United States Department of State

Bureau for International Narcotics and Law Enforcement Affairs

International Narcotics Control Strategy Report

Volume I

Drug and Chemical Control

March 2014

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Common Abbreviations

APEC	Asia-Pacific Economic Cooperation
AFRICOM	U.S. Military Command for Africa
ASEAN	Association of Southeast Asian Nations
ATS	Amphetamine-Type Stimulants
CARICC	Central Asian Regional Information Coordination Center
CARSI	Central America Regional Security Initiative
CBP	U.S. Customs and Border Protection
CBSI	Caribbean Basin Security Initiative
DARE	Drug Abuse Resistance Education
DEA	U.S. Drug Enforcement Administration
DHS	U.S. