LNP to encourage better police-community relations and discourage human rights violations. Police experts in the areas of community policing, anti-trafficking and domestic violence will train LNP officers in the most up-to-date police techniques in order to increase the capacity of the LNP in these high-priority areas. Program funds will also be used to purchase non-lethal equipment. The donation of basic equipment and rehabilitation of physical infrastructure will also continue.

The FY 2008 JSSL program will continue to provide justice sector personnel to serve as technical advisers to the various components of the Liberian justice sector. These advisers will mentor, advise, and monitor their counterparts to encourage a more consistent and smoothly functioning Liberian justice process. Various activities will be undertaken to train, equip, and improve the physical infrastructure of all aspects of the justice sector, including the courts, prosecutors' and defenders' offices, and corrections facilities.

<b>Liberia</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Crime Control</b>					
Civilian Police	990	-	1,000	-	1,500
<b>Police Development and Reform</b>	-	-	-	-	2,080
<b>Criminal Justice Development</b>					
Corrections	-	-	-	-	500
<b><i>Sub-Total</i></b>	990	-	1,000	-	4,130
<b>Program Development and Support</b>					
U.S. Personnel	-	-	-	-	-
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	-	-	-	-	-
Program Support	-	-	-	-	-
<b><i>Sub-Total</i></b>	-	-	-	-	-
<b>Total</b>	990	-	1,000	-	4,130

## **Mauritania**

### **Budget Summary (\$000)**

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
---	---	<b>300</b>

### **Program Objectives and Performance Indicators**

Developed capacity for specialized law enforcement units to cooperate and coordinate efforts in addressing terrorism affecting the country and the region.

Increased collaboration among various law enforcement entities as well as increased counter-terrorism investigations, arrests, and prosecutions.

### **Transformational Diplomacy**

FY 2008 funds will provide technical assistance and training to develop the capability for counter-terrorism planning and coordination. INL programs will help Mauritania effectively establish the conditions and capacity for achieving peace, security, and stability and for responding effectively against rising threats to national and international security and stability.

### **Program Justification**

Maintaining our relations with Mauritania, a country with an almost exclusively Muslim population, on our global war on terrorism remains vital to U.S. interests as well as being a critical element for the stability of Mauritania in the run-up to elections. Despite the coup, Mauritania's cooperation in counter-terrorism continues to go beyond statements of support. When necessary, and when we requested it, the Mauritians have taken tangible action. The government's capacity for action remains limited, however, and we need to continue our efforts to strengthen it. Mauritania is also a bold advocate in the Arab world in favor of the Middle East Peace Process, and thus in favor of regional stability. It is the only Islamic Republic, and one of only three Arab League states, to recognize Israel.

### **Program Accomplishments**

This is the first year of INL funding in Mauritania.

## **FY 2008 Program**

INL funds will be used to provide technical assistance and training for specialized police units to strengthen its capacity to address terrorism affecting the region.

<b>Mauritania</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Counter-terrorism</b>	-	-	-	-	300
<b><i>Total</i></b>	-	-	-	-	300

## Mozambique

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	---	300

### Program Objectives and Performance Indicators

Improved border control at land border ports of entry.

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

### Transformational Diplomacy

Mozambique is a potential transit country for terrorists due to porous borders, corruption, weak law enforcement, and a significant Muslim minority. The INL program advances the Secretary's Transformational Diplomacy Peace and Security objective by funding a border security project designed to improve the capacity of customs and border security forces at points of entry. Well-equipped and trained law enforcement personnel will contribute to the country's ability to secure its borders and prevent criminal activities, thereby strengthening the rule of law.

### Program Justification

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

Mozambique is the southern African "middleman," providing a vital outlet for landlocked countries such as Tanzania, Zimbabwe, Zambia and the Congo. Although South Africa boasts the longest coastline of any country on the continent, it also relies heavily on Mozambican ports because—for many of these countries—the ports in Mozambique are the closest and easiest for transshipment of goods.

A major challenge at ports of entry (POE) in Mozambique is the circumvention by immigrants of the designated official crossing points. The use of Mozambique as a thoroughfare for illegal aliens from the Horn of Africa and the Indian Sub-continent, who continue to South Africa (Mozambique and South Africa signed a bilateral agreement to lift

visa requirements in early 2005) and further destinations, is detrimental to security and stability in the region.

## **Program Accomplishments**

Programs aimed at institutional law enforcement development in Mozambique have met with success despite limited funding and brief histories. A Border Security Program started in 2005 continued to progress, specifically INL funding was being used to enhance the capability of point of entry-based immigration, customs, and law enforcement units to interdict criminal elements, and to quickly and accurately share information with relevant agencies. Under this program, a comprehensive port assessment of all the land borders in October identified areas that would benefit from additional assistance. In addition, the Government of Mozambique recently formed the Institution of Sea and Borders to create a collaborative effort to secure its borders.

The Academy of Police Sciences (ACIPOL) in Mozambique was established in 2000 in order to train a class of new leaders to carry-on the anti-corruption efforts of the police. INL introduced several courses in instructor development and criminal investigations to ACIPOL cadets, select members of the Mozambican law enforcement community, and a handful of prosecutors, engendering greater cooperation between police and prosecutors. INL continued to provide training for police officers in basic skills and community policing for officer candidates at the Academy during the year.

Assistance to the forensic laboratory at ACIPOL continued. INL funded a technical advisor to work with the Academy's specialists to develop a forensic curriculum and an implementation strategy to optimize ACIPOL's effectiveness in forensics training. The strategic plan, designed in coordination with Spanish and Portuguese police assigned to ACIPOL, capitalized on the expertise and investment of other donors and prevented duplication of efforts. USG implementation of the strategic plan began in 2003 and included Police First Responder courses and Basic Criminal Investigation courses for 340 police cadets and eight prosecutors. Additional INL-funded training included a Sex Crimes Investigation course and a Criminal Intelligence Management course for cadets. In January, the Embassy delivered the renovated forensic laboratory to ACIPOL. This has included transforming three classrooms to create space for a dark room for photographic work, a laboratory for fingerprint analysis, and a laboratory for testing drugs and documents. Crime Scene Kits and Drug Field Testing Kits, as well as specialized systems for dealing with volatile chemicals in the laboratory were purchased and used in training during the year.

A Community Policing Program expanded upon previous INL-funded activities, incorporating additional actors in Mozambique's law enforcement community. As a result of the success of this program—specifically the bicycle patrol program—the Government is looking to expand the community policing program nationwide. The community-policing program allowed the police to begin gathering criminal intelligence and has assuaged some of the mistrust felt between the police and the community in which they serve.

Past INL funds were also used for an anti-corruption program to improve the performance of the recently restructured Central Office for the Combat of Corruption, formerly the Anti-Corruption Unit, in the Attorney General's office. INL funded training for prosecutors in investigative and case management skills. INL funds also supported a scholarship program for degree training in law and auditing for Attorney General personnel.

### **FY 2008 Program**

FY 2008 funding will be used to continue improving Mozambique's capacity to control its borders. Taking into account the findings from the October 2006 assessment conducted as part of the Border Security Program, funds will be used for expanded training and communication systems upgrades to facilitate the timely sharing of information. Training and technical assistance will be directed at Mozambican customs and other law enforcement entities on border control and detection techniques at land ports of entry. Funds will provide for train-the-trainer courses and seminars covering issues such as integrity, interdiction, and document fraud. Funds will also provide for equipment such as tents, binoculars, radios, generators, and first aid kits. Continued improvements to border security at these outlying posts will help make Mozambique a more difficult operating environment for cross-border crime, as well as bring it closer to international standards for border controls.

<b>Mozambique</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Development</b>	-	-	-	-	<b>300</b>
<b>Forensic Laboratory Development</b>	-	-	-	-	-
<b>Border Security</b>	-	-	-	-	-
<b>Trafficking in Persons</b>	-	-	-	-	-
<b><i>Total</i></b>	-	-	-	-	<b>300</b>

## Nigeria

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
990	400	1,200

### Program Objectives and Performance Indicators

Nigeria's law enforcement agencies have a strengthened capacity in drug interdiction in Nigeria. Nigeria's Immigration and Customs authorities possess basic counternarcotics interdictions skills. Nigerian drug enforcement authorities become effective and reliable partners with the U.S. and other West African law enforcement agencies.

Trained law enforcement authorities use new interdiction skills to increase the number of drug traffickers detected and arrested at entry points.

The Nigerian Police Force (NPF) conducts financial crimes and money laundering investigations. Nigerians have restored public faith in its law enforcement and cooperation with the security services. NPF maintains an electronic database of police records.

An increase in arrests and prosecutions in financial crimes cases; the community police training program is expanded to additional states; improved relations between police and community.

### Transformational Diplomacy

As the most populous country on the continent, a prosperous and democratic Nigeria is vital to Africa's growth and stability, and to projecting U.S. influence as a strategic partner. The USG in its development partnership with Nigeria seeks to address pervasive corruption and ineffective governance, and to promote social stability through strengthening transparent and accountable governance in Nigeria. Professionalism and reform of the security services are critical components of this partnership. The current government in Nigeria has demonstrated a commitment towards reform in this regard. INL's FY2008 programs seek to address Nigeria's needs for improvement in peace and security for further political, economic and social progress as it continues to embark on a meaningful democratic transition.

## **Program Justification**

INL programs in Nigeria are designed to achieve key United States foreign policy objectives of strengthening democratic institutions and protecting the U.S. against international crime by improving the performance of the criminal justice sector. Support for professionalism, and reform of, the security services is integral to meeting these objectives.

Nigerian organized crime groups dominate the African narcotics trade, transporting narcotics to markets in the United States, Europe, Asia and Africa. Some of these criminal organizations are engaged in money laundering, and other forms of financial crime that defraud U.S. citizens and businesses. Years of military rule and economic decline contributed to the expansion of narcotics trafficking and criminality in Nigeria. Despite Nigerian involvement in narcotics trafficking, with the exception of small amounts of marijuana, there is no evidence that Nigeria produces any illicit drugs. Severe unemployment and widespread corruption provide both an incentive and the means for Nigerian criminal organizations to make Nigeria a major transit point in the international narcotics trade. Southeast and Southwest Asian heroin smuggled through Nigeria amounts to a significant portion of the heroin smuggled into the United States, resulting in Nigeria being placed on the U.S. list of major drug producing and drug-transit countries. The Financial Action Task Force still considers Nigeria to be a non-cooperative country or territory because of its weak anti-money laundering and counter-terrorist financing regime.

Since the end of military rule in 1999, the importance of adopting modern and effective techniques appropriate for policing in a democracy is evident. INL programs focus on the development of a professional criminal justice sector. Success in this effort is critical to strengthening democratic institutions in Nigeria.

## **Program Accomplishments**

Since its return to democratic government, Nigeria has demonstrated its commitment to cooperating with the U.S. in combating international crime emanating from Nigeria, including narcotics trafficking and financial fraud. With the continued assistance of the U.S., the GON is also focusing on combating public corruption, money laundering and terrorist financing. Nigeria earned full certification in the past five years for its counternarcotics efforts. Under the direction of its new chairman, the National Drug Law Enforcement Agency (NDLEA) has undergone a re-organization in an attempt to eliminate corruption and promote a core system of values within the agency. Further, the NDLEA, in collaboration with the FBI, assisted in the interception of over \$3 million worth of fraudulent checks. In cooperation with Federal Express, the NDLEA also recovered over \$200,000 in merchandise that was purchased with stolen credit cards. The NDLEA has reconstituted the Joint Task Force and has expressed a renewed commitment to cooperation. The DEA country attaché maintains daily communication with the NDLEA Chairman and the INL Narcotics and Law Enforcement Advisor in Abuja consults with key NDLEA officials weekly.

The Economic and Financial Crimes Commission (EFCC) has been credited with the recovery or seizure of more than \$3 billion in assets obtained through fraudulent means.

There were 4,324 petitions received out of which 3,103 are under investigation. Out of the 3,103 cases, 306 are currently being prosecuted and 25 have resulted in convictions. INL-donated equipment to EFCC, comprised of computers, printers, photocopiers and cameras, have been used to maintain EFCC records and track cases. Since 2004, INL also facilitated the training of three EFCC personnel in cyber crime. These personnel are helping the EFCC in its fight against financial fraud.

In addition, the Independent Corrupt Practices and Other Related Offences Commission (ICPC), which has been receiving U.S. foreign assistance, conducted investigations involving 14 governors, several National Assembly members and at least three current and former cabinet ministers. Of the more than 1,468 petitions filed since ICPC's inception, 803 have been referred to the Investigations Department. Forty-seven criminal cases have been referred to the courts, involving more than 94 persons. Since May 2005, an Intermittent Legal Advisor (ILA) has had an office at the ICPC. The ILA has been advising and providing training to the prosecutors of the ICPC, the EFCC, and the National Agency for the Prohibition of Traffic in Persons (NAPTIP). In July 2005, the ILA organized a public corruption training program for over 50 prosecutors in Lagos and over 60 prosecutors in Abuja. The prosecutors were representative of five different law enforcement agencies in Nigeria: the ICPC, EFCC, NAPTIP, the NDLEA, and the Government of Nigeria's Ministry of Justice. The program concluded with a mock trial in which all the prosecutors participated. Several other training programs were provided on topics such as collection and handling of evidence in corruption cases, money laundering, and asset forfeiture. Training and technical assistance continued in 2006.

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

In 2004, an INL-funded technical advisor continued to provide assistance working with the civilian oversight body, the Police Service Commission (PSC), in Abuja to enforce its mandate to oversee the recruitment, promotion, and discipline of members of the NPF. The advisor assisted the PSC in drafting standard operating procedures and advised them on developing a working relationship with the NPF. The advisor assisted the Commission in developing a code of conduct, mission statement, a code of ethics, civilian complaint forms, a system for classifying complaints, guidelines for investigative staff, rules of evidence collection and storage, and procedures for filing complaints. A two-week Basic Criminal Investigation Course was also offered in Abuja to selected members of the PSC's Department of Investigations, representatives from all other departments within the PSC, and the Commissioner and chairman of the PSC. In May 2005, two technical advisors returned to Kaduna to expand the community-policing project to all fifteen of Kaduna's police

divisions. The project continues to thrive and has been lauded by the NPF Commissioner and Governor of Kaduna State, who donated 250 bicycles so that bicycle patrols can be expanded throughout the fifteen divisions.

## **FY 2008 Program**

Nigeria borders five countries and the Government does not have the capacity to control its political borders. There are also four airports that operate international flights. The NDLEA has offices at all four airports. The Nigerian Immigration and Customs officials have little or no training in narcotics interdiction and are currently unable to provide assistance to the NDLEA. The NPF too lacks training and equipment to assist in detecting drug traffickers, whether at the airports or elsewhere in the country. Unfortunately, pervasive corruption and a lack of necessary equipment continue to hinder all Nigerian law enforcement agencies from effectively, efficiently, and cooperatively executing counternarcotics efforts. Accordingly, INL programs include technical assistance and training for appropriate Nigerian law enforcement personnel, including Immigration and Customs officials, in basic counter-narcotics skills. These Departments have offices located at nearly all points of entry into Nigeria, often used by drug traffickers.

FY 2008 assistance will also support strengthening the capacity of the Nigerian Police Force in digitalizing and automating its records. This will assist the Police Service Commission in fulfilling its responsibilities as a civilian disciplinary body to the NPF. Also, assistance will support extending community police training to at least three other states in Nigeria. Training will emphasize community policing, criminal intelligence and civil disorder management.

Several previously funded programs are in the early stages of execution and require the supervision of an INL Director to oversee their successful implementation, in addition to the execution of newly funded programs.

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

<b>Nigeria</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Support</b>					
Counternarcotics Support	95	-	-	-	250
Police Modernization	-	-	-	-	400
Financial Fraud	95	-	-	-	-
Judicial Sector Reform/Anti-Corruption	-	-	-	-	-
<b>Sub-Total</b>	<b>190</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>650</b>
<b>Program Development and Support</b>					
U.S. Personnel	244	-	150	-	122
Non-U.S. Personnel	90	-	25	-	45
ICASS Costs	259	-	200	-	130
Program Support	207	-	25	-	253
<b>Sub-Total</b>	<b>800</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>550</b>
<b>Total</b>	<b>990</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>1,200</b>

## Sierra Leone

### Budget Summary (\$000)

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
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### Program Objectives and Performance Indicators

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

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

Sustainable improvements in law enforcement capabilities through the modernization and professionalization of Sierra Leone's law enforcement groups.

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

### Transformational Diplomacy

As the situation continues to improve in Sierra Leone following the end of its civil war in 2002, the Government has begun to take a more active role internationally, for example chairing the African Union's ad hoc committee on UN Security Council expansion, as well as publicly endorsing President Bush's policy statement on terrorism. The success or failure of its recovery has implications for the United States beyond regional stability or instability.

The INL program will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding a counternarcotics and law enforcement development program focused on strengthening Sierra Leone's law enforcement capabilities in interdiction and the control of illicit activities such as money laundering.

## **Program Justification**

Criminal activities, such as the trade in illicit gems known as "blood diamonds" for their role in funding conflicts, perpetuated the civil war in Sierra Leone for many years. Domestic fighting among disparate rebel groups, warlords, and youth gangs in the region (namely Cote d'Ivoire, Guinea, Liberia, and Sierra Leone) perpetuate insurgencies, street violence, looting, arms trafficking, ethnic conflicts, and refugees in border areas.

The departure of UN troops from Sierra Leone at the end of 2005 marked a transition from peacekeeping to peace building, but the country remains vulnerable. Without professionalized law enforcement, Sierra Leone's potential to become again a breeding ground for transnational crime, regional insecurity, and terrorism is considerable. Entrenched corruption, inequitable access to justice, and abuse of power, must be successfully addressed by intensifying anti-corruption efforts. Furthermore, Sierra Leone's central location in West Africa makes it a popular transshipment point for smuggling of narcotics and other illicit goods to Western destinations. Working in the aftermath of two decades of misrule and ten years of destructive civil war, the Government needs continued assistance as it strengthens its law enforcement capacity to control illicit activities that prevent the country from becoming a stable, effective democracy.

INL will engage actively with top Sierra Leonean law enforcement leadership on the proven beneficial influence of the successful investigation and prosecution of drug, money laundering, and other violations. INL crime and drug programs in Sierra Leone will support the development of professional and sustainable law enforcement institutions capable of detecting and deterring criminals operating in their country.

## **FY 2008 Program**

FY 2008 will be the first year of program funds for Sierra Leone. Funds will be used to assist the Government of Sierra Leone law enforcement in enhancing its counternarcotics capabilities to prevent and interrupt the future movement of trafficking of narcotics in and around the country. INL assistance will provide basic skills training for Sierra Leone's law enforcement including technical assistance on surveillance and inspection operations, money laundering, and financial crimes to ensure more effective transnational crime prevention activities.

<b>Sierra Leone</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Development</b>	-	-	-	-	100
<b>Counternarcotics</b>	-	-	-	-	50
<b><i>Total</i></b>	-	-	-	-	150

## Sudan

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	9,800	24,000

### Program Objectives and Performance Indicators

Bilateral criminal justice program for the Government of Southern Sudan (GOSS) is augmented through increased support for police, justice, and corrections components. U.S. police presence with the UN Mission to Sudan (UNMIS) is increased. International technical experts and trainers are deployed and assist the GOSS in building a democratic police force, developing and implementing strategies for police and criminal justice reform, and training and equipping police and criminal justice personnel.

A cadre of GOSS high ranking police officials begin development and implementation of a strategy for police including absorption of ex-combatants. U.S. technical experts advise on ongoing police reform activities, such as the amalgamation of Government of Sudan (GOS) National Police in the South and Sudan People's Liberation Movement (SPLM) police, and the development of the ten-state structure for police that reflects the ten directorates under the GOSS Ministry of Police and Security Forces. GOSS further develops a legal framework for governing criminal justice, including a Police Act, Criminal Procedure Code, Criminal Code, and Corrections Law, and associated training programs for law enforcement and criminal justice personnel on new laws and procedures.

UN International Police (UN Police) continue force deployments to Sudan under the auspices of the UN Mission in Sudan (UNMIS), assisting in monitoring compliance with the Comprehensive Peace Agreement (CPA), and providing guidance and advice to Sudanese police.

UN Police monitor, advise, and mentor Sudanese police on patrol and in station houses across Sudan. The number of U.S. police deployed with UNMIS is increased from nineteen to up to twenty-five officers to increase the capacity of UN policing within UNMIS, and to demonstrate U.S. support for UNMIS and the CPA. The deployment of U.S. officers to UNMIS supports the UN's efforts in developing rule of law throughout Sudan.

## **Transformational Diplomacy**

Like other rebuilding and developing countries, Sudan faces critical barriers to transformational diplomacy goals due to instability and a lack of governance. INL FY 2008 programs advance the Secretary's Transformational Diplomacy objective of improving Peace and Security by developing Sudanese criminal justice institutions' capabilities to foster the rule of law and improve security in the South, and the Governing Justly and Democratically objective, by providing support to judicial systems in Southern Sudan. INL programs are designed to promote security and stability, and to provide a platform for social, economic, and political progress in Sudan, a critical country that without progress will have a negative impact on stability in the region and national security.

## **Program Justification**

The "North-South Conflict" in Sudan is Africa's oldest conflict, beginning in 1956 and lasting until the signing of the 2005 Comprehensive Peace Agreement (CPA). In 2005, the UN Security Council mandated deployment of 10,000 peacekeepers and 700 civilian police to staff the UN Mission in Sudan (UNMIS). The United States, a leader in pressing for strong international action by the United Nations and its agencies in both the creation of the CPA and in the crisis in Darfur, pledged support for the CPA and UN mission.

INL programs in Sudan will support the implementation of the CPA by assisting the GOSS in developing the institutional capacities of the police and criminal justice system. Its lack of capacity to provide public and personal security to the Sudanese impedes international humanitarian efforts, peaceful return of refugees and Internally Displaced Persons (IDPs), reintegration of ex-combatants, and long-term development goals in Sudan. Creation of a democratic police force and transparent and accessible criminal justice system in Southern Sudan is essential to generate public confidence in the GOSS and the CPA. The INL program is critical to the U.S. and international commitments to support demilitarization and security sector reform in Sudan.

UNMIS police monitors and mentors funded through INCLE provide key resources towards the establishment of public security in Sudan. UNMIS presence further helps to mitigate localized conflict and monitor geographic flashpoints while GOSS security and rule of law capabilities are stood-up.

## **Program Accomplishments**

FY 2008 represents the second year of INCLE funding for INL in Sudan. INL received PKO funds in FY 2005 to support the assignment of one U.S. police officer to UNMIS. In FY 2006, INL received ESF funds to deploy 13 officers to UNMIS, of which, two judicial officers and two corrections officers were deployed, creating the first Integrated Criminal Justice Contingent. This model contingent served as a facilitator for holistic and comprehensive criminal justice sector development in Southern Sudan through the aegis of the UNMIS Policing Mission. FY 2006 funds also deployed a Senior law Enforcement

Officer to Southern Sudan to begin training, and the advising of senior GOSS law enforcement officials.

INL also participated in an interagency police/criminal justice assessment in 2005, and will conduct another criminal justice sector assessment in Sudan in 2007. These assessments will guide future program implementation in Sudan.

FY 2007 was the first year of INCLE funding for Sudan. Programs were based upon developments from past funding, and formed a comprehensive program for criminal justice sector development in Sudan, including multilateral and bilateral components. The multilateral component supported the deployment of 19 officers to UNMIS. These deployments continued to include law enforcement, judicial and corrections officers. The bilateral component deployed senior law enforcement, judicial and corrections advisors, to actively address and support development in the three tenets of the criminal justice system.

### **FY 2008 Program**

The FY 2008 program has a multilateral and bilateral component. Through support to UNMIS, the U.S. engages in the multilateral international police effort to maintain peace and stability in Sudan. The U.S. bilateral program complements the UNMIS efforts and supports development of GOSS law enforcement and criminal justice capacities. The bilateral program, developed in consultation with the GOSS and U.S. interagency, continues to cover all three components of a functioning criminal justice system – police, courts, and corrections.

#### **Civilian Police**

INL funds will support up to 25 U.S. police officers to UNMIS. U.S. officers will provide expertise in training, mentoring, and curriculum development. Activities will include patrols and monitoring in key areas in Sudan, and providing presence to encourage and support CPA implementation.

#### **GOSS Police Development**

A senior police advisor will be based in Juba to assist the GOSS in strategic planning, donor coordination, and institutional development of the newly created Southern Sudan Police Service. Key issues will include command and control accountability, amalgamation of GOS National Police in the South and ex-combatants into one GOSS police force, and training. Funds will also support specialized technical assistance, procurement of non-lethal equipment, improvements for police infrastructure, and police skills training.

#### **Criminal Justice Reform**

Coordinated closely with on-going USG and international donor programs, INL will support criminal justice reform in Southern Sudan to ensure that police are operating within the

proper legal framework of a functioning criminal justice system, that the judicial system meets the basic legal needs of communities, and that the formal judicial system can function in tandem with customary legal systems to mediate conflicts and deter crime. The program will include a range of activities such as providing legal advisors to focus on development and implementation of pertinent laws; advocacy training for prosecutors, defense counsel, and paralegals; and development of adjudicative skills for judges. Targeted infrastructure, such as refurbishment and construction of courtrooms and offices for justice personnel, and equipment support will also be provided.

### **Correctional Development**

INL will support the GOSS in developing a corrections system that is secure, humane, and meets international human rights standards. Funds will provide for a U.S. corrections expert to advise the GOSS on strategic development and institutional reform, as well as train corrections administrators and guards. Funds will also be available for refurbishment of select facilities and procurement of essential equipment for corrections officers.

### **Program Development and Support**

PD&S funds will be used for the salaries, benefits, allowances, and travel of direct-hire and contract U.S. and foreign national personnel, and other general administrative and operating expenses for program planning, design, implementation, monitoring, management and evaluation.

<b>Sudan</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Crime Control</b>					
Civilian Police	-	-	3,800	-	5,000
<b>Police Development and Reform</b>	-	-	1,850	-	9,000
<b>Criminal Justice Development</b>					
Justice Reform	-	-	1,850	-	7,000
Correctional Services Development	-	-	1,250	-	2,000
<b>Sub-Total</b>	-	-	<b>8,750</b>	-	<b>23,000</b>
<b>Program Development and Support</b>					
U.S. Personnel	-	-	250	-	300
Non-U.S. Personnel	-	-	200	-	200
ICASS Costs	-	-	-	-	100
Program Support	-	-	600	-	400
<b>Sub-Total</b>	-	-	<b>1,050</b>	-	<b>1,000</b>
<b>Total</b>	-	-	<b>9,800</b>	-	<b>24,000</b>

## Tanzania

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

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

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

Sustainable improvements in law enforcement capabilities in Tanzania will continue through the modernization and professionalization of law enforcement groups within the region.

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

### Transformational Diplomacy

The INL program advances the Secretary's Transformational Diplomacy Peace and Security objective by developing Tanzania's police force as it evolves into a modern, democratic, and responsive law enforcement institution. With improved internal controls against police corruption, professional development opportunities for the police force, and forensic capabilities to increase successful prosecutions, the force will be in a better position to control illicit activities and maintain stability.

### Program Justification

Tanzania is a key U.S. ally in East Africa that has maintained a stable government since it gained independence. The 1998 terrorist bombing of the U.S. Embassy in Dar es Salaam

served to bring the governments of Tanzania and the United States into a closer economic, political, and security alliance.

While the situation in Tanzania has improved, the threat of terrorism remains at a critical level, partly due to porous borders but also due to a previously documented perception that terrorists can act with impunity and little risk of detection in the country. The crime environment is permissive, as indicated by the increasing frequency of criminals carrying firearms, with long guns appearing more often both outside and inside the capital. It is believed that this is due to the fact that as some regional conflicts appear to be settling down, Tanzania's long and poorly controlled border fails to prevent would-be criminals and bandits from other countries from entering it.

Tanzania is located along trafficking routes linking Latin America, the Middle East and Asia as well South Africa, Europe and, to a lesser extent, the United States. According to the 2007 International Narcotics Control Strategy Report (INCSR), drugs like hashish, cocaine, heroin, mandrax, and opium have found their way into and through Tanzania's porous borders. Tanzanian institutions have minimal capacity to combat drug trafficking, and corruption reduces that capacity still further.

## **Program Accomplishments**

Though fairly new and with limited funding, the law enforcement development program in Tanzania has flourished. During the past few years, the Tanzanian Police Force (TPF) has received civil disorder management training, including the development of a riot deployment strategy designed by command-level officers with the assistance of a U.S. advisor. In anticipation of the October 2005 Tanzanian presidential election, INL funded refresher Civil Disorder Management (CDM) and election security training to selected members of the TPF to prepare them for civil disorder that might occur. Reports following the election indicated that there were no casualties resulting from violence associated with the elections in the mainland. The riot police dispersed crowds without the use of deadly weapons, carrying with them only riot equipment, much of which was provided by INL. INL-funded training gave the officers and their senior commanders the confidence, skills, and equipment needed to control civil disorder in a professional and constructive manner. Having institutionalized CDM training at its basic academy in Masindi, the TPF has trained an additional one thousand TPF members in CDM. In June 2006, INL funded a one-week CDM course to TPF personnel to review lessons learned from the 2005 election.

INL assistance in forensic lab development has continued with excellent results. Since 2003, INL has funded a senior forensic technical advisor to the TPF to develop a forensic laboratory. Equipment, including a superglue chamber, computer equipment for a computerized fingerprint database, firearms equipment, and a comparison microscope with a 35mm camera, has been donated. Technical procedures are at various stages of completion, and the TPF have incorporated the uses of the new instruments and equipment that have been provided. Training of laboratory personnel continued in Crime Scene Investigation, Laboratory Safety, and Quality Assurance. Government of Tanzania cooperation has been exceptional, resulting in host government-funded upgrades to existing lab space completed

ahead of schedule. Added, the Criminal Investigations Division (CID) within the TPF has within its ranks investigators and officials who possess the basic skills necessary to process information, develop an investigative strategy, and devise and execute an investigative plan. They have a proven record, both locally and across state boundaries, and the ability to coordinate these skills within the legal considerations and constraints of a criminal trial.

## **FY 2008 Program**

Building upon the success of past assistance, FY 2008 funds will be used to continue development of the Tanzania Police Force (TPF) forensic laboratory to facilitate evidence-based investigations and prosecutions. By 2007, basic equipment and training, such as the ballistics-shooting tank, fingerprint database and filing system, comparison microscope, and document examiner will be complete. The lab will also have a thorough drug-testing and analysis section. DNA is the next major project the lab needs to be on par with other crime labs worldwide, which is what FY 2008 funds will be used for. Funds will be used to provide technical advisory services, training and appropriate lab equipment.

FY 2008 funds will also be used for police training in various areas, such as counternarcotics and financial investigative techniques, to develop a wide range of professional skills. This program will assist the TPF to become a more modern and professional police force.

The Government of Tanzania has been receptive to INL programs, as demonstrated by the replication of the basic skills training and the success of the forensic lab, and will benefit greatly from additional assistance.

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<b>Tanzania</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Police Development and Reform</b>	-	-	-	-	<b>450</b>
<b><i>Total</i></b>	-	-	-	-	<b>450</b>

## Uganda

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The capacity of the Ugandan criminal justice sector to detect, investigate and prosecute crimes of concern to the U.S. (including illegal migration and terrorism) will continue to be strengthened.

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

Sustainable improvements in law enforcement capabilities in Uganda will continue through the modernization and professionalization of law enforcement agencies. Training will focus on community policing techniques, and where possible, target Northern Uganda.

Increased numbers trained in community based policing; development and implementation of community engagement by police; development and implementation of plans to improve law enforcement responsibility and rule of law; an increase in investigations conducted as a result of community involvement and cooperation with police; and improved bilateral law enforcement cooperation result in more effective law enforcement.

### Transformational Diplomacy

FY 2008 funds advance the Secretary's Transformational Diplomacy objective of improving Peace and Security by developing Ugandan criminal justice institutions' capabilities to maintain the rule of law and improve community security, especially with regard to Northern Uganda. The biggest obstacle facing the country is recovering from the armed insurgency of the Lord's Resistance Army (LRA). In the last year there has been significant improvement in security in northern Uganda, and in July 2006, peace talks began between the Government of Uganda (GOU) and the LRA.

### Program Justification

Proposed activities work to achieve two main goals for Uganda: to build the capacities of Ugandan criminal justice institutions, and to build police accountability and improve police-community relationships through community policing programs.

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

East and Southern Africa (Kenya, Tanzania, Uganda, and Mozambique) comprise a transit route for African and Asian criminal activities including trafficking in narcotics, persons, and other contraband; alien smuggling; money laundering; financial crime; and terrorist attacks. As a result, developing Uganda's capabilities in criminal investigations is imperative.

As northern Uganda transitions from a conflict emergency to more traditional development assistance, increasing support will be needed to ensure stability. The needs in northern Uganda include better security, continuing reintegration of ex-combatants and stepping up national reconciliation. Building on previous cooperation with the Ugandan police, United States assistance will continue law enforcement assistance in FY 2008 to: (1) develop further forensic laboratory capabilities to enhance criminal investigations and prosecutions; and (2) support community policing in northern Uganda. As much as possible, these resources will serve the needs of northern Uganda.

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

## **Program Accomplishments**

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

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

Tanzania. The Ugandan government supplemented this project by purchasing additional computer equipment.

In 2004, the Ugandan government began applying the U.S.-developed training curriculum to train over 500 UPF recruits. Overall, more than 900 Ugandan police recruits received some USG sponsored training in 2004. In February 2004, instructors taught a 16-week Basic Skills Development Program using a “train-the-trainer” curriculum with 24 instructors from the UPF: twelve officer and twelve basic recruit instructors. In Kampala, these instructors worked with UPF student-trainers to develop their instruction of skills-based training. In Masindi, trainers mentored the student-trainers as they delivered the newly acquired learning techniques to several hundred UPF basic recruits. Since training began, the annual conviction rates of cases taken to court have increased from 31.5 percent to 36.9 percent. In the span of a month, between February and March 2004, there were 39 criminal cases in Mbale; 26 resulted in convictions, six in acquittals, four in discharges, and one in adjournment. In addition, UPF members, across the board, have displayed greater confidence. The UPF has created a training video library, covering issues as diverse as handcuffing and human rights. The Inspector General of the Police hopes to develop a training program that can be of benefit to other regional countries. In May 2005, INL funded management training for field training officers in the UPF, which built upon the basic skills training development program conducted in 2004. Case management training took place during the year.

Forensic training for the Uganda Police Force, which began in 2004, continued during the year. A Senior Forensic Advisor (TA) advised on the lab design during the renovation of the building to house the forensic lab. INL-funded trainers also provided training to the laboratory staff in Crime Scene Investigation, Basic and Advanced Fingerprint Examination, Digital Photography and specialized Computer Software Programs. Additionally, INL funds were used to provide equipment and advanced training in Forensic Autopsy Procedures to the forensic pathologists at Mulago Hospital, which performs autopsies for the Ugandan Police Force. The success of the forensic program is noteworthy. Recently, a student of a 2005 INL-funded fingerprint course was called to a crime scene involving major fraud of U.S. currency. Using a specific technique (never used in Uganda) and advice offered by the TA, a fingerprint was successfully lifted and subsequently identified as belonging to a suspect who had been arrested. This was the only direct evidence that the police had obtained that linked the suspect to the package.

## **FY 2008 Program**

FY 2008 funds will be used to continue development of the Uganda Police Force (UPF) forensic laboratory to facilitate evidence-based investigations and prosecutions. Funds will be used to provide technical advisory services, training and appropriate lab equipment. The forensic advisor will continue to work with the director of the UPF forensic laboratory to provide management and supervisory training, review and enhance policy manuals, and identify the most pressing technical training needs.

Funds will also sponsor community policing initiatives and training for law enforcement in Northern Uganda. Funds will provide training for Ugandan law enforcement officers to develop capacities to sustain positive and cooperative police/community relationships.

<b>Uganda</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Police Development and Reform</b>	-	-	-	-	350
<b><i>Total</i></b>	-	-	-	-	350



**East Asia and the Pacific**

## Cambodia

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The Government of Cambodia (GOC) will develop more effective narcotics interdiction institution, systems and initiatives.

Training and technical assistance will build the capacity of GOC counternarcotics institutions, lead to the development of more effective narcotics interdiction efforts, and increase the number of successful interdictions.

### Transformational Diplomacy

FY 2008 funds will advance the Secretary's Transformational Diplomacy goals of addressing key remaining challenges to security and law enforcement for this Cambodia, in particular building the narcotics interdiction efforts and capacity of GOC's drug control agency (Peace and Security, 1.4.3.2 – Interdiction, Support Host Nation Operations).

### Program Justification

Cambodia has experienced a significant increase in recent years in the amount of narcotics transiting from the Golden Triangle. The World Health Organization estimates that as many as 150,000 methamphetamine tablets enter Cambodia each day. Many of these are consumed domestically (as many as 50,000 per day in Phnom Penh alone), though some are also thought to be re-exported to Thailand and Vietnam. Cocaine use by wealthy Cambodians and foreigners in Cambodia is a relatively small but worrisome new phenomenon. Cocaine consumed in Southeast Asia originates in South America, particularly Peru and Colombia, and transits via human couriers on commercial air flights to regional narcotics distribution hubs in Bangkok, Hong Kong, Beijing, and Guangzhou. Recent reports indicate that Cambodia may be taking on a small but increasing role as a new trafficking route, with cocaine coming by air from Kuala Lumpur or Singapore, transiting via Phnom Penh, and arriving in Bangkok. Cambodia is not a producer of opiates; however, it serves as a transit route for heroin from Burma and Laos to international drug markets such as Vietnam, Mainland China, Taiwan, Hong Kong, and Australia. Heroin and methamphetamine enter Cambodia primarily through the northern provinces of Stung Treng and Preah Vihear, an area bordering Laos and Thailand. Larger shipments of heroin, methamphetamine and marijuana exit Cambodia concealed in shipping containers, speedboats and ocean-going

vessels. Smaller quantities are also smuggled through Phnom Penh International Airport concealed in small briefcases, shoes, and on the bodies of individual travelers.

Cambodian law enforcement agencies suffer from limited resources, lack of training, and poor coordination. The National Authority for Combating Drugs (NACD), which was reorganized in 1999 and again in June 2006, has the potential to become an effective policy and coordination unit. With the backing of the Cambodian government, the UNODC launched in April 2001 a four-year project entitled "Strengthening the Secretariat of the NACD and the National Drug Control Program for Cambodia". This project seeks, inter alia, to establish the NACD as a functional government body able to undertake drug control planning, coordination, and operations. U.S. assistance will build on UNODC's efforts and continue to support NACD's efforts to become an effective drug control agency in Cambodia.

### **Program Accomplishments**

FY 2008 will be the first year of funding for the narcotics interdiction program in Cambodia.

### **FY 2008 Program**

Assistance will focus on training and technical assistance to build the capacity of GOC counternarcotics institutions.

<b>Cambodia</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Narcotics Interdiction</b>	-	-	-	-	<b>200</b>
<b>Total</b>	-	-	-	-	<b>200</b>

## East Timor

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
1,485	---	1,010

### Program Objectives and Performance Indicators

The Government of East Timor (GOET) will develop an effective civilian-led national police service (PNTL) that is effective in enforcing law and order, promotes peace and stability within the country, is professional, and respects human rights.

Organizational management reform, curriculum reform, training and technical assistance will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the PNTL. Training and technical assistance provided to the rank and file members to build the PNTL's criminal investigative skill, promote integrity and instill a sense of professionalism in the force. Coordination between the PNTL Professional Ethics Office, the Ministry of Interior's Office of the Inspector, and the GOET's Office of the Inspector General is firmly established. Allegations of police misconduct are promptly investigated and adjudicated.

### Transformational Diplomacy

FY 2008 funds will advance the Secretary's Transformational Diplomacy goals of addressing key challenges to security and law enforcement for this developing country, focusing on Law Enforcement Restructuring, Reform and Operations. (FY 2008 Operations Plan's Peace & Security sub element 1.3.7).

### Program Justification

East Timor is a small and newly independent nation whose government and people are eager for a close relationship with the United States. East Timor views the United States as an honest broker that can be trusted to balance the competing interests of other countries which, for reasons of history or geography, seek to influence the country politically and economically. Even more important, most Timorese leaders and citizens want for themselves, the region, and the world the same things Americans want: freedom, democracy, security, economic opportunity and stability.

East Timor has the potential to serve not only as a powerful advocate for the values it shares with the United States, but also as living proof that these values are just as important for

developing nations as they are for the rest of the world. East Timor's potential will not be fulfilled, however, unless the Timorese state can continue to develop its capacity to govern effectively, to expand economically, to maintain law and order, to defend its borders, and to do all these things in ways that protect and promote human rights.

Although it is at peace with its large neighbors, Australia and Indonesia, East Timor continues to face threats to its peace and security. INL programs that provide training and support to the country's police will help East Timor manage these threats.

## **Program Accomplishments**

Due to the civil upheaval in 2006, assistance was put on hold and the INL-funded program manager's contract was not renewed. A review by key regional players is underway, with the U.S. and Australia looking for areas in which to coordinate assistance.

## **FY 2008 Program**

FY 2008 funds will be used to assist the GOET develop the PNTL, focusing on organizational management, curriculum development, training and technical assistance that will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the PNTL. Training and technical assistance will be provided to the rank and file members to build the PNTL's criminal investigative skill, promote integrity and instill a sense of professionalism in the force. These are necessary building blocks to create law enforcement capabilities necessary to preserve public order while respecting human rights and protect East Timor's borders. United States police assistance programs will be an important element in the process of ensuring that the fledgling PNTL becomes a professional force that will deal effectively with crimes while respecting the rights of citizens and dealing promptly and effectively with police misconduct, particularly when such misconduct violates human rights.

<b>East Timor</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Reform</b>	1,485	-	-	-	810
<b>Program Development and Support</b>	-	-	-	-	200
<b><i>Total</i></b>	1,485	-	-	-	1,010

## Indonesia

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
4,950	4,700	10,050

### Program Objectives and Performance Indicators

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

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

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

Performance indicators will include the deployment of an additional squadron of the Marine Police Special Boat Unit (SBU), and the development of standard operations procedures and sustainable training capacity for maritime interdiction and security.

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

Performance Indicators include the prosecution of significant cases by a task force on terrorism and transnational crimes within the Attorney General's Office, the enactment of witness protection procedures, the enactment of money laundering legislation to strengthen Indonesia's anti-money laundering (AML) regime, and the introduction in the Attorney General's Office of the recruitment, retention and operational policies to address corruption.

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

Performance indicators will include an increase in the number of drug and contraband cases presented to the procuracy for prosecution by the Indonesian National Police Drug Enforcement Unit and the National Narcotics Board; the development of advanced investigative skills to interdict narcotics shipments, the dismantlement of clandestine drug labs, and the disruption of narcotics trafficking networks.

## **Transformational Diplomacy**

Funds will advance the Secretary of State's Transformational Diplomacy goal for this developing country of helping to build and sustain a democratic, well-governed Indonesia that responds to the needs of its people and conduct itself responsibly in the international system. This will be done by focusing on law enforcement program (Peace & Security sub elements 1.1.3, 1.3.7, 1.3.8, 1.4.3, and 1.5.3), and its legal advisor program (Governing Justly & Democratically sub elements 2.1.3 and 2.1.5).

## **Program Justification**

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

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

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

Indonesia is a center of cyber-crime, and its social development is hindered by the prevalence of transnational criminal organizations. Communities handle village crimes within the

community with their own sense of restorative justice due to either a lack of police responsiveness, lack of police presence, or incompetence. International narcotics trafficking is a serious and growing problem in Indonesia. Syndicated drug traffickers from countries in and beyond the region have targeted operations in Indonesia. Domestic availability and use of illicit narcotics are escalating. In addition, Indonesia is home to terrorist groups and has been the target of several deadly terrorist bombings. The skill level of POLRI must be enhanced to address effectively both criminal and terrorist activities and demonstrate its abilities to the public. Corruption is endemic in Indonesia, including within POLRI. The Police Assistance Program has made significant progress in establishing POLRI-wide mechanisms to root out corruption by developing a code of conduct and internal disciplinary system.

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

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

To ensure that Indonesia's transition to democracy is meaningful and takes root within its institutions, the democratization and professional development of all levels and units of

POLRI as well as the prosecutorial and judicial sectors must be realized. The Police Assistance Program, Marine Police development program, Drug Law Enforcement assistance, and Criminal Justice Sector Reform programs are designed to achieve those goals and objectives.

## **Program Accomplishments**

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

Reorganizing and reorienting POLRI is a substantial undertaking, requiring a change in the structure, culture, management style, and training of the entire 300,000 member national police force. FY 2008 funds would continue the Police Assistance Program (begun in 2000) by implementing programs to address management issues at the highest level. To date, such programs have been very well received and implemented by POLRI. Contemporaneously, a combination of technical assistance, training, and equipment donations have been provided to assist the police in handling civil disorder in a manner that maintained order while respecting human rights and the rule of law. As a result of this initiative, the POLRI made significant changes in their handling of demonstrations and were the recipients of laudatory comments from various members of the NGO community. Importantly, since this training took place there have been no reported civilian deaths related to the POLRI's handling of civil disturbances. INL continued to work with the POLRI Chief and officials at national and regional levels to continue the development and implementation of management plans that incorporate principles of leadership and management into the operation and administration of POLRI throughout Indonesia. Further, the program is developing managerial skills for mid-level officers. The program includes a media outreach project to share information with the public and build confidence in the police within the populace.

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

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

## **Transition to Democratic Policing**

In order to better maximize the delivery and implementation the program concepts, as well as accentuate the POLRI ownership aspect, the project was modified to become a total train-the-trainer, curriculum and training integration initiative. The POLRI's decision to integrate these concepts into the organization's curricula had helped ensure the principles of the democratic policing are being taught throughout the police organization. This project has received consistent support from the heads of the Kopolri, GOI's National Center for Training and Education and the Human Resources Office. By having POLRI members provide the training exclusively there is a much greater likelihood individual members will accept and embrace these ideas and a much greater likelihood that the lessons and instruction will be sustainable after our project is completed. However, successes within this project have to be measured incrementally in light of the fact that total organizational transition and transformation will need to continue.

## **Civil Disturbance Management Project**

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

## **Instructor Development Workshops (IDW)**

This project was designed to strengthen the skills for Indonesian police instructors. Measurements of success for this project include: (1) an increase in the number of instructors who are able to demonstrate their knowledge of and ability to impart adult learning methodologies to students, and (2) to have the graduates of POLRI Training Schools demonstrate they are routinely performing the tenets of community policing learned in training. Over 249 POLRI instructors have successfully completed the IDW and have been observed successfully using their new training techniques. However, this encouraging statistic must be tempered by the fact that many instructors within the POLRI cadre have not yet received training in adult learning methodologies, nor does the POLRI currently have the requisite in investigations and other specialty areas to replicate qualitative USG-provided training and curriculum.

## **Cyber Crime Project**

Indonesia's law enforcement has been provided with computer forensic capacities through specialized training and equipment donation. This highly successful initiative was developed to prevent, interdict and investigate cyber-crime. Now that the unit is operational, the cyber-crime unit has begun supporting regional requests for computer forensic analysis from other criminal investigatory units, including law enforcement units concentrating on bank fraud, anti-money laundering, and anti-terrorism units. The CCIU has recently been credited with developing critical evidence in recent high-profile counter-terrorism. INL has also provided funding for the development of the Cyber Crime Forensic Laboratory, the Cyber Crime Training Center at Megamendung (CID School) and the Child Exploitation Tracking system.

## **Marine Police Project**

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

Further, the program worked to coordinate with the Indonesian Maritime Committee Senior Technical Advisor for the National Planning Board for Security and Social Welfare (BAPPENAS). The BAPPENAS is responsible for debating and making recommendations to the national government on issues related to security and social welfare. The Planning Board has worked for over a year on a proposal to reinvent the Coordinating Agency for Maritime Security, BAKORKAMLA, which was created in 1971. On December 29, 2005, the POLRI signed into effect the restructured Coordinating Agency for Maritime Security, on which U.S. Embassy in Jakarta collaborated with the GOI to redevelop and actualize.

Additionally, the director of the Marine Police Training Center invited the USG to establish a permanent office at the school, which was done shortly thereafter. Marine Police Training Center instructors consult ICITAP Technical Advisors (TAs) on lesson plan development and instructional techniques. Additionally, ICITAP established the Marine Police Resource Center for training development, which has resulted in the Marine Police developing internal basic and in-service curriculum. ICITAP TAs have completed the entire basic curriculum for Marine Police recruits, and the new curriculum is currently being infused into the basic training program. Commencing in late 2006, all instruction at the Marine Police Training Center will be delivered using lesson plans developed with skills taught by ICITAP. Five classrooms at the Marine Police Training Center were refurbished and outfitted, which significantly improved the teaching and learning environment for staff and students. ICITAP has also delivered Basic Criminal Investigations training to 107 MP officers that has resulted in an increase of over 300 percent in case loads in the last six months, and delivered internationally accepted non-lethal baton techniques training to a cadre of MP baton instructors that has been replicated and delivered to an additional 1,000 MP officers.

## **FY 2008 Program**

The FY 2008 Police Assistance Program for Indonesia has three central components—(1) continue capacity building to support the POLRI Marine Police and Major Criminal Investigations Unit; (2) increasing illicit drug and contraband interdictions; and (3) the completion of the Police Instructor Institute. These are ongoing programs designed to create effective, democratic, civilian-led and skilled law enforcement institutions in Indonesia. The Criminal Justice Sector Reform Program, implemented in FY 2006, will continue to address the prosecutorial and judicial side of law enforcement democratization and reform. The Drug Law Enforcement program will focus on the prevention of the manufacture and shipment of synthetic drugs. Some assistance will be given to combating environmental crimes (e.g., illegal logging), and to maritime and border security management, forensics, and trafficking-in-persons.

### **Police Assistance Program**

Funds will be used for POLRI technical assistance and training, including POLRI's Criminal Investigation Division's (CID) Major Crimes Unit and the Economic/Special Crimes Unit; equipment donation and technical assistance; training and technical assistance to judges to advance investigations and prosecutions of crimes, and enforcement of environmental laws; technical advisor to finalize the Police Instructor Institute in preparation for continued POLRI sustainability and final turnover; and classroom and training equipment such as computers and education materials.

### **Marine Police Development Program**

Funds will be used to continue the development and deployment of the MP Special Boat Unit (SBU); to continue to provide advanced in-service training to commanders, first-line officers, and Marine Police trainers; to teach standard operating procedures; to provide investigative equipment; and to furnish intermittent technical advisors to implement training program addressing the capacity to patrol ports, harbors, and adjacent waterways. If given more FY 2008 funds, maritime security training, operational, and infrastructure development support efforts will focus on Central Sulawesi or Maluku islands. This area was chosen based on information received and analysis of transnational crime patterns.

### **Criminal Justice Sector Reform Program**

Funds will be provided to support a Resident Legal Advisor to continue to assist the drafting team of the new criminal procedure code to move the Indonesian criminal justice system to a more adversarial, transparent and evidence-based system that promotes professional investigations involving real police/prosecutor cooperation and undercover investigative techniques, and uses adversarial and evidentiary trial principles that establish the neutrality of the judiciary and the equality of the parties; promote trial advocacy skills for prosecutors; provide substantive knowledge on counter terrorism, corruption, money laundering, cybercrime, witness protection, and Trafficking in Persons (TIP); provide drafting assistance for cybercrime and money laundering legislation; and assisting the Indonesian Attorney

General's Office (AGO) in developing written professional conduct standards for prosecutors.

### **Counternarcotics Assistance Program**

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

### **Program Development and Support (PD&S)**

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

<b>Indonesia</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Law Enforcement Support</b>	3,950	-	3,110	-	6,675
<b>Criminal Justice Reform Program</b>	500	-	515	-	2,250
<b>Interdiction</b>	500	-	475	-	500
<b>Program Development and Support</b>					
U.S. Personnel	-	-	450	-	415
Non-U.S. Personnel	-	-	40	-	60
ICASS Costs	-	-	80	-	100
Program Support	-	-	30	-	50
<b><i>Sub-Total</i></b>	-	-	<b>600</b>	-	<b>625</b>
<b><i>Total</i></b>	<b>4,950</b>	-	<b>4,700</b>	-	<b>10,050</b>

## Laos

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
990	900	1,580

### Program Objectives and Performance Indicators

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

Alternative development efforts in Phongsali, Luang Prabang and other poppy-growing provinces will help to provide access to markets, government services, food production and alternative income activities. The Lao-American Projects (LAP) in Luang Prabang and Phongsali will continue to support ongoing activities including detoxification, crop substitution, education outreach, vocational training, ecotourism development, and small infrastructure projects in select areas where cultivation is still a problem.

Drug addiction treatment will continue.

To combat abuse of amphetamine type stimulants (ATS), support will continue to the 100 bed ATS treatment center in Savannakhet, which is treating over 200 ATS addicts per year. Demand reduction education programs will continue in the form of public outreach.

### Transformational Diplomacy

Funds will advance the Secretary's Transformational Diplomacy goals of addressing key remaining challenges to security and law enforcement for this developing country, focusing on Law Enforcement Restructuring, Reform and Operations (Peace & Security sub element 1.3.7), Alternative Development and Alternative Livelihoods (Peace & Security sub element 1.4.2), Drug Demand Reduction (Peace & Security sub element 1.4.4) and Program Support (Peace & Security 1.4.5).

### Program Justification

Laos is one of the world's least developed countries and the second largest producer of opium in Southeast Asia. Opium poppy is generally grown in remote, mountainous areas largely populated by ethnic minority groups that have traditionally resisted the imposition of central authority. Laos is one of the world's least developed countries, with an almost total

lack of infrastructure such as roads and rail that isolates rural villages from the market economy and most government services and influence. The few government services available in market centers are rudimentary by any standard. Human resource capacity is severely limited in all fields, including law enforcement.

Opium crop control projects have been highly successful, with an estimated 83 percent drop in the area under cultivation between 2004 and 2006. During the same period, production declined from an estimated 49 metric tons to only 8 ½ metric tons. INL development projects reduce the production, trafficking and abuse of illicit opium by detoxifying and vocationally training addicts and providing market-based income alternatives for farmers.

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

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

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

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

INL law enforcement projects address this problem by providing capacity-building training and specialized police equipment appropriate for the local operational environment. Simultaneously, INL demand reduction projects support addiction treatment and drug education that will help to bring methamphetamine abuse under control.

Laos is also a transit route for Burmese drugs going to China, Vietnam, Thailand, and Cambodia, and the nation does not currently possess the capability to effectively interdict precursor chemicals flowing out of China. Laos is increasingly coming under siege by drug

traffickers who can easily exploit the countries' vulnerabilities. Law enforcement capabilities in Laos are both sub-standard and under-funded: more training and better coordination — as well as increased GOL support and international cooperation — are required to be effective against the major trafficking organizations active in Laos.

## **Program Accomplishments**

Opium crop control projects have been highly successful, with an estimated 83 percent drop in the area under cultivation between 2004 and 2006. During the same period, production declined from an estimated 49 metric tons to only 8 ½ metric tons. Funds used in the Lao-American (LAP) integrated rural development activities in Phongsali and Luang Prabang provinces, two of the highest poppy cultivation areas in Laos, are clearly showing results.

The LAP in Luang Prabang supported infrastructure projects that included 94 kilometers of penetration road, three primary schools, three community centers, and 19 gravity-fed clean water systems. A community-based detoxification facility was established in 2004 and has to date successfully detoxified over 300 opium addicts in three phases. Pilot crop substitution projects are ongoing, and cattle banks are being established.

Despite a limited budget in 2006, the Lao-American Project in Phongsali pursued infrastructure, alternative development, and opium detoxification. Crops such as tea and galanga were expanded, a new crop of sticklack was introduced, and cash income earned for goats, green tea, galanga, and handicraft sales served as an inducement to permanently abandon poppy cultivation. The project expanded cattle, goat, and pig banks that assisted 140 families. With respect to opium detoxification, the LAP assisted 130 persons and continued social programs to prevent relapse.

In FY 2006, DEA reported some improved cooperation with Lao law enforcement agencies, especially customs. NAS currently supports seven Counter Narcotics Units (CNUs) which have demonstrated improved performance. More than 450 officials from the CNUs, Customs, and other agencies have received basic officer training and specialized training at ILEA Bangkok.

## **FY 2008 Program**

### **Alternative Development/Crop Control**

FY 2008 funds will assist the GOL to provide a number of villages in the poorest areas with a licit crop and alternative to poppy cultivation, a tactic that has proven to be highly successful. USG assistance is intended to build on this momentum in support of discouraging illicit crop cultivation. FY 2008 funding will provide limited support for rural development projects in Phongsali and Luang Prabang provinces, both major poppy-growing regions. Projects will continue to improve food production through the provision of agricultural inputs and training; deliver medical services to remote villages, and support educational programs that target villages in poppy-growing districts.

In LAP/Luang Prabang, FY 2008 funds will allow us to move ahead with alternative development activities such as sticklak production, livestock procurement, and training. In LAP/Phongsali, Phase II activities will include alternative cash crops, livestock purchases, agricultural training, and rice banks, all key to sustainable conversion to a legitimate economy.

### **Law Enforcement Assistance**

FY 2008 funds will provide advice on organizational reform as well as modest equipment and administrative support to provincial Counternarcotics Units and Customs posts that furnish the majority of law enforcement to the critical region along the border Laos shares with Thailand, Burma, and China, where the flow of methamphetamine and heroin into Laos (primarily from Burma) is the worst, but also where it can most easily be interdicted. Assistance will include equipment purchases, such as personal protective gear, investigative tools, and basic communications equipment.

### **Drug Awareness/Demand Reduction**

FY 2008 Funds will be used for the support of the INL-funded ATS treatment center. In addition limited support will be provided for drug-awareness outreach.

### **Program Development and Support (PD&S)**

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

<b>Laos</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Interdiction</b>	50	-	100	-	300
<b>Crop Control/Alternative Development</b>	440	-	189	-	500
<b>Drug Awareness/Demand Reduction</b>	25	-	100	-	100
<b>Program Development and Support</b>					
U.S. Personnel	315	-	270	-	350
Non-U.S. Personnel	15	-	50	-	50
ICASS Costs	120	-	140	-	210
Program Support	25	-	51	-	70
<b><i>Sub-Total</i></b>	<b>475</b>	<b>-</b>	<b>511</b>	<b>-</b>	<b>680</b>
<b><i>Total</i></b>	<b>990</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>1,580</b>

## Malaysia

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Strengthen the Government of Malaysia's (GOM) capacity to successfully address transnational organized crime.

Improved police-prosecutorial working relationships will be demonstrated through the establishment of joint task forces leading to successful case collaboration; increased capacity building among foreign border and customs officials, investigators, law enforcement officials, prosecutors, and judges to detect, investigate, prosecute and prevent these crimes; an increase in the number of successful investigations and prosecutions of terrorist financing and money laundering cases; as well as the number of jurisdictions in compliance with international anti-money laundering standards.

Develop an effective civilian-led police force in Malaysia.

Training and technical assistance will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the Malaysian Police. Training and technical assistance provided to the rank and file members will help improve the police's criminal investigative skill, promote integrity and instill a sense of professionalism in the force.

### Transformational Diplomacy

FY 2008 funds will advance the Secretary's Transformational Diplomacy goals of addressing key challenges to security and law enforcement in Malaysia, a sustaining country; specifically, to support strategic the U.S.-Malasian partnership by addressing security, counterterrorism, weapons of mass destruction and counternarcotics efforts. The Program will focus on law enforcement restructuring, reform and operations (Peace & Security sub element 1.3.7), as well as strengthening the government's capabilities in the fight against organized crime and terrorism (Peace & Security sub element 1.1.3).

### Program Justification

Financial crime, terrorist financing, and money laundering pose a significant national security threat not only to the United States but also globally. These activities have the power to corrupt officials, distort economies, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes.

Malaysia's financial sectors are vulnerable to abuse by narcotics traffickers, financiers of terrorism, and criminal elements. Malaysia's relatively lax customs inspection at ports of entry and free trade zones, and its offshore financial services center serve to increase its vulnerability. Though the GOM as part of ASEAN has established a "drug-free by 2015" policy, and cooperation with the U.S. on combating drug trafficking is excellent, Malaysia's proximity to the heroin production areas and methamphetamine labs of the Golden Triangle leads to smuggling across Malaysian borders, destined for Australia and other markets.

Enhancing the capacities of the law enforcement and criminal justice systems remains a top priority and is central to strengthening security. Malaysian law enforcement could benefit from an increase in resources and professionalism. Problems in the broader Malaysian criminal justice system that provide fertile ground for transnational criminal activity and terrorism need to be addressed by a long-term, comprehensive program of training and technical assistance in areas such as drafting laws, rules and regulations concerning criminal law and procedure; developing sustainable training programs; facilitating interagency and police-prosecutor cooperation; devising judicial administration and case management systems; and developing task force capability.

## **Program Accomplishments**

Budget constraints for INL programs over the past few years limited the ability to initiate new programs. Nevertheless, INL was able to provide some assistance for Malaysia in the past. U.S. counternarcotics training continued in 2006 via the International Law Enforcement Academy in Bangkok and the "Baker-Mint" program sponsored by the U.S. Department of Defense; Baker-Mint aims to raise the operational skill level of local counter narcotics law enforcement officers. In September 2006, U.S. officials from the Department of Justice, DEA, and FBI presented a training workshop for Malaysian prosecutors on conspiracy prosecutions in an effort to enhance Malaysia's utilization of existing laws as a deterrent to organized crime.

## **FY 2008 Program**

### **Law Enforcement Assistance**

FY 2008 will be the first year of program funds for Malaysia. Funds will be used to assist Malaysia achieve sustainable improvements in the capacity of law enforcement institutions to combat illicit activities such as illegal migration and trafficking in persons, narcotics and other contraband; and to combat money laundering and terrorist financing. Assistance will

develop long-term and sustainable civilian law enforcement capacity, improve police-prosecutorial cooperation, and support the Government's efforts to strengthen respect for the rule of law. Funds will provide for training and technical assistance, with an emphasis on "train-the-trainer" courses.

**Program Development and Support (PD&S):**

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

<b>Malaysia</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Reform</b>	-	-	-	-	<b>800</b>
<b><i>Total</i></b>	-	-	-	-	<b>800</b>

## Mongolia

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The Government of Mongolia (GOM) will develop an effective civilian-led police force:

Training and technical assistance will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the Mongolian National Police, and improved criminal investigative skills among the rank and file. At all levels, it will promote integrity and professionalism. INL will work with U.S. law enforcement agencies to develop and implement a strategic policing reform plan.

The Mongolian criminal justice system will be strengthened and modernized toward greater impartiality, efficiency, and transparency.

Assistance will concentrate on conducting criminal investigations, combating financial crimes and counterfeiting, anti-smuggling, forensics, and professionalism. The program will promote better cooperation between police and prosecutors.

### Transformational Diplomacy

Mongolia faces many development challenges in its transition to democracy and a market-oriented economy. Mongolia's continued democratic and economic success hinges on its ability to manage a series of "good governance" issues, including establishment of greater accountability, transparency and anti-corruption measures. Rule of law reform is absolutely critical. In addition, Mongolia must also be able to protect and maintain its own borders and cooperate with its neighbors and regional partners to combat transnational crime and terrorism. The proposed INL programs will support transformational diplomacy in many of these areas, especially policing reform and anti-corruption.

### Program Justification

Mongolia's long unprotected borders with Russia and China are vulnerable to all types of illegal trade, including drug trafficking. Most smuggled drugs come from China. Border controls are very weak, and this is a GOM priority. U.S.-sponsored projects to promote cooperation among security forces and training are helping, but GOM security and border forces lack both the resources and technical combat smuggling; likewise, police and

prosecutors lack the capacity to investigate and prosecute transnational crime. Widespread corruption within the police forces and other parts of government further hinder GOM efforts. The weakness of the legal system and financial structures - the absence of anti-money laundering and antiterrorist financing legislation - leaves Mongolia vulnerable to exploitation by drug traffickers and international criminal organizations, particularly those operating in China and Russia.

U.S. law enforcement assistance will focus on fostering the development of an impartial, efficient, and transparent law enforcement system. This year's assistance will concentrate on: conducting criminal investigations, combating financial crimes, interdicting illegal narcotics, and improving professionalism. Training in forensics and evidence gathering will bolster Mongolia's ability to conduct transparent criminal investigations. To aid Mongolia in inhibiting the use of its financial systems by terrorists and organized crime, the U.S. will provide supplemental training in detecting counterfeit currency and money laundering. The U.S. will also fund sending selected Mongolian law enforcement officers for advanced professional training at the International Law Enforcement Academy in Budapest to increase the knowledge and professionalism of Mongolian law enforcement organizations.

### **Program Accomplishments**

U.S. government assistance in the past has been largely limited to some international visitor programs on transnational crime and counternarcotics and limited training by U.S. law enforcement agencies. A more robust program is clearly needed.

### **FY 2008 Program**

The two major components to the FY 2008 program are Law Enforcement Support and Criminal Justice Reform. FY 2008 funds will be used to develop long-term and sustainable civilian law enforcement capacity, improve police-prosecutorial cooperation, and support GOM efforts to strengthen respect for the rule of law.

#### **Law Enforcement Support**

Training and technical assistance provided to mid-level and senior managers will focus on sound management practices, strategic planning, promoting modern, civilian law enforcement practices through training of trainers, strategic planning, and combating corruption. Assistance to the rank and file members will help improve their criminal investigative skills, promote integrity and instill a sense of professionalism in the force. Selected Mongolian law enforcement officers will be sent for advanced professional training at the International Law Enforcement Academy (ILEA) in Budapest. INL will work with U.S. law enforcement agencies to develop and implement a strategic policing reform plan.

#### **Criminal Justice Reform**

The effectiveness of law enforcement's working relationship with the prosecutors continues to be an important component of this program. The FY 2008 program is designed to improve

police-prosecutor cooperation to better manage crime scenes, preserve evidence and bring criminals to justice. Assistance will concentrate on: conducting criminal investigations, combating financial crimes, interdicting illegal narcotics, and improving professionalism. Training in forensics and evidence gathering will bolster Mongolia's ability to conduct transparent criminal investigations. An additional goal will be to improve police-prosecutorial working relationships and successful case collaboration. To aid Mongolia in inhibiting the use of its financial systems by terrorists and organized crime, and building on its membership in the Asia-Pacific Group on Money Laundering, the U.S. will provide supplemental training in detecting counterfeit currency and money laundering. U.S. anti-corruption assistance will focus on education and civil society and development of new anti-corruption laws.

<b>Mongolia</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Police Assistance Programs</b>	-	-	-	-	<b>300</b>
<b>Criminal Justice Reform Program</b>	-	-	-	-	<b>300</b>
<b>Program Development and Support</b>					<b>70</b>
<b><i>Sub-Total</i></b>	-	-	-	-	<b>670</b>
<b><i>Total</i></b>	-	-	-	-	<b>670</b>

## Philippines

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
1,980	1,900	1,150

### Program Objectives and Performance Indicators

The Government of the Republic of the Philippines (GRP) will develop an effective civilian-led police force.

Training and technical assistance will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the Philippine National Police (PNP). Training and technical assistance provided to the rank and file members will help improve the PNP's criminal investigative skill, promote integrity and instill a sense of professionalism in the force.

The Philippine criminal justice system will be strengthened to successfully address transnational organized crime.

Improved police-prosecutorial working relationships will be demonstrated through the establishment of joint task forces leading to successful case collaboration.

### Transformational Diplomacy

FY 2008 funds will further the Secretary's Transformational Diplomacy objectives for this developing state. The INL program are focused on building the country's law enforcement community capacity and capabilities and to achieve its organizational transformation goals.

### Program Justification

The Philippines, a Major Non-NATO Ally that straddles important air- and sea-lanes, is one of the region's most important partners in the Global War on Terror. Enhancing the capacities of the law enforcement and criminal justice systems remains a top priority and is central to strengthening mutual security.

Philippine law enforcement suffers from a lack of resources and professionalism, low capacity and ineffectiveness, corruption, and widespread behavior inconsistent with the rule of law. The result is a criminal justice system with minimal legitimacy that paves the way for the excesses of local political strongmen, former separatists turned bandits, traditional warlords, and militias.

Problems in the broader Philippine criminal justice system that provide fertile ground for transnational criminal activity and terrorism need to be addressed by a long-term, comprehensive program of training and technical assistance in areas such as drafting laws, rules and regulations concerning criminal law and procedure; developing sustainable training programs; facilitating interagency and police-prosecutor cooperation; devising judicial administration and case management systems; and developing task force capability.

During FY 2005, a USG Interagency team conducted a larger assessment of the PNP to determine overall capacity and organizational effectiveness. The assessment identified similar deficiencies articulated in the FY 2003 assessment, but also pinpointed weakness in the areas of budget, internal affairs, training, prison management and the general absence of links between police and prosecutors.

Cooperation received from the PNP leadership and INL program momentum and successes realized to date in the challenging southern area of the Philippines have now expanded into a more far reaching program of institutional development of both the PNP at the central level and the Philippine criminal justice system. A comprehensive assistance program is necessary to achieve long term and sustainable results. Addressing PNP's weaknesses at the central level will maximize efforts undertaken in the southern Philippines. The program will further enable the PNP to increase its competencies and capabilities in order to become a fully functional partner with other entities of the Philippine criminal justice system, and a stronger and effective partner with other international law enforcement entities, particularly U.S. law enforcement agencies.

In 2007, assistance will be given to PNP on the development of model police stations. The aim is to assist them with the establishment of ten model stations spread throughout the country. Once each station meets defined criteria, they will be eligible for a certificate of verification from Embassy Manila, signifying they have achieved certain training, policy implementation, and operational practice standards. Over the course of 2007, it is expected that USG sponsored training and advisement activities will reach approximately 750 PNP personnel that will cover a broad spectrum of topics, from fundamental courses concerned with human rights, rule of law issues and civil disturbance management to more advanced topics such as strategic planning, crime analysis, critical incident response, and financial planning.

Beyond the Model Police Station project, a number of targeted training courses will be provided to address Embassy defined needs. Additional Crime Scene Specialist courses will be conducted, with particular emphasis on the southern Philippines as well as courses related to extra judicial killing and witness protection will be delivered.

## **Program Accomplishments**

In September 2003, a law enforcement training and technical assistance program was launched to focus primarily on Basilan and the Autonomous Region of Muslim Mindanao (ARMM), based on the assessment conducted by INL, ICITAP and OPDAT. The program

focused primarily on the delivery of training courses in fundamental police tasks. Emphasis was also placed on providing training in the areas of contemporary police supervision.

A significant element of all the training provided has been an intensive instructor development component aimed at creating “train-the-trainer” capabilities that will strengthen institutional capacities through replication and sustainability. Lesson plans used for all of the courses were provided to the PNP and graduates of the instructor development courses were subsequently used to deliver the courses. The PNP has adopted the course lesson plans and integrated them into their existing investigative training curricula. This will guarantee the perpetuation of the skills as they are taught to future classes.

The Public Relations and Media Course presented to PNP commanders has become a requisite training course for all graduates of the PNP Academy before they are assigned to the field. To date, over 300 personnel have attended this course. This training has resulted in a more professional interaction between the PNP commanders and the media. Previously, many commanders simply refused to speak to the press or avoided attempting to develop a working relationship. This training has had a positive impact on the development of improved media relations.

The USG funded Crime Scene Courses have trained and equipped nearly 200 criminal investigators in the identification, preservation and collection of crime scene evidence. These investigators have returned to their respective station houses to utilize these skills to help investigate and solve a wide variety of crimes. These lesson plans have also been adopted by the PNP and made a permanent part of the PNP’s investigative training curricula.

In November 2006, a two-week Crime Scene Specialist course was delivered in Zamboanga, producing 29 graduates. The PNP has conscientiously employed these graduates at high-profile crime scenes in Zamboanga and Jolo, and they were responsible for collecting evidence that led to the identification of the remains of Kadaffy Janjalani, and Abu Sulaiman, both on the FBI’s Most Wanted Terrorist list. Assistance to the PNP Region IX Crime Laboratory was provided with the development of additional training materials. In January 2007, the lab trained 23 police first responders with a one-week course of instruction on basic crime scene protection and evidence collection. Over the months of February – March 2007, the lab is scheduled to train approximately 250 additional first responder personnel from outside PNP on the importance of crime scene preservation, through a two-day training course.

Overall to date, approximately 1,300 police officers and supervisors have been trained by the USG in the various courses offered. Students have included members of the PNP Criminal Investigation Unit, Forensics Unit, Crime Laboratory Unit, Special Action Force (Special Forces), Maritime Group, Airport Security Group, Public Safety College Staff, and Regional Academy Staff of the PNP.

## **FY 2008 Program**

The two major components to the FY 2008 program are Law Enforcement Support and Administration of Justice. FY 2008 funds will be used to continue to develop long-term and sustainable civilian law enforcement capacity, improve police-prosecutorial cooperation, and support GRP efforts to strengthen respect for the rule of law.

### **Law Enforcement Support**

FY 2008 program will focus on providing resident technical advisors and training programs for targeted groups of law enforcement officers, prosecutors and jurists. Programs to improve the quality and transparency of civilian rule of law through assisting the PNP with strategic planning, competency-building, and sustainable training programs of PNP personnel will continue.

### **Administration of Justice**

The effectiveness of law enforcement's working relationship with the prosecutors continues to be an important component of this program. The FY 2008 program is designed to improve police-prosecutor cooperation to better manage crime scenes, preserve evidence and bring criminals to justice. The strengthening of the working relationship between police and prosecutors through the implementation of policies and procedures — will require the police to consult with prosecutors during investigations – will further establish corruption-fighting mechanisms and initiate improvements in judicial administration and criminal case management. Funding will used to provide technical assistance and training.

<b>Philippines</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Support</b>	1,000	-	1,500	-	950
<b>Administration of Justice</b>	350	-	300	-	0
<b>Counternarcotics</b>	150	-	100	-	200
<b>Program Development and Support</b>					
U.S. Personnel	330	-	-	-	-
Non-U.S. Personnel	75	-	-	-	-
ICASS Costs	70	-	-	-	-
Program Support	5	-	-	-	-
<b><i>Sub-Total</i></b>	<b>480</b>	-	*	-	*
<b><i>Total</i></b>	<b>1,980</b>	-	<b>1,900</b>	-	<b>1,150</b>

\* FY 2007 and FY 2008 PD&S costs will be covered with prior-year PD&S funds.

## Thailand

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
990	900	2,300

### Program Objectives and Performance Indicators

Build regional law enforcement capacity through comprehensive skill-building training for police and other law enforcement personnel. Enhance regional law enforcement cooperation and produce more effective coordination among countries in the region on efforts to prevent transnational crime, including drug trafficking, IPR violations, money laundering, terrorism, trafficking in persons, and other crimes.

Improve the Royal Thai Government (RTG) law enforcement ability to deter and investigate terrorist activity in the southern provinces by designing and conducting bilateral programs of technical assistance and supervisory training using U.S. and regional experts. Build Royal Thai Police and Ministry of Justice forensic science crime solving capabilities, which are also directly applicable to successfully combating terrorist activity.

Promote the integrity of and improve the effectiveness, fairness, accountability and transparency of the Thai judicial system through training, seminars and conferences with internationally renowned jurists and scholars.

Heighten respect for the rule of law and due process, as well as urge timely and committed investigation of extra-judicial killings or other abuses in measures to suppress drug trafficking. Promote professional expertise and experience of U.S. enforcement and criminal justice institutions among Thai legislators, political and opinion leaders, and criminal justice system practitioners. Promote public ethics, transparency and internal oversight to enable RTG institutions within the justice system to reduce tolerance for public corruption and to investigate and prosecute public corruption cases.

Promote Thai criminal laws that facilitate investigation and prosecution of corruption cases. Deliver comprehensive training programs of comparative ethics for members of the judiciary, lawyers and prosecutors in order to prevent, identify and punish public corruption, and to promote integrity among public officials.

## **Transformational Diplomacy**

Funds will advance the Secretary's Transformational Diplomacy goals of addressing key remaining challenges to security and law enforcement for this developing country, focusing on Law Enforcement Restructuring, Reform and Operations (Peace & Security sub element 1.3.7.).

## **Program Justification**

Thailand is victim to a variety of transnational crime conducted by criminal organizations, including trafficking in narcotics, weapons and persons. The country has achieved significant success in its comprehensive, long-term strategies against illegal drug abuse, trafficking, and production; however, its criminal laws, criminal justice institutions, and regulatory and investigative capabilities require improvement in order to respond more effectively to transnational and organized crime in the 21<sup>st</sup> century. The corrosive effects of public corruption further impair effective RTG response to these threats.

The RTG considers illegal drug trafficking and abuse as one of its most serious national security problems. The use of amphetamine-type stimulants (ATS) creates serious public health and social problems, and requires modification and expansion of demand reduction programs that were originally tailored for heroin abuse. A national campaign in 2003 to suppress the drug trade had some success, but was also criticized for serious human rights abuses. Thailand has been a leader in programs for prevention and treatment of drug abuse. Its effort to reduce and eliminate opium poppy cultivation and heroin production is one of the most successful in the world. U.S. drug control assistance to Thailand dates to the 1970s, but is being gradually phased out in recognition of the success against opium production and in response to evolving patterns of international drug smuggling. After decades on the list of Major Narcotics Producing and Trafficking Countries, Thailand was removed from the list in September 2004.

The RTG is making a systematic effort to review its criminal justice system and to develop and implement new or modified substantive and procedural criminal laws, procedures and practices that respond appropriately to organized and transnational crime, and implement obligations of the 1988 UN Convention Against Illicit Drug Trafficking, the 2000 Convention Against Transnational Organized Crime (TOC), and the 2003 Convention Against Corruption.

Thailand is a regional leader in international cooperation against drugs and transnational crime. It has agreements for cooperation with the United States, its neighbors and others, and takes a leading role in regional and multilateral drug and crime control organizations. Under a bilateral agreement concluded in 1998, the RTG and USG jointly operate the International Law Enforcement Academy (ILEA) in Bangkok, which has thus far provided training to 4,500 law enforcement officials from Southeast Asia and China.

As traditional forms of U.S. Department of State counter narcotics assistance are reduced, "value-added" assistance by the United States in fighting corruption and other areas will

remain crucial elements in Thailand's efforts to reform and modernize law enforcement institutions.

## **Program Accomplishments**

Despite the political uncertainties caused by the September 2006 coup, INL-funded programs have supported a wide range of activities that have resulted in tangible accomplishments. For the eighth consecutive year, the opium poppy crop in 2006 remained below 1,000 hectares. Thailand's evolution from a major source country for opium to a net importer of heroin constitutes a significant strategic success and was a factor in removing Thailand from the list of major narcotics producing or trafficking countries in 2004.

With U.S. support and encouragement, Thailand is in the process of amending many of its basic narcotics and other substantive and procedural criminal laws. During 2006, Thailand continued to employ legal authorities authorizing use of wiretap evidence in drug investigations and allowing reduction of sentences for convicted drug offenders who cooperate with prosecutors and investigators. Legislation on plea-bargaining in criminal cases, controlled deliveries, establishment of a witness protection program and other improvements in substantive and procedural criminal law remain under active discussion and consideration by various Thai legal institutions and the Parliament. Thailand is a signatory to both the UN Convention Against Corruption and the Suppression of the Financing of Terrorism Convention. The Thai Criminal Law Institute expanded its ongoing review of criminal laws to include the Convention Against Corruption.

INL-funded programs contributed materially to Thai law enforcement agencies' ability to conduct investigations by providing equipment, training and institutional building blocks that expand Thai counter narcotics professionalism. However, in 2003 INL suspended most forms of counternarcotics assistance and training to the Thai Provincial Police due to reports of police involvement in unexplained killings of drug suspects during the government's anti-drug campaign. That suspension remains in place pending investigations of the killings, including prosecution of anyone found responsible for wrongful extra-judicial killings. (No FY 2007 funds were provided to Provincial Police absent such investigations; drug law enforcement funding will support counternarcotics assistance to other Thai law enforcement agencies.)

Thailand continues to play a leading regional role in counter narcotics and fighting other transnational criminal threats. The RTG has cooperated with China, Burma, and other nations on significant drug investigations, resulting in numerous seizures of significant quantities of heroin and methamphetamine tablets. Thailand participated in several regional conferences on the suppression of precursor chemicals in 2005. Thailand has encouraged China and India to take stronger action to prevent the diversion of precursor chemicals used to manufacture methamphetamine. Thailand increased counternarcotics cooperation with Burma, and continued its pilot alternative development projects in Burma, based on its own successful experience. Thailand plays a leading role in the UN-sponsored ACCORD plan of action designed to promote regional cooperation on drug and crime control efforts. Thailand also continued to demonstrate regional and international leadership in law enforcement

affairs. With INL support, the RTG-affiliated Royal Projects Foundation began in 2005 to provide alternative crop development assistance to Burma and Afghanistan, and is looking at assisting Columbia.

Thailand's regional efforts at border interdiction and law enforcement coordination include improved policing of the Thai-Lao borders in the north and northeast regions of the country. Markedly improved cross-border operational communications along the Mekong River has developed within the past year, fostered in part by the inauguration of scheduled joint Lao-Thai river patrols using U.S. Government-purchased boats and other non-lethal equipment. Lao and Thai border law enforcement authorities now benefit from improved contacts and better communications tools, including cellular telephones and handheld radios that facilitate cross-border operational communications.

### **FY 2008 Program**

The FY 2008 program will include continuing support to the RTG's criminal investigative agency, the Department of Special Investigations (DSI), which is responsible for investigating significant, non-drug transnational and organized crime. FY 2008 funding will be used to offer training courses and technical assistance with organizational development by U.S. federal law enforcement agencies including the FBI and the Department of Justice (ICITAP). The continued development of the DSI will enable more focused investigations by the Thai law enforcement community, thereby facilitating the solving of crimes that affect U.S. business and national interests, such as intellectual property rights infringement, cyber crime, and financial crime.

FY 2008 funds will help build subregional multilateral projects with the Thai and neighboring countries, build capacity for dealing with new cross-border threats resulting from liberalized regional trade and globalization, and continue support for projects like the Thai-Lao joint cooperation to interdict narcotics trafficking along the Mekong River. The nearly completed north-south highway connecting Thailand to China, and the nearly completed east-west highway connecting Thailand with Vietnam via Laos will raise exponentially the volume of licit and illicit trafficking in goods and services as well as migration, thus posing threats as well as benefits to Thailand and neighboring nations.

With FY 2008 funds, OPDAT and ABA will continue projects designed to further support RTG efforts to fight corruption within the criminal justice system—particularly within the judiciary—by developing and conducting seminars and workshops throughout Thailand for sitting judges, prosecutors and public/private attorneys, as well as funding training visits by U.S. judicial experts. Specific goals are to improve understanding of comparative ethics regimes, encourage development of solutions to judicial misconduct and improve professional ethics education and training in Thai judicial institutions as these institutions evolve following the September 2006 coup.

Expansion and refinement of regional programs at ILEA Bangkok will continue, as well as development of bilateral programs to Thai law enforcement agencies that will both further

U.S. interests in combating transnational criminal activity as well as threats to Thai security that are posed by the continuing terrorist incidents in southern provinces.

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

<b>Thailand</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2007</b>	<b>FY 2008</b>
		<b>Supp</b>		<b>Supp</b>	
<b>Law Enforcement Support</b>	<b>990</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>2,300</b>
<b>Total</b>	<b>990</b>	<b>-</b>	<b>900</b>	<b>-</b>	<b>2,300</b>

## Vietnam

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The Government of Vietnam (GVN) will strengthen its abilities to improve border security.

Training and technical assistance will focus on the interception of contraband at border points and to create highly specialized contraband enforcement teams to enforce restrictions on international passengers and cargo.

The GVN will improve its abilities to restrict the contraband of narcotics.

Basic training and technical assistance in counternarcotics will advance Vietnam's narcotics interdiction capabilities.

### Transformational Diplomacy

FY 2008 funds for a counternarcotics program in Vietnam support and further the Secretary's Transformational Diplomacy goals for this developing state. Funding a border control program will benefit not only the GVN, but the surrounding countries and U.S. national security interests in denying safe havens and transit routes for terrorists and traffickers in illicit goods and in persons.

### Program Justification

Vietnam is located close to drug-producing countries and has limited capacity to combat drug trafficking. Therefore, Vietnamese border security plays an integral part in U.S. efforts to thwart traffickers in illicit goods and in persons. The vulnerability and lack of trained law enforcement officers make this a threat in the region. The GVN recognizes the need for assistance to improve their law enforcement's capacity to control its borders and intercept narcotics and other contraband. In 2003 GVN signed a Letter of Agreement (LOA) that focused on assistance to improve the effectiveness of Vietnam's counternarcotics efforts. This meant that a Contraband Enforcement Team (CET) would provide training, customized for the international airport environment and to be delivered in three phases.

During Phase I, five Vietnamese officers from border control and civil aviation security agencies traveled to the U.S. to observe a successful CET team in an airport operational

environment. In Phase II, three Customs and Border Protection (CBP) officers comprised an airport CET training team and delivered a specialized course in Hanoi to 24 officers from 3 major geographic regions in Vietnam. For Phase III, one CET international instructor remained in Vietnam for three additional days to reinforce lessons learned during Phase II in an airport operational environment. In 2004, a country assessment was conducted and Post recommended additional training. The plan included training and equipment deliveries over the medium term. Training will consist of three additional iterations of CET training for seaport officers in Haiphong, DaNang, and Ho Chi Minh City. The program will include appropriate equipment, such as basic inspection tools and test kits, to support program objectives.

### **Program Accomplishments**

FY 2008 represents a new request and requirement for INL. In the past, INL received Asia Regional funds in FY 2004 to support the Contraband Enforcement Team training conducted by U.S. Customs and Border Protection (CBP) focusing on interception of contraband at border points and basic and targeted DEA counternarcotics training to improve Vietnam's narcotics interdiction capabilities. FY 2008 will continue to fund these two programs.

### **FY 2008 Program**

The major components to the FY 2008 program are counternarcotics training with the U.S. DEA and CBP. The bilateral FY 2008 funds will be used to continue training that focus on interception of contraband at border points and training to improve Vietnam's narcotics interdiction capabilities.

<b>Vietnam</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Narcotics Law Enforcement</b>					
Narcotics Interdiction	-	-	-	-	200
Eradication	-	-	-	-	-
Institutional Development	-	-	-	-	-
<b>Sub Total</b>	-	-	-	-	<b>200</b>
<b>Total</b>	-	-	-	-	<b>200</b>

## East Asia and Pacific Regional

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The U.S.-Association of Southeast Asian Nations (ASEAN) partnership will collaborate on developing a regionally coordinated trafficking interdiction strategy and operations for member nations to meet ASEAN's goal of becoming drug-free by 2015.

The U.S. will fund an UNODC study of illicit synthetic drug trafficking, documenting the degree and growth of non-opiate illicit drugs, their production methods and sites, distribution channels, and consumption. This study will include recommendations on how ASEAN members can collaborate on a response. The ASEAN Secretariat and ASEAN member countries in conjunction with the U.S. will then use the recommendations in the study to coordinate sub-regional efforts and assistance. USG assistance will include participating in the provision of assistance and training. Training and technical assistance will lead to the development of management, leadership and operational capabilities along the Mekong River, the China-Thailand Highway, and the Thailand-Vietnam Highway, as well as sea lane and air traffic in Maritime South East Asia.

### Transformational Diplomacy

Funds will be used to advance border security and counternarcotics coordination and operations (Peace and Security sub element 1.4.3) for ASEAN-member developing and transforming countries.

### Program Justification

The United States and ASEAN have formed a partnership to address common issues. At the ministerial in 2006, the U.S. Secretary of State committed the USG to assisting ASEAN in the latter's goal to become drug-free by 2015.

### Program Accomplishments

This program is new. The USG has contacted the ASEAN Secretariat to propose the funding of the UNODC study, and expects to follow up with assistance and training coordinated with ASEAN members countries to implement the study's recommendations.

## **FY 2008 Program**

The major component to the FY2008 program will be the funding and assistance to the UNODC study, with recommendations for consideration by the ASEAN member states' Heads of Law Enforcement Agencies.

<b>East Asia Pacific Regional</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Interdiction</b>	-	-	-	-	<b>280</b>
<b><i>Total</i></b>	-	-	-	-	<b>280</b>

**Europe**

## Turkey

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Improved drug seizures and dismantling of criminal networks.

Reduction in flow of illicit drugs and other contraband to and through Turkey – both through increased seizures and active deterrence.

### Transformational Diplomacy

The flow of significant quantities of illicit drugs to and through Turkey poses an ongoing threat to its security as well as to the expansion of legitimate trade and investment. The corrupting influence of the drug trade threatens the integrity of customs, law enforcement and security personnel. Enhanced professionalism and technical capabilities, likewise, help to reduce or eliminate other abuses of authority, aiding in promoting human and civil rights.

Improving border control at land and sea ports of entry, improved investigative capacity, and enhanced cooperation with key international partners will directly advance Transformational Diplomacy's Peace and Security objectives. As a major ally in the war on terrorism, the integrity and professionalism of Turkey's security and law enforcement agencies are critical to the ability of U.S. counterpart agencies to work effectively with them and exchange information. In addition, these programs indirectly support Democracy and Good Governance and Economic objectives by promoting rule of law, combating corruption, and facilitating legitimate economic growth and investment – both essential to Turkey's goal of eventually joining the European Union.

### Program Justification

Turkey is a moderate, Muslim nation with a secular state and growing economy. It is an active member of NATO, a committed partner in the global war on terrorism and long-time U.S. partner in combating international drug trafficking. In July 2006, Secretary of State Rice and Turkish Foreign Minister Gul agreed to a shared vision of developing a more structured framework to enhance the effectiveness of the U.S.-Turkey relationship, including in the security arena. Due to its strategic geographic location, its extensive coastline, active ports and proximity to Europe, however, Turkey is a major transshipment point for illicit drugs heading to Europe both from the east – principally Afghan heroin – and from Africa

and even Latin America. Turkey also faces substantial problems with illegal drug trafficking, human smuggling, the movement of transnational terrorists through its territory, and commercial smuggling. The profits from these illicit enterprises could provide revenue sources to terrorists. These criminal activities serve to undermine the rule of law in Turkey, lead to corruption of public officials, and weaken Turkish institutions. The future stability, security and economic development of Turkey rests, in great measure, on how the fight to strengthen the rule of law proceeds, and on its effectiveness in confronting drug trafficking. The prospect of EU membership increases both the opportunity for improvements and the need for such advances as soon as possible.

The Government of Turkey (GOT) continues to advance its political and economic reform agenda as it moves towards becoming a member of the European Union. Turkey also distinguished itself as a solid partner in the fight against global terrorism. U.S. support for Turkey's political and economic transition and its continued development as a moderate, Muslim state is consistent with our National Security Strategy.

### **Program Accomplishments**

The U.S. and Turkey have a long history of close cooperation in combating transnational organized crime, especially drug trafficking. Turkey has among the world's highest rates of drug seizures. With the support of the U.S. and the United Nations, Turkey established in 2000 the Turkish Academy to Combat Drugs and Organized Crime (TADOC) which not only serves as a training center for Turkish law enforcement personnel, but has been opened by the GOT to support training for personnel from other countries in the region. In early 2007, TADOC hosted a pilot training activity involving counter-drug unit commanders from both Turkey and Afghanistan aimed at establishing a closer working relationship between the two countries to combat the flow of heroin from Afghanistan through Turkey to Western Europe and the Americas.

### **FY 2008 Program**

While the U.S. has provided limited training and technical assistance to the GOT in recent years, e.g., through the International Law Enforcement Academy (ILEA) in Budapest or at the Turkish International Academy Against Drugs and Organized Crime (TADOC), the Department of State has not had a formal cooperative program in place since 2000.

In July 2006, U.S. Secretary of State Rice and Turkish Foreign Minister Gul agreed to a shared vision of developing a more structured framework to enhance the effectiveness of the U.S.-Turkey relationship, including a pledge to work together on countering terrorism and crime. Within this framework, the two governments agreed to institute regular, annual meetings to establish expert groups on law enforcement issues of mutual concern. The FY 2008 funding requested here would be used to support that engagement, including reestablishment of a counternarcotics and border security program to promote more effective bilateral and multilateral cooperation. The Department proposes to direct FY 2008 resources towards a pilot border security program assessment to look at the current border

vulnerabilities and identify the specialized equipment and training requirements of Turkish customs and law enforcement agencies.

Funding would also be used to build on joint Turkish-Afghan counterdrug training conducted in early 2007, bringing in other key partners as appropriate, e.g., investigative agencies from Southeastern Europe. Training and technical assistance, provided by DEA and/or other training experts will be directed at Turkish counter-drug, customs and other law enforcement entities on border control and detection techniques at land and sea ports of entry. Funding will cover TDY training costs, travel costs for trainee travel for third-country trainees or for Turkish personnel where training is not provided in-country.

### **Program Development and Support**

Funds will be used to pay for the salaries, benefits, and allowances of any permanently-assigned foreign national employee(s), International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Turkey</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Counternarcotics - Interdiction</b>	-	-	-	-	<b>400</b>
<b>Law Enforcement Support Police</b>	-	-	-	-	<b>50</b>
<b>Professionalization</b>	-	-	-	-	-
<b>Sub Total</b>	-	-	-	-	<b>450</b>
<b>Program Development and Support</b>					
U.S. Personnel	-	-	-	-	-
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	-	-	-	-	10
Program Support	-	-	-	-	40
<b>Sub-Total</b>	-	-	-	-	<b>50</b>
<b>Total</b>	-	-	-	-	<b>500</b>



**Near East**

## Algeria

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Deny funds to terrorist organizations and other international criminal organizations.

The number of successful investigations and prosecutions of terrorist financing and money laundering cases; the number of jurisdictions in compliance with international anti-money laundering standards.

### Transformational Diplomacy

Denying funds to international criminal organizations advances the Secretary's Transformational Diplomacy Peace and Security objective by developing robust anti-money laundering systems that contain the legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets. Algeria is prepared to take its place in North Africa as a regional powerhouse and is strengthening ties with Europe, the Arab League, and Africa, while it develops new relationships in Asia, Latin America, and with the United States. Increased funding requests at the program element level are indicative of a significant realignment of our assistance, one that increases support for democracy and governance and economic growth while maintaining our strong security relationship.

### Program Justification

Fighting a fundamentalist insurgency in the 1990s gave Algeria's military and security services vast experience combating terrorism and extremism. U.S. goals in Algeria include helping free that country from terrorism and strengthening our partnership with the Algerian government in fighting global terrorism. Algeria is a significant counter-terrorism partner in northwest Africa. INL programs will support our efforts in working with the Government of Algeria to combat financial crimes, terrorist financing, and money laundering. These activities have the power to corrupt officials, distort economies, skew currency markets, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes, such as trade-based money laundering, that until very recently has frequently eluded law enforcement. Experts estimate that global money laundering exceeds 3-5 percent of Global Domestic Product – or \$1.5-\$1.8

trillion per year -- and continues to grow through a variety of new innovative schemes only limited by the imagination of criminals and their organizations.

After over a decade spent protecting state institutions against its civil insurgency, Algeria is now re-building its political and economic systems and is in need of targeted technical assistance that targets financial crimes.

## **Program Accomplishments**

Country-specific funding for Algeria is requested for the first time in FY 2008.

### **FY 2008 Program**

Promote and develop activities and programs that will strengthen cooperation against financial crimes and terrorist financing. Work with Algeria to establish or update enforcement and regulatory tools and to implement international anti-money laundering/anti-terrorist financing standards. Encourage and assist in the formation of financial intelligence units (FIUs), and enhance their ability to share critical financial intelligence by providing technical assistance to those countries that have adequate and appropriate anti-money laundering laws and regulations in place.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Algeria</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Financial Crimes</b>	-	-	-	-	<b>200</b>
<b>Trafficking in Persons</b>	-	-	-	-	-
<b><i>Total</i></b>	-	-	-	-	<b>200</b>

## Egypt

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Modernized approaches to policing instituted and police-public relations improved through institutional reforms, strategic planning, personnel and other management reforms, and updated curricula and training methods implemented at training academies.

Reduction in incidents of excessive use of force by police, particularly with respect to peaceful demonstrations or other events relating to the exercise of democratic freedoms by civil society or expressions of judicial independence. Indications of improved police-public trust and cooperation, such as increased police responsiveness to public requests for assistance and decreased public complaints of abuses of authority.

### Transformational Diplomacy

By assisting the Government of Egypt in modernizing the management of its national police force, the U.S. would support two major goals of the Secretary's Transformational Diplomacy strategy. Improved technical skills to investigate criminal and terrorist threats will advance the Peace and Security goal. Promoting an institutional shift in Egypt's police force towards public service will advance Good Governance and Democracy. The criminal activities that arise out of long and porous borders pose real threats to Egypt's security. The illicit trade of drugs and weapons, and the smuggling of humans are destabilizing factors which can be exploited by terrorists and other criminals. The huge illicit proceeds increase the likelihood of corruption which can undermine the rule of law and weaken national institutions that are not only responsible for public safety but are also partners to the U.S. in the war on terrorism. Measures to combat these threats will assist Egypt in enhancing peace and security. In parallel, assisting Egyptian police entities to establish a more positive relationship with Egyptian society – through professionalism, improved responsiveness and organizational transparency – is critical to promote democracy, rule of law and protection of civil and human rights.

### Program Justification

Egypt is a democratizing, and moderate Muslim state that is not only a victim of terrorism, but also a committed partner in the global war on terrorism. Egypt has long coastal and land borders, including an extensive border in the desert of the Sinai Peninsula that is easily

exploited by terrorists, drug traffickers, alien smugglers, and other transnational criminals. Egypt has substantial problems with illegal migration, human smuggling, the movement of transnational terrorists through its territory, drug trafficking, and smuggling of weapons and other contraband. Law enforcement personnel lack many of the sophisticated tools and training required to combat these threats. In addition, the profits from these illicit enterprises could provide revenue sources to terrorists. These criminal activities lead to corruption of public officials, and could weaken Egyptian institutions, undermining the rule of law in Egypt.

Democracy and good governance are top USG priorities in Egypt, and we have supported a broad range of programs to strengthen civil society and to promote judicial independence. Policing reform efforts will likewise focus on the key roles that law enforcement plays in support of the rule of law, notably ensuring public safety and bringing criminals to justice. Egypt's traditional military-style approach to policing has provided a high level of security – important given both domestic and external terrorist threats, but it has impeded its ability to build a strong, positive relationship with the Egyptian public or to respond appropriately to situations that reflect growing public demands for a more open society.

With FY 2006 Economic Support Funds (ESF), the Department initiated a pilot project to assist the Egyptian National Police and Ministry of Interior to develop curricula to improve administrative and management capabilities of top law enforcement personnel in order to support development of the values, knowledge and skills necessary for police to confront contemporary challenges. The initiative also included training and technical assistance in human rights, the rule of law, strategic planning and fostering police support of democratic governance.

### **Program Accomplishments**

Through a new pilot program, the U.S. Embassy initiated in 2007 a series of technical exchanges with senior Egyptian law enforcement officials on strategic planning, modern approaches to law enforcement training, and issues relating to improving cooperation between police forces and the public.

### **FY 2008 Program**

FY 2008 funding will seek to assist Egypt's law enforcement agencies to improve the management and administrative skills of its officers, to expand capacity for strategic planning, and to promote organizational transparency. The management-related activities would introduce junior and mid-level officers to the values, knowledge and skills necessary to manage their agencies and personnel effectively as they confront contemporary challenges. Activities would include such things as introducing the concepts of organizational development, changing management, personnel evaluation, and internal discipline procedures – essential to ensuring adherence to the rule of law – and prevention of abuse of authority and corruption. The strategic planning activities would enhance the capacity of the Egyptian police to provide training in strategic planning, including institutional development toward more democratic policing. This would include such things as curriculum

development and train-the-trainer activities to assist academy personnel deliver effective strategic planning training as part of basic officer training. The organizational transparency project will improve administrative and management capabilities, and foster civilian police roles that support democratic governance, e.g., by enhancing the Egyptian police's capacity to respond to public concerns or complaints and thereby both improve organizational efficiency and integrity and increase public support for the institution. A technical advisor will assist in arranging leadership seminars, workshops, international visits, training in strategic planning, provide advice on curriculum development and the adoption of modern teaching techniques and methodologies, including approaches to combating complex or emerging threats such as trafficking in persons. Most training and technical assistance envisioned under this program plan will be directed at mid-level Egyptian police and security agency officials, strategic planning officers and training academy personnel.

### **Program Development and Support**

Funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Egypt</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Border Control</b>	-	-	-	-	-
<b>Law Enforcement Support Police</b>	-	-	-	-	-
<b>Professionalization</b>	-	-	-	-	<b>2400</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>500</b>
<b>Sub Total</b>	-	-	-	-	<b>2,900</b>
<b>Program Development and Support</b>					
U.S. Personnel	-	-	-	-	44
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	-	-	-	-	17
Program Support	-	-	-	-	39
<b>Sub-Total</b>	-	-	-	-	<b>100</b>
<b>Total</b>	-	-	-	-	<b>3,000</b>

## Iraq

### Budget Summary (\$000)

FY 2006 Actual	FY 2006 Supp.	FY 2007 Estimate	FY 2007 Supp.	FY 2008 Request	FY 2008 Emergency
---	91,400	20,048	150,000	75,800	159,000

### Program Objectives and Performance Indicators

The objective of the Iraq Criminal Justice Program is to continue to develop the capacities of all elements of the Iraqi criminal justice system (police, justice, corrections) to support fair, efficient, and legitimate Iraqi Government institutions to promote peace and security, resolve disputes, and promote respect for the rule of law. National Security Presidential Directive (NSPD) 36 gave the U.S. Central Command (CENTCOM) primary responsibility for development of Iraq's security forces, including the police. The mission has been tasked to CENTCOM's subordinate command – Multi National Security Transition Command – Iraq (MNSTC-I) and its Civilian Police Assistance Training Team (CPATT). INL, with DOD funding, supports MNSTC-I's efforts by providing a foreign service officer embedded in the CPATT senior staff; 690 International Police Liaison Officers (IPLOs) through a contract with DynCorp International to provide field assessment, training, and mentoring; and 191 International Police Trainers (IPTs) through an interagency agreement with the Justice Department's International Criminal Investigative Training Assistance Program (ICITAP), which in turn employs contractors from MPRI. Through DynCorp, INL also provides required logistical and security support for the trainers and advisors. Since 2004, INL has received Iraq Relief and Reconstruction Funds (IRRF) directly transferred from the Iraq Reconstruction Management Office (IRMO) to support justice and corrections programs in Iraq. Beginning with \$91.4 million in the FY 2006 Supplemental, INL has assumed funding for these programs from the International Narcotics Control and Law Enforcement budget (INCLE).

The FY 2008 Program assumes continued funding for the police development program from Iraq Security Sector Funds (ISSF) via DOD. These funds will support the continued deployment of U.S. police personnel who are providing training and mentoring to Iraqi counterparts throughout Iraq, under the direction of MNSTC-I.

The FY 2007 Supplemental and FY 2008 Programs to be implemented with INCLE funds will address:

**Human Rights:** Build capacity within the Iraqi justice system by incorporating into each of the programs described below segments on the promotion and protection of human rights, including, where appropriate, effective mechanisms for redress.

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**Justice Integration:** Build upon current efforts to strengthen Iraqi capacity to integrate and improve coordination between police, courts, and prisons, by:

Expanding implementation of the pilot criminal defendant tracking system in Baghdad and some of the provinces to several additional strategically located provincial police stations, courts, and prisons throughout Iraq;

Conducting training sessions for provincial police, judges, and corrections officials on benefits and requirements for integration, information sharing, and improved methods of coordination, including both policy and IT-related aspects of integration;

Advising and providing technical assistance to ministries and senior officials responsible for criminal justice system components to support refinement of the policies and procedures necessary to successful justice integration, in order that justice institutions coordinate and share information on the movement of criminal defendants through the system, respect the human rights of accused persons at every stage of proceedings, and otherwise comply with policies and procedures developed with prior years' funding.

**Public Integrity:** Build on existing efforts to promote institutional transparency and accountability, instill public confidence, and overcome corruption by:

Providing ongoing technical assistance, training, and mentoring to Government of Iraq entities responsible for investigating allegations of corruption;

Providing physical security for the residences and headquarters, and protective details for, key Iraqi anticorruption officials.

**Rule of Law Outreach:** Enhance the transparency of the justice system, and Iraqi citizens' access to it, by:

Continuing and expanding the scope of judicial development in the criminal justice sector by funding Department of Justice Resident Legal Advisors (RLAs) in Baghdad and at the Provincial Reconstruction Teams (PRTs) to mentor and advise, and train prosecutors, judges, and court officials;

Continuing and expanding the scope of broader court and justice sector development, advising and mentoring as to coordination among justice sector actors, and providing oversight for USG-funded rule of law programs in the provinces by funding INL Rule of Law Advisors at PRTs.

**Public Prosecutors and Courts:** Continue support begun in prior years to judicial and court institutions, so that the judiciary and courts function as strong, independent institutions that process cases transparently and effectively and gain the confidence of Iraqi citizens in their courts, thereby decreasing the potential that citizens will turn to violent militias or other "alternative" means of justice, by:

Bolstering court and judicial security through court building improvements, security equipment, and training of facilities protection and personal security personnel throughout Iraq;

Providing assistance to court officials in effectively staffing, resourcing and organizing offices throughout Iraq including systems and techniques for enhancing victim/witness relationships, establishing prosecutorial priorities, case evaluation and effective case management;

Providing training, technical assistance and mentoring to judges, court investigators, and prosecutors in criminal investigations, substantive and procedural law, trial advocacy skills, relationships between police and judiciary, and human rights;

Educating prosecutors, judges, court administrative personnel regarding the necessity for close cooperation with civilian police, investigative judges, court administrators trial judges, and corrections officials;

Assisting court personnel with court administration practices, rules, and processes, administrative best practices, case flow and case management techniques, information technology, personnel management, and file storage and security, so as to accelerate and streamline the processing of criminal cases through the court system.

**Legal Framework:** Support the Government of Iraq in building a modern, democratic legal framework that strengthens the independence of the judiciary, respects human rights, gives effect to the Iraqi Constitution, reforms the penal and criminal procedure codes, and adequately addresses modern crimes such as corruption, transnational crime, terrorism (including its financing), human trafficking, and technology crimes, by:

Technical assistance to help identify remaining gaps, deficiencies, and unmet commitments in the substance of Iraqi law, and in compliance and enforcement and to draft appropriate legislation to address those gaps.

**Major Crimes Task Force:** Continue to build Iraqi capacity to investigate insurgent and other serious crime and bring transgressors to justice, and by doing so reduce the most significant threat to ability of the Government of Iraq to establish stability and engender trust on the part of Iraqi citizens in their government, by:

Continuing to support a cadre of advisors from eleven U.S. law enforcement agencies to train, mentor, and advise specially vetted Iraqi law enforcement team members and to conduct investigations of high-profile crimes (such as killings of government officials and their families and maintaining illegal detention facilities) that threaten Iraq's stability and undermine reconstruction efforts.

**Corrections:** Continue to work with the Ministry of Justice (MOJ) and Iraq Corrections Service (ICS) to help ensure that criminal suspects are detained and, if convicted, incarcerated in a safe and secure manner that meets basic human rights standards by:

Continuing to supply and support (security, life support) advisors to the ICS to: facilitate the expansion of the service to meet increasing demands (including assuming responsibility for Iraqi detainees from the Ministry of Interior); enhance the basic skills and effectiveness of ICS personnel; improve management capacities; support organizational development; and help the ICS and MOJ to identify and ameliorate problems that may threaten the effectiveness or integrity of the Iraqi corrections system.

Constructing and/or expanding additional jail/prison facilities in which to hold criminal suspects in a secure and humane manner.

## **Transformational Diplomacy**

The Iraq Criminal Justice Program advances the Transformational Diplomacy objectives for peace and security and for governing justly and democratically. This program specifically works with the Iraqis to build Iraqi criminal justice institutions that are sufficiently fair and efficient that the Iraqi people will turn to them, instead of militias or other forms of street justice, to keep them safe and resolve their disputes. The requested funds will expand current efforts to enhance an individual's access to the justice system, to develop a modern and democratic legal framework, and to enhance the security of judges, courts, and those involved in the justice system, thereby limiting the extent to which they can be intimidated by individuals who seek to thwart the criminal justice process. These funds will support efforts to get all elements of the criminal justice system to work more cooperatively, effectively, and efficiently – e.g., to gather better evidence so that criminals can be legitimately charged with crimes and prosecuted, to accelerate judicial review of cases, to keep records of individuals who are detained as they move through the criminal justice system to better ensure that guilty persons remain incarcerated and the innocent are released, and to reinforce respect for human rights throughout the system. By enhancing Iraqi capacities to identify, investigate, and prosecute corruption, these funds will promote greater public confidence in the Iraqi Government and build greater Government accountability to the public.

## **Program Justification**

The development of a fair and effective criminal justice system in Iraq (including civilian police, judicial, prosecutorial, and corrections functions) is essential to establishment of a stable society in which Iraqi citizens trust in and turn to their courts to resolve disputes, rather than to violent militias and other forms of “alternative” justice. We seek to support twin goals through our rule of law and corrections programs: to help the Iraqis develop the institutional and societal frameworks on which the rule of law rests while simultaneously addressing more immediate problems that impede the effective functioning of the justice

system and thus undermine the confidence of the Iraqi people in their Government and their future.

## **Program Accomplishments**

In the past year, justice integration advisors have helped launch an Iraqi Commission on Integrated Justice; completed a comprehensive assessment of the Iraqi justice sector; created a pilot database capable of tracking an accused individual from time of arrest or detention through adjudication to acquittal, conviction, incarceration and/or release; proved the database viable; trained Iraqi personnel from the police, courts, corrections, and juvenile justice sectors in integration/coordination policies and procedures and use of the automated database; generated a comprehensive policy and procedure guide identifying integration points and corresponding procedures for every step of the criminal justice system; and proposed an initial plan for deploying the approach to additional jurisdictions in Baghdad and/or the provinces.

The Iraqi Commission on Public Integrity (CPI) has undertaken over 3,500 investigations and referred over 1800 of them to Investigative Judges, leading to the issuance of about 1000 arrest warrants. CPI investigations have led to the arrest of 10 employees of the Ministry of Oil and the conviction and sentence of four officials from the Ministry of Planning. Iraqi trainers have been conducting safety and survival/defensive tactics training for the CPI, and six Iraqi CPI investigators have vetted 434 CPI employees through the use of Biometric Data Collection System.

The Iraqi Corrections Service has assumed responsibility for the basic training of its personnel, using training curricula developed with the assistance of U.S. advisors and with continued monitoring by these advisors (total of 7535 graduates as of February 2007). With assistance from U.S. advisors, the ICS has begun to take on responsibility for pre-trial detention facilities previously operated by the Ministry of Interior.

The Department of Justice Resident Legal Advisors have continued to provide support to the Central Criminal Court of Iraq (CCCI), which has conducted over 1800 trials and gained over 1200 convictions to date; mentored dozens of Iraqi judges in Baghdad and the provinces; trained dozens of judicial investigators in criminal investigations and legal issues; and established active Criminal Justice Councils that promote coordination among judicial officers and law enforcement sectors in several of Iraq's provinces.

The United States Marshals Service has renovated five witness security and judicial housing compounds in the International Zone for judges and witnesses involved in the Sadaam Hussein and CCCI trials; trained and equipped guard forces and provided security upgrades to several courthouses in Baghdad and the provinces; and trained at least 3,000 Facilities Protective Service and Personal Security Detail personnel to protect courts and judges.

INL-funded programs have also provided for the training of 100 Judicial Investigators (court officials similar to magistrates in the US, who direct the police in criminal investigations) in

criminal investigations procedures, including interrogations, crime scenes, evidence collection, forensics, bomb blasts, and legal issues.

Legislative advisors generated 15 detailed legislative drafting guides for the Iraqi Council of Representatives (CoR), mentored and advised CoR and Higher Juridical Council (HJC) officials on constitutional requirements and legislative drafting, and created a nationwide advisory network of Iraqi attorneys to serve as informal advisors on Iraqi law.

The Major Crimes Task Force uncovered illegal detention facilities where torture and human rights abuses were taking place, pursued the killers of government officials and their families, and undertook investigations of other high-profile cases that resulted in the issuance of over 90 arrest warrants of individuals, at least 33 of whom are incarcerated with trials scheduled.

### **FY 2007 Supplemental and FY 2008 Programs**

The FY 2007 Supplemental and FY 2008 programs will sustain the number of U.S. advisors to the Iraqi Corrections Service, while providing more security support to better enable them to provide assistance at detention/prison facilities throughout Iraq. It will support the construction of additional jail/prison beds to help alleviate current and anticipated future shortfalls in capacity that can result in either inhumane overcrowding of facilities and/or potentially the release of some suspected offenders due to lack space to hold them. The FY 2008 Criminal Justice Program will continue and expand on the work being done to provide judicial security, bolster judicial capacity, combat corruption, and enhance cooperation among actors in the criminal justice system.

<b>Iraq</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008	FY 2008 Supp
<b>Corrections Services</b>	<b>83,700</b>	<b>8,992</b>	<b>20,400</b>	<b>20,000</b>	<b>80,000</b>
<b>Judicial Security</b>	<b>7,700</b>		-	-	-
<b>Criminal Justice Development</b>	-	<b>7,556</b>	<b>122,600</b>	<b>45,800</b>	<b>79,000</b>
Justice	-		-		
Human Rights	-		-	2,000	2,000
Justice Integration	-	1,741	25,000	5,500	9,000
Public Integrity	-	2,447	21,000	8,700	16,300
Rule of Law Outreach	-	506	5,600	7,000	
Public Prosecutors	-				
Courts	-	1,174	58,000	15,600	44,700
Legal Framework	-	520	2,000	2,000	1,000
Major Crimes Task Force	-	1,168	11,000	5,000	6,000
<b>Program Development and Support</b>	-	<b>3,500</b>	<b>7,000</b>	<b>10,000</b>	
<b>Total</b>	<b>91,400</b>	<b>20,048</b>	<b>150,000</b>	<b>75,800</b>	<b>159,000</b>
<p><i>Note 1: Beginning in FY07 Supp. we have folded judicial security, and public prosecutors into the "Courts" Project</i></p> <p><i>Note 2: There may be some changes to the distribution of funds for projects within the FY07 Supp. criminal justice development program.</i></p>					

## Israel

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

To strengthen the capacity of the criminal justice sector within Israel to investigate and arrest criminals engaged in trafficking in persons crimes and assist victims of trafficking.

Establishment of skills-based training of police units focused on trafficking in persons.

Demonstrated collaborative efforts between criminal justice agencies and civil society programs serving trafficking victims.

Improved bilateral and/or regional coordination on trafficking law enforcement and repatriation activities.

### Transformational Diplomacy

The FY 2008 TIP program in Israel will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding TIP programs that protect the victims of human trafficking by prosecuting traffickers, protecting victims and preventing trafficking from recurring.

### Program Justification

The U.S. Government estimates 600,000 to 800,000 men, women and children are trafficked across international borders every year into slavery, including 14,500 to 17,500 into our own country. Some estimate the global number of trafficking victims to be in the millions--in domestic servitude, sex slavery, forced labor, child soldiers, child camel jockeys, and other brutal schemes.

Because trafficking deprives people of freedom in every part of the world, it is a grave threat to human rights. It also threatens public health and the very safety and security of nations, as disease and organized crime flourish through trafficking.

Israel is a destination country for low-skilled workers from the P.R.C., Romania, Jordan, Turkey, Thailand, the Philippines, Nepal, Sri Lanka, and India who migrate voluntarily for contract labor in the construction, agriculture and health care industries. Some are

subsequently subjected to conditions of involuntary servitude. Many labor recruitment agencies in source countries and in Israel require workers to pay up-front fees ranging from \$1,000-10,000 – a practice that often leads to debt bondage and makes these workers highly vulnerable to forced labor once in Israel. Israel is also a destination country for women trafficked from Eastern Europe – primarily Ukraine, Moldova, Uzbekistan, Belarus, and Russia – for the purpose of sexual exploitation. NGOs estimate that in 2005 between 1,000 and 3,000 women were trafficked into Israel for sexual servitude and 16,000 to 20,000 foreign workers faced involuntary servitude, though NGOs do not provide evidence to support their claim.

Given the threat posed by trafficking in persons, training and technical assistance for law enforcement on how to identify and rescue victims, investigate cases, coordinate and prepare prosecutions, and collaborate with nongovernmental organizations are imperative.

### **Program Accomplishments**

Country-specific funding for Israel is requested for the first time in FY 2008.

### **FY 2008 Program**

The FY 2008 program will be designed to assist the Government of Israel to strengthen law enforcement and the rule of law to interrupt national and transnational TIP crime networks. Funding will be used to adopt anti-trafficking laws, improve the legal framework for addressing TIP, and strengthen the capacity of civil society to work effectively with justice systems to promote the rescue and protection of victims.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Israel</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>500</b>
<b><i>Total</i></b>	-	-	-	-	<b>500</b>

## Jordan

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
---	---	1,500

### Program Objectives and Performance Indicators

U.S. advisors provide bilateral training, technical assistance and equipment to Jordanian security services to help them develop their capacity to combat terrorist and other transnational threats.

U.S. advisors conduct courses on specialized topics and supervise Jordanian security services personnel as they attend and complete courses. Basic equipment for training purposes is procured and donated to the Jordanian security services.

### Transformational Diplomacy

The FY 2008 INL program in Jordan will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding security service professionalization projects designed to enhance the security of the Jordanian people and the region. The need for enhanced law enforcement capabilities is evidenced by the various terror attacks and terrorist threats that have occurred in Jordan over the last several years.

### Program Justification

Jordan is a key U.S. ally, committed to progressive democratic reform, and in lockstep with the United States in the war on terrorism. However, Jordan's progress implementing reform is constrained by external threats and domestic economic and political challenges. Jordan suffered two serious terrorist attacks in 2005, and disrupted numerous other plots. Jordan is buffeted by conflicts and instability on most of its borders, and faces a critical terrorism threat. A deterioration of the security environment would damage the tourism sector and prompt foreign investors to retreat from Jordan's markets, devastating the economy, and creating political instability. Our programs aim to assist Jordan's efforts to maintain its security.

### Program Accomplishments

Country-specific funding for Jordan is requested for the first time in FY 2008.

**FY 2008 Program**

The FY 2008 program will be designed to enhance the capabilities of the Jordanian security services. INL has not had a program in Jordan in the past, but we will use our vast experience initiating programs elsewhere to develop an initiative that addresses Jordan's most immediate security needs, while taking into account especially the security challenges of working in Jordan.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Jordan</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Rule of Law/ Justice Systems</b>	-	-	-	-	<b>1,000</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>500</b>
<b><i>Total</i></b>	-	-	-	-	<b>1,500</b>

## Lebanon

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2007 Supp.	FY 2008 Request
---	---	60,000	1,800

### Program Objectives and Performance Indicators

U.S. police advisors provide bilateral training and technical assistance to the Lebanese Internal Security Forces (ISF) to help continue their development as a competent, professional police force capable of protecting the Lebanese people and territory.

U.S. police advisors conduct courses on specialized topics and supervise ISF personnel as they attend and complete courses. Basic equipment for training purposes is procured and donated to the ISF.

### Transformational Diplomacy

The FY 2008 police program in Lebanon will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding police professionalization projects designed to enhance the security of the Lebanese people and assist the democratically elected Government of Lebanon in implementing UNSCR 1701. U.S. assistance remains vital to counter or blunt the remaining Syrian interference in Lebanon and to help build the capacity of the ISF to protect Lebanon's sovereignty, dignity and security.

### Program Justification

In the wake of the July-August, 2006 Hizballah-Israel war, much of Lebanon lies in ruins, especially in the south. Lebanon had just recovered from decades of war and outside occupation and had seemed headed for unprecedented economic growth and democratic development following the April 2005 withdrawal of Syrian military forces and the election of the first "made in Lebanon" government in nearly 30 years. Lebanon's democracy remains fragile due to sectarian tensions and continuing Syrian interference using local proxies, Hizballah, and heavily armed Palestinian rejectionist (terrorist) groups. Despite the war, Hizballah retains its arms and its dangerous state-within-a-state status. Lebanon's massive reconstruction program and the UN-supported deployment of Lebanese security forces into hitherto-Hizballah-controlled southern Lebanon provide the opportunity not only to restore Lebanon's economy but to rebalance its political system and help restore Lebanon's full sovereignty.

Supporting the democratic government of Lebanon, and the people of Lebanon, is an urgent priority of the United States. We are working to see the rapid and full implementation of UNSCR 1701; to see established the full sovereignty of a Lebanese Government representing all its people, and Lebanese security forces capable of protecting Lebanon's borders, sovereignty and dignity. U.S. support for the ISF will help them meet this challenge.

As a result of the movement of 15,000 Lebanese Armed Forces (LAF) to the south of Lebanon as part of the cease fire agreement with Israel, the LAF has had to abandon its policing functions in many parts of rural Lebanon. This situation has resulted in the ISF backfilling very quickly, and as a result, the ISF needs equipment and training to build their capacity. The Government of Lebanon (GOL) continues to advance its political and economic agenda as it moves towards full sovereignty. U.S. support for Lebanon is consistent with our National Security Strategy, strikes at the root causes of terrorism, and improves America's credibility in Lebanon as well as the region.

### **Program Accomplishments**

To address Lebanon's immediate needs following a spate of terrorist assassinations, the FY 2006 program facilitated the Lebanon Evidence Response Team Training Initiative. This proved to be a very successful training program for the Lebanese judges and police officers who attended. Since their return to Lebanon, at least one of the graduates of this program has been praised for his professionalism in a recent bomb investigation. In addition, INL funded the purchase of 60 unarmored SUVs with police packages to enhance the ISF's mobility and patrol capabilities. In addition, INL funded the procurement and distribution of 2000 sets of civil disorder management equipment to the ISF to assist them in responding to civil disturbances. INL will also be instituting a train and equip program using FY 2007 Supplemental funding.

### **FY 2008 Program**

The FY 2008 program will be designed to enhance the capabilities of the ISF. INL will use our vast experience with training and equipping civilian police forces to develop an initiative that builds on the equipment we have provided the ISF in the past, as well as the training and technical assistance they receive from the FY 2007 Supplemental program, while taking into account especially the security challenges of working in Lebanon.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Lebanon</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Law Enforcement Support</b>	-	-	-	<b>58,000</b>	<b>1,500</b>
Training	-	-	-	34,000	-
Equipment	-	-	-	20,000	-
Facilities	-	-	-	4,000	-
<b>Trafficking in Persons Program Development and Support</b>	-	-	-	-	<b>300</b>
	-	-	-	<b>2,000</b>	-
<b>Total</b>	-	-	-	<b>60,000</b>	<b>1,800</b>

## Morocco

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
990	1,000	1,000

### Program Objectives and Performance Indicators

Improved border control at land and sea ports of entry.

Reduction in illegal migrants and contraband leaving Morocco; increased seizures of drugs and other contraband; increased customs revenue collection; and reduced processing time for international travelers and commercial shipments.

### Transformational Diplomacy

Improving the border control at land and sea ports of entry advances the Secretary's Transformational Diplomacy Peace and Security objective by funding training, technical assistance and equipment designed to strengthen border security. The criminal activities that arise out of porous borders serve to undermine the rule of law in Morocco, and weaken the Moroccan institutions that assist the U.S. in the war on terrorism. The continuation of the exchange of information and the provision of the requisite training and equipment needed for Morocco to secure its borders will lead to a more secure Morocco. The illicit trade of drugs and weapons, and the smuggling of humans are destabilizing factors which can be exploited by terrorists and other criminals. Measures to combat these threats will assist Morocco in enhancing peace and security.

### Program Justification

Morocco is a liberalizing, democratizing, and moderate Muslim state that is not only a victim of terrorism, but also a committed partner in the global war on terrorism. Morocco has relatively weak border control systems that could be exploited by terrorists and other transnational criminals. Due to its long and poorly controlled borders, extensive coastline, and proximity to Europe, Morocco has substantial problems with illegal migration, human smuggling, the movement of transnational terrorists through its territory, drug production and trafficking, and commercial smuggling. The profits from these illicit enterprises could provide revenue sources to terrorists. These criminal activities serve to undermine the rule of law in Morocco, lead to corruption of public officials, and weaken Moroccan institutions.

Hundreds of thousands of illegal migrants from the Near East and Sub-Saharan Africa transit Morocco on their way to Europe. Most are simply seeking a better life, but some harbor

criminal and terrorist intentions. Morocco also consistently ranks among the world's largest producers and exporters of cannabis. The value of this illegal trade is estimated at \$1 billion per year.

The 2003 terrorist bombings – carried out by an indigenous group – and the arrests and prosecutions of a number of al-Qa'ida terrorists and their Moroccan accomplices are indicative of underlying social tensions throughout the region. In 2006, Moroccan authorities disrupted groups seeking to attack U.S. or Western-affiliated targets, making numerous arrests of individuals associated with international terrorist groups. Recent calls by Osama Bin Ladin to rename the terrorist groups in the Maghreb as “al-Qa'ida of the Maghreb” indicate a possible increase in terrorist activities there.

The Government of Morocco (GOM) continues to advance its political and economic reform agenda as it moves towards becoming a market-oriented democracy. In 2003, Morocco held free and fair local government council elections and concluded a Free Trade Agreement with the U.S., which was implemented in 2006. Morocco also distinguished itself as a solid partner in the fight against global terrorism. U.S. support for Morocco's political and economic transition and its continued development as a moderate, Muslim state is consistent with our National Security Strategy, strikes at the root causes of terrorism, and improves America's credibility, critical at a time when King Mohammed VI is providing significant support for the President's reform agenda.

### **Program Accomplishments**

The U.S. has gained considerable credibility with Moroccan border enforcement agencies during the past couple of years through engagement with its Customs, Police and Gendarmerie. An initial assessment conducted by U.S. Customs and Border Protection in June 2003 led to the design and implementation of a four-phase Border Interdiction project, which was successfully completed in August 2004.

Phase I began with the delivery of four courses, including seaport, airport and land interdiction, at the ports of Casablanca, Nador, Tetuoan and Oujda. One hundred eight officers from Moroccan Customs, Police and the Gendarmerie received training in topics such as enforcement operations and narcotics identification and testing. The Phase II Mid-Management Seminar included an exchange visit in the U.S. with 12 Moroccan Customs officials representing the three border security agencies. Participants observed U.S. Customs and Border Protection activities at U.S. land, sea and airports along the U.S. southern border as well as key air and marine ports of entry. The participants were senior enough in their organizations to influence decisions and initiate procedural changes within their agencies.

In Phase III, forty-eight mid- to-high level officers from the border agencies participated in an Integrity Training and Internal Controls course. Phase IV consisted of the assignment of a U.S. Customs technical advisor in March 2004 to the ports of Casablanca, Tangier, Tetuoan, and Nador. The advisor worked with the inspectors at each port to reinforce training and broaden the perspective of the participants. This technical assistance was instrumental in the discovery of 36 kg of narcotics and other seizures. The technical advisor's observations also

provided a more detailed understanding of Moroccan Customs and areas of needed improvement. A second U.S. Customs inspector conducted a 30-day technical advisory in July 2004 at the same four ports. Local officials were trained in the use of laser range finders, fiber optic scopes and Buster density readers. Three CT-30 kits, containing these tools – as well as probes and lighted inspection mirrors were procured and donated.

Prior to receiving INL assistance, Moroccans lacked the tools, technology, and training necessary to protect their borders. Since then Moroccans have demonstrated the ability to apply the training and equipment effectively. Shortly after the departure of the technical advisor and the donation of the equipment in 2004, for instance, officials at the port of Tangier made their first seizures involving concealments in gasoline tanks using INL-donated fiber-optic scopes. Following the first year of training and assistance, narcotics seizure rates at this port increased significantly. The first cocaine seizure was made in 2004; none was reported in 2003. Additionally, following an Integrity Reinforcement course, the Casablanca Gendarmerie wrote it into their local academy curriculum, and now offer a weekly 1-hour refresher training. A joint management team of Customs and Police in Tetuoan also offered the integrity seminar to their port personnel in April 2004, immediately following completion of INL-funded integrity training programs in Casablanca and Rabat.

When INL first provided funding in FY 2003, interagency cooperation was lacking among the Moroccan border security agencies and assistance was needed at the most basic level. Following three years of training and support, interagency cooperation is at an all time high and seizures have increased substantially. While the primary goal of Customs before the bombings in 2003 was revenue collection, which is still very important, revenue is now taking a back seat to anti-terrorism, enforcement, and facilitation to complement free trade agreements.

## **FY 2008 Program**

FY 2008 funding will be used to improve Morocco's capacity to control its borders. A technical advisor will assist in the implementation of a strategic plan for improving border controls that addresses systemic problems, including corruption. Training and technical assistance will be directed at Moroccan customs and other law enforcement entities on border control and detection techniques at land and sea ports of entry.

### **Border Control**

Funding will be used to continue a border security program begun in 2004. Training and technical assistance will be directed at Moroccan customs and other law enforcement entities on border control and detection techniques at land and sea ports of entry. Funds will provide for train-the-trainer courses and seminars covering issues such as integrity, interdiction, and cargo and passenger processing. Assistance will also focus on improving the nascent access control/badging system. Funds will provide for necessary equipment such as metal-detecting wands, inspection tool kits, mobile detection vehicles, computers, surveillance equipment, and cargo inspection systems.

### **Program Development and Support**

Funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Morocco</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Border Control</b>	<b>890</b>	-	<b>900</b>	-	-
<b>Law Enforcement Support Police Professionalization</b>	-	-	-	-	<b>900</b>
<b>Sub Total</b>	<b>890</b>	-	<b>900</b>	-	<b>900</b>
<b>Program Development and Support</b>					
U.S. Personnel	44	-	44	-	44
Non-U.S. Personnel	-	-	-	-	-
ICASS Costs	17	-	17	-	17
Program Support	39	-	39	-	39
<b>Sub-Total</b>	<b>100</b>	-	<b>100</b>	-	<b>100</b>
<b>Total</b>	<b>990</b>	-	<b>1,000</b>	-	<b>1,000</b>

## Tunisia

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

To strengthen the capacity of the criminal justice sector within Tunisia to investigate and arrest criminals engaged in trafficking in persons (TIP) crimes and assist victims of trafficking.

Establishment of skills-based training of police units focused on trafficking in persons.

Demonstrated collaborative efforts between criminal justice agencies and civil society programs serving trafficking victims.

Improved bilateral and/or regional coordination on trafficking law enforcement and repatriation activities.

### Transformational Diplomacy

The FY 2008 TIP program in Tunisia will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding TIP programs that protect the victims of human trafficking by prosecuting traffickers, protecting victims and preventing trafficking from recurring.

### Program Justification

The U.S. Government estimates 600,000 to 800,000 men, women and children are trafficked across international borders every year into slavery, including 14,500 to 17,500 into our own country. Some estimate the global number of trafficking victims to be in the millions--in domestic servitude, sex slavery, forced labor, child soldiers, child camel jockeys, and other brutal schemes.

Because trafficking deprives people of freedom in every part of the world, it is a grave threat to human rights. It also threatens public health and the very safety and security of nations, as disease and organized crime flourish through trafficking.

Tunisia is a transit country for North and sub-Saharan African men and women migrating to Europe, some of whom may be trafficked for the purposes of involuntary servitude or sexual exploitation. The Government of Tunisia does not systematically differentiate trafficking victims from illegal migrants traveling through the country. Tunisia may also be a source country for internal trafficking of children for commercial sexual exploitation.

Given the threat posed by trafficking in persons, training and technical assistance for law enforcement on how to identify and rescue victims, investigate cases, coordinate and prepare prosecutions, and collaborate with nongovernmental organizations are imperative.

## **Program Accomplishments**

Country-specific funding for Tunisia is requested for the first time in FY 2008.

### **FY 2008 Program**

The FY 2008 program will be designed to assist the Government of Tunisia to strengthen law enforcement and the rule of law to interrupt national and transnational TIP crime networks. Funding will be used to adopt anti-trafficking laws, improve the legal framework for addressing TIP, and strengthen the capacity of civil society to work effectively with justice systems to promote the rescue and protection of victims.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Tunisia</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>200</b>
<b><i>Total</i></b>	-	-	-	-	<b>200</b>

## United Arab Emirates

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Deny funds to terrorist organizations and other international criminal organizations.

The number of successful investigations and prosecutions of terrorist financing and money laundering cases; the number of jurisdictions in compliance with international anti-money laundering standards.

### Transformational Diplomacy

Denying funds to international criminal organizations advances the Secretary's Transformational Diplomacy Peace and Security objective by developing robust anti-money laundering systems that contain the legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets.

### Program Justification

Financial crimes, terrorist financing, and money laundering pose a significant national security threat not only to the United States but also globally. These activities have the power to corrupt officials, distort economies, skew currency markets, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes, such as trade-based money laundering, that until very recently has frequently eluded law enforcement. Experts estimate that global money laundering exceeds 3-5 percent of Global Domestic Product – or \$1.5-\$1.8 trillion per year -- and continues to grow through a variety of new innovative schemes only limited by the imagination of criminals and their organizations. Terrorists, on the other hand, appear to be relying less on the formal financial sector than on alternative remittance systems, such as hawala and cash couriers, that pose significant challenges to law enforcement. Our ability to conduct foreign policy, promote our economic security and prosperity, and safeguard our citizens is hindered by these threats to democracy and free markets.

## **Program Accomplishments**

Country-specific funding for the United Arab Emirates (UAE) is requested for the first time in FY 2008.

### **FY 2008 Program**

Promote and develop activities and programs that will strengthen cooperation against financial crimes and terrorist financing. Work with UAE to establish or update enforcement and regulatory tools and to implement international anti-money laundering/anti-terrorist financing standards. Encourage and assist in the formation of financial intelligence units (FIUs), and enhance their ability to share critical financial intelligence by providing technical assistance to those countries that have adequate and appropriate anti-money laundering laws and regulations in place.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

## United Arab Emirates

### INL BUDGET

(\$000)

	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Financial Crimes</b>	-	-	-	-	<b>300</b>
<b><i>Total</i></b>	-	-	-	-	<b>300</b>

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## West Bank/Gaza

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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\* In FY 2007, a total of \$59.362M was transferred to the INCLE account from the Economic Support Fund for law enforcement programs and a Gaza/Israel border crossing project. The specific project implementation plans are being developed.

### Program Objectives and Performance Indicators

Enhanced effectiveness of the Palestinian Authority Presidential Guard.

Training for the Presidential Guard (PG) continues with a focus on border and crossing security and management, particularly the Rafah crossing with Egypt and the Karni/al-Mintar crossing with Israel, and other key PG security functions such as VIP protection. Improved security at critical Palestinian crossings leads to an increase in the flow of economic goods and services and overall PG effectiveness improves general law and order in the West Bank and Gaza.

The development of a comprehensive viable national anti-money laundering regime, capable of thwarting the financing of terrorism and all-source money laundering would begin with training the Palestinian Authority on the basic and inter-related elements of a comprehensive regime that comports with international standards.

Prior to the enactment of comprehensive legislation, specific training to law enforcement on basic investigative skills as well as on border control to stop illicit financing and goods from flowing into Gaza and the West Bank could be undertaken.

### Transformational Diplomacy

A critical component of bolstering peace and security within West Bank/Gaza is supporting law enforcement reform, including the Presidential Guard, and curtailing financial crimes and money laundering. Additionally, funds will support programs begun under the auspices of the U.S. Security Coordinator.

Activities under this program complement U.S. and international efforts by transforming and strengthening security capabilities of the President of the Palestinian Authority (PA), as called for in the Roadmap. Program elements fall under the peace and security category and are critical to supporting the Palestinian President's ability to implement the U.S.-brokered 2005 Agreement on Movement and Access.

Denying funds to international criminal and terrorist organizations advances the Secretary's Transformational Diplomacy Peace and Security objective by developing robust anti-money laundering systems that contain the legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets.

## **Program Justification**

The Karni/al-Mintar crossing is the primary commercial crossing between Gaza and Israel, in effect the economic lifeline of Gaza. The crossing has consistently operated at well below optimum levels due in part to inadequate security and physical infrastructure on the Palestinian side of the crossing. Under the U.S. brokered November 2005 Agreement on Movement and Access (AMA), Israel agreed to allow 400 trucks of Palestinian exports via Karni per day. Current throughput is approximately 30 to 40 export trucks per day, with the crossing frequently closed.

The U.S. Security Coordinator (USSC) mission, under LTG Keith Dayton, has helped the Palestinians develop a plan to bring the Palestinian side of Karni up to international standards in order to help meet the export objectives contained in the AMA, boost Palestinian economic development and improve the economic and humanitarian situation in Gaza.

Only recently did the PG take over security at the crossings. Therefore, the PG is in need of proper training and equipment to undertake these new duties. In addition, funds in FY 2008 will continue to support the PG's traditional duties of VIP protection and other key public order functions.

Financial crimes, terrorist financing, and money laundering pose a significant national security threat not only to the United States but also globally. These activities have the power to corrupt officials, distort economies, skew currency markets, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes, such as trade-based money laundering, that until very recently has frequently eluded law enforcement. Terrorists, on the other hand, are relying less on the formal financial sector than on alternative remittance systems, such as hawala and cash couriers, that pose significant challenges to law enforcement. Our ability to conduct foreign policy, promote our economic security and prosperity, and safeguard our citizens is hindered by these threats to democracy and free markets.

## **Program Accomplishments**

Country-specific funding for the West Bank/Gaza program is requested for the first time in FY 2008.

## **FY 2008 Program**

The funds will support U.S activities which complement broader international efforts, as called for in the Roadmap and endorsed by the Quartet, to transform and strengthen security capabilities of the President of the PA. Our efforts will enhance current and future operational effectiveness with the goals of: ensuring adequate protection for PA President Mahmoud Abbas and other foreign VIPs (including visiting American officials) and improving the security and management of Palestinian crossing points with Egypt and Israel, and other key areas.

Training may include a range of courses such as border and crossing security, presidential and VIP protection, rapid response to law and order incidents, human rights, and other key tasks. Non-lethal equipment may also be procured, in addition to modest upgrades at the PG training center in Jericho.

Promote and develop activities and programs that will strengthen cooperation against financial crimes and terrorist financing. Work with the host government to establish or update enforcement and regulatory tools and to implement international anti-money laundering/anti-terrorist financing standards. Encourage and assist in the formation of financial intelligence units (FIUs), and enhance their ability to share critical financial intelligence by providing technical assistance to those countries that have adequate and appropriate anti-money laundering laws and regulations in place.

## West Bank & Gaza

### INL BUDGET

(\$000)

	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Law Enforcement Support</b>	-	-	-	-	<b>2,000</b>
<b>Financial Crimes/Money Laundering</b>	-	-	-	-	<b>1,500</b>
<b><i>Total</i></b>	-	-	-	-	<b>3,500</b>

## Yemen

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

U.S. advisors provide bilateral training, technical assistance and equipment to Yemeni security services to help them develop their capacity to combat terrorist and other transnational threats.

U.S. advisors conduct courses on specialized topics and supervise Yemeni security services personnel as they attend and complete courses. Basic equipment for training purposes is procured and donated to the Yemeni security services.

### Transformational Diplomacy

The FY 2008 police program in Yemen will advance the Secretary's Transformational Diplomacy Peace and Security objective by funding security service professionalization projects designed to enhance the security of the Yemeni people. The need for enhanced law enforcement capabilities is evidenced by the various terror attacks and terrorist threats that have occurred in Yemen over the past several years.

### Program Justification

Given threats to peace and security in Yemen, particularly from terrorist and other transnational groups, INL assistance will be used to help enhance security by building the capacity of Yemeni law enforcement to combat these threats. Yemen has distinguished itself as a solid partner in the fight against global terrorism. In 2004, a Yemeni court sentenced two men to death for their roles in the bombing of the USS Cole. Four others were sentenced to prison terms of five to 10 years for their involvement.

### Program Accomplishments

Country-specific funding for Yemen is requested for the first time in FY 2008.

### FY 2008 Program

The FY 2008 program will be designed to enhance the capabilities of the Yemeni security services. INL has not had a program in Yemen in the past, but we will use our vast experience initiating programs elsewhere to develop an initiative that addresses Yemen's

most immediate security needs, while taking into account especially the security challenges of working in Yemen.

Program Development and Support funds will be used to pay for the salaries, benefits, and allowances of permanently assigned U.S. and foreign national direct-hires and contract personnel, International Cooperative Administrative Support Services (ICASS) costs, TDY assistance, and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Yemen</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Law Enforcement Support</b>	-	-	-	-	<b>500</b>
<b><i>Total</i></b>	-	-	-	-	<b>500</b>

**South Asia**

## Afghanistan

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2007 Supp	FY 2008 Request
232,650	209,740	42,000	274,800

### Program Objectives and Performance Indicators

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

#### Counternarcotics

Working with the United Kingdom on counternarcotics activities in Afghanistan, INL programs will seek to reduce poppy cultivation through an integrated program of poppy eradication, strengthening counternarcotics law enforcement and interdiction efforts, and continuing public information and demand reduction programs, in conjunction with USAID alternative development programs. Included in our counternarcotics efforts:

Poppy Elimination Program (PEP) teams made up of Afghans and international advisors will back up governors' counternarcotics efforts in the provinces - urging farmers to abstain from planting poppy and to eradicate poppy fields - and will verify and report cultivation and eradication results to central authorities when external assistance is required.

Afghan Eradication Force (AEF) teams under the direction of the central government will conduct manual and mechanical eradication in areas where provincial eradication did not take place to reduce the poppy harvest and to deter planting next year.

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

An aggressive and ongoing public information campaign will contribute to an additional reduction in poppy cultivation by increasing Afghan farmers' perceptions of the risks associated with poppy cultivation and informing the Afghan public at

large about the Government of Afghanistan's counternarcotics programs and the negative impact of the poppy trade on the country.

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

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

### **Administration of Justice**

INL rule of law programs in Afghanistan will continue to work with the Government of Afghanistan and our international allies to strengthen the criminal justice system throughout the country as well as provide support for the development of the corrections system. In doing so, our justice programs also support police and counternarcotics initiatives by improving police-prosecutor coordination and helping to arrest, try and punish narcotics offenders. Our administration of justice programs:

Provide advisory and technical support to Afghan justice administrators to improve management, operation and coordination in the Ministry of Justice (MOJ), Ministry of Interior (MOI), Attorney General's Office, and Supreme Court.

Provide infrastructure assistance to key justice institutions, including the Attorney General's Office, to help modernize outdated systems, provide efficient work environments, and support organizational reform goals.

Conduct standardized training for justice personnel (including prosecutors, defense counsel and judges) focusing on Afghan and international law, human rights, and criminal justice procedures. Special focus will be put on training that increases cooperation between key justice ministries, such as joint police-prosecutor training.

Mentor Afghan justice personnel to improve investigations, police-prosecutor coordination, case management, trial advocacy and adjudication of criminal cases.

Provide advisory services and technical support to the MOJ Prison Directorate to improve the capacity of the nationwide corrections system.

Conduct standardized corrections training in Kabul and key provinces with an emphasis on human rights and corrections management and operations.

Provide assistance to the Ministry of Justice in developing an engineering office to repair dilapidated correctional facilities, as well as develop plans for new correctional facilities.

Organize and mentor key correctional initiatives such as data management, transportation, and prison industries.

Provide equipment and infrastructure support to justice and corrections facilities near U.S. funded police Regional Training Centers and courts in provincial locations and in major poppy growing and drug trafficking regions.

Support development of legal professional organizations and institutions including a licensing regime as well as legal training and aid centers. Reintegrating women into the legal sector will remain a focus through FY 2008.

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

Support a specialized, secure facility to contain offices and secure courtrooms for counternarcotics prosecutors and investigators, and Counternarcotics Tribunal judges. Facility will also contain secure detention center for narcotics defendants.

### **Civilian Law Enforcement**

The USG police assistance mission is to contribute to an international effort led by Germany and coordinated with the Afghan Ministry of Interior to rapidly develop an Afghan capacity to provide public security. Our goal is to help Afghanistan develop a competent, professional, democratic police force with the necessary training, equipment, infrastructure, institutional capacity and organizational structure to enforce the rule of law in Afghanistan. To reach that goal, we are continuing to enhance our basic training program with specialized training and mentoring, technical assistance and institutional capacity building and reform to enhance security throughout Afghanistan. Training, mentoring and reform activities taking place in FY 2007 are funded by a transfer of \$399,000,000 of FY 2006 Supplemental Department of Defense funds to the Department of State, and will:

Continue to support maintenance and operation costs for our eight INL Regional Training Centers and police training advisors to enhance and expand our basic training program with an increased focus on field training for police officers and specialized courses to address the need for advanced counternarcotics, anticorruption, criminal investigative and other critical skills.

Continue to support, expand and extend the reach of the field mentoring program including the establishment and support of forward operating bases in remote locations to ensure police throughout the country receive on the job training and guidance to enhance and reinforce training provided in the classroom.

Complete Ministry of Interior reform efforts including the conclusion of the Pay and Rank Reform Initiative, which restructures, reorders and reforms the MOI organizational and payroll systems.

Provide continued support for community policing initiatives, revenue-generation initiatives and continued support for the establishment of specialized police units such as the Afghanistan National Civil Order Police, Domestic Violence Unit, and anti-corruption efforts across the police sector.

## **Transformational Diplomacy**

FY 2008 INCLE funds will advance the Secretary's Transformational Diplomacy objectives of "Peace and Security" and "Governing Justly and Democratically" in the following ways:

(1) **Opium poppy crop control and eradication program** reduces Afghanistan's illicit opium economy (\$3.1 billion) and related violent conflict, corruption, and political instability. Afghanistan's illicit opium economy accounts for 1/3 of its total GDP and fosters corruption that prevents the government from governing justly and democratically. The opium-financed Taliban resurgence, sacrificing hard-won peace and security, demonstrates the need for eradication. Opium-financed corruption also undermines economic development, social and political stability, and security.

(2) **The public information program** promotes engagement on counternarcotics issues with all sectors of Afghan society, including federal, provincial, local, tribal, and religious leaders as well as farmers and the general public by amplifying community outreach activities. In the long term, these programs will serve to build lasting partnerships between Afghanistan and the United States, create common ground on shared values, and promote a self-sufficient federal communications function within the Government of Afghanistan.

(3) **Drug Enforcement and Interdiction Programs** provide funding and support to projects designed to enhance the GOA's counternarcotic law enforcement and interdiction capabilities. Training, mentoring, and investigative assistance support the Counter Narcotics Police of Afghanistan and continue to develop the capacity of the Ministry of Interior. These projects address key security challenges within the country as evidence increasingly links the insurgency to narcotics trafficking.

(4) **The Demand Reduction Program** advances the Secretary's Transformational Diplomacy Peace and Security objective by funding counternarcotics projects designed to prevent and reduce drug abuse. This complies with a key objective of *the National Security Presidential Directive (NSPD # 25)* on International Drug Control Policy, which urges the Secretary of State to "expand U.S. international demand reduction assistance and information sharing programs in key source and transit countries." The need for demand reduction is reflected in escalating drug use that takes a devastating toll on the health and welfare of all countries, in addition to undermining economic development, social and political stability, and security in developing countries that are strategic U.S. allies.

(5) **The Administration of Justice Program** will play a central role in helping the Government of Afghanistan establish a solid criminal justice framework to support security, governance, economic development, counter-narcotics and anti-corruption efforts. Funds will: enhance the professionalism of prosecutors, judges, defense attorneys and prison

guards; reform and build the justice institutions; and promote fairness and equity in the criminal justice realm including criminal defense, human rights and women's rights. This program will help build public confidence in the Rule of Law and the central government.

(6) **Civilian Law Enforcement Program** is critical to the Government of Afghanistan's ability to provide peace and security for its people. Professional, capable, well-trained and equipped police to secure Afghanistan's borders, interior and sustain the rule of law are necessary to the success of Afghanistan as a country capable of self-governance. Funds will provide critically needed training and mentoring to Afghan police particularly for priority groups such as the Afghan National Auxiliary Police (ANAP), Afghan Border Police (ABP), and Afghan National Civil Order Police (ANCOP), and will also support the conclusion of pay and rank reform and other related reform efforts at the Afghan Ministry of Interior.

## **Program Justification**

INL programs in Afghanistan reflect that country's centrality in the Global War on Terrorism. INL programs in Afghanistan support U.S. counterterrorism, counter drug and anticrime goals. The FY 2008 INL program will continue to enhance the three main components that began with FY 2002 supplemental funding and continued with FY 2004 through FY 2007 foreign assistance and supplemental appropriations: counternarcotics activities, criminal justice sector (including corrections) reform, and police training and reform. INL programs are coordinated closely with U.S. coalition partners.

Although the political and economic situation in Afghanistan is improving, opium poppy production and trafficking still accounts for roughly one-third of Afghanistan's total GDP, licit and illicit. The huge drug trade undermines economic reconstruction, weakens democratic governance based on the rule of law, and threatens regional stability, funding in part the attempted Taliban resurgence. Dangerous security conditions and corruption constrain efforts to combat the drug trade and provide alternative incomes.

Programs in 2006 also provided mixed news: the total cultivation of opium poppy increased by 61 percent (from 107,400 hectares to 172,600 hectares according to U.S. Government sources.) Due to difficult growing conditions, however, the net opium yield increased only 26 percent, less than half the increase in cultivation. The increased crop was greatly spurred by limited eradication (5,100 hectares) in 2005. USG-supported eradication in 2006 tripled (to 15,300 hectares), modestly increasing deterrence against planting for 2007. The GOA committed itself to getting the 2007 harvest down to under 140,000 hectares. The public awareness campaign has contributed to a growing recognition of Afghans that poppy cultivation is illegal and immoral. Prosecution of counternarcotics offenders continues, and increasingly high value traffickers are being prosecuted by the Criminal Justice Task Force.

Restoration of the rule of law is vital to increasing security, ensuring stability, promoting economic growth, and protecting human rights. A transparent and fair justice system is critical to ensuring that the people of Afghanistan respect the authority and decision-making of the central government. In particular, a criminal defense system that affords due process and respects international human rights standards is a cornerstone of a society functioning

under the rule of law. U.S. law enforcement must have the ability to work with Afghanistan in the future on crucial law enforcement issues. Despite Afghan progress on a Constitution and the development of governmental mechanisms and agencies that support justice reform, much work is needed. Critical tasks include establishment of a functioning judiciary, training prosecutors to build effective cases, establishment of a defense bar, reintegration of women legal professionals, and a reliable penal system.

Providing support, training, and capacity building to CNPA investigative teams to carry out investigations will aid the GOA in obtaining the necessary evidence for successful prosecutions of those involved in the drug trade. Similar support to interdiction efforts and arrests will contribute to their ability to play key roles in disrupting trafficking organizations and drug processing operations. Enhancing Afghanistan's counternarcotic law enforcement and interdiction capacities aids in improving the enforcement of current drug laws, the successful prosecutions of violators, and the disruption of drug activity, playing a significant role in establishing rule of law and stability.

FY 2008 funding will enable INL to continue to work with the Government of Afghanistan and the international community to improve law enforcement capabilities by strengthening the rule of law and enhancing public security throughout the country. Professionalization of the MOI and development of advanced policing skills are critical to ensuring the long-term capability of the Afghan MOI to address such critical law enforcement issues such as narcotics, corruption and organized crime. While basic training of the police force is important, it is imperative that such training is reinforced in the field and enhanced with additional instruction in operational policing skills. Equally important is the goal of developing the criminal justice system to prosecute offenders after arrest by the police.

## **Program Accomplishments**

### **Counternarcotics**

The U.S., in concert with the UK, has worked to ensure that counternarcotics is at the forefront of Afghan policy initiatives. With U.S. and UK support, the GOA established the Poppy Elimination Program (PEP) in May, 2005. PEP is designed to reduce poppy cultivation through year-round targeted public information campaigns to dissuade poppy planting, alternative livelihoods programs to spur rural development, and governor-led eradication of poppy crops. PEP teams have fully deployed in the seven key provinces producing over 80 percent of the opium in Afghanistan. These teams, comprised of public information, alternative livelihoods and monitoring/verification officers, work with governors to deter opium planting and support governor-led eradication by providing monitoring and verification of eradication efforts. The GOA's Afghan Eradication Force (AEF) also developed into a more flexible and more mobile force with air support increasing the central government's eradication capabilities.

A public information and media campaign complemented PEP team activities by relaying key counternarcotics messages to poppy farmers, local leaders, and the general public via radio, television, print materials, and community events in both Dari and Pashtu. In 2006, a

new program was launched to better engage local, tribal, and religious leaders on counternarcotics themes. Early reports indicate cultivation is down in some northern provinces due, in part, to these kinds of public information and community outreach efforts. The public information program funding also enabled communications capacity building in Afghanistan's Ministry of the Interior, Ministry of Rural Rehabilitation and Development, and Ministry of Agriculture.

The CNPA continues to be developed and enhanced with the creation of specialized investigative units, to include a Sensitive Investigative Unit, and Technical Investigative Unit, to further aid the investigative capacities of the CNPA. Mentors have also been assigned to provide training to these new teams as well as to the existing National Interdiction Unit teams.

On the legal front, the Criminal Justice Task Force (CJTF) continues to prosecute narcotics traffickers under the Anti-narcotics Law adopted in December, 2005. In the summer of 2006, the entire CJTF, plus the 14-judge Central Narcotics Tribunal, were all subjected to polygraph tests, and continue to be trained and mentored daily by U.S. and Norwegian lawyers and judges. As their prosecutorial skills develop, the Criminal Justice Task Force is able to prosecute higher value targets, and will branch into narcotics related crimes, such as corruption, during FY 2008.

Our demand reduction efforts in Afghanistan have resulted in the issuance of major fatwas and resolutions (by leading Islamic clerics and organizations) that lend strong support to U.S. policies/programs designed to reduce drug production, trafficking and abuse. Additionally, our collaboration with the Afghan Religious Affairs Ministry (3,000 mullahs) has provided us with rare access to mosques, allowing us to establish prevention and outreach centers in these institutions.

The INL section at Embassy Kabul is now fully staffed with 11 U.S. personnel, covering the counternarcotics, police, justice, and aviation sectors. In contrast with a single American Director's position in 2004, the program has expanded to include personnel responsible for various projects, including a Director, Deputy Director, Administrative Officer, Counternarcotics Program Officer, Public Information Coordinator, Aviation Advisor, Rule of Law and Law enforcement Advisors, and an Office Management Specialist to manage this growing program. In addition, INL supports the Counternarcotics Task Force Coordinator's Office.

### **Administration of Justice**

The Afghan government adopted a Constitution that respects human rights, the rights of women, and adheres to due process standards. Afghanistan has also made progress in drafting and approving a national development strategy for the justice sector. INL's justice program has directly supported the Afghan government by providing provincial justice assessments and conferences, and by conducting basic and specialized criminal justice and corrections training. We have provided basic equipment and supplies to justice institutions, and mentored Afghan defense attorneys. We are helping to reorganize and reform the

Attorney General's Office, and are providing substantial infrastructure and equipment support to modernize the office. We are training and mentoring joint classes of investigatory police and prosecutors. INL has also established a comprehensive corrections program providing basic and in-service corrections training; capacity-building through development of standard operating procedures and policies; and equipment and infrastructure support to improve conditions, management and operation of prison and detention facilities nationwide.

INL has awarded a grant for a U.S./Afghan LLM and Certificate Program for Afghan law professors to help improve the education of legal professionals. Afghan legal educators, following intensive English training, are participating in a year-long LLM program, which provides them with exposure to modern law school teaching techniques, modern university life, law school administration, emerging legal trends and doctrine, the U.S. judicial system and basic governing structures. The grant also supports establishing a strong partnership between the Kabul University Law School and the University of Washington Asia Law Center in the U.S.

### **Civilian Law Enforcement**

Since the inception of the program over four years ago, INL has established police training centers in Kabul, Kandahar, Konduz, Jalalabad, Gardez, Bamiyan, Herat and Mazar-i-Sharif and trained over 68,000 police officers. Expansion of the field training program to all major provinces is underway; 400 mentors have been deployed to more than 24 provinces and have begun engaging with local Afghan police officials. Forward operating bases are being established in remote border locations to ensure that all police, particularly those at vulnerable border crossing points, receive critically needed training and guidance. Advanced training courses in defensive driving, firearms, crowd control, literacy, computer skills, anti-corruption, domestic violence and other critical courses are being developed and implemented at all of the regional training centers and in the field.

MOI reform is proceeding well. Phases I, II and III of pay and rank reform, which addressed 472 senior and mid level MOI officials (31 generals, 86 brigadier generals, and 355 colonels) are complete, reducing the number of flag rank officers from 319 to 117 and the number of colonels from 2,447 to 355. Each successive phase focuses on larger groups of police, recompeting positions and forcing applicants to demonstrate that they are qualified. Preparations for Phase IV are already well underway. New ID cards have also been distributed to most Afghan Police containing personnel data and payroll information. These cards are being utilized to pilot electronic payment systems in several provinces as well as standardize non-electronic payment throughout the rest of the country and help to eliminate opportunities for corruption in the payroll process.

### **FY 2008 Program**

Continued insecurity and increased challenges to democratic stability in Afghanistan requires the acceleration and substantial expansion of three main INL programs: counternarcotics, civilian law enforcement, and administration of justice. FY 2008 INCLE and FY 2006 Supplemental DOD funding will increase support of programs to improve national law

enforcement capabilities, strengthen the rule of law, and enhance public security including disruption of drug trafficking and associated criminal activity throughout the country, as well as a significant eradication program. INL programs in FY 2008 will continue these enhanced programs.

### **Counternarcotics**

INL funding for counternarcotics in FY 2008 will support programs for poppy crop reduction through public information, province-based dissuasion against planting and robust eradication, and drug control institution building that includes support for interdiction, public outreach, and demand reduction.

*Elimination/Eradication:* This program is aimed at reducing large-scale poppy cultivation through: (a) an intensified province-based effort focusing on key poppy producing regions to proactively discourage poppy cultivation, combined with aggressive, governor-led eradication supported by seven PEP monitoring and verification teams; (b) robust application of a central government directed national manual and mechanical eradication program that begun in FY 2004 and matured into four, 150-person mobile eradication teams by 2006; and (c) intensified support and incentives for province-based, governor-led eradication (GLE). FY 2008 funds will be provided to pay for salaries and support to PEP teams as well as providing salaries for Afghan police eradication and protection teams; fuel and supplies; vehicles and equipment; transportation, training, evaluation, and monitoring of the program; and contractor overhead and costs. FY 2008 funds will also be used to provide increased air support for poppy elimination and eradication programs. Support to a small fleet of U.S.-owned rotary- and fixed-wing aircraft for security, reconnaissance, resupply, medevac, and search and rescue will be provided through INL's aviation support contract. Additional funds will lease airlift support for AEF and PEP teams. Aircraft will also provide support for interdiction operations when not engaged in supporting elimination/eradication activities. Funds will be used for shipping, support infrastructure, fuel, ammunition, personnel, repair and maintenance, contractor overhead, and flying hour operational costs.

*Drug Enforcement:* This program is aimed at disrupting drug trafficking, dismantling trafficking organizations, and associated criminal activity within Afghanistan to improve enforcement of drug laws and increase prosecutions of drug offenders. Funds will continue U.S. support to the Counter Narcotics Police of Afghanistan (CNPA), including expansion and training of the National Interdiction Unit (NIU), and the new Sensitive Investigative Unit (SIU) and Technical Investigative Unit (TIU). Funds will also be allocated to the support and maintenance of central and provincial interdiction facilities to support the Afghan Ministry of Interior's interdiction forces. The CNPA will also continue to be supported through special training in case management, investigations, and police/prosecutor coordination, and will be focused on arresting those involved in the drug trade and providing efficient, effective, and fair trials.

*Demand Reduction:* FY 2008 funds will combat rising Afghan drug abuse rates and an emerging HIV/AIDS epidemic fueled by injecting drug use. Funds will be used to strengthen the operation of mosque-based prevention and aftercare programs; provide youth with

preventive drug education programs; promote awareness among religious leaders and district council members of drug abuse issues; strengthen the local community and faith-based organizations in demand reduction; train Mosque-based program operators in outreach and treatment skills; and establish treatment facilities for drug dependents, especially women.

*Public Information:* Funding for counternarcotics public information in FY 2008 will continue to emphasize the anti-planting message and threat of government-led eradication and enforcement activities in order to promote not only awareness, but behavior change on the individual level. The campaign will focus attention on the connections between the drug trade and crime, corruption, and conflict. Messages will continue to be channeled through radio, television, and print media, but will increasingly be relayed through partnerships with local, tribal, and religious leaders. Public information activities will continue to highlight the progress made by the Government of Afghanistan in its national drug control program and justice sector reform over the past four years. Our activities will continue to promote increased capability for Afghan ownership over public information programs.

*Trafficking In Persons (TIP):* Funding will be used to assist the government of Afghanistan to strengthen law enforcement and the rule of law to interrupt TIP national and transnational crime networks. Training and technical assistance for law enforcement on how to identify and rescue victims, investigate cases, coordinate and prepare prosecutions, and collaborate with non-governmental organizations are imperative. Funding will also be used to adopt anti-trafficking laws, improve the legal framework for addressing TIP, and strengthen the capacity of civil society to work effectively with justice systems to promote the rescue and protection of victims.

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

### **Administration of Justice**

FY 2008 resources will enable INL to continue to work with the GOA and the international community to strengthen the rule of law throughout the country. Tying police, criminal justice, and corrections systems together and expanding these efforts to more provincial population centers will continue to be a priority. In this context, supporting the arrest, prosecution, and punishment of narcotics offenders will be a major focus. Three strategic objectives form the foundation of INL's justice program in Afghanistan: (1) development of institutional capacity of the permanent justice institutions; (2) development of the operational capacity of criminal justice sector actors (including law enforcement) to fairly and transparently investigate crimes and prosecute/punish offenders; and (3) professionalization of justice sector personnel and promotion of human rights.

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Funds will be used to cover operational costs to maintain the justice and corrections programs, including program support and security as well as direct assistance to the Afghan government. These resources will:

Improve institutional capacity of the justice institutions, including the Ministry of Justice and Attorney General's Office, by providing technical support and standardized training for justice administrators, assisting in organizational reform, assisting in the development and nationwide implementation of policies and procedures, and training and mentoring practitioners in each ministry.

Provide infrastructure assistance to key justice institutions to help modernize outdated systems, provide efficient work environments, and support organizational reform goals.

Enhance leadership, managerial, and administrative skills of police, prosecutors, defense counsels, and judges through criminal justice training and mentoring, including courses on investigation, criminal procedure, human rights, and fair trials.

Improve the operational capacity of the Afghan corrections system through a comprehensive program in Kabul and key provinces consisting of corrections training and mentoring, capacity-building, and infrastructure and equipment support.

Support and mentor the development of key corrections initiatives such as data management, transportation, and prison industries.

Support the professionalization of justice personnel through legal education and training, and assist in the establishment of legal professional organizations and associated facilities.

Help identify, draft, and implement key legislation and procedures to improve the efficiency and effectiveness of the criminal justice system. Assist in the translation of key international treaties and standards ratified by Afghanistan into Dari and Pashtu, focusing on those related to human rights, rule of law, and due process in criminal cases.

Identify and provide equipment and infrastructure support to justice institutions and facilities in both Kabul and the provinces.

Develop measures of effectiveness for the criminal justice system as a whole.

INL funding for counternarcotics prosecution will also be used to deploy and support mentors to train the Criminal Justice Task Force made up of prosecutors and investigators specifically dedicated to narcotics cases. Funds will also support the Counternarcotics Tribunal, made up of judges assigned to hear only narcotics cases. A special focus of training will be investigator-prosecutor relations and specialized counternarcotics issues. Funds will also be used to support the Counternarcotics Justice Center, a secure facility that

will contain office space for the task force and judges, courtrooms, and secure detention space for narcotics defendants.

### **Civilian Law Enforcement**

Assistance to train police in FY 2008 will continue to be funded through the transfer of FY 2006 Supplemental funds from the Department of Defense. Funds will be used to:

Support maintenance and operation costs for eight INL Regional Training Centers and police trainer-advisors to expand and enhance the training program with advanced courses in specialized skills including counternarcotics, criminal investigative and anti-corruption training;

Continue to provide basic and refresher training for national, border and highway police;

Support increased deployment of experienced U.S. law enforcement professionals as mentors to Afghan police throughout Afghanistan;

Complete Ministry of Interior reform efforts that focus on organizational development including the conclusion of the Pay and Rank Reform Initiative which restructures, reorders and reforms the MOI organizational and payroll systems, continued support for community policing initiatives, revenue-generation initiatives and continued support for the establishment of specialized police units such as the Domestic Violence Unit and Afghan National Civil Order Police.

<b>Afghanistan</b>					
<b>INL BUDGET (\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Counternarcotics Support</b>					
Crop Control/Eradication	134,000	-	146,740	20,000	180,300
Sustainable Alternative Development	-	-	-	-	-
Public Information	2,000	-	4,000	2,000	1,000
Drug Enforcement- Interdiction *	5,000	-	7,000	5,000	13,000
Drug Control Capacity Building	-	-	-	-	-
Trafficking in Persons and Migrant Smuggling	-	-	-	-	500
Demand Reduction	2,650	-	2,000	-	2,000
<b>Sub Total</b>	<b>143,650</b>	<b>-</b>	<b>159,740</b>	<b>27,000</b>	<b>196,800</b>
<b>Administration of Justice **</b>					
Justice Sector Training Program	8,000	-	32,000	15,000	51,000
Corrections Reform & Infrastructure	18,500	-	8,000	-	17,000
CNJC and Vert Pros Task Force	-	-	-	-	-
Support to International Efforts	-	-	-	-	-
<b>Sub Total</b>	<b>26,500</b>	<b>-</b>	<b>40,000</b>	<b>15,000</b>	<b>68,000</b>
<b>Program Development and Support **</b>					
U.S. Personnel	2,000	-	6,000	-	6,000
Non-U.S. Personnel	400	-	1,200	-	1,200
ICASS Costs	600	-	1,800	-	1,800
Program Support	1,000	-	1,000	-	1,000
<b>Sub-Total</b>	<b>4,000</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>
<b>Total Drug Control Programs</b>	<b>174,150</b>	<b>-</b>	<b>209,740</b>	<b>42,000</b>	<b>274,800</b>
<b>Civilian Law Enforcement ***</b>					
Training and Mentoring of Afghan Police	49,000	-	***	-	****
Airwing	-	-	***	-	****
PD&S	9,500	-	***	-	****
LOTFA	-	-	***	-	****
<b>Total Law Enforcement Programs</b>	<b>58,500</b>	<b>-</b>	<b>399,000</b>	<b>-</b>	<b>****</b>
<b>Total Drug Control and Law Enforcement Programs</b>	<b>232,650</b>	<b>-</b>	<b>608,740</b>	<b>42,000</b>	<b>274,800</b>

\* The FY 2007 SUPP Interdiction funds are for "Regional Interdiction Cooperation" (Tajik-Afghan border posts, and CARICC).

\*\* The Administration of Justice and Program Development and Support provide support to both counternarcotics and crime activi

\*\*\* The FY 2007 Civilian Law Enforcement Program is being funded through a transfer of funds from FY06 DOD Supplemental.

\*\*\*\* It is anticipated that the FY 2008 Civilian Law Enforcement Program will be funded through a transfer of funds from DOD.

## Bangladesh

### Budget Summary (\$000)

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
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### Program Objectives and Performance Indicators

Deny funds to terrorist organizations and other international criminal organizations.

The number of successful investigations and prosecutions of terrorist financing and money laundering cases; as well as the number of jurisdictions in compliance with international anti-money laundering standards.

Provide Intellectual Property enforcement and training to combat violations.

The ability of capacity building among foreign border and customs officials, investigators, law enforcement officials, prosecutors, and judges to detect, investigate, prosecute and prevent these crimes.

Establish effective narcotics interdiction institution, systems and initiatives.

Training and technical assistance will build the capacity of the government of Bangladesh counternarcotics institutions, lead to the development of more effective narcotics interdiction efforts, and increase the number of successful interdictions.

Demand reduction assistance in training in treatment centers.

To improve to secure foreign country support for U.S.-driven supply reduction efforts, while at the same time reducing drug consumption in Bangladesh and thereby cutting-off a potential source of terrorist financing.

### Transformational Diplomacy

The FY 2008 funding of \$1,500,000 expands the Secretary's Transformational Diplomacy goals of addressing key remaining challenges focusing on money laundering and terrorist financing, drug demand reduction, interdiction, intellectual property, and trafficking in persons. Recognizing these challenges urges the Secretary of State to expand U.S. international demand reduction assistance and information sharing programs in key source and transit countries.

## **Program Justification**

Financial crime, terrorist financing, and money laundering pose a significant national security threat not only to the United States but also globally. These activities have the power to corrupt officials, distort economies, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes. Experts estimate that global money laundering exceeds 3-5 percent of Global Domestic Product – or \$1.5-\$1.8 trillion per year -- and continues to grow through a variety of new innovative schemes only limited by the imagination of criminals and their organizations. Terrorists, on the other hand, appear to be relying less on the formal financial sector than to alternative remittance systems, such as hawala and cash couriers, that pose significant challenges to law enforcement. Our ability to conduct foreign policy, promote our economic security and prosperity, and safeguard our citizens is hindered by these threats to democracy and free markets.

In addition to financial crimes, Intellectual Property (IP) crimes present a growing threat to the most innovative sectors of the US economy. Losses to the US copyright, patent, and trademark industries in areas such as hard goods, optical media, and pharmaceuticals have been staggering. One particularly troubling phenomenon is the growing involvement of transnational crime groups in IP crime. These groups have the potential to outstrip the capabilities of hard-pressed law enforcement to counter them. As a signatory to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, the USG is committed to a global enforcement effort to eliminate safe havens for online pirates and other IP criminals. Although INL has long been engaged on issues related to protection of IP, the explosion in IP crime and the growing sophistication of IP criminals has led INL to ramp up its resources dedicated to this issue. As co-chair of the inter-agency training coordination group (TCG), which includes both government and industry participation, INL promotes foreign training and technical assistance projects targeted to foreign nations where IP violations are most severe.

On the narcotics front, demand reduction efforts aim to reduce the use and abuse of illicit drugs worldwide. The need for demand reduction is reflected in escalating drug use that takes a devastating toll on the health, welfare, stability, security, and economy of all countries. At the same time, the role of demand reduction in addressing the HIV/AIDS epidemic has become more readily apparent as the recent worldwide increases in this epidemic are primarily concentrated among intravenous (IV) drug user populations, in addition to high-risk behavior associated with use of other non-narcotic drugs such as amphetamine-type stimulants. The role of drug treatment in decreasing rates of drug use and relapse benefits U.S. foreign assistance efforts because any decrease in drug use among high-risk populations has the added benefit of decreasing the spread of HIV/AIDS. Demand reduction assistance has subsequently evolved as a key foreign policy tool to address the inter-connected threats of drugs, crime and terrorism.

## **Program Accomplishments**

FY 2008 will be the first year of funding for the various programs in Bangladesh.

### **FY 2008 Program**

#### **Financial Crimes and Money Laundering**

The funding for the financial crimes and money laundering program will allow for INL to support the new innovative Trade Transparency Units (TTUs) concept that responds to the increasing propensity of criminals and terrorists to move funds outside of formal financial sectors through use of alternative remittance systems and falsified trade data. The concept borrows from the international network of Financial Investigative Units that examine financial intelligence. The establishment of TTUs in Bangladesh will improve efforts in detecting money laundering and terrorist financing.

#### **Trafficking in Persons (TIP)**

FY 2008 funds will be used to assist the government to strengthen law enforcement and the rule of law to interrupt TIP national and transnational crime networks. Training and technical assistance for law enforcement on how to identify and rescue victims, investigate cases, coordinate and prepare prosecutions, and collaborate with nongovernmental organizations are imperative. Funding will also be used to adopt anti-trafficking laws, improve the legal framework for addressing TIP, and strengthen the capacity of civil society to work effectively with justice systems to promote the rescue and protection of victims.

#### **Intellectual Property (IP)**

The funding for the IP program will provide training and assistance in seminars on developing TRIPS compliant laws, and also on training police officers, investigators, prosecutors, and judges to combat IP crime.

#### **Demand Reduction**

FY 2008 funds will be used for the support of INL-funded demand reduction training treatment center. In addition, funding will assist for a community drug-awareness outreach. Treatment centers will play an economical role in order to provide comprehensive assistance to several areas in the region that suffer and share similar drug abuse problems.

<b>Bangladesh</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Financial Crimes &amp; Money Laundering</b>	-	-	-	-	<b>500</b>
<b>Intellectual Property</b>	-	-	-	-	<b>200</b>
<b>Demand Reduction</b>	-	-	-	-	<b>300</b>
<b>Trafficking in Persons</b>	-	-	-	-	<b>200</b>
<b>Interdiction</b>	-	-	-	-	<b>300</b>
<b><i>Total</i></b>	-	-	-	-	<b>1,500</b>

## India

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

Drug addiction treatment and awareness will be the main focus for the Government of India (GOI).

To combat abuse opiate, heroin and other narcotic drugs, support will provide technical assistance and equipment to the narcotics treatment center. Demand reduction education programs will significantly reduce drug use and delay onset of first use in target populations.

### Transformational Diplomacy

The FY 2008 funds will advance the Secretary's Transformational Diplomacy goals of addressing key remaining challenges to Drug Demand Reduction (Peace & Security sub element 1.4.4).

### Program Justification

Newspapers frequently refer to ecstasy and cocaine use on the Mumbai and New Delhi "party circuit," but there is little information on the extent of their use. There has been a considerable amount of reporting in local newspapers indicating that the use of cocaine and ecstasy are on the rise. While smoking "brown sugar" heroin (morphine base) and cannabis remain India's principal recreational drugs, intravenous drug use (IDU) of licit opiate/psychotropic pharmaceuticals (LOPPS) is rising in India, replacing, almost completely, "white" heroin. In parts of India where IDUs have been denied access to LOPPS, IDUs have turned to injecting "brown sugar" heroin. Various licitly produced psychotropic drugs and opiate painkillers, cough medicines, and codeine are just some of the substances that have emerged as the new drugs of choice.

In 2004, the Ministry of Social Justice and Empowerment (MSJE) released a drug abuse study conducted in partnership with UNODC in 2001. The study found that licit opiate abuse accounted for 43 percent of Indian drug abuse. Although drug abuse cuts across a wide spectrum of Indian society, more than a quarter of drug abusers are homeless, nearly half are unmarried, and 40 percent had less than a primary school education. Itinerant populations (e.g., truck drivers) are extremely susceptible to drug use.

## **Program Accomplishments**

In 2006, the Central Bureau of Narcotics (CBN) continued issuing microprocessor chip-based cards (Smart Identity Cards) to opium poppy cultivators. The card carries the personal details of the cultivator, the licensed area, the measured/test measured field area and the opium tendered by him to the CBN. The card also stores the previous years' data. The information stored on the card is read with handheld terminal/read-write machines that are provided to field divisions. CBN personnel will enter cultivation data into the cultivators' cards and the data will be uploaded to computers at CBN HQs and regional offices. The cards are delivered to cultivators at the time of licensing. For crop year 2005/2006, the project was expanded to include all of the 17 Opium Divisions, the three State Unit Headquarters and the Central Headquarters in Gwalior.

The GOI periodically raises the official price per kilo of opium, but illicit market prices are four to five times higher than the base government price. Farmers who submit opium at levels above the MQY receive a premium, but premium prices can only act as a modest positive incentive. In the 2005/2006 opium harvest year, CBN significantly decreased the number of hectares licensed from 8,771 in 2004 and 2005 to 6,976 in 2005 and 2006, and the number of farmers licensed from 87,682 in 2004 and 2005 to 72,478 in 2005 and 2006. Much of this reduction took place in Uttar Pradesh, where CBN is in the process of phasing out opium cultivation. The estimated yield for the 2006 crop year was 372 metric tons of opium.

Although there is no reliable estimate of diversion from India's licit opium industry, clearly, some diversion does take place. It is estimated that between 20 – 30 percent of the opium crop is diverted. However, it is not possible to pinpoint the amount accurately and there is no evidence that significant quantities of opium or its derivatives diverted from India's fields reaches the United States. In 2006, the GOI reported it seized 142 kilograms of licit opium and closed down three morphine manufacturing facilities.

## **FY 2008 Program**

### **Demand Reduction**

FY 2008 funds will be used for the support INL-funded narcotics treatment center. INL assistance will give particular attention to address the recurring opiate abuse in India and address the heroin threat from other regions in Asia. A continued area of focus will be in anti-drug programs that are members of an INL-sponsored civil society/drug prevention network.

The program will be divided into three general categories, a coalition and network building program; training and technical assistance program, and research and demonstration program. Experience has shown that this period of time is sufficient for countries to implement self-sustaining programs based on training concepts, in addition to allowing

enough time for accomplishment of outcomes such as sustained reductions in drug use by target populations. The research and demonstration programs initiative will allow the program to become self-sufficient and perfect “best practices” that can be subject to rigorous scientific evaluation. The evaluation component of these programs (by independent sources) continues for at least two years after program funding terminates in order to reliably assess sustained, long-term change (outcome).

<b>India</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Drug Awareness/Demand Reduction</b>	-	-	-	-	400
<b><i>Total</i></b>	-	-	-	-	400

## Nepal

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

The Government of Nepal (GON) will develop effective civilian-led police forces.

Organizational management reform, curriculum reform, training and technical assistance will lead to the development of management, leadership and executive strategic planning skills among senior ranks of the Nepal Police (NP) and the Armed Police Force of Nepal (AFP). Training and technical assistance provided to the rank and file members will help improve the NP's criminal investigative skill, promote integrity and instill a sense of professionalism in the force.

### Transformational Diplomacy

Funds will advance the Secretary of State's Transformational Diplomacy goal for Nepal, a state emerging from and rebuilding after internal conflict, specifically to prevent or mitigate a state failure or a resort to renewed violent conflict. The program will focus on Law Enforcement Restructuring, Reform and Operations (Peace & Security sub element 1.3.7), Justice System (Governing Justly & Democratically sub element 2.1.3), Human Rights (Governing Justly & Democratically sub element 2.1.4), and Program Support (Governing Justly & Democratically sub element 2.1.5).

### Program Justification

Law and order are prerequisites to the re-establishment of peace and security in Nepal, following the ten plus year insurgency; the alternative being a failed state. Unenfranchised sizeable minorities are resorting to Maoist tactics of violent protest and strikes to seek inclusion in the political process in the run up to the Constituent Assembly elections, part of Nepal's constitutional drafting and adoption as well as the establishment of a new government.

Formerly, the Nepal Army was an integral part of the security sector, and provided logistics support during country elections. Per the settlement with the Maoists, Nepal Army forces are now confined to their barracks, and thus removed from the equation. The other two elements in the security sector, the NP and AFP, cannot as presently staffed, equipped and trained, fill the security sector gap left by the Nepal Army's confinement to barracks. The NP and AFP, having been mostly focused on counterinsurgency efforts for the past ten years, are woefully

under equipped and lack modern police training to enforce law and order throughout Nepal, let alone ensure safe and fair democratic elections. Another challenge to the ability of the NP and AFP to enforce the law is a lack of political will and leadership to re-establish law and order; the current government must equally and fairly enforce the laws irrespective of the political stripe of the perpetrator.

A recent state-of-nation poll was conducted in Nepal with 9,629 respondents from throughout Nepal. The poll results (published in the February 25, 2007, edition of the Himalayan News) indicated that 69 percent believe the most important challenge before the country is maintaining law and order. The article further stated that the survey findings “in effect, indicate a total breakdown of the law and order mechanism, especially in the rural countryside.”

The preliminary conclusions of a joint INL/ICITAP assessment conducted in February 2007 in Nepal support these concerns. The assessment underlines the need for law and order as a prerequisite to fair, safe and democratic elections, to a return to a rule of law based civil society in which security and visible presence and actions by the NP, and support of the NP by the GON. The most common fear expressed by the stakeholders during the ICITAP assessment was of intimidation and violence during the elections at the hands of the Maoists. The assessment revealed that Nepal is experiencing some unique challenges regarding the rule of law. Any training or logistical support must not only help the election effort, but needs to add to the overall ability of the NP to reform itself into a police organization that is customer-focused, service-oriented and that understands the importance of human rights in law enforcement.

## **Program Accomplishments**

In 2006, INL funded the deployment of a Senior Law Enforcement Advisor (a retired Police Chief with extensive organizational reform experience), to build relationships with the Home Ministry, the Nepal Police and the Armed Police, review the NP's and APF's organizational structure and needs, and prepare the way for the joint INL-DOJ/ICITAP assessment team. He also advised on election security, how to identify a new mission for the APF (formerly focused solely on counter-insurgency efforts), and developing community policing concepts.

In 2007, INL funded a joint INL-DOJ/ICITAP assessment, covering not only the Central District and Kathmandu valley (interviewing or meeting with officials from the Home Ministry, the Election Commission, members of Nepal's parliament, the head of the Nepal Police and his direct reports, the head of the Armed Police Force and his direct reports, the UN Secretary General's Special Envoy, Indian diplomats, members of human rights organizations and other non-governmental organizations, members of the EU Commission's delegation, UK representatives, as well as the U.S. Ambassador and many of his mission team), but also visiting regional and district centers in the Far West District, and the West District.

## **FY 2008 Program**

The major components of the FY 2008 program are assisting in security sector reform, coordinating assistance for and directly aiding law enforcement restructuring, reform and operations, incorporating human rights into basic curriculum and into the continuum of appropriate force used in the rules of engagement, improve police-prosecutorial cooperation as well as assisting in the incorporation of modern evidentiary rules of evidence into the judicial system, and supporting GON efforts to strengthen respect for the rule of law.

### **Law Enforcement Restructuring, Reform, and Operations**

FY 2008 funds will focus on improving the quality and transparency of civilian rule of law through assisting the NP and APF with strategic planning, competency-building, development of a continuum of appropriate applied force, and sustainable training programs for the two organization's respective personnel. The program will achieve these assistance goals by providing resident technical advisors and training programs for targeted groups of law enforcement officers, prosecutors and jurists.

### **Improving the Justice System**

The effectiveness of law enforcement's working relationship with the prosecutors will be an important component of this program. The FY 2008 program will include efforts to improve police-prosecutor cooperation to better manage crime scenes, preserve evidence and bring criminals to justice. Strengthening the working relationship between police and prosecutors through the implementation of policies and procedures — that will require the police to consult with prosecutors during investigations — will further establish corruption-fighting mechanisms and initiate improvements in judicial administration and criminal case management. Funding will used to provide technical assistance and training.

### **Program Development & Support (PD&S)**

PD&S funds will cover the foreign national direct-hire and other general administrative and operating expenses for program planning, design, implementation, monitoring, and evaluation.

<b>Nepal</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY2006	FY2006 Supp	FY2007	FY2007 Supp	FY2008
<b>Law Enforcement</b>					
Restructuring, Reform & Operations	-	-	-	-	800
Equipment and Infrastructure	-	-	-	-	800
<b>Sub Total</b>	-	-	-	-	<b>1,600</b>
<b>Administration of Justice</b>					
Justice System	-	-	-	-	800
Human Rights	-	-	-	-	100
<b>Sub Total</b>	-	-	-	-	<b>900</b>
<b>Program Development and Support</b>					
U.S. Personnel	-	-	-	-	-
Non-U.S. Personnel	-	-	-	-	20
ICASS Costs	-	-	-	-	-
Program Support	-	-	-	-	180
<b>Sub-Total</b>	-	-	-	-	<b>200</b>
<b>Total</b>	-	-	-	-	<b>2,700</b>

## Pakistan

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
37,620	24,000	32,000

### Program Objectives and Performance Indicators

Pakistani control over the border with Afghanistan and Iran is further strengthened.

Ability to monitor the 2,000-mile border with Afghanistan and Iran to interdict the passage of terrorists, narcotics traffickers, and other criminals will be improved. Access to previously inaccessible territory and the presence of security forces will be expanded through road construction. The Government of Pakistan's (GOP) border security surveillance and interdiction capabilities will be increased through continued air support, ongoing training activities, increased mobility, intelligence sharing, and expanded communications and other equipment (e.g. surveillance equipment).

The capability of the GOP to investigate and prevent criminal and terrorist activity is improved.

Technical assistance, training, and equipment will augment the capacity of Pakistani law enforcement and security agencies. Modern forensic and fingerprint identification methodologies will be instituted as standard procedures in criminal investigations. Institutional police reform programs will emphasize executive management skills, improved police training, infrastructure development, strategic planning, and internal controls to prevent corruption. Police reform programs will also include the provision of model policing projects and support for a national dialogue among law enforcement agencies.

The ability of the Government of Pakistan to deter and eradicate opium poppy cultivation and interdict narcotics trafficking is expanded.

Opium poppy eradication efforts will result in the destruction of any poppy sown in accessible areas. Poppy cultivation will decline as alternative crop programs and road infrastructure projects expand. Demand reduction and narcotics awareness public education efforts will be expanded to prevent drug abuse.

## **Transformational Diplomacy**

Funds will advance the Secretary's Transformational Diplomacy objectives of "Peace and Security" and "Governing Justly and Democratically" by addressing the challenges that the Government of Pakistan faces in the following ways:

**The Border Security Project** provides operational support, commodities, and training to the Anti-Narcotics Force (ANF) and other law enforcement agencies. U.S. assistance has enabled construction of additional Frontier Corps outposts along the porous Afghanistan-Pakistan border and of new roads to open up remote areas to law enforcement, allow forces to eradicate poppy, and facilitate farmer-to-market access for legal crops.

**Drug Enforcement and Interdiction Program** provides funding and support to projects designed to enhance the GOP's law enforcement and counternarcotics interdiction capabilities. Training, mentoring, and prosecutorial and investigative assistance support the Anti-Narcotics Force. In the long-term, this assistance will increase the number of cases and prosecutions of high-level drug traffickers by the ANF and will build capacity in Pakistan's justice sector as a whole.

**The Demand Reduction Program** advances the Secretary's Transformational Diplomacy Peace and Security objective by funding counternarcotics projects designed to prevent and reduce drug abuse. To this end, the United States will continue its partnership with the Anti-Narcotics Force to convene demand reduction awareness workshops and to establish faith-based drug treatment and outreach centers.

## **Program Justification**

Pakistan is a key ally in the Global War on Terrorism and was named a Major Non-NATO Ally in early 2004. The GOP has demonstrated a commitment to combat transnational threats such as terrorism, organized crime, and narcotics trafficking. Since September 11, 2001, the GOP has taken into custody roughly 600 suspected al-Qaida and/or Taliban militants. In addition, the United States, Afghanistan, and Pakistan are working together through a Tripartite Commission to promote mutual understanding and stability in the region.

Pakistan's border with Afghanistan and Iran runs approximately 2,000 miles through rough mountainous and desert terrain that is remote and thus provides a potential safe haven for terrorists, drug traffickers, and other criminals. Monitoring and maintaining control over this border has long posed a challenge for the under-equipped and under-trained Pakistani security agencies. This situation is made more serious and difficult by the state of play in Afghanistan, including countering the massive scale of opium poppy cultivation there, arms trafficking, and continuing concerns about the movement of al-Qaida and Taliban militants into Pakistan to seek refuge and plan further terrorist acts, potentially including operations directed against U.S. interests. Commodities and infrastructure support, as well as training, already provided by the USG have improved the capabilities of agencies operating on the border, but still do not come close to meeting the requirements of these forces that

collectively number more than 80,000 personnel. Ongoing assistance over a period of years, at a rate the GOP can absorb, will be necessary.

Large areas of the Federally Administered Tribal Areas (FATA) along the border with Afghanistan are virtually inaccessible, including to law enforcement agencies. This renders frontier areas attractive to terrorists, drug traffickers, and other criminals who seek refuge. INL-funded rural road construction programs begun in the FATA in opium poppy growing areas a decade ago and succeeded in facilitating law enforcement access for eradication and interdiction activities. At the same time, improved infrastructure opened these remote areas for legitimate commerce, counter-drug education efforts, economic development projects, and vital health and education facilities and also extended the Government's presence into the areas. The INL-funded roads are accompanied by small infrastructure projects that improve the lives of the people and help gain their support for the entry of law enforcement into these areas. This program is expanding into areas along the Afghan border where al-Qaida and Taliban militants may otherwise find safe haven. Continued road construction is needed in the tribal areas through FY 2008 to sufficiently open up these inaccessible areas.

Law enforcement institutions in Pakistan have been neglected for decades, predominantly in favor of intelligence agencies with collection capabilities. This has resulted in a very weak capacity to investigate even basic crimes, such as stolen vehicles, and much less the far more serious threats posed by terrorists and narcotics traffickers. GOP capacity to combat terrorism and other serious forms of criminality successfully requires not just an infusion of resources, but also comprehensive reform and improvements to law enforcement institutions countrywide. These reforms include better cooperation and coordination among law enforcement organizations, more focus on service to the community, and overall enhancement of technical skills, particularly in forensics.

In October 2002, Pakistan promulgated Police Order 2002, a roadmap for reform. Two boards, the National Police Management Board and the National Police Training Management Board, have been convened to oversee reform efforts and to facilitate coordination and standardization of law enforcement training, policies, and procedures across the country. Pakistan needs expert assistance and resources to implement these reforms fully. In support of this effort, INL assistance is providing leadership and management training at senior law enforcement levels in addition to furnishing training in basic and advanced criminal investigation techniques. Emphasis is placed on curriculum development, promotion of organizational change, and development of high accountability and public awareness standards.

In 1990, Pakistan was a major producer of opium poppy. With assistance from the United States, Pakistan embarked on a 10-year plan to become poppy free. It essentially achieved that goal by 2000; however, due in part to massive cultivation in Afghanistan, Pakistan experienced a resurgence of opium poppy cultivation in 2002-2003. This included an expansion of cultivation into non-traditional areas along the western border in both the FATA and Balochistan. It is important that opium poppy cultivation be first contained and then eliminated as soon as possible, before its economic impact becomes too deeply rooted. Crop control efforts, including enhanced poppy monitoring and increased economic

alternatives and infrastructure projects, will decrease opium production. Since the GOP is committed to this effort, but lacks the resources necessary to implement effective anti-poppy efforts, INL programs seek to fill the gap and continue to assist the GOP in reaching its goal of regaining poppy-free status.

GOP seizures of narcotics – primarily heroin, opium and hashish – are significant and increasing, but undoubtedly represent only a small fraction of what actually is transiting the country. Arrests of traffickers in the remote border areas are difficult, as traffickers generally are far better equipped than law enforcement agencies. The continued provision of vehicles, radios, and surveillance equipment as part of the Border Security Program is expanding the capacity of law enforcement agencies to monitor and interdict narcotics trafficking. Additional resources still are needed, especially as increased efforts to combat narcotics in Afghanistan will put pressure on neighboring Pakistan to stop any elements of the drug trade that try to move east across the border.

Pakistan also is combating an increasing drug addiction problem that threatens the welfare and economic stability of its society. A National Assessment of Drug Abuse in 2000 estimated 500,000 heroin addicts in Pakistan between the ages of 18 and 25. The new survey will likely be made public in the spring 2007 and will announce a much larger group of drug users, probably in the two to three million-range. There are also concerns about a growing number of intravenous drug users. The GOP needs additional resources in demand reduction to complement its supply-side efforts.

### **Program Accomplishments**

The Ministry of Interior's Air Wing (50<sup>th</sup> Squadron) was established with INL funding in 2002. It currently has nine Huey II helicopters, a decrease by one due to a January 2007 crash, and three fixed-wing surveillance aircraft, two equipped with Forward Looking Infra Red (FLIR) night vision enhancement systems, operating from Quetta, Balochistan. The program has trained three Frontier Corps (FC) elite Heliborne Assault Force (HAF) platoons from the Rapid Interdiction Force (RIF) as well as ANF units and is now capable of a integrated air-ground operations, deployment of both fixed and rotary-wing aircraft, and night vision goggle operations. These included air assaults on a suspected drug compound and drug processing facilities, poppy surveys, medevacs for personnel injured during FC and Anti-Narcotics Force (ANF) operations, support for Operation MOUNTAIN THRUST along the Afghan border, and border reconnaissance. The three fixed-wing Cessna Caravans, equipped with FLIR surveillance equipment, executed 87 missions, including surveillance, medevacs, and command and control support for large operations.

More than 1,500 vehicles and hundreds of pieces of communications equipment have been delivered so far to the Frontier Corps in Balochistan and the Northwest Frontier Province (NWFP), the Anti-Narcotics Force, and other agencies operating on the border. Despite security and aircraft availability limitations, the Border Security Project finished construction of approximately 50 Frontier Corps outposts in Balochistan and NWFP and 50 new outposts are under way in NWFP and Balochistan, for a total of 100 outposts. These resources provide border security and law enforcement personnel better access to rugged areas of the

western border, and improved coordination and communication among those agencies. Police training programs have trained over 3,000 law enforcement officers, particularly in investigative capacity and leadership and management since FY 2002. Other courses have included first responder/crime scene investigation, instructor development, and building managerial capacity. The National Police Academy and all five police colleges, which train over 10,000 personnel per year, have integrated USG investigative materials into their curricula. The training schedule expanded again in 2006 and includes all the provinces. From January to December 2006, GOP security forces reported seizing 35.4 metric tons of heroin (including morphine-base), 110.5 metric tons of hashish, and 8 metric tons of opium, a substantial increase from in 2005. Other drugs seized by ANF in 2006 include over 1,630 kg of opium poppy straw, 50 kg of synthetic drugs, 1.7 kg of cocaine, 301,895 units of morphine injections, buprenorphine injections, Ecstasy tablets, and other synthetic drugs. The ANF attributes its greater capacity on the border to the Border Security Program.

To date, 449 kilometers of counternarcotics roads have been completed in Bajaur, Mohmand, and Khyber agencies and an additional 60 kilometers are underway in the Khyber. In addition, construction of 72 kilometers of roads in the border areas of the FATA is complete, and ongoing construction of 288 kilometers continues to open up remote areas to law enforcement. To date, the State Department has funded construction of more than 500 kilometers of counternarcotics program roads, which allow forces to eradicate poppy, facilitated farmer-to-market access for legitimate crops, and implemented 732 small schemes and alternative crops in Bajaur, Mohmand, and Khyber Agencies with an additional 21 schemes projected for completion in early 2007.

Training courses involving personnel from fourteen different agencies have begun to improve skills in basic criminal investigations, small unit tactics, port of entry operations, first response at crime scenes, use of continuum of force, building organizational capacity, instructor development, and executive management. INL-funded technical assistance has been provided in the development of an organization and structure for the Federal Investigation Agency Special Investigative Group (SIG), including 153 standard operating procedures (SOPs) for police management and operations. Assistance has also been provided to adapt these SOPs to Pakistan police organizations and a Police Reform Study has been provided to the Minister of Interior and the President. Forensics assessments were conducted at Quetta, Peshawar, Lahore, and Karachi in order to better equip laboratories, train personnel, and effectively integrate the newly created agency responsible for Pakistan's forensic laboratories, the National Forensic Sciences Agency (NFSA), into law enforcement operations.

GOP law enforcement agencies began using the international standard 10-print fingerprint card nationwide in recent years; over 350,000 acceptable 10-print cards have been collected and are being entered into the AFIS system. A central fingerprint repository, a key requirement for such fingerprint database systems, was established in the Federal Investigative Agency.

The GOP promulgated Police Order 2002, a broad framework for reform, in 2002. Public safety commissions, designed to promote community involvement in policing and police

accountability to the public, are being established throughout Pakistan in accordance with the Order. Discussions continued with GOP officials on furthering reform efforts, including through strategic planning and systemic reform. In support of building training capacities, training has so far been provided to police personnel from throughout Pakistan on leadership and management, organizational capacity, continuum of force, instructor development, and training management. In order to institutionalize change and reach a larger audience of police personnel, emphasis was placed on working with provincial and national training institutions to adopt the training curricula. All five provincial Police Colleges, Sihala (Punjab), Hangu (NWFP), Quetta (Balochistan), Saeedabad and Shadadpur (Sindh) have integrated several USG courses into their basic course curriculum. This is significant due to the thousands of personnel they train annually.

The GOP has made a strong commitment to combating opium poppy cultivation and improving monitoring and eradication efforts. Pakistan's example of being declared poppy free in 2001 by the UN is used as a model in promoting counter-drug efforts around the world. Although opium poppy cultivation increased from a record low of 213 hectares in 2001 to 7,571 hectares in 2004, it dropped to approximately 3147 hectares in 2005 and dropped again to approximately 1,908 hectares in 2006. After eradication, total yield of Pakistan's poppy crop was 1545 hectares, just shy of "poppy-free" status.

Crop substitution programs, begun over a decade ago, have created a number of alternative economic opportunities. Initial reports suggest there has been a dramatic increase in the number of operations conducted against drug traffickers. Arrests of narcotics traffickers, although many being low-level couriers, increase annually. DEA is working closely with the Anti-Narcotics Force's vetted unit, the Special Investigative Cell, to better enable it to disrupt and dismantle trafficking organizations. The Anti-Narcotics Force was granted permission to appeal the verdicts of two high-profile cases of concern (Manj and Notazai). Pakistan participated for the first time in the Paris Pact expert meetings under the United Nations Office on Drugs and Crime (UNODC) in Vienna in October 2004, and hosted a Paris Pact expert roundtable in Islamabad in early 2005, underscoring its interest in working in a multilateral context to counter narcotics production and trafficking. With assistance from UNODC, Pakistan is also part of an Intergovernmental Technical Committee with Iran and Afghanistan to block the flow of drugs across borders. Pakistan is also part of the Counternarcotics Working Group (CNWG), composed of senior diplomatic and military representatives from Afghanistan and the United States to increase regional cooperation and offer a forum for the in-depth exchange of views on topics of mutual concern, including security of the regions between Pakistan and Afghanistan and development of mechanisms for information sharing. Additionally, efforts are underway to engage Gulf countries to design a regional strategy.

## **FY 2008 Program**

The FY 2008 program has three major components that build on efforts undertaken in previous years, particularly since 9/11. The program also includes program development and support (PD&S) funds.

### **Border Security Program**

FY 2008 funds will be used to build on the successful implementation of commodity support (vehicles, communications equipment, and surveillance equipment), training, and technical assistance that were started with FY 2001 ERF Supplemental funding. The Border Security Program supports and expands law enforcement capacity to secure the western frontier against terrorists, narcotics traffickers, and other criminal elements. Beneficiaries include the Ministry of Interior, Anti-Narcotics Force, Frontier Corps – Balochistan and NWFP, Federal Investigation Agency, Coast Guards, Customs, and Home Departments.

Funds will be used to provide ongoing maintenance, support, and operating expenses for the USG-established Ministry of Interior Air Wing, which includes three fixed-wing surveillance aircraft and nine Huey II helicopters that are based at Quetta, Balochistan province. These aircraft permit monitoring and interception of terrorists, drug and other contraband traffickers, and other criminals operating in remote areas.

### **Law Enforcement Program**

Funds will be used to further enhance law enforcement capacities and to encourage more effective law enforcement cooperation within the Government of Pakistan, as well as with the United States and other countries. Funds will be used to continue providing training, technical assistance, and equipment to expand investigative skills and forensics capacities, build accountability and internal control structures, enhance police training institutions, and improve managerial and leadership expertise. Resources will also be used for police reorganization efforts and will include technical assistance, training, and executive travel to observe modern and progressive law enforcement organizations in the United States. Funds will also be used to support continuing community policing and professional standards pilot projects through training, technical assistance, and equipment. Funds will be used to continue the police leadership institute program at the National Police Academy for superintendent-level personnel, the police supervision academy curriculum at the Police College level for inspector training, and training facility upgrades at the National Police Academy, Police Colleges, and Police Training Centers to accommodate proficiency skills training.

### **Counternarcotics Program**

Due in large part to INL's role in curbing poppy growth in Pakistan, we have witnessed an improved Government of Pakistan capability to eradicate poppy, which will likely result in Pakistan regaining its "poppy-free" status in the next few years. Due to the ever-increasing threat of opiates flowing into Pakistan from Afghanistan, INL's counternarcotics program will begin to increase resources for interdiction, including disruption of transit routes, while maintaining resources devoted toward source disruption. Funds will be used to support the construction of roads in opium poppy growing areas and increasingly in areas where narcotics are trafficked from Afghanistan. These roads projects will include small water schemes to improve the economic potential of newly accessible areas and encourage the cultivation of high-value, legitimate crops and intensive farming. On a more limited scale,

we will continue to fund the introduction of alternative crops, such as off-season tomatoes, particularly in the non-traditional areas.

In an effort to increase aid to law enforcement agencies focused on narcotics interdiction, we will provide operational support to several law enforcement agencies, particularly the Anti-Narcotics Force. This support will increase their communications capabilities and ground and air mobility in remote areas where narcotics traffickers do business and will also assist with aerial poppy surveys, poppy eradication efforts, and demand reduction activities.

### **Program Development and Support (PD&S)**

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

<b>Pakistan</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007 *	FY 2007 Supp	FY 2008
<b>Border Security Program</b>					
FATA Road Projects	6,700	-	-	-	-
Aviation	11,620	-	8,000	-	15,200
Infrastructure/Commodities	6,000	-	2,202	-	500
Training/Training Materials	-	-	1,000	-	1,000
GOP Interagency Coordination	-	-	-	-	-
<b>Sub Total</b>	<b>24,320</b>	<b>-</b>	<b>11,202</b>	<b>-</b>	<b>16,700</b>
<b>Law Enforcement/Judicial System</b>					
Law Enforcement Reform *	4,000	-	3,148	-	5,000
Trafficking in Persons	-	-	-	-	-
Rule of Law	-	-	-	-	2,500
National Criminal Data/AFIS	1,000	-	1,000	-	-
<b>Sub Total</b>	<b>5,000</b>	<b>-</b>	<b>4,148</b>	<b>-</b>	<b>7,500</b>
<b>Counternarcotics Program</b>					
Crop Control	6,000	-	2,300	-	4,000
Interdiction	-	-	-	-	-
Demand Reduction	-	-	500	-	1,000
Ops support to LE agencies	1,000	-	1,700	-	1,000
<b>Sub Total</b>	<b>7,000</b>	<b>-</b>	<b>4,500</b>	<b>-</b>	<b>6,000</b>
<b>Program Development and Support</b>					
U.S. Personnel	405	-	590	-	700
Non-U.S. Personnel	150	-	180	-	320
ICASS Costs	380	-	380	-	380
Program Support	365	-	350	-	400
<b>Sub-Total</b>	<b>1,300</b>	<b>-</b>	<b>1,500</b>	<b>-</b>	<b>1,800</b>
<b>Total</b>	<b>37,620</b>	<b>-</b>	<b>21,350</b>	<b>-</b>	<b>32,000</b>

\* A total of \$24M is estimated for Pakistan in FY 2007. However, \$2.65M was reprogrammed from Pakistan to the Haitian Presidential Security Unit, resulting in an obligation plan of \$21.35M for Pakistan in FY 2007.

## Sri Lanka

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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### Program Objectives and Performance Indicators

To improve Sri Lankan law enforcement capabilities within its Police Narcotics Bureau (PNB) of the Sri Lanka National Police (SLNP).

The institutionalization of modern police training curricula and adult teaching methodologies, community policing program for the national police reserve, training in investigative skills, and organizational development, including establishment of a steering committee to develop a strategic plan for the police department.

### Transformational Diplomacy

Funds will promote the Secretary's Transformational Diplomacy goals of addressing key challenges to security and law enforcement for this country, focusing on Law Enforcement Restructuring, Reform and Operations.

### Program Justification

Since 1983, the Government of Sri Lanka has fought the Liberation Tigers of Tamil Eelam (LTTE), a terrorist organization fighting for a separate ethnic Tamil state in the north and east of the country. During this period the police command structure in northern and eastern provinces was closely integrated with the other security organizations under the authority of the Joint Operations Command. Many police stations in the east were over-run and numerous police officers were killed. In December 2001, the Government and the LTTE each announced unilateral cease fires. As a result of the peace process, there has been a sharp reduction in roadblocks and checkpoints around the country. At the present time the cease fire is still in place and the police are no longer functioning as an extension of the military arm of the Government. The present number of Sri Lanka National Police is believed to be approximately 70,000.

About 74 percent of the population of Sri Lanka is of Sinhalese descent. The largest minority groups are the Sri Lankan Tamils and the Indian Tamils, which together make up about 18 percent of the population. Over 75 percent of the population lives in rural areas of the Island. The official languages of Sri Lanka are Sinhala and Tamil. Sinhala is spoken by three fourths of the population. Tamil is a Dravidian language of northern and eastern provinces of the country. English, the former official language of the country until 1957, is

still widely spoken. In working with such a diverse population that speaks multiple languages, the SLNP must perform police services while avoiding the perception of favoritism in the forms of language and ethnicity.

The Sri Lanka National Police is headed by an Inspector General of Police (IG), who reports to the Minister of the Interior. Prior to January 2002, the police reported to the Minister of Defense and were an integral part of the nation's security forces, holding primary responsibility for internal security. Specially trained commando units of the police were regularly deployed in joint operations with the armed forces.

INL has been assisting in the transition of the Sri Lankan police to a civilian force after 25 years of civil war. Therefore, INL programs that provide training and support to the country's police will improve Sri Lanka to manage such threats.

### **Program Accomplishments**

FY 2008 will be the first year of funding for the police assistance program in Sri Lanka.

### **FY 2008 Program**

Funds will be used to assist to train the PNB in investigative skills and organizational development, including establishment of a steering committee to develop a strategic plan for the police department.

<b>Sri Lanka</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Law Enforcement Reform</b>	-	-	-	-	<b>350</b>
<b><i>Total</i></b>	-	-	-	-	<b>350</b>

**Regional and Global Programs**

## Anti-Crime Programs

### Fighting Corruption

#### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
3,960	4,500	4,500

#### Program Objectives and Performance Indicators

INL has in recent years pursued a mix of diplomatic, policy, and programmatic efforts designed to achieve the following anticorruption objectives: increasing the number of governments committed to implementing comprehensive regimes to prevent kleptocracies from developing and address their corruption problems; increasing international cooperation among governments in the fight against corruption; increasing the number of countries where political will exists to pursue high-level corrupt actors and problems; and developing innovative methods to tackle corruption that show measurable effect.

INL advances these objectives through a four-pillar approach. These four pillars, articulated in various Department reports to Congress over the past few years pursuant to the International Anticorruption and Good Governance Act, include the following:

#### Uniting Governments Under Common Anticorruption Commitments

The USG opens the door to enhanced cooperation through the creation of global anticorruption goals and standards. This, in turn, encourages the sharing of best practices, builds trust and relationships between cooperating countries, and ultimately increases the effectiveness of USG government and other aid programs that assist these efforts.

Related objectives:

Increased number of reports issued annually by mutual evaluation mechanisms.

Increased number of countries that have signed and ratified the United Nations Convention Against Corruption.

#### Helping Governments Meet or Exceed Those Commitments

The fight against corruption begins at the national and local levels. Where pockets of political and/or popular will exist, the USG can assist governments in taking effective action against corruption. This includes, inter alia, helping governments take a wide range of

actions to address corruption, such as enforcing anticorruption laws and instituting preventive measures within the public administration. The U.S. is also beginning, through the USAID Anticorruption Strategy, the Millennium Challenge Account (MCA), and other multilateral initiatives, to reward those countries that are committed to effectively rooting out corruption.

Related objective:

Increase the number of countries that publicly adhere to and enforce the “No Safe Haven” policy and make efforts to combat kleptocracy.

### **Mobilizing Popular Will and Private Sector Action**

Popular will is the best expediter of political will against corruption. The USG can help enhance popular will in other countries by encouraging civil society, the media, and the private sector to be active in the fight against corruption, increase transparency in governments, and increase integrity in the private sector.

Related objective:

Targeted countries have improved scores in anticorruption and transparency indices.

### **Leading By Example**

The USG has been a leader in the fight against corruption by promoting integrity within our own country and making our actions an example for the world. The international community can benefit from our examples, particularly regarding efforts to deny safe haven in the U.S. to corrupt officials, prevent U.S. multinational business from bribing overseas, enforce corruption laws, promote good public/corporate governance, and build tools and institutions to prevent corruption.

Related objectives:

Implementation and balanced use of the new presidential proclamation to deny entry into the United States of corrupt officials, those who corrupt them, and their dependents.

Participating as an evaluated party in two (OAS, COE) multilateral anticorruption monitoring mechanisms.

### **Transformational Diplomacy**

Fighting corruption helps to strengthen the goals of Transformational Diplomacy by ensuring that good governance, transparency and accountability measures are a critical component of states aiming to govern justly and conduct themselves responsibly in the international system. FY 2008 funds will promote efforts that promote international cooperation to prosecute high-level corruption, deny safe haven to corrupt officials, and through the UN

Convention Against Corruption, enhance commitment to recover and return assets that can be used to promote development and accountability.

## **Program Justification**

The Administration has made the international fight against corruption one of its top foreign policy priorities. The USG has clear foreign policy and national security interests in seeing corruption addressed on an international scale. Corrupt interests continually hamper global economic activity of American firms, interfere with the accomplishments of USG foreign assistance goals and programs, facilitate the continuing growth of transnational crime and international criminal organizations, and threaten democracy. Terrorists thrive on corruption, using it to facilitate the laundering of funds and the illicit trade of weapons, passports, drugs, and persons; obtain sensitive information from government sources; and move money and themselves across borders to find safe havens.

## **Program Accomplishments**

### **Uniting Governments Under Common Anticorruption Commitments**

Over the past several years, INL has helped negotiate and develop several significant regional multilateral anticorruption commitments, including the United Nations Convention Against Corruption (UNCAC), the Inter-American Convention Against Corruption (IACAC), Council of Europe conventions, Stability Pact compact, the Asia Pacific Economic Cooperation (APEC) Initiative to Fight Corruption and Ensure Transparency, and, most recently, the OECD/UNDP Middle East and North Africa (MENA) “Good Governance for Development for Arab States” Initiative. The United States became a party to the UNCAC in November 2006. INL continues to make it a top priority to encourage other governments to sign, accede to, or ratify the UNCAC. In July 2006, the President unveiled his National Strategy to Internationalize Efforts Against Kleptocracy. From a diplomatic perspective, the biennial ministerial Global Forum on Fighting Corruption (GF) process is by far the most high-level existing intergovernmental forum for promoting the fight against corruption, and INL continues to lead U.S. efforts to develop and define that process. The United States plans to send a very high level delegation to the V Ministerial Global Forum which will be hosted by the Republic of South Africa in April 2007. The United States intends to promote the President’s National Strategy to Internationalize Efforts Against Kleptocracy and international cooperation related to the UNCAC including asset recovery of stolen assets.

### **Helping Governments Meet or Exceed Those Commitments**

INL has focused its attention and resources on promoting implementation of multilateral anticorruption commitments (e.g., monitoring mechanisms) and helping develop effective governmental approaches to preventing corruption (e.g., addressing corruption within the criminal justice system through the legal profession and private bars). INL has provided or led USG experts and assistance to help over 60 countries implement anticorruption commitments through mechanisms within the Organization of American States (OAS), Council of Europe, Stability Pact Anticorruption Initiative for Southeast Europe, the Asia

Pacific Economic Cooperation's (APEC) Anticorruption Initiative, and the OECD/UNDP "Good Governance for Development for Arab States" Initiative. INL has also targeted anticorruption advisors and technical assistance to help governments address weaknesses discovered during these evaluation processes. INL continues to lead U.S. law enforcement-related anticorruption assistance, particularly to help countries build their capacities to investigate and prosecute corruption cases.

### **Mobilizing Popular Will and Private Sector Action**

INL has developed and funded innovative technical assistance programs that help build the popular will against corruption and promote integrity within the private sector. Recent examples include the development of a Culture of Lawfulness educational program in several countries targeted at middle-school students and support to develop a corporate governance blueprint for Russian businesses.

### **Leading By Example**

INL has led recent USG interagency participation, including the Department of Justice, Department of the Treasury, Department of Commerce, Office of Government Ethics, and others, in key multilateral mechanisms to observe U.S. anticorruption institutions and activities, and has helped effectively showcase our efforts as a model for other countries. INL also led efforts to advance the "No Safe Haven" policy through implementation of a Presidential Proclamation to deny entry to the corrupt, those who corrupt them, and their dependents, signed in early 2004. The G8 member countries, in the 2003 Evian Declaration and reinforced in the 2004 Sea Island Declarations, committed to the "No Safe Haven" policy. World leaders at the Special Summit of the Americas and APEC made a similar commitment in January and November 2004, respectively. With INL's leadership, the United States worked with other G8 countries to make high-level corruption a top priority at the 2007 G8 Leaders' St. Petersburg Summit.

### **FY 2008 Program**

FY 2008 funds will be used through the United Nations or relevant regional organizations to help countries that have ratified the new United Nations Convention Against Corruption to implement the convention's prevention and criminalization chapters.

Funds will expand the Middle East Governance for Development (GfD) Network, an Arab-led effort which was launched in the Dead Sea, Jordan in February 2005, with the G8, UNDP, OECD and World Bank, to create an intergovernmental anticorruption forum. The forum will work towards developing capacity, tools, and systems – such as national action plans, stronger laws, codes of conduct, and better trained investigators, prosecutors, and judges – to detect, prosecute and enforce corruption cases. As part of the GfD Initiative, President Bush pledged to help Arab nations that embrace clear standards of economic, political, and social reform.

Funds will also help APEC developing economies implement their commitments related to the APEC Leaders' Santiago Commitment and Anticorruption Course of Action. The "Santiago Commitment and APEC Course of Action" requires member countries to: deny safe haven to officials and individuals guilty of public corruption, those who corrupt them, and their assets; implement anticorruption policies and practices consistent with the UN Convention Against Corruption; implement the APEC Transparency Standards, with particular emphasis on government procurement and customs procedures; encourage collaboration to fight corruption and ensure transparency, including through cooperation with other multilateral and regional intergovernmental institutions; and develop innovative training and technical assistance programs to fight corruption and ensure transparency.

INL will also start an innovative Kleptocracy Project that will help countries bring focused attention to high-level, large-scale corruption by public officials, increase public-private partnerships, and facilitate targeting of the proceeds of grand corruption through asset international cooperation in asset recovery and law enforcement.

FY 2008 funds would additionally be used to pay contributions/dues to support two multilateral monitoring mechanisms – the Council of Europe's Group of States Against Corruption (GRECO) and the OAS Follow-up Mechanism – that promote implementation of anticorruption commitments in over 70 countries.

## **Border Security/Alien Smuggling**

### **Budget Summary (\$000)**

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>594</b>	<b>1,250</b>	<b>1,500</b>

### **Program Objectives and Performance Indicators**

INL will continue to assist selected countries to strengthen their border control regimes and make it more difficult for criminals and terrorists who threaten the interests of the United States to pass through without being detected and apprehended. INL will also work with our international partners to interdict and halt alien smuggling as far from our borders as possible.

INL border security programs help priority countries improve their port and airport security practices, through education initiatives, training, and technical assistance. The strengthening of security at ports and airports will help to prevent criminal and terrorist acts that could have an adverse impact on trade and transportation with the United States. INL has set goals for border security to include: conducting training to improve the proficiency of customs, immigration, and other border control officials; installing entry/exit systems at selected airports and seaports; assisting in the development of passport issuance systems with biometric capabilities; purchasing computers and software for immigration authorities at the international airports; providing funding to the International Organization for Migration (IOM) for capacity building programs; and providing funding to the Organization of American States (OAS) counter-terrorism subcommittee to improve port security practices through a program of technical assistance.

INL work helps improve integration and coordination among various law enforcement entities at the borders. Border security improvements will enhance law enforcement cooperation, reduce corruption, increase revenue collections, and strengthen rule of law in developing countries. Performance measures will include better law enforcement controls and intelligence; increased identification and apprehension of criminals; and less illegal movement of aliens destined for the United States. INL's attention to alien smuggling will focus on helping coordinate the activities of the interagency anti-smuggling community in their efforts to disrupt major alien smuggling rings which operate both domestically and overseas.

### **Transformational Diplomacy**

INL's programs on border security and to counter alien smuggling directly facilitate the Transformational Diplomacy goal of strengthening peace and security through building capacity to address transnational crime. Strong border controls help deter transnational crime

such as migrant smuggling, and make it more difficult for criminals and terrorists to operate on a transnational scope.

### **Program Justification**

Porous borders are a threat to developing countries, as well as to the United States. Lax border controls greatly enhance the ability of international criminals, smugglers, and terrorists to expand their operations and avoid these controls, suborn them through corruption, negate them with falsified documentation, or overwhelm them. In many countries, effective control of the movement of persons, vehicles, and cargo across national borders is non-existent. Border control officials are poorly trained and equipped and inspections facilities are substandard.

As the first line of defense for many countries, stiff border controls provide substantial deterrence to smugglers and other criminals. They can force them into other, less attractive, routes, provoke traffickers into taking measures that raise their operational costs, and make traffickers more vulnerable to law enforcement countermeasures. Borders are also the points at which to collect important intelligence. Information gleaned from seizures, arrests, and documents can provide leads useful to making even bigger cases that help dismantle major international criminal syndicates. Successful enforcement at the border is also a powerful instrument for generating greater public support for fighting transnational crime.

The smuggling of illegal migrants, which can serve as a vehicle for terrorist entry into the United States, is a major national security concern. Identifying, disrupting and dismantling criminal networks, especially those that can be used by extremist groups, has become a high priority for U.S. authorities. An important aspect of the U.S. government's approach to deterring and preventing the flow of illegal aliens into the United States involves disrupting alien smuggling organizations as far from our shores as possible. This means that the fight against alien smuggling must begin in foreign lands where our influence and law enforcement authorities are more limited. Weak foreign law enforcement institutions, corrupt public officials, and inadequately trained police make it imperative that guidance and technical assistance be provided to illegal alien source and transit countries. Without adequate technical assistance many of these countries will continue to contribute to the stream of illegal aliens entering the United States. This stream, if uncontrolled, will allow foreign nationals with terrorist links to slip into the United States undetected.

### **Program Accomplishments**

Our goal is to strategically utilize funding to ensure the most impact in this critical area. INL's critical border security program provided numerous training programs in Central America and the Caribbean

Funding provided to the OAS counter terrorism subcommittee to improve security practices in the Caribbean tourism and recreation industries, in preparation for the 2007 Cricket World Cup. The training was conducted in Grenada, St. Kitts and Nevis, and St. Lucia.

In response to the migrant smuggling, trafficking, and terrorist mobility challenges, and to further our anti-alien smuggling objectives, INL helped create and is helping fund the inter-agency Human Smuggling and Trafficking Center (HSTC). The Center brings together federal agency representatives from the policy, law enforcement, intelligence, and diplomatic arenas to work together on a full-time basis to achieve increased greater integration and effectiveness in addressing human smuggling, human trafficking, and smuggler support of clandestine terrorist travel, particularly in terms of converting intelligence into effective enforcement, diplomatic and assistance actions. The Center collates, analyzes, produces and disseminates intelligence and other information to facilitate coordinated international law enforcement efforts against illegal alien smuggling, terrorist mobility, and trafficking in persons.

In addition to producing a number of strategic assessments and intelligence reports, and contributing to other agencies' products, the HSTC has submitted two required reports for Congress. The first, submitted in June, was a report on the status of implementation of the Center with information identifying staffing and resource needs. The second is an annual strategic assessment of vulnerabilities in the United States and foreign travel systems that can be exploited by terrorists, alien smugglers, traffickers, and their facilitators. Enactment of the *Trafficking Victims Protection Reauthorization Act* will require a third report to Congress on links between trafficking in persons and terrorism, including links between the proceeds of trafficking and terrorist finance.

## **FY 2008 Program**

INL will continue to support the OAS counterterrorism committee in its efforts to improve law enforcement training and border controls in the Western Hemisphere. This will be done through a series of initiatives including airport and seaport security training, law enforcement workshops, border and port security vulnerability assessments, and document security programs. Strengthening entry-exit controls at selected foreign airports, land border points, and seaports will also be a priority. Programs designed to improve document security will also receive attention. These programs may focus on identity documents and passport issuance systems.

Effective border control programs depend on having adequate training, visa regimes, and equipment, including automated systems to track the movement of cargo and people through ports of entry. Through our border assessments, INL will identify vulnerable countries and will work with them to upgrade their border control systems, including assisting them to improve travel document issuance systems and customs controls. Funds will also support conferences and organizations working to improve and enhance border security.

## Cyber Crime, Intellectual Property Rights and Critical Infrastructure Protection

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
3,366	3,750	4,000

### Program Objectives and Performance Indicators

INL training and technical assistance programs facilitate USG assistance to, and cooperation with, key foreign nations on matters involving cybercrime, critical information infrastructure protection (CIIP), and intellectual property rights (IP) crime. INL's training and technical assistance programs assist foreign nations draft effective laws and build strong enforcement capacity. INL also continues to participate in a range of USG diplomatic initiatives aimed at strengthening international standards and cooperation in combating transnational high tech and IP crime.

In the area of cybercrime, INL continues to build the capacity of foreign law enforcement partners through training and technical assistance programs targeted at identifying, investigating, prosecuting, and preventing crimes committed through the criminal misuse of information technology (IT). Improved cooperation between the USG and foreign law enforcement officials and increased successful domestic and foreign prosecutions of criminals misusing IT demonstrate the program's success. In the area of international CIIP, INL will continue to support the PM-chaired USG interagency efforts to expand outreach to critical countries, with success measured by an increase in the number of nations and multilateral and multinational organizations embracing enhanced cybersecurity policies and practices. These outreach programs assist foreign nations with whom the U.S. has shared vulnerabilities to develop policies and capacities to secure their critical information infrastructures. This fills gaps in our national security that can be exploited by transnational criminals and other state or non-state entities.

In the area of IP enforcement, INL training and technical assistance programs combat IP violations by building capacity among foreign border and customs officials, investigators, law enforcement officials, prosecutors, and judges to detect, investigate, prosecute and prevent these crimes.

### Transformational Diplomacy

INL programs to counter IPR theft and cybercrime fit well into the continuum of Transformational Diplomacy. These programs directly contribute to the goal of strengthening international peace and security through building the capacity of governments and the international community to address transnational crime. IPR violations and

cybercrime are specific transnational crimes that are priorities for international attention and our peace and security objective.

## **Program Justification**

### **Intellectual Property (IP) Crime**

IP crime presents a growing threat to the most innovative sectors of the U.S. economy. Losses to the U.S. copyright, patent, and trademark industries in areas such as hard goods, optical media, and pharmaceuticals have been staggering. One particularly troubling phenomenon is the growing involvement of transnational crime groups in IP crime. These groups have the potential to outstrip the capabilities of hard-pressed law enforcement to counter them. As a signatory to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, the USG is committed to a global enforcement effort to eliminate safe havens for online pirates and other IP criminals. Although INL has long been engaged on issues related to protection of IP, the explosion in IP crime and the growing sophistication of IP criminals has led INL to ramp up its resources dedicated to this issue. The rise of the IP organized crime threat prompted the President to order the development of the new Strategy Targeting Organized Piracy (STOP) initiative. Under the overall policy guidance of STOP, as co-chair with the Department of State's Bureau of Economic, Energy, and Business Affairs of the inter-agency training coordination group (TCG), which includes both government and industry participation, INL promotes foreign training and technical assistance projects targeted to foreign nations where IP violations are most severe. INL's assistance includes seminars on developing TRIPS compliant laws, training police officers, investigators, prosecutors, and judges to combat IP crime, and providing direct technical assistance, such as forensic equipment to allow foreign law enforcement to successfully identify counterfeit items. Since much of the growth of violations of IP rights is fueled by the criminal misuse of IT (e.g., online piracy) there is a significant overlap with INL's mission to fight cybercrime. More recently, INL and EEB have begun to coordinate their training activities with the G8 and EU, whose Member States have indicated an interest in closer coordination with the USG.

### **Cybercrime**

The criminal misuse of IT has increased exponentially in the last several years. Cybercrimes can include activities such as fraud, child pornography, and extortion, through which IT is a means for carrying out the elements of the crime, and also activities such as hacking, intrusion, and denial of service attacks, in which information networks are themselves targeted. As one of the first nations to sign and ratify (in September 2006) the Council of Europe Convention on Cybercrime - the first multilateral treaty dedicated to cybercrime - the USG is one of the international leaders in promoting mutual cooperation, effective laws, and strong enforcement institutions. INL provides training and technical assistance to foreign law enforcement personnel to identify, investigate, prosecute, and prevent high-tech crimes. Given the nascence of cybercrime in many developing nations, INL's assistance includes enabling USG subject matter experts to give key nations legislative drafting advice. INL also participates in developing USG policy positions on cybercrime in organizations such as the

G8, the Council of Europe, Asia Pacific Economic Cooperation (APEC), the Organization of American States (OAS), and the United Nations, where INL is working alongside DOJ to staff a new UN expert group on Identity Theft. INL has also provided assistance to help stand up a new G8-Interpol Child Sexual Exploitation Database, which will help international law enforcement investigate and prosecute those who use information technology to prey on children.

In the realm of cybersecurity, the vast expansion of the Internet and the spread of IT have created new challenges for the USG in the areas of law enforcement, national security, and national economic security. Hacking, denial of service attacks, and viruses disseminated through information networks are increasing rapidly. The President has responded to this challenge by directing the issuance of the first National Cyberspace Strategy. The Strategy recognizes that the interdependence of infrastructures across communications, energy, finance, trade, and transportation sectors means that a physical or cyber attack on the critical information infrastructures of one nation will likely impact other nations. Consequently, U.S. national security depends not only on U.S. CIIP efforts within U.S. borders, but also on the capabilities and cooperation of foreign nations whose infrastructure the U.S. government and industry interact with. The National Strategy contains a strong international outreach component, focusing on the promotion of watch-and-warning networks and a global culture of cybersecurity. Within the Department of State, INL has responsibility for law enforcement related CIIP issues. INL has already stepped up to support CIIP outreach by providing training and technical assistance to key partner nations. INL expects an increase in the demand for training to combat cybercrime with the expansion of USG outreach to developing nations. INL will continue to target our resources in consultation with U.S. agencies such as Commerce, Treasury, Justice and Homeland Security, which have strong and evolving responsibilities in the areas of cybercrime and cybersecurity.

## **Program Accomplishments**

As the State Department's designated coordinator for federal law enforcement overseas assistance, INL is the funding source for almost all USG "cop-to-cop" law enforcement training and maintains the State Department lead on law enforcement with respect to IP rights. With respect to intellectual property rights, INL funds training and technical assistance programs to investigators, law enforcement personnel, prosecutors, judges, and other foreign officials and policy makers who investigate, prosecute, punish, and prevent violations of intellectual property rights.

INL selects the training and technical assistance programs through the consideration of criteria and metrics designed to identify gaps in countries/regions where inadequate laws or weak enforcement fail to protect intellectual property rights. More particularly, INL determines the needs necessary to reduce intellectual property violations and identifies a strategy to fill in the gaps through training and technical assistance programs. In making funding decisions, INL considers input from STOP, the TCG, USTR's Special 301 Report, U.S. industry, U.S. missions and Congress to ensure the assistance is targeted to fit long-range planning goals. In 2006, INL provided funding to DOJ to establish a brand new IP

coordinator position in Bulgaria to address the explosion of IP crime in Eastern Europe.

Similarly, in the field of cybercrime, INL was able to support stepped-up activities by DOJ in advising key nations in the APEC and OAS regions in designing effective laws, in training foreign police and prosecutors in cyber investigations, and in related CIIP activities. INL has also continued to help advance our diplomatic objectives through participation in bilateral discussions with close allies, and with multilateral organizations like the OAS, the Council of Europe, APEC, the G8, and the United Nations. INL also stepped up to provide USG support for creation of a new G8-Interpol International Child Sexual Exploitation Database.

## **FY 2008 Program**

As co-chair of the TCG, INL will continue to fight IP crime through increased funding for foreign law enforcement training and technical assistance. INL will be consulting closely with STOP, the USG interagency community, U.S. Missions and industry groups to ensure that INL's assistance does not duplicate or overshadow industry efforts. In particular, we note that the industry groups have urged INL to provide additional law enforcement training to fill critical gaps in their own efforts to assist foreign countries in fighting IP crime. As such, INL will seek not only to increase the numbers of such programs, but also to better integrate input and participation from private industry into our long term IP assistance plans. The countries INL is particularly likely to work with to build institutions to address IPR challenges include the People's Republic of China, Mexico, Colombia, South Africa, and India, as well as programs in cooperation with regional bodies like APEC, ASEAN and the CAFTA-DR countries. IP should continue to have a high profile among multilateral organizations such as the G8, which is expected to open a new initiative on IP enforcement, and in discussions between the US and EU Justice and Home Affairs Ministers

On CIIP, INL will continue to participate as part of the Department of State Inter-Agency Working Group on international outreach activities. This will include working with our closest allies to facilitate sector-to-sector relationships and connectivity between law enforcement, as well as expanding our circle of contacts to selected countries and multilateral organizations. INL expects to fully coordinate its activities with the Department of Homeland Security and other U.S. agencies. INL expects demand for training and technical assistance to combat the criminal misuse of IT to increase throughout the range of existing INL programs. We also envision in 2008 further activities in the OAS to follow-up the success of the first OAS cybersecurity conference held in 2004 in Buenos Aires with INL funding. On cybercrime, INL will assist by providing training to fight either cybercrime itself or substantive crimes such as money laundering and child pornography that are furthered through use of IT. In particular, INL expects demands for assistance from developing nations to increase in response to the success of the Council of Europe Convention on Cybercrime as a global model. The USG is now in a stronger position to urge nations to accede to the COE Convention now that we ourselves have ratified the instrument. INL will also work to meet the demand from APEC and OAS member states as they advance their regional strategy to fight criminal misuse of information technology. INL expects to work closely with DHS and DOJ in assessing existing cybercrime training offerings for their effectiveness, and with State Department Diplomatic Security (DS/ATA) in determining how

our crime fighting and anti-terrorist cyber training can complement each other. Finally, INL expects to continue our close coordination with DOJ on the UN Crime Commission as it considers further actions in the area of identity theft.

INL believes that its efforts, as outlined above, are making a significant contribution to the United States' fight against cybercrime, IP violations, and breaches of information infrastructures. In each of the areas cited, INL has increased its efforts in recognition of the growing importance of these issues to U.S. interests.

## Financial Crimes and Money Laundering

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
2,475	4,000	4,000

### Program Objectives and Performance Indicators

Denying funds to terrorist organizations is a national security priority. Thwarting terrorist financing requires the development of robust anti-money laundering regimes that contain the legislative, enforcement and regulatory tools to deny criminals and terrorists access to financial institutions and markets. INL will continue to promote and develop activities and programs that will strengthen global cooperation against financial crime and terrorist financing. We will work with foreign governments to establish or update enforcement and regulatory tools and to implement international anti-money laundering/anti-terrorist financing standards. INL will encourage and assist in the formation of financial intelligence units (FIUs), and enhance their ability to share critical financial intelligence by providing technical assistance to those countries that have adequate and appropriate anti-money laundering laws and regulations in place and by encouraging them to become members of the Egmont Group of FIUs. INL also will continue to support the expansion of Trade Transparency Units, model FIUs, and strengthen the Pacific Island Anti-Money Laundering Program (PALP), a regional technical assistance/training program.

Indicators of our work include the following: the numbers of successful investigations and prosecutions abroad of important terrorist financing and money laundering cases will increase. There will be an increase in the number of jurisdictions in compliance with international anti-money laundering standards, including the Financial Action Task Force (FATF) Special Nine Recommendations on Terrorist Financing, as reflected by mutual and other evaluations conducted by FATF and other international standard-setting and peer review bodies. There will be an increase in the number of countries that have criminalized terrorist financing, and an increase in the number of effective FIUs. There will be an expanded network of Trade Transparency Units in operation in countries of most concern. The network will combat the misuse of trade in money laundering and terrorist financing. There will be additional intermittent term mentors provided to the regional Pacific Island Anti-Money Laundering Program initiated in FY 2005.

### Transformational Diplomacy

INL's anti-money laundering programs directly accomplish the Transformational Diplomacy goal of supporting peace and security through building the capacity of the international community to address transnational crimes such as money laundering and financial crimes. Criminals and terrorists involved in all sorts of illicit activities rely on money laundering to

facilitate their illicit activities and for the purpose of enjoying the benefit of such activities. Government and private sector efforts to counter money laundering will be more effective if the international community works in tandem and towards commonly accepted goals.

### **Program Justification**

Financial crime, terrorist financing, and money laundering pose a significant national security threat not only to the United States but also globally. These activities have the power to corrupt officials, distort economies, skew currency markets, undermine the integrity of financial systems, and destabilize governments. Criminals seek to access the financial systems of countries to fund their operations and launder funds stemming from a variety of illegal activities, including drug trafficking, corruption, arms trafficking, theft of state assets, and a variety of other financial crimes, such as trade-based money laundering, that until very recently has frequently eluded law enforcement. Experts estimate that global money laundering exceeds 3-5 percent of Global Domestic Product – or \$1.5-\$1.8 trillion per year -- and continues to grow through a variety of new innovative schemes only limited by the imagination of criminals and their organizations. Terrorists, on the other hand, appear to be relying less on the formal financial sector than to alternative remittance systems, such as hawala and cash couriers, that pose significant challenges to law enforcement. Our ability to conduct foreign policy, promote our economic security and prosperity, and safeguard our citizens is hindered by these threats to democracy and free markets.

### **Program Accomplishments**

In the past several years, INL has implemented an aggressive program to combat international financial crime and money laundering, with an increasing emphasis on terrorist financing. Between FY 2002 and FY 2006, INL provided approximately \$15 million in training and technical assistance programs that delivered courses to bank regulators, bankers, law enforcement, prosecutorial and judicial personnel, and financial intelligence unit personnel from 120 governments. We draw upon a multi-agency team of experts representing the Departments of State, Treasury, Justice, and Homeland Security, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and the Federal Reserve Board of Governors to deliver the training and technical assistance to most of these countries. INL's contributions to Organization of American States Inter-American Commission on Drug Abuse Control (OAS/CICAD), the Pacific Island Forum, and to the UN Global Programme against Money Laundering also played a key role in providing assistance to many of these countries. INL provided \$2 million to support the President's East Africa Counter-Terrorism Initiative. In addition, INL provided contributions to multilateral organizations such as the Financial Action Task Force (FATF) and the FATF-style regional bodies (FSRBs): the Caribbean Financial Action Task Force (CFATF), the Asia/Pacific Group on Money Laundering (APG), the Council of Europe (MONEYVAL), the Eastern and Southern African Anti-Money Laundering Group (ESAAMLG), the South American Financial Action Task Force (GAFISUD), to support anti-money laundering efforts. The members of these FSRBs have made a commitment to meet international anti-money laundering standards and undergo mutual evaluations by their

peers. Our contributions support the ongoing operations of these bodies and fund special programs, such as mutual evaluation training seminars.

During 2000-2006, INL also participated in the development of the FATF's Non-Cooperating Countries and Territories (NCCT) program to identify jurisdictions not cooperating in the fight against money laundering. All 23 jurisdictions that FATF identified as NCCTs were the subject of U.S. Treasury Department advisories, warning all U.S. financial institutions to exercise enhanced scrutiny of financial transactions with the listed NCCTs. INL provided training and technical assistance to nearly all of these jurisdictions to help them correct the deficiencies identified by the FATF. Because of the improvements these countries made in their anti-money laundering regimes, FATF removed four of them from the list in 2001, eight in 2002, two in 2003, three in 2004, and four in 2005. In 2006, FATF removed Burma and Nigeria – the last remaining countries from its NCCT list.

INL and the Department of State's Office of the Coordinator for Counterterrorism (S/CT) chair an interagency process to identify the countries most vulnerable to terrorist financing activities around the world. INL is a central contributor to assessing the anti-terrorist financing needs of these countries, developing implementation plans for them, and funding anti-terrorist financing technical assistance programs so countries can combat this threat. INL also participates in some of the training programs.

In FY 2005, INL funding enabled DHS/ICE to establish Trade Transparency Units in Argentina, Paraguay and Brazil. In 2006, as a result of this initiative, DHS/ICE agents teamed with Brazilian authorities to target a scheme involving the under valuation of U.S. exports to Brazil to evade more than \$200 million in Brazilian customs duties over the past five years. The scheme involved tax evasion, document fraud, public corruption and other illegal activities in Brazil and the United States. In an excellent example of the long-reach of law enforcement, more than 128 arrest warrants and numerous search warrants were simultaneously served in 238 locations in Brazil.

## **FY 2008 Program**

INL, with the DHS, will continue to support the development Trade Transparency Units (TTUs) concept that responds to the increasing propensity of criminals and terrorists to move funds outside of formal financial sectors through use of alternative remittance systems and falsified trade data. The concept borrows from the international network of FIUs that examine financial intelligence. A similar TTU network is envisioned that will analyze countries' trade data, searching for anomalies indicating trade fraud, money laundering and/or terrorist financing. Following the establishment of TTUs in Southeast Asia in 2006-2007, INL will continue to provide training and equipment to set up TTUs in strategic countries. In 2008, we plan to establish a TTU in the Middle East or Southern Africa and one in a Pacific. With the addition of the new TTUs, the beginning of a global network of TTUs will emerge.

In 2008, INL will fund the fourth year of the Pacific Island Anti-Money Laundering Program. This program, modeled on the Caribbean Anti-money Laundering Program

(CALP), is an economical way to provide comprehensive training and technical assistance to several countries in a region that share similar terrorist financing and money laundering problems. The program has installed resident advisors and support staff to work in key areas needed to bring the anti-money laundering/anti-terrorist financing regimes in the region up to international standards by assisting in drafting laws and regulations, and by training regulators and law enforcement officials, including prosecutors and judges.

INL is committed to assisting countries that want to establish new Financial Intelligence Units (FIUs), particularly countries that have the requisite legal framework but lack the funds to purchase the necessary, but expensive, software and hardware. In FY 2008, INL will continue to fund an innovative "FIU in a Box" initiative that will develop scaled-down software that will enable small FIUs to collect, analyze and disseminate financial intelligence to domestic law enforcement and to other FIUs globally. These "FIUs in a Box" will enable jurisdictions that lack fiscal and human resources to become active players in the global effort to thwart money laundering and terrorist financing at a fraction of the current cost to develop a full-scale FIU. Working cooperatively with the Australian Financial Intelligence Unit that pioneered the "FIU in a Box" concept, and the United Nations Office on Drugs and Crime that is developing a similar model, INL's goal in FY 2008 is to have at least two Financial Intelligence Units established through the PALP that meet the qualifications for membership in the Egmont Group of Financial Intelligence Units.

INL will also provide funding for the placement of intermittent and long-term advisors in countries to assist in the development of legislative frameworks, regulatory schemes and FIUs. INL will continue to work closely with other USG agencies to provide this assistance, including the FBI, Justice, Treasury, FinCEN, DHS/ICE, Internal Revenue Service, the FDIC, the Federal Reserve Board of Governors, and the OCC. INL will continue to provide funding to the UN Global Programme against Money Laundering and OAS/CICAD – organizations that are able to attract experts from a global pool of applicants. It is expected that training will focus on the countries considered to be most vulnerable to terrorist financing. Efforts will also be directed at other strategic jurisdictions that need resources and assistance to develop anti-money laundering laws to protect their economy and financial services sector against financial crime and terrorism.

INL will continue to support multinational anti-money laundering organizations, such as the FATF, other anti-money laundering bodies, such as the APG, MONEYVAL, CFATF, GAFISUD, ESAAMLG, OAS/CICAD, and the UN Global Program Against Money Laundering, as well as the Middle East and North African Financial Action Task Force (MENAFATF) and the Eurasian Group on Combating Money Laundering and the Financing of Terrorism (EAG) – the new FSRBS established in late 2004. In particular, INL wants to ensure that the FSRB's incorporate anti-terrorist financing training into their anti-money laundering criteria, that they conduct a steady stream of mutual evaluations of their members, and that they train a core of evaluators to conduct these evaluations.

<b>INL Anticrime Programs</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Fighting Corruption</b>	2,475	-	4,500	-	4,500
<b>Anti-Corruption Compacts</b>	1,485	-	-	-	-
<b>Border Security/Alien Smuggling</b>	594	-	1,250	-	1,500
<b>Cyber Crime, Intellectual Property Rights and Critical Infrastructure Protection</b>	3,366	-	3,750	-	4,000
<b>Financial Crimes and Money Laundering</b>	2,475	-	4,000	-	4,000
<b><i>Total</i></b>	<b>10,395</b>	<b>-</b>	<b>13,500</b>	<b>-</b>	<b>14,000</b>

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## Civilian Police and Justice Program

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
1,980	2,000	2,000

### Program Objectives and Performance Indicators

The overall program objectives are to sustain the U.S. capacity to participate in international civilian police, justice sector and corrections components of peacekeeping missions and respond to complex security operations involving U.S. and international coalitions; and to assist in strengthening the capabilities of the USG, United Nations (UN), the Organization for Security and Cooperation in Europe (OSCE), and other regional organizations and countries to address police, justice, and prison development issues in areas emerging from conflict.

The FY 2008 program will sustain INL's capacity to manage and oversee the recruitment, selection, training, equipping, deployment and support for uniformed and non-uniformed U.S. civilian police, trainers and advisors overseas participating in and supporting peacekeeping missions and complex security operations. The program will also:

- Maintain a capacity to deploy U.S. police, law enforcement advisors, justice and corrections experts.

- Promote high quality, standardized civilian police, justice sector and corrections pre-deployment training.

- Maintain INL management and oversight capabilities by further developing in-house law enforcement and criminal justice expertise and options to address peacekeeping and complex security operations.

### Transformational Diplomacy

These funds support the objective of peace and security, program area of stabilization operations and security sector reform, program element 1.7, law enforcement reform, restructuring and operations. The funds ensure that there are qualified and available individuals to serve in peacekeeping and complex security missions anytime there is a need, and standardized, comprehensive pre-deployment training to prepare those individuals for the challenging tasks they will be assigned. It also supports senior-level in-house expertise in

law enforcement, corrections and criminal justice systems to assist with program development, implementation, monitoring and evaluation. These efforts raise the quality and effectiveness of all of our programs.

## **Program Justification**

U.S. participation in complex security operations and international civilian police missions overseas is expected to continue in FY 2008 and beyond. INL will sustain a capacity to deploy and support experienced U.S. police, justice and corrections personnel assigned to countries and areas of operation as determined by policy makers. The world-wide support contracts awarded in 2004 provide a mechanism to conduct rapid competition and deployment of experienced law enforcement and corrections officers and criminal justice experts to support U.S. foreign policy interests in post-conflict regions around the world.

Deployment of U.S. police and law enforcement and criminal justice advisors can range from short-term assessments, training and advisory activities requiring only a few weeks, to long-term secondments of a year or more, to operational missions in dangerous and volatile environments that may include authority to carry weapons and perform the full range of law enforcement functions. To prepare for such operations, U.S. law enforcement personnel are given a standard course of training applicable to all deployments. Special equipment and materials, briefings, training and medical precautions needed to accommodate a particular operating environment are provided immediately prior to an actual deployment. Such equipment may include communications equipment, uniforms and other clothing, medical supplies and protective gear to meet conditions in the particular area of operation, and camping gear in the event lodging accommodations are not available. Regional or special accounts, line-item appropriations, or funds made available from supplemental budgets fund the operational support and such special needs as enhanced protective security needed to maintain and protect U.S. police in actual operations.

The FY 2008 program sustains logistical capabilities to ensure a rapid and timely U.S. response and requests from the UN or other international organizations to contribute American police and/or advisors to address a special circumstance or participate in an international effort to assist a country emerging from a crisis situation. Key elements of this capacity are maintained by existing services contractors and include transporting U.S. personnel and equipment; pre-positioning field support items for rapid deployment; providing security, emergency medical support and evacuation services; providing operational transportation and communications capabilities; and administrative and logistical support in the field.

FY 2008 funds will also sustain outreach efforts to U.S. local, state, and federal law enforcement and criminal justice agencies and professional associations for the purpose of attracting and encouraging more interest and participation in international police and criminal justice missions. In-house senior-level expertise will increase our ability to assess,

conceptualize, plan, prepare, implement, manage, and evaluate U.S. participation in complex security operations and international peacekeeping missions.

## **Program Accomplishments**

INL manages three contractors to support program implementation and funds a police training advisor, and senior corrections and police advisors.

INL implements programs that support international efforts to train and equip the 7,350-member Kosovo Police Service that we also helped build from the ground up; provide training to prosecutors and judges; develop and support practical legal clinics for law students and organize professional organizations for prosecutors.

INL provides 690 International Police Liaison Officers (IPLOs) and 191 police trainers to support the Multi-National Security Transition Command – Iraq (MNSTC-I) and international efforts to re-establish, re-organize and train approximately 135,000 Iraqi police at the U.S.-funded Jordan International Police Training Center near Amman, Jordan. INL also supports approximately 80 prison advisors and 13 justice advisors in Baghdad and on the Provincial Reconstruction Teams to assist with reform and reconstruction efforts and help implement specific criminal justice and anti-corruption projects. Beginning with FY 2006 Supplemental funds, INL also is expanding jail/prison capacity through construction projects with the U.S. Army Corps of Engineers. INL obtained authorization to substantially increase staff dedicated to contract management, oversight and administration functions in key operational areas, including Iraq.

INL provides the U.S. contribution of 50 U.S. police to the civilian police (CIVPOL) component of the United Nations Stabilization Mission in Haiti, and provides training and technical assistance designed to enhance the Haitian government's efforts to re-establish Haitian National Police and criminal justice functions, specifically including 3 corrections advisors. INL is additionally developing and supporting the Haiti Stabilization Initiative to target high-crime areas through the creation of model police stations and intensive, focused anti-crime programs.

INL supports peacekeeping and justice reform in Liberia through the contribution of 10 U.S. police officers to the CIVPOL component of the United Nations Mission in Liberia, five justice sector advisors, funding for police academy development, the donation of non-lethal equipment for the Liberian National Police, and bilateral technical assistance for the courts, judiciary and prosecution services.

## **FY 2008 Program**

The FY 2008 budget sustains INL's capacity to identify, train, equip, pre-position, deploy and support law enforcement and other criminal justice personnel who participate in an overseas mission. Three companies provide the capabilities to support INL worldwide police, justice, and corrections programs as a result of full and open competition. The FY

2008 program will sustain standardized organizational structures, operating procedures, code of conduct, ethics standards, and systems needed to effectively manage this complex program. Through these efforts, U.S. police will receive basic and advanced pre-deployment instruction that is unique to the organizational and operational challenges presented by international missions. The FY 2008 program sustains an INL training coordinator, and senior police and corrections advisors. The FY 2008 program maintains personnel and resources dedicated to supporting INL capabilities to address peacekeeping and complex security matters and provide management and oversight of police, justice and prison programs.

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**Civilian Police Program****INL BUDGET**

(\$000)

	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Civilian Police Program</b>	<b>1,980</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>
<b><i>Total</i></b>	<b>1,980</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>

## Criminal Youth Gangs

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
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\* This new program was initially funded with reprogrammed funds of \$3.5M notified to Congress in November 2006, and approved in January 2007.

### Program Objectives and Performance Indicators

This regional program is designed to combat a transnational crime problem with a multi-nation approach. The affected countries of Central America will share techniques, experiences and data, and increase regional cooperation. The program will begin in 2007 in Guatemala, El Salvador and Honduras, and will expand to include activities in Panama. Host nation entities will train together using best practices from each country as well as from the United States. The program will strengthen the capacity of host governments and civil society to:

Use intelligence-based law enforcement to target criminal leaders, sharing biometric and crime investigation information and law enforcement techniques.

Gang-related crime will decrease through improved law enforcement.

Number of arrests and convictions for gang related crime in USG assisted areas will increase.

Number of information-based activities to improve collection, analysis and sharing of gang-related data will increase.

Increased number of law enforcement/justice system personnel trained in anti-gang techniques.

Train and field multi-disciplinary anti-gang units using an integral strategy combining prevention, enforcement, and improved justice system.

Participating countries form and use Gangs Task Forces that integrate law enforcement, prosecution, juvenile justice, prevention and rehabilitation entities.

Strengthen prevention programs to keep at-risk youth from becoming members of gangs.

Increased number of people enrolled in USG assisted gang prevention programs

Youth enrolled in gang-prevention programs remain uninvolved in gangs

## **Transformational Diplomacy**

The initial funding will concentrate on the three most affected countries, Guatemala, Honduras and El Salvador, with activities in Panama added in the second year, 2008. Guatemala is a developing country, Honduras and El Salvador are transforming countries, and Panama is a sustaining country, but all share problems that fuel gang membership: poverty, unemployment and out-migration that disrupt families and society. Under the Peace and Security Objective, the program supports efforts against transnational crime, specifically Organized and Gang-Related Crime. It also supports Drug Control Programs and Demand Reduction under the Counternarcotics Program Area through the prevention and rehabilitation elements of the program. Under the Governing Justly and Democratically Objective, the program supports the Rule of Law and Human Rights Program Area through work with the Justice Systems Program Element. This includes work with the Juvenile and Adult Justice Systems.

## **Program Justification**

Criminal youth gangs are a transnational problem, affecting communities in the United States as well as Central America. Analyses of the complex problem have made it clear that solutions must include prevention as well as law enforcement, and communities as well as the full spectrum of the justice system. The program was developed in line with the U.S. Interagency Anti-Gang Strategy. The goal of this program is to improve the ability of participating countries to combat gang crime and protect vulnerable youth by pooling resources and knowledge, regionally sharing information and lessons learned, and collaborating on anti-gang programs.

## **Program Accomplishments**

The program has not yet begun operations.

## **FY 2008 Program**

The Regional Criminal Youth Gangs program will initially focus on the three most heavily impacted countries, El Salvador, Honduras and Guatemala, but will add activities in Panama once established. The program is designed integrate law enforcement, prevention and rehabilitation through regional training and technical assistance. Technical assistance and tools will give law enforcement authorities a way to target key criminal leaders and build strong cases for conviction. Activities are planned to build on and be coordinated with programs of other agencies, such as USAID, and the Departments of Justice and Homeland Security and will complement host country programs.

### **Anti-Gang Units**

The program will provide training, technical assistance and limited amounts of equipment to anti-gang units. It will encourage participating countries to include prevention, investigation, juvenile justice and community representatives in each unit, to promote an integrated approach to the gangs problem. Training will be regional, allowing participants to share experience and best practices and to build working relationships.

### **Law-Enforcement Tools**

The program will support regional sharing of law-enforcement information, including shared access to fingerprint data and crime data bases. The first priority will be updated fingerprint analysis equipment and training for El Salvador, Honduras and Guatemala that will allow the three countries to share fingerprint information with each other and with the United States. The second priority is updating and integrating crime data bases.

### **Coordination with Prevention**

The program will fund activities needed to complement and coordinate with prevention and rehabilitation interventions. Depending on the specific prevention activity, this will include activities such as police and community training, preparation of neighborhood-specific prevention materials, or funds for working with at-risk youth.

### **Regional Gangs Advisor**

The program will be directed by an expert U.S. regional gangs advisor assisted by a locally hired coordinator. The advisor and coordinator will be based in Guatemala to take advantage of administrative and logistical support through the INL office there, but will travel extensively in the region.

<b>Criminal Youth Gangs</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Criminal Youth Gangs</b>	-	-	-	-	<b>5,000</b>
<b><i>Total</i></b>	-	-	-	-	<b>5,000</b>

## **Demand Reduction/Drug Awareness**

### **Budget Summary (\$000)**

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>9,900</b>	<b>8,000</b>	<b>3,500</b>

### **Program Objectives and Performance Indicators**

Select foreign countries will be able to apply “best practices” and new prevention and treatment technologies that are scientifically sound and effective at the national and community levels.

Training and technical assistance delivered and effectively utilized by public/private sector demand reduction organizations in Central/South America, Africa and Southeast Asia, resulting in new or enhanced programs that significantly reduce drug use and delay onset of first use in target populations.

Regional institutions that foster dissemination and utilization of “best practices” and scientific knowledge about effective prevention and treatment technologies will be established to better enable foreign countries to improve demand reduction services.

Technology transfer centers enhanced in Southeast Asia and Latin America; delivery and implementation of core training curriculum; utilization of new prevention and treatment technologies will result in significant reductions of drug use in target populations.

The international community will be better educated about U.S. policies, programs, and successes in combating drug abuse.

Provision of one regional-level seminar in Latin America for U.S. embassy officials and key foreign government and NGO leaders resulting in increased understanding of, and support for, U.S. international anti-drug policies and programs.

Multilateral alliances will be established to build public support and political will to combat drug trafficking and abuse, develop support for U.S. foreign anti-drug policies and initiatives, and improve America’s image overseas.

Training, technical assistance, web sites, newsletters, and knowledge exchange forums delivered and effectively utilized in Africa, Asia, and Latin American countries by public/private sector agencies, civil society, and grassroots organizations resulting in reduced drug use and delayed onset of first use.

International program accomplishments and lessons learned will be utilized to benefit both U.S. and foreign demand reduction services.

Four long-term, outcome-based evaluations of INL demand reduction training programs (Colombia, Vietnam, Thailand, Brazil) will be concluded and disseminated, documenting effective approaches and strategies as “best practices” that can be used to improve service delivery in demand reduction programs worldwide.

## **Transformational Diplomacy**

The International Demand Reduction Program advances the Secretary’s Transformational Diplomacy Peace and Security objective by funding counter-narcotics projects designed to prevent and reduce drug abuse. The need for demand reduction is reflected in escalating drug use that takes a devastating toll on the health and welfare of all countries, in addition to undermining economic development, social and political stability, and security in emerging democracies and developing countries that are strategic U.S. allies. As such, drug abuse hinders successful transformation from rebuilding or developing countries to transforming or sustained partnership countries. In reducing the demand for illicit drugs, these funds enable recipient countries to create a secure and stable environment for development to flourish. These funds also empower marginalized and vulnerable populations such as women, children, minorities, and victims of violence to take part in the development of their communities.

As the International Narcotics Control Board (INCB) points out in its 2002 report, the drug trade brings with it crime, violence and extraordinary inflows of illicit money – the combination of which undermines the rule of law, distorts the economy, and corrupts the political system. Recognizing this threat, a key objective of *the National Security Presidential Directive (NSPD # 25)* on International Drug Control Policy urges the Secretary of State to “expand U.S. international demand reduction assistance and information sharing programs in key source and transit countries.”

## **Program Justification**

Demand reduction efforts aim to reduce the use and abuse of illicit drugs worldwide. The need for demand reduction is reflected in escalating drug use that takes a devastating toll on the health, welfare, stability, security, and economy of all countries. At the same time, the role of demand reduction in addressing the HIV/AIDS epidemic has become more readily apparent as the recent worldwide increases in this epidemic are primarily concentrated among intravenous (IV) drug user populations, in addition to high-risk behavior associated with use of other non-narcotic drugs such as amphetamine-type stimulants. The role of drug treatment in decreasing rates of drug use and relapse benefits U.S. foreign assistance efforts because any decrease in drug use among high-risk populations has the added benefit of decreasing the spread of HIV/AIDS.

In addition, the President's National Strategy for Combating Terrorism directs us to "work with moderate and modern governments in the Muslim world to reverse the spread of extremist ideology and those who seek to impose totalitarian ideologies on our Muslim allies and friends." Collaboration in Afghanistan and Asia with our network of 400 Muslim-based, anti-drug programs enables us to provide alternatives to radical schools that recruit young terrorists and to reduce drug consumption that fuels the coffers of terrorist groups. This network has provided us with rare access to mosques and madrassahs in volatile regions thereby enabling us to establish a prevention component to the "War on Terror." Demand reduction assistance has subsequently evolved as a key foreign policy tool to address the inter-connected threats of drugs, crime and terrorism.

Finally, foreign countries recognize the vast U.S. experience and efforts in reducing drug demand. As part of their cooperation with supply reduction efforts, many drug producing and transit countries request U.S. assistance with demand reduction technology, since drug consumption also has debilitating effects on their society and children. Demand reduction assistance thereby helps secure foreign country support for U.S.-driven supply reduction efforts, while at the same time reducing drug consumption in that country and thereby cutting-off a potential source of terrorist financing.

### **Program Accomplishments**

Independent, science-based evaluations on the long-range impact of INL-funded training for drug treatment programs revealed that overall hard-core drug use in the target population in Peru was reduced from 90 percent to 34 percent in the target treatment population, while overall drug use in Thailand was reduced from 90 percent to 8 percent in the target population. Coca paste and cocaine use in Peru was reduced from 62 percent to 22 percent and 30 percent to 8 percent, respectively. Methamphetamine abuse in Thailand was reduced from 82 percent to 7 percent in the target treatment population and arrests for other crimes were reduced from 40 percent to 6 percent. A similar evaluation of drug prevention training in Colombia revealed drug use declined from 54 percent to 10 percent in eight target cities. "Best Practice" studies of INL-funded drug treatment initiatives in Southeast Asia reported success rates (percent of clients remaining drug-free after treatment) of over 70 percent compared to 15 percent in other developing countries.

INL-funded regional demand reduction symposiums in Malaysia and Afghanistan resulted in the commitment of over 500 Afghanistan mullahs to cooperate with the United States on providing mosque-based, drug prevention and intervention services, in addition to a major Fatwa against drug production, trafficking and abuse in Afghanistan that lends credence and critical support to the opium poppy eradication program. This assistance also resulted in the establishment of mosque-based aftercare and outreach centers in all Afghan provinces, 12 drug prevention centers in Indonesian religious schools, and a total of 6 outreach centers in Pakistan, Malaysia, and the southern Philippines.

## **FY 2008 Program**

INL assistance will give particular attention to cocaine producing and transit countries in Latin America, the recurring amphetamine-type stimulant (ATS) epidemic in Southeast Asia, the drug-related HIV/AIDS epidemics in Southeast Asia and Africa, the gang problem in Central America, and address the heroin threat from Asia, Afghanistan and Colombia. A continued area of focus will be the Middle East and South Asia where over 400 Muslim-based anti-drug programs are members of an INL-sponsored civil society/drug prevention network.

The FY 2008 program is divided into three general categories. A *training and technical assistance program*, begun in 1990, imposes a four-year limit on all countries for receiving such assistance. Experience has shown that this period of time is sufficient for countries to implement self-sustaining programs based on training concepts, in addition to allowing enough time for accomplishment of outcomes such as sustained reductions in drug use by target populations. The *research and demonstration program* initiative that began in 2000 has a three/four-year time limit in order to allow the program to become self-sufficient and perfect “best practices” that can be subject to rigorous scientific evaluation. The evaluation component of these programs (by independent sources) continues for at least two years after program funding terminates in order to reliably assess sustained, long-term change (outcome). The *coalition and network building program* has a three-year time limit per region.

### **Training and Technical Assistance**

*Regional Training Centers:* INL funding will provide support for its strategically located, sub-regional demand reduction training centers in Brazil (Southern Cone region), Colombia (Andean region), and Thailand (Southeast Asia) with the aim of better disseminating the President’s new goals and priorities for demand reduction, in addition to the use of “best practices” and science-based prevention and treatment methods to reduce drug consumption and related violence. Training will specifically target methamphetamine abuse and intravenous drug use that leads to increased prevalence of HIV/AIDS. Additional training topics will include family support groups, relapse prevention/aftercare methods, drug use among gang members, school and peer-based prevention programs, and community and correctional-based treatment services. Success will be measured by reductions in overall drug use, including high-risk behavior (e.g., intravenous drug use) that contributes to HIV/AIDS. These centers (co-funded by other international organizations and donor countries) are an economical way to provide comprehensive assistance to several countries in a region that suffer and share similar drug abuse problems.

*Knowledge Exchange Forums:* Funding will be devoted to recurring regional drug prevention and treatment conferences (attended by the key leaders and decision-makers from the public and private sectors) to mobilize international opinion and cooperation against the drug trade, encourage governments to develop and implement strong anti-drug policies and programs, strengthen support for USG anti-drug policies/programs and existing UN conventions, and disseminate the latest science-based information on effective methods to

reduce drug consumption and prevent onset of use. Funding will support two regional forums (Africa, Middle East). These events will include funding from other donor countries and international organizations to reflect an emphasis on increased multilateral collaboration.

### **Research and Demonstration Programs**

*Muslim-based Anti-Drug Demonstration Programs:* Funding will be utilized for year-two of a three-year initiative to establish anti-drug outreach and aftercare centers in volatile Muslim regions where the U.S. needs to increase access to civil society such as Afghanistan, Pakistan, and Indonesia. These centers were established in mosques and madrassahs in collaboration with the INL/Colombo Plan network of Muslim-based anti-drug programs/civil society organizations in the Middle East and South/Southeast Asia, which includes the participation of 500 Afghan mullahs. This initiative will also benefit efforts to reduce drug consumption whose proceeds are a potential source of terrorist financing, cut into the recruitment base of terrorist organizations, enhance America's image in Muslim countries, and provide youth in at-risk areas with alternatives to radical or terrorist indoctrination centers. It addresses a key priority in the President's National Strategy for Combating Terrorism that directs us to "work with moderate and modern governments in the Muslim world to reverse the spread of extremist ideology and those who seek to impose totalitarian ideologies on our Muslim allies and friends." Funding will cease after two years, at which time the centers are expected to be firmly established in volatile regions, helping to reduce the high rates of drug use, relapse, and drug-related violence in their target populations.

### **Coalition and Network Building**

*Drug-Free Community Coalitions:* Funding will support the enhancement of effective drug-free community coalition programs in Central America and the Andean sub-region of South America that assist civil society/grassroots organizations in fighting illegal drugs. These public/private sector coalitions work towards reducing substance abuse among youth, enhancing intergovernmental collaboration, and strengthening collaboration among organizations and agencies in both the private and public sectors across countries. Funds will provide for four technical assistance sessions each in the two target regions. The planned life of this initiative is three years, after which the coalitions will be effective vehicles for reducing drug consumption and related violence in the respective countries of each region. A new cycle of assistance for the Asian region and Africa region will commence in 2009.

<b>Demand Reduction</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Coalitions and Networks</b>	<b>2,000</b>		<b>1,000</b>		<b>500</b>
<b>Research &amp; Demonstration Programs</b>	<b>1,500</b>		<b>500</b>		<b>500</b>
<b>Training &amp; Technical Assistance</b>	<b>6,400</b>		<b>6,500</b>		<b>2,500</b>
<b><i>Total</i></b>	<b>9,900</b>	<b>-</b>	<b>8,000</b>	<b>-</b>	<b>3,500</b>

## **International Law Enforcement Academies**

### **Budget Summary (\$000)**

<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Request</b>
<b>15,840</b>	<b>16,500</b>	<b>16,500</b>

### **Program Objectives and Performance Indicators**

National law enforcement capabilities will be strengthened and stronger linkages between U.S. law enforcement entities, foreign law enforcement authorities, and future criminal justice leaders will be established through training at the five International Law Enforcement Academies (ILEAs): Bangkok, Budapest, Gaborone, San Salvador and Roswell. This will result in greater cooperation between U.S. and foreign law enforcement authorities and more successful investigation and prosecution of more important cases abroad.

ILEA curriculum will encourage graduates to interact with other alumni regionally and internationally to address law enforcement issues.

ILEA graduates will adopt methods and technologies learned at the academies to conduct successful criminal investigations.

ILEA alumni will be actively engaged in training others, either at their national academies or on-the-job.

Specific areas of growing international criminal activity will continue to be addressed by presenting training on counterterrorism, trafficking in persons, intellectual property rights and cyber crimes to combat these trends.

The total number of students' trained at all five academies will be approximately 2,700.

### **Transformational Diplomacy**

The International Law Enforcement Academy program helps advance transformational diplomacy by supporting emerging democracies through the strengthening of criminal justice institutions and the creation of a new cadre of decision makers who will work in unison with U.S. and regional counterparts to fight transnational crime while promoting social, political, and economic stability. This network of alumni will become tomorrow's leaders and agents of change in their respective countries, who will be instrumental in achieving the goal of peace and security through the rule of law, respect for human rights and international cooperation.

Peace & Security - The ILEAs provide high-quality training and technical assistance, support institution building and enforcement capability, and foster relationships of U.S. law enforcement agencies with their counterparts and regional organizations in their areas of influence. FY 2008 funds will be utilized to support the administration, academy infrastructure and USG trainer costs for the existing academies in Bangkok, Budapest, Gaborone, San Salvador (includes the Regional Training Center in Peru) and Roswell. Training will target international criminal activities such as terrorism, financial crimes, organized crime, corruption, illegal narcotics and human trafficking.

## **Program Justification**

ILEAs help advance U.S. interests through international cooperation while promoting social, political, and economic stability by combating crime. To achieve these goals, the ILEAs provide high-quality training and technical assistance, support institution building and enforcement capability, and foster relationships of American law enforcement agencies with their counterparts in the regions they serve. The ILEAs encourage strong partnerships among regional countries to address common problems associated with criminal activity. The ILEAs also develop an extensive network of alumni – who will become the leaders and decision-makers in their respective countries – to exchange information with their U.S. counterparts and assist in transnational investigations.

The Department of State works with the Departments of Homeland Security, Justice, Treasury, and with foreign governments to implement the ILEA program. The regional ILEAs offer three different types of programs: the Core program, specialized training courses, and regional seminars, all targeted at mid-level officials in the police and criminal justice services of strategic countries throughout the world. State's primary roles are to provide foreign policy guidance to the ILEA Directors, ensure availability of adequate funding to support ILEA operations, and provide oversight that will ensure that U.S. foreign policy objectives are achieved.

The ILEAs will continue to be a dynamic training program, providing relevant, timely, and quality training against the backdrop of diverse and often shifting regional economic, social and political environments and in anticipation of and response to constantly changing international crime-related challenges such as terrorism, financial crimes, organized crime, corruption, illegal narcotics and trafficking in persons.

## **Program Accomplishments**

INL has established ILEAs in Hungary, Thailand, Botswana, El Salvador and New Mexico. To date, these ILEAs have trained over 20,800 officials from over 75 countries.

The ILEA in Budapest, Hungary, opened in 1995 and has trained over 10,814 officials from Central, Southern European countries as well as Russia and the former Soviet Union. ILEA Bangkok in Thailand opened in 1999 and has trained over 4998 officials from the Association of Southeast Asian Nations (ASEAN) and the Peoples Republic of China (PRC). ILEA Gaborone in Botswana opened in 2001 and has since trained over 2,524 officials from the Southern African Development Community (SADC) and other Sub-Saharan countries.

INL opened a graduate style ILEA in Roswell, New Mexico in 2001 and has trained over 2,024 international criminal justice officials who had graduated from the regional academies. The newest ILEA in San Salvador, El Salvador opened in 2005 and has trained over 538 students from Central and South America and the Caribbean.

### **FY 2008 Program**

INL will continue to support the work of the established ILEAs in Bangkok, Budapest, Gaborone, Roswell and San Salvador. INL will also continue to encourage ILEA alumni to be actively engaged in training other instructors and mentors in methods and technologies learned at the academies, either at their national academies or on-the-job. This in turn will open and strengthen lines of communications to conduct joint investigations, and to share information with US counterparts.

INL will continue the development of the newest ILEA in El Salvador. Similar to the other regional ILEAs' curricula, the ILEA will offer a mid-level management core program for law enforcement and criminal justice officials as well as specialized courses for police, prosecutors, and judicial officials. The training program will concentrate on attacking the most salient crime threats in the region, including drug trafficking, trafficking in persons, gang proliferation, money laundering, terrorist financing, and financial crimes and accountability in government, as well as enhancing the ability of law enforcement to anticipate and respond to terrorist threats. These courses will be designed to conform to regional nuances of these criminal activities as identified by ILEA needs assessment mechanisms.

INL will continue taking steps to develop the ILEA Regional Training Center located in Peru, to augment the delivery of region-specific training for Latin America. This center will concentrate on specialized courses on critical topics for countries in the Southern Cone and Andean Regions.

<b>International Law Enforcement Academy</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
Bangkok, Thailand	2,800		2,900		2,900
Budapest, Hungary	1,640		1,900		2,350
Gaborone, Botswana	4,000		3,900		3,900
Roswell, New Mexico	5,500		5,000		4,000
Latin America	1,900		2,500		3,000
Program Administration			300		350
<b>Total</b>	<b>15,840</b>	<b>-</b>	<b>16,500</b>	<b>-</b>	<b>16,500</b>

## International Organizations

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
3,960	5,400	5,500

### Program Objectives and Performance Indicators

The international organizations account supports counternarcotics and anti-crime efforts of three international organizations: the United Nations Office on Drugs and Crime (UNODC), the International Narcotics Control Board (INCB), and the Organization of American States' Inter-American Drug Abuse Control Commission (CICAD). U.S. multilateral support to these organizations not only complements our bilateral programs, but also generates increased buy-in and support from other countries for our overall counter-narcotics and anti-crime efforts.

#### UN Office on Drugs and Crime – Drug and Crime Program

Utilize resources through the IO budget line to enable the UN Office on Drugs and Crime to develop and implement counternarcotics and crime-control projects in countries where ongoing criminal activities, the production and transit of illicit narcotics, and illegally-diverted precursor chemicals threaten U.S. interests. Project aims include:

Promoting implementation of the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances;

Promoting implementation of the UN Convention against Transnational Organized Crime and its supplementary protocols;

Preventing and combating money laundering and terrorist financing;

Assisting states with ratification and implementation of the universal legal instruments against terrorism through the provision of legal technical assistance;

Enhancing precursor chemical controls used in the production of cocaine, heroin and amphetamine type stimulants, including methamphetamine; and

Strengthening UNODC's ability to effectively implement its programs.

Enhance law enforcement investigative capabilities through training and the provision of modern equipment, thereby disrupting the activities of criminal and drug trafficking

syndicates, increasing the number of arrests and seizures, and enhancing the capabilities of law enforcement agencies to prevent the diversion of precursor chemicals:

Support states in passing or strengthening legislation to prohibit and penalize illicit drug trafficking, money laundering, terrorist financing, and other ancillary crimes; and improve mutual legal assistance, extradition, and asset forfeiture cooperation, in compliance with UN drug-control and anti-crime treaties;

Provide technical advice to states on how to upgrade national legislation regarding all aspects of narcotics control in line with international best practices and the UN drug control treaties; develop financial intelligence units and train financial institutions to prevent money laundering and related financial crimes through placement of international experts to select high-risk countries; coordinate with other international bodies in the delivery of this assistance; and

Assist in the development of legal frameworks for chemical diversion control as required by the international drug control conventions, and train and equip appropriate personnel, particularly in South East Asia, in order to implement chemical control regimes.

Inhibit international organized crime and its impact on society and individuals through increased implementation of the UN Convention against Transnational Organized Crime (TOC) and its supplemental protocols against human trafficking and migrant smuggling:

Strengthen the legal framework and law enforcement capacity to prevent, investigate, prosecute and adjudicate organized crime. In-country expert mentors will continue to work in select high-risk countries including Guatemala, Peru and Ghana in order to aid in implementing the TOC's component provisions, including assistance in modern investigative and analytical practices for law enforcement practitioners, extradition requests, the provision of mutual legal assistance, and witness protection.

Increase UN member states' abilities to combat and prevent terrorism by utilizing criminal justice measures and international cooperation, particularly through the adoption of the universal legal instruments against terrorism:

UNODC's Terrorism Prevention Branch will provide technical assistance, upon request, to states to: ratify and implement all of the universal legal instruments against terrorism; fully integrate the provisions of the instruments into national law; and train criminal justice officials on the application of the new national anti-terrorism legislative provisions.

Ensure efficient UNODC program implementation by strengthening the Independent Evaluation function of UNODC:

Plan and coordinate UNODC's program and project evaluation activities; provide impartial, independent assessments on the efficiency and effectiveness of UNODC

programs as well as administration and management systems for distribution to UNODC senior management and donor states, including the United States.

### **Inter-American Drug Abuse Control Commission**

Strengthen counter-narcotics capacity and performance by countries in the Western Hemisphere (Organization of American States Members):

The Multilateral Evaluation Mechanism (MEM) – a peer review system created as part of the Summit of the Americas process – to identify gaps or weaknesses in the antidrug efforts of the OAS Member States and provides them substantive recommendations, thereby providing recommendations to CICAD’s Executive Secretariat in prioritizing its assistance and training resources, and permitting the OAS to measure progress being made by individual countries and by the Hemisphere as a whole.

Increase counternarcotics cooperation among OAS Member States:

Promote active and practical cooperation among the countries of the Western Hemisphere against drug production, trafficking (cross-border and maritime smuggling), money laundering (including terrorist financing), arms trafficking, chemical diversion, and youth gangs. Ensure that Member States are equipped with appropriate modern legal tools to confront drug-related crime and to share common legal definitions and standards to be able to work effectively together by producing and periodically updating hemispheric model regulations and best practices guides.

Continue progress in the inter-American region to curb money laundering, terrorist financing, and chemical diversion.

Update CICAD’s model legislation on money laundering and chemical control by executing technical assistance training programs to improve and enhance implementation of said legislation.

### **Transformational Diplomacy**

The FY 2008 International Organizations Program advances the Secretary’s Transformational Diplomacy Peace and Security objective by funding projects that counter narcotics, international crime and terrorism around the globe. As the UNODC notes, “the recent increase in the scope, intensity and sophistication of crime around the world threatens the safety of citizens everywhere and hampers countries in their social, economic and cultural development.” By actively supporting the work of these international organizations, assistance is provided that not only helps to build societies that respect the rule of law and promote good governance, but the United States also engages with its partners in a collaborative, multilateral setting.

## **Program Justification**

### **UN Office on Drugs and Crime – Drug and Crime Program**

Located in Vienna, the United Nations Office on Drugs and Crime (UNODC) is the major multilateral organization providing assistance to combat drugs and crime on a global scale. It enhances countries' bilateral programs worldwide and also implements projects that are politically infeasible on a bilateral basis. U.S. support to UNODC complements INL bilateral programs and leverages U.S. funds by promoting increased buy-in and support from a broader array of donor countries. UNODC is the only multilateral institution providing technical assistance on a global basis for the development of modern law enforcement, financial regulatory and judicial institutions and practices. It has a unique role in assisting states in ratifying and implementing international conventions including the UN Convention against Transnational Organized Crime (TOC), the UN Convention against Corruption (CAC), the three UN anti-drug conventions as well as the universal instruments against terrorism. It is also the only multilateral organization that maintains the global reach and credibility necessary to deliver technical assistance in relation to these aforementioned instruments. The United States will remain a strong advocate of these important international documents in bilateral dialogues and offer direct USG assistance to promote implementation where appropriate. The organization is a steadfast ally in support of strict enforcement efforts against illicit drugs, organized crime, and terrorism, as required under international law.

### **Inter-American Drug Abuse Control Commission**

The Inter-American Drug Abuse Control Commission (CICAD), the drug control arm of the Organization of American States (OAS), is the premier counterdrug forum for the Western Hemisphere. It is also one of the most effective entities within the OAS. CICAD combines a policy-level Commission that meets twice a year with a technical Executive Secretariat that supports the Commission and conducts programs and training throughout the year. CICAD's technical sub-groups facilitate valuable exchanges of information and experience among national experts on topics ranging from money laundering to drug abuse treatment and prevention and lay the basis for action plans. The Secretariat provides a central resource and coordination point for hemispheric statistics and information, training and technical support, legal standards, national experiences and research. The Secretariat, using funds from INL and other donors, provide a wide array of technical assistance to Member States, some on an individual basis (e.g., national drug strategies) but most often in sub-regional groupings (e.g., Central America, the English-speaking Caribbean, the Andes).

Much of CICAD's success has been due to sustained U.S. foreign policy efforts to promote a strong anti-drug coalition and sense of shared responsibility among the countries of the Western Hemisphere. Active participation by the U.S. interagency community in specialized CICAD activities has been critical to achieving high standards of performance as well as keeping CICAD's efforts relevant to U.S. counterdrug agencies. CICAD has been instrumental in developing hemispheric solidarity on the drug issue and ended finger pointing

between “supplier” and “consumer” nations. Hemispheric efforts are guided by the Summit of the Americas-mandated “Anti-Drug Strategy in the Americas.” With INL funding, CICAD has been a useful and effective forum to address emerging threats in the counternarcotics area like internet-based drug sales and methamphetamine trafficking.

Funding will be used for CICAD projects, training and technical assistance that advance the goals of the hemispheric drug strategy, including: development of sound national anti-drug policies and programs, promulgation of modern laws and regulations, elimination of drug production and drug abuse, and control of chemical diversion, arms trafficking, and money laundering. CICAD programs complement INL’s bilateral programs and fill gaps in multinational support efforts (e.g., on alternative development projects in the Andes). INL has encouraged close collaboration between CICAD technical staff and U.S. Embassy program managers.

While the OAS has become more engaged in counterterrorism and other security-related matters since 2001, drug trafficking remains a major preoccupation for all 34 OAS Member States. Because of its recognized expertise in areas such as money laundering and arms trafficking control, CICAD has emerged as an important player in the hemispheric response to terrorism, partnering with the OAS’ Committee Against Terrorism (CICTE) to confront terrorist financing.

## **Program Accomplishments**

### **UN Office on Drugs and Crime – Drug and Crime Program**

Funding from INL supports a wide range of UNODC technical assistance and legal reform projects.

INL supported UNODC’s efforts to ratify and implement the three UN drug control conventions and their requisite obligations, including through relevant judicial and legislative reforms and direct on-site operational support to prosecution and judicial services in ongoing prosecution and asset forfeiture casework. For example, in 2006, UNODC provided legal advice and assistance in drafting legislation to nine countries on drug control, anti-money laundering, and anti-corruption issues. It organized justice system training to 20 countries in areas such as special investigative techniques and modernizing drug courts. It worked with numerous other countries, including many former Soviet countries, to improve mutual legal assistance, extradition and confiscation casework cooperation. The program also launched a mutual legal assistance request writer tool, which supports justice authorities in drafting mutual legal assistance letters for cross-border crimes. UNODC previewed this tool to practitioners in over 140 countries.

Since September of 2003, UNODC has performed a crucial role in promoting the ratification and implementation of the UN Convention against Transnational Organized Crime (TOC) and its supplementary protocols to combat human trafficking and migrant smuggling. In January 2006, the program was revised to focus on implementation through partnerships, direct technical assistance and development of training materials and best practice guides. In

2005, technical assistance mentors in Peru (who also covers Ecuador and now Central America), Guatemala and Ghana conducted law enforcement assessments, reviewed applicable legislation and developed legislative implementation guides to promote compliance with the TOC, provided technical assistance to specialized investigators working in the area of organized crime, focusing on investigative techniques, and organized legislative training and held roundtable events for policymakers and other relevant government officials.

In 2006, the Terrorism Prevention Branch (TPB) continued to provide assistance to requesting countries for the ratification and implementation of the universal instruments against terrorism. With U.S. funds, it provided direct technical assistance services to eight countries on the universal legal instruments against terrorism, and conducted or provided input to seven regional and subregional workshops. In 2006, the TPB also organized a training workshop in collaboration with the International Bar Association in order to familiarize Iraqi criminal justice officials with key aspects of international counter-terrorism laws and obligations.

UNODC implemented chemical control projects in Southeast Asia, a major drug transit region for precursor chemicals intended for illicit drug production. INL supported the International Narcotics Control Board's (INCB) Database for Precursor Chemical Control, which plays a vital role in the INCB's two projects that focus on precursor chemicals. In 2006, the UN Commission on Narcotic Drugs (CND) passed a resolution requesting that Member States provide the INCB with their legitimate requirements for precursor chemicals used to make synthetic drugs, as well as the pharmaceutical preparations containing these precursor chemicals. U.S. funding for the INCB helps support implementation of this resolution, which in turn will help prevent the diversion of precursor chemicals from licit commerce.

In 2006, the INCB developed a web-based pre-export notification system, which is used by governments for the real-time exchange of information between exporters and importers on shipments of precursor chemicals. In the second half of 2006, Project Prism, which targets precursors used in the illicit manufacture of the amphetamine-type stimulants (ATS), prevented the diversion of 21 shipments of 77 tones of precursor chemicals. Project Cohesion, formerly know as Operations Purple and Topaz, which targets precursors used in the illicit manufacture of heroin and cocaine, monitored nearly 1,000 shipments of precursor chemicals used for these drugs.

UNODC's Global Program Against Money Laundering (UNGPML) places mentors in countries and regional centers across the globe that help draft modern anti-money laundering and counter-terrorist finance legislation, train prosecutors and financial investigators, and develop financial intelligence units. In total, the UNGPML provided technical assistance on combating money laundering and terrorist financing to more than 50 countries and jurisdictions throughout the world in 2006. Additionally, its interactive computer-based anti-money laundering program is universally acclaimed and has been translated into Spanish (by the OAS), French, Russian and Chinese. No other multilateral organization cooperates more

with the international funding institutions or entities such as the Egmont Group of Financial Intelligence Units.

INL funding also supported the Independent Evaluation Unit (IEU). The IEU has already produced numerous reports, which provided recommendations for improving the efficiency and effectiveness of its counternarcotics enforcement projects in Central Asia, as well as examined overall UNODC management.

### **Inter-American Drug Abuse Control Commission**

The Multilateral Evaluation Mechanism (MEM) is considered one of the most successful programs of the OAS in general. Mandated by the Heads of State and Government of the Hemisphere, it has become a diagnostic tool in all drug-related matters in most countries of the Hemisphere. The MEM serves as a tool to guide policy and programs. CICAD's Executive Secretariat has increasingly used MEM Recommendations as a determining factor when deciding on the technical and financial assistance given to countries. The MEM process has matured in its evaluative component over its three evaluation rounds. However, the promotion of the MEM among government officials in the Hemisphere is important to consolidate it as a policy-making tool. This has become an important priority for the CICAD Executive Secretariat.

In conjunction with the Inter-American Development Bank, CICAD undertook the program to create and strengthen, as necessary, financial intelligence units to control money-laundering activities in South American countries. Given the success of this program in South America, it has been extended to include the countries of Central America and the Dominican Republic in 2007-2008. This program addresses four different thematic areas – legal, institutional, training, and technical – according to the plan and the needs established by each individual country.

With the assistance of CICAD, 25 member states have drafted National Drug Plans that cover the full range of law enforcement, demand reduction, supply reduction, and research program areas according to the specific needs of each, facilitating the integration of, often complex, multi-agency counter-drug efforts. In a similar way, national drug councils have been strengthened and/or created to respond to the priorities and strategies set out in the national drug plans.

CICAD has developed and supervised drug use prevalence studies, through its standardized methodology – SIDUC, in 29 member states. Through this, it has been possible to measure drug consumption in the Americas, and using the standardizing methodology it is possible to analyze trends over time, and compare consumption behaviors across the countries of the Hemisphere.

CICAD has developed hemispheric guidelines for school-based prevention. CICAD has also introduced content on drug prevention, addiction, treatment, and social reintegration, as well as outreach and research activities in the curricula of universities throughout Latin America. In a similar way, CICAD has encouraged the introduction of Life Skills and Culture of

Lawfulness curricula for school-based drug prevention, following the Hemispheric Guidelines for School-based Prevention approved by the CICAD Commission.

Through the Supply Reduction and Anti-Money Laundering programs, drug law enforcement officers throughout the Americas have been trained in diverse techniques to control drug shipments, money laundering, and related crimes. CICAD has established a drug intelligence school in Lima, Peru, the Andean Regional Counterdrug Intelligence School (ERCAIAD), for the training of law enforcement officers in operational and strategic intelligence and analysis as well as training in specialized areas of intelligence for counterdrug intelligence analysts. In the same manner, CICAD has trained judges and prosecutors to try money laundering cases, and instructed bankers and regulators in techniques to prevent and detect money laundering schemes.

CICAD has implemented a new model for alternative development in the Andes to bring farmers into licit agricultural production through the creation of farmers' organizations, the introduction of high-yielding disease resistant varieties of cacao and banana, and the development of organic crop management, harvesting and marketing. CICAD has now undertaken the coordination of Andean Countries Cacao Export Support Opportunity (ACCESO), whose goal is to promote production of high quality cacao that meets private industry standards in Bolivia, Colombia, Ecuador, and Peru. CICAD will implement the productivity and quality improvement component through the establishment of Farmer Field Schools of cacao.

CICAD works closely with a number of international organizations, and has gained prestige in forging partnerships in order to build a strong and united front against the constantly evolving trends in substance abuse and international drug markets.

## **FY 2008 Program**

INL funding to UNODC programs in FY 2008 will be programmed for the following initiatives:

### **UN Office on Drugs and Crime – Drug and Crime Program**

*Global Legal Advisory Program:* This program promotes the adoption and implementation of the three UN drug control conventions, assisting countries in developing and implementing adequate laws to meet the requirements of the instruments. Specifically, INL funds will be used to establish drug control legal frameworks in countries recently emerging from conflict. Priorities include: improving mutual legal assistance, extradition and asset forfeiture cooperation; and upgrading model legislation.

*Precursor Chemical Control:* Funds will be used to continue support for one of UNODC's regional projects in Southeast Asia, which tracks the flow of precursor chemicals used to manufacture cocaine, heroin and amphetamine-type stimulants, including methamphetamine. These projects aim to train law enforcement officials in order to strengthen the capacity of countries to prevent domestic and regional diversion and trafficking of precursor chemicals.

UNODC will work to enhance regional cooperation to further this end. In addition, INL resources will be provided to support the INCB's global database of precursor chemical shipments and legitimate industrial needs.

*Implementation of the TOC:* This project utilizes the expertise of in-country, expert mentors in order to provide assistance in the implementation of the UN Convention against Transnational Organized Crime (TOC) and its supplementary protocols. Funds will be used to expand and deepen the activities of resident mentors in Peru, Guatemala and Ghana. Mentors provide extensive training to law enforcement and judicial officials on the criminalization and investigatory standards inscribed in the Convention, as well as its mutual legal assistance provisions.

*Global Program Against Money Laundering (GPML):* INL will continue to support UNODC's continuing global efforts to enhance effective legal and regulatory regimes against money laundering and terrorist financing. These funds will be used to support the placement of resident mentors in selected countries to assist in bringing their money laundering and counter-terrorist finance laws and regulations up to international financial standards, develop and strengthen Financial Intelligence Units (FIUs), and train law enforcement, prosecutors, regulators, investigators, and financial regulators in the implementation of the legislation. The GPML will also continue to expand its universally acclaimed interactive anti-money laundering/counter-terrorist financing computer program that has been translated into numerous languages.

*Ratification and Implementation of Universal Legal Instruments Against Terrorism:* UNODC's Terrorism Prevention Branch (TPB) developed a global project entitled, "Strengthening the Legal Regime against Terrorism," which provides the overall framework for delivering technical assistance with global, sub-regional and country-specific components and activities. Funds will be used to continue support to this aforementioned project, which has already yielded positive results. In addition to assisting states in ratifying all of these instruments, the focus of TPB will shift to legislative implementation assistance and the need to integrate the provisions of the instruments into national legislation. TPB will also initiate assistance to countries to update their existing legislation.

*Independent Evaluation Unit:* This independent assessment unit provides reporting and analysis on the efficiency and effectiveness of UNODC program implementation to UNODC senior management, as well as the donor states, including the United States. Funding support will enable the Unit to carry out such activities and assessments.

*Counternarcotics and Anti-Crime Policy Position:* Funding will also provide for a senior counter-narcotics and anti-crime policy officer to be stationed at the U.S. Mission to the European Union.

### **Inter-American Drug Abuse Control Commission**

In FY 2008, sustained funding to CICAD is needed to continue to support the implementation of the hemispheric drug strategy, including the operation of the Multilateral

Evaluation Mechanism (MEM). Much of the funding will be devoted to providing technical support and training to address shortcomings in country anti-drug programs identified by the MEM. It will also support expansion of CICAD's practical and useful demand-side, supply-side and legal development programs. INL funding will be used to support programs in the following priority areas:

*Multilateral Evaluation Mechanism (MEM):* The MEM is a peer review system that provides governments with recommendations on how to strengthen their anti-drug efforts (staff, travel, and processing costs) with follow-on training and technical support. In 2008, the MEM will begin its fifth round of evaluation with a newly streamlined review process adopted by an inter-governmental group that reduced costs of the mechanism to permit more funding to be directed towards implementing recommendations.

*Strengthening national drug control commissions:* This program assists governments in developing anti-drug strategies, national coordinating bodies, national analytical centers and systems as well as establishes data banks and tracking systems for chemical precursors. In FY 2008 CICAD will promote national public anti-drug awareness campaigns through individual national drug control commissions.

*Legal development:* INL will continue to support the updating of a regional model legislation (money laundering and chemicals), orientation for legislators and judges; communications systems to facilitate regional exchange of information and cooperation; and programs relating to the control of money laundering and chemical diversion; training for regulators (financial and chemical) and investigators. CICAD will provide basic and advanced training for specialized technology-based law enforcement investigations for illegal internet drug sales.

*Supply Reduction Efforts:* This program intensifies/expands work in promoting maritime and port security, customs controls, and cooperation/communication among law enforcement entities throughout the Americas through training, technical assistance, best practices guidelines, building public-private partnerships. It assists governments in complying with the requirements of the best practices in the International Maritime Organization's International Port Security System (IPSS). In FY 2008, funds will be used to continue ongoing alternative development projects, including exploration of new technologies for use in supporting national supply reduction and alternative development efforts.

*Demand reduction and youth programs:* CICAD assists Member States build effective national drug awareness/education programs, conduct epidemiological surveillance (according to hemispheric standards), train nurses and other health professionals in drug treatment, and support development of an English-language version of the on-line Masters Program in drug abuse prevention. This program will continue to include regional demand reduction training, adoption of minimum standards of drug treatment, and policy and program development for at-risk populations, e.g. street children and youth gang members.

*Maintenance of a hemispheric data collection system:* Continued support will be provided for CICAD's Hemispheric Observatory on Drugs, the hemispheric statistical systems

(demand and supply side) in order to maintain a centralized, dependable source of statistics to track progress in hemispheric anti-drug programs. The unit has developed and is training governments in a standardized approach to estimating social and economic costs of the drug problem to assist decision makers in determining budget priorities and to better inform the public, legislatures and media about the impact of drugs on a society and its economy.

<b>International Organizations</b>					
<b>INL BUDGET</b>					
<b>(\$000)</b>					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>UNODC</b>	<b>2,960</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>4,000</b>
<b>OAS/CICAD</b>	<b>1,000</b>	<b>-</b>	<b>1,400</b>	<b>-</b>	<b>1,500</b>
<b><i>Total</i></b>	<b>3,960</b>	<b>-</b>	<b>5,400</b>	<b>-</b>	<b>5,500</b>

## Interregional Aviation Support

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
62,865	63,000	60,100

### Program Objectives and Performance Indicators

The Interregional Aviation Support budget provides coordinated core-level services necessary to operate the Department's fleet of 189 fixed and rotary wing aircraft supporting counternarcotics aviation activities worldwide. This base of support is essential to sustain logistically depot-level maintenance and the safe and professional operational employment of INL air assets. Centrally administrated oversight includes: setting, implementing and monitoring uniform safety and training standards consistent with aviation industry practices; compliance with standard operational procedures; a logistics support system for acquiring, storing and shipping critical aviation parts and components worldwide; fleet-wide maintenance management; management of the Critical Flight Safety Program; and administration of the aviation support contract. INL air assets are deployed as directed by administration policy, with aircraft employed in Colombia, Bolivia, Peru, Afghanistan, and Pakistan. The air assets are also available, as needed, to support other temporary deployment locations. This budget is augmented with funding from various country programs to support specific, dynamic local Embassy and cooperating host government missions.

In FY 2008, INL will continue to assist the Government of Colombia (GOC) in conducting an aggressive aerial eradication program to reduce coca cultivation to minimum levels.

With GOC concurrence, areas of coca cultivation in Colombia will be aeri ally sprayed with herbicide, and cocaine production will be reduced as a result of this eradication.

Successful interdiction missions will be conducted against narco-terrorists and their infrastructure.

The Governments of Peru and Bolivia (with INL provided air transportation support to move people and materials) will continue to conduct manual eradication efforts in outlying areas of their respective countries.

In Bolivia, coca cultivation will be reduced and new plantings will be prevented in the Chapare region (subject to the cooperation of the host government).

In Peru, coca cultivation will be reduced as evidenced by the eradication/abandonment of remaining coca fields (subject to the cooperation of the host government). Opium poppy field surveillance will be increased.

INL will support missions to transport host government law enforcement or counternarcotics military personnel by air in Bolivia, Colombia, Peru, and other countries for the purpose of destroying cocaine and heroin processing laboratories and interdicting drug trafficking activities to the extent possible using current assets.

The number of interdiction and eradication missions flown in Peru will continue at a high level using the helicopter fleet which has been upgraded to Huey-II configuration and expanded to 23 aircraft. Aerial reconnaissance missions will be conducted to locate drug crops and production facilities, and verify eradication program results.

Drug production areas and facilities will be successfully identified and mapped year-round in Colombia and on an as-needed basis in other countries.

Border security reconnaissance and interdiction operations in Pakistan will be effective against trafficking of narcotics and weapons, illegal border crossings, and terrorism.

Operations, training, and logistical support provided to the Pakistani border security aviation program will result in more frequent and more effective surveillance and interdiction missions.

The aerial eradication and interdiction programs will be performed to the highest standards of safety and efficiency with due regard for increased security risks.

Technological innovations will be developed and implemented to improve the effectiveness and safety of aerial eradication and interdiction efforts.

INL will continue to provide aerial support to Afghan manual eradication and interdiction efforts in FY 2008.

## **Transformational Diplomacy**

The interregional aviation program supports transformational diplomacy by providing centralized professional aviation services to counternarcotics programs overseas. This activity supports both eradication and interdiction program elements in the counternarcotics program area of the Department's peace and security objective. INL's efforts support the Department's objectives in the rebuilding countries of Colombia and Afghanistan by combating illicit drug enterprises that pose a threat to U.S. and global security and undermine good governance and economic growth. Similarly, aviation support to counternarcotics activities in Peru and Pakistan, as well as border security in Pakistan, bolsters efforts to improve peace and security, good governance and economic growth in those developing nations. In Bolivia, the aviation support has been instrumental in developing viable host

nation institutional capabilities for counternarcotics operations and will continue to support sustainment of peace and security in that transforming country.

## **Program Justification**

The INL aviation program is the backbone of our counternarcotics objectives in the key source countries of Colombia, Peru, and Bolivia. INL assists these governments and others to locate and eradicate drug crops, interdict drug production and trafficking activities, protect borders, and develop internal institutional counternarcotics aviation capabilities. FY 2008 funding will provide for continuation of core activities with the existing fleet. Potential losses and upgrades of aircraft are not included.

The aviation program provides eradication, mobility, interdiction, and logistical support that augment and facilitate ground operations and in many cases perform functions that would not be possible by any other means. In Colombia, the program conducts aerial eradication in hostile, remote and increasingly scattered regions. In Peru and Bolivia, the program supports transportation for manual eradication. Airplanes and helicopters transport law enforcement personnel, critical supplies, and equipment to remote, underdeveloped, and unsecured regions that would otherwise be inaccessible, as well as provide medical evacuation capability for eradicators and law enforcement personnel when needed. Air reconnaissance assets are essential in locating, identifying, and targeting drug activities and verifying operational results.

Afghanistan represents a tremendous challenge in the international fight against drugs. Aviation support to eradication and interdiction efforts is absolutely essential in conducting operations in this large, rugged country with poor road networks and widely dispersed areas of cultivation, production and trafficking.

In all assisted countries, the assets are also employed for interdiction efforts. In Colombia they are also used to conduct operations against narco-terrorists under expanded authorities. In Pakistan, the assets are used for the monitoring and interception of terrorists, drug traffickers, and other criminals operating in remote areas.

By working closely with host government personnel to instill aviation technical and management skills and technology transfer, INL supports the operational goal of enhancing political determination to combat illegal drug production and trafficking. This builds long-lasting institutions that have the trained personnel and demonstrated abilities to assume increased responsibility for counternarcotics air activities.

## **Program Accomplishments**

In 2006, INL-owned aircraft flew 53,618 flight hours; airplanes flew 11,921 and helicopters flew 41,697 flight hours, an average of approximately 1,030 flight hours per week.

## **Colombia – Eradication**

The Interregional Aviation Support program has made possible the expansion of aerial eradication in Colombia that, along with alternative development, is the backbone of that country's counternarcotics strategy. INL and the Colombian National Police (CNP) have collaborated in mounting an effective campaign using T-65 Turbo Thrush, OV-10D Bronco, and AT-802 Air Tractor spray planes to eradicate coca and opium poppy cultivation. In 2006, over 169,000 hectares of coca were sprayed – another record setting year. From 2001 to 2006, we have sprayed over 770,000 hectares of coca that would have produced 6.1 metric tons of cocaine. INL has assisted the CNP with training, maintenance, logistics, and operational support to make this effort possible. The program also provided logistical and operational support in the form of C-27 cargo airplanes and a Multi-spectral Digital Imaging System (MDIS) mounted on a Cessna C-208 Caravan for identification and mapping of coca. In 2006, INL Air Wing aircraft supporting aerial eradication and the Colombian Army (COLAR) helicopter program sustained 189 hits from hostile ground fire which, although down from 332 hits in 2006, still caused the loss of several aircraft and downtime due to extensive maintenance repairs.

## **Colombia – COLAR.**

Besides supporting Colombian National Police aerial eradication activities, the Interregional Aviation Support program initiated and helps sustain the Colombian Army (COLAR) Aviation Brigade that provides rotary wing air mobility to the Counter Drug Brigade (CD Brigade). Most of the aviation support and maintenance for the Colombian Army Aviation Program, also known as the “Plan Colombia Helicopter Program” (PCHP), is part of a contract administered by the INL Air Wing. The Air Wing's contractor provides pilots, maintenance technicians, trainers, and logistics support to the PCHP, since the Government of Colombia is not able to provide all the resources necessary to support these operations. The current PCHP helicopter fleet consists of 28 Huey-II helicopters, 22 UH-1N helicopters, 15 UH-60L “Blackhawk” helicopters, and 5 K-Max helicopters. The result of this effort, a fully trained COLAR aviation unit capable of conducting air mobile operations, is yielding results in terms of interdiction and ground support to aerial eradication. That unit has flown over 62,449 hours since its inception. PCHP assets have been instrumental in the takedown of a number of major narco-terrorist targets.

## **Peru and Bolivia**

INL aviation support to Peru and Bolivia has been instrumental in continued coca reduction operations. In Peru, INL-owned helicopters and fixed wing aircraft (C-208, B 1900D, and rented PNP Antonov 32s and MI-17s) continue to transport manual eradication teams and Peruvian counternarcotics police in order to implement far-reaching counternarcotics operations using a mobile-basing strategy. In Bolivia, INL helicopters have enabled the government to project authority over vast areas where drug traffickers previously operated with impunity, and establish mobile, forward operating bases. During times of violent attacks against eradicators and law enforcement personnel, the air assets have conducted life-saving medical evacuations. The significant eradication of coca in the Chapare region of

Bolivia would not have been possible without the helicopter support provided through the INL aviation program. INL provided aviation technical support and training, and logistical support was an essential ingredient of the success enjoyed by host nation personnel operating these helicopters. The aviation program has also continued to make progress in establishing self-sufficiency in host nation counternarcotics aviation organizations.

### **Regional Aerial Reconnaissance and Eradication (RARE) Program**

INL has provided support to other Latin American countries in identifying and curtailing drug cultivation through its RARE program. In FY 2006, we conducted reconnaissance of illicit poppy cultivation in Guatemala, and provided the host nation with photography and GPS mapping of poppy field locations.

### **Pakistan**

INL established in 2002, and now supports, a project in Pakistan to assist the host government in securing its border with Afghanistan. This project provides ten Huey-II helicopters and three C-208 Cessna Caravan airplanes to the Ministry of the Interior in order to provide law enforcement personnel with the operational capability to interdict drug trafficking and other illegal activities. Due to the receptiveness of the host nation team towards the operational and mechanic's training program, we were able to reduce aviation mechanic contractor presence in 2003. During the past year, these aviation assets assisted the GOP in accomplishing many objectives, including aerial surveillance of opium poppy fields utilizing mounted cameras and GPS capabilities, medevac and rescue operations, and counter-terrorism activities. These aircraft provide Pakistan with an Air Wing capability for integrated helicopter, fixed-wing, and ground forces operations in day and night, including use of night vision goggles (NVGs). These aircraft make up the only NVG aviation interdiction force in Pakistan, and due to its unique capability and past performance, this unit is considered to be the premier interdiction force. The aircraft provide surveillance along the porous Afghanistan-Pakistan border area. The unit participates in the interdiction of trafficking in persons, narcotics, arms, and other contraband, as well as in assisting in monitoring areas where opium poppy is cultivated to permit eradication efforts.

### **Technology**

INL has put into place many technological innovations to enhance the safety and effectiveness of its programs. INL has continued to modify its OV-10D aircraft to provide appropriate armoring and night vision goggle capability in addition to state-of-the-art, satellite-guided spray systems. This has provided more protection and safety for crews while delivering herbicide precisely. Many of these same features were incorporated into the more recently acquired AT-802 spray planes. The aviation program continues to improve and expand the use of a technologically advanced system for identifying, plotting, and targeting coca cultivation, known as the Multi-spectral Digital Imaging System (MDIS).

## **Afghanistan**

INL effectively employs ten Huey-II helicopters and several leased fixed and rotary wing aircraft in Afghanistan to support manual eradication and interdiction efforts. This support is critical to progress in eradicating poppy and interdicting production and trafficking activities.

## **Self-sufficiency**

INL will continue to support helicopter operations in Peru, Bolivia, and Pakistan. Training and institution building efforts will allow us to continue to reduce the number of American contractor personnel at these locations. At the same time, we will continue to pursue technological innovations to improve aircraft performance and explore the use of new variations of aircraft to enhance eradication capabilities at a reasonable cost.

## **FY 2008 Program**

In FY 2008, the Interregional Aviation Support budget will continue to provide core-level services necessary to operate the current fleet of 189 fixed and rotary wing aircraft. These services include supporting counternarcotics aviation activities in Colombia, Bolivia, Peru, and Afghanistan, and border security operations in Pakistan, and as needed, programs at other temporary deployment locations. This base of support is essential to sustain logistically depot-level maintenance and the safe and professional operational employment of INL air assets. This budget will be augmented with funding from various country programs to support specific, dynamic local NAS and cooperating host government missions.

## **Colombia**

A primary concern will be the continued aerial eradication of Colombian coca and poppy. Further successes in the coca and poppy campaigns are expected to reduce the target population of the illicit crops. The program is expected to be conducted in a hostile environment as narco-terrorists fight back against our spray and support aircraft. Funding in FY 2008 does not cover replacement of destroyed assets.

## **Bolivia, Peru, and Pakistan**

In Bolivia, INL will continue to support (with continuing GOB cooperation) the Red Devil Task Force (RDTF) efforts to eliminate residual coca and prevent new plantings in the Chapare region. INL aviation assets will also support interdiction operations along Bolivia's borders. In Peru, we will continue to support the reduction of coca cultivation, seek to aerially verify the extent of opium poppy cultivation, and support interdiction missions. In Pakistan, INL will continue to refine operational procedures and provide logistical support for the helicopters and fixed wing, sensor-equipped aircraft.

## **Afghanistan**

INL will continue to employ aviation assets in Afghanistan to support movement of personnel and cargo for eradication and other counternarcotics missions. INL aircraft are essential for reaching distant areas without roads and infrastructure, and provide security, reconnaissance, medevac, command and control, logistics, and other capabilities that are invaluable to programs in the country.

## **Self-sufficiency**

The establishment of host country self-sufficiency in counternarcotics and border security aviation programs will continue to be a priority. In 2008, we will operate with the minimum number of contractor and INL Air Wing staff in Bolivia and Peru required, effectively monitoring, and assisting as necessary, the daily operations and maintenance activities of the RDTF and the Peruvian National Police. In Colombia, we expect to begin to see results in this area with the COLAR aviation program, as personnel we have trained gain experience and maturity, allowing the gradual reduction of contractor presence. We expect that these advances will begin to permit greater host nation management of the assets. We will continue to emphasize technological improvements to maximize productivity and safety of spray platforms while maintaining cost effectiveness.

The Interregional Aviation Support program, augmented by country program funds for location-specific requirements, will continue to provide safe, professional aviation support to counternarcotics and border security programs worldwide.

<b>Interregional Aviation Support</b>					
<b>INL BUDGET</b>					
(\$000)					
	<b>FY 2006</b>	<b>FY 2006 Supp</b>	<b>FY 2007</b>	<b>FY 2007 Supp</b>	<b>FY 2008</b>
<b>Aviation Support Services Contract</b>	<b>51,665</b>	-	<b>50,260</b>	-	<b>47,360</b>
<b>DOD-Source Parts</b>					
<b>Maintenance and Overhaul</b>	<b>2,000</b>	-	<b>2,000</b>	-	<b>2,000</b>
<b>Operations Support</b>					
Salaries and Benefits	6,000	-	7,000	-	7,000
Field Travel	300	-	350	-	350
Administrative Services and Program Support	2,400	-	2,800	-	2,800
Base Support at Patrick AFB	500	-	590	-	590
<b><i>Sub Total</i></b>	<b>9,200</b>	-	<b>10,740</b>	-	<b>10,740</b>
<b>TOTAL</b>	<b>62,865</b>	-	<b>63,000</b>	-	<b>60,100</b>

## Program Development and Support

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
16,830	19,000	19,550

### Program Justification

The Bureau of International Narcotics and Law Enforcement Affairs (INL) is charged with developing strategies and programs to achieve international counternarcotics and criminal justice foreign-policy objectives. INL maintains a cadre of both domestic and overseas program and technical experts to carry out a wide range of initiatives. Washington personnel functions include, but are not limited to: international narcotics control and law enforcement policy formulation and implementation; coordination of policies and programs with other USG agencies and with other governments and international organizations; budget and financial management activities; program administration and analysis including development, implementation, oversight and evaluation of overseas programs; contract, procurement and information systems support; field assistance visits to Embassy Narcotics Affairs Sections and Law Enforcement Sections to review, analyze and make recommendations on programs, funds control and procurement; sponsoring regional policy and program management conferences and seminars; and, developing and providing training programs both domestically and overseas for embassy and INL personnel.

The Program Development and Support (PD&S) account funds the domestic administrative operating costs associated with the Washington-based INL staff. Over three-quarters of the PD&S budget request is programmed for salaries and benefits of U.S. Direct Hire (USDH) employees, personal services contracts, rehired annuitants and reimbursable support personnel.

Field travel for the INL personnel based in Washington is funded from the PD&S account. This is an essential component of the bureau's program, needed for program development, implementation, oversight and review, as well as for the advancement of international counternarcotics and criminal justice foreign policy objectives. PD&S funds are utilized to maintain a reliable and secure information resource management system and operating infrastructure to enable bureau employees to pursue policy objectives and complete work requirements effectively and efficiently. In addition, funding for the following expenses ensure an adequate level of administrative support to allow the bureau to function effectively: office equipment rental, telephone services, printing and reproduction, miscellaneous contractual services (Information Management non-personal services contractor personnel, INL office renovation expenses, etc.), materials, supplies, furniture, furnishings and equipment.

## **FY 2008 Program**

The PD&S budget request for FY 2008 is intended to cover the annual, government-wide cost of living increase, in-grade step increases and promotions that occur during that fiscal year. It is also intended to cover the annualized portion of wage increase for positions that INL plans to fill during FY 2008 to improve program oversight and expanded programs. In addition the PD&S budget covers costs for field travel and transportation costs; equipment rentals, communications and utility expenses; printing and reproduction; miscellaneous contractual services; and furniture, furnishings and equipment.

## Program Development and Support

### INL BUDGET

(\$000)

	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
Personnel Compensation	10,730	-	12,114	-	12,465
Personnel Benefits	2,492	-	2,812	-	2,894
Field Travel and Transportation	680	-	768	-	790
Equipment Rentals, Communications and Utility Expenses	249	-	281	-	289
Printing and Reproduction	225	-	254	-	261
Miscellaneous Contractual Services	2,327	-	2,627	-	2,703
Materials and Supplies	91	-	103	-	106
Furniture, Furnishings and Equipment	36	-	41	-	42
<b>Total</b>	<b>16,830</b>	<b>-</b>	<b>19,000</b>	<b>-</b>	<b>19,550</b>

## Trafficking in Persons

### Budget Summary (\$000)

FY 2006 Actual	FY 2007 Estimate	FY 2008 Request
4,950	5,000	4,950

### Program Objectives and Performance Indicators

To strengthen the capacity of the criminal justice sector within targeted countries to investigate and arrest criminals engaged in trafficking in persons crimes and assist victims of trafficking.

Number of foreign government-civil society partnerships implementing cooperative programs as a result of U.S. Government efforts.

Number of individuals in host nation who receive training on trafficking in persons related issues.

### Transformational Diplomacy

Trafficking in persons (TIP) is a growing transnational crime that undermines peace and security and the goal of transformational diplomacy. Through force, fraud, and coercion, TIP deprives people of their most basic human rights; people are bought and sold into prostitution, coerced into indentured servitude or bonded labor, and captured to serve as child soldiers and camel jockeys. High profits subvert the rule of law by corrupting government officials and weakening police and criminal justice institutions.

Human trafficking is a global problem that has country-specific, regional, and transnational elements. Tier rankings and country assessments prepared by the Department of State's Office to Monitor and Combat the Trafficking in Persons (G/TIP) for the annual *Trafficking in Persons Report* are used to prioritize countries most in need of foreign assistance to combat TIP.

### Program Justification

TIP is an egregious abuse of human rights that is also a public health menace and a global threat to the rule of law. This modern-day form of slavery involves both sexual and labor exploitation, and takes many forms. Around the world, people are sold into prostitution, coerced into indentured servitude or bonded labor, and captured to serve as child soldiers and camel jockeys. The U.S. Government estimates that hundreds of thousands of persons are trafficked across international borders each year for labor and sexual exploitation.

The lead government advocate on the issue is G/TIP, established in October 2001 pursuant to the Trafficking Victims Protection Act of 2000. This office is responsible for developing, monitoring and overseeing USG anti-trafficking policy and programs; compiling the largest government-produced annual *Trafficking in Persons Report*; and advancing public awareness and advocacy involving practical solutions to governmental organizations (NGOs), international organizations, Congress, and the media, toward the goal of eradicating this form of modern-day slavery.

## **Program Accomplishments**

### **Trafficking in Persons Report**

The annual *Trafficking in Persons Report*, produced by G/TIP, is the USG's principal diplomatic tool used to engage foreign governments on the issue of trafficking in persons. The sixth annual *Trafficking in Persons Report* was released in June 2006 and included ratings of close to 150 governments' anti-trafficking efforts. Countries included in the Report are placed in one of three Tiers based on whether they comply with the minimum standards for the elimination of trafficking contained in the Trafficking Victims Protection Act and whether they are making significant efforts to comply with those standards. Governments are rated objectively, under criteria created by the law. The Report continues to be a powerful and effective tool to spur foreign governments to take action to eradicate human trafficking. In 2006, sixteen countries moved up a tier or off the Tier 2 Watch List. Of these sixteen countries, eight moved up from Tier 3 to Tier 2 Watch List or Tier 2. Eight additional countries moved from the Tier 2 Watch List to Tier 2. Forty-one countries adopted new legislation or amended existing legislation to combat TIP. Concrete actions taken by foreign governments have resulted in more prosecutions, convictions, and prison sentences for traffickers and comprehensive assistance for victims.

### **International Programs**

In 2006, G/TIP managed \$4.9 million of INCLE funding for anti-trafficking programs abroad. These international programs supported public awareness and education campaigns; training for government officials, criminal justice professionals, and medical personnel; development of anti-trafficking laws; and a vast array of victim services, including medical and legal assistance, shelter, and reintegration efforts.

### **Interagency Coordination**

The Senior Policy Operating Group (SPOG) on trafficking in persons, chaired by the Director of G/TIP and staffed by G/TIP, continued to meet quarterly in Fiscal Year 2006. The Cabinet-level President's Interagency Task Force, chaired by the Secretary and staffed by G/TIP, met once. The Task Force approved a unified policy document on combating HIV/AIDS and human trafficking to demonstrate the high priority of both issues. The Task Force also approved three recommendations from the SPOG Domestic TIP Subcommittee to potentially improve the assistance and outreach to internally trafficked, U.S. Citizen TIP

victims. A Subcommittee on U.S. TIP Statistics was formed and four other Subcommittees on Research, Public Affairs, Grant Making, and Regulations met regularly throughout the year.

### **Public Affairs and Outreach**

G/TIP continued its international coverage and widespread dissemination of trafficking information through popular media outlets including print news articles, wire stories, TV and radio segments, Internet publication, and digital video conferences –reaching an estimated 500 million people in 2006. Outreach to the business community continues to strengthen strategies to prevent sex trafficking, child sex tourism, child labor and other forms of servitude. For example, to date over 250 travel companies in 23 countries have made a commitment to combat child sex tourism by signing the *Global Code of Conduct for the Protection of Children in Travel and Tourism*.

### **FY 2008 Program**

Efforts to combat human trafficking are still at an early stage. G/TIP will continue to use the annual *Trafficking in Persons Report* as a tool for aggressive diplomatic engagement. Continued foreign assistance will be needed to help draft trafficking legislation, train law enforcement, and encourage governments to develop or expand comprehensive assistance to victims. International programs to combat trafficking will provide foreign assistance to countries with economic need and the political will to address the problem and will be prioritized in four ways: a) support for projects in Tier 3 countries; b) support for projects in Tier 2 Watch List countries; support for projects in Tier 2 countries that target law enforcement or victim protection deficiencies that may jeopardize the Tier 2 ranking; and d) support for pilot projects that are replicable and show promise. Outreach efforts will be expanded and enhanced and will focus on the faith-based, legal, and medical communities. Interagency coordination will focus on facilitating increased federal support to combat trafficking in persons in the U.S. and globally.

<b>Trafficking in Persons</b>					
<b>INL BUDGET</b>					
(\$000)					
	FY 2006	FY 2006 Supp	FY 2007	FY 2007 Supp	FY 2008
<b>Prosecution Program</b>	<b>3,950</b>	-	<b>4,500</b>	-	<b>3,000</b>
<b>Protection Program</b>	<b>800</b>	-	-	-	<b>1,450</b>
<b>Prevention Program</b>	<b>200</b>	-	<b>500</b>	-	<b>500</b>
<b><i>Total</i></b>	<b>4,950</b>	-	<b>5,000</b>	-	<b>4,950</b>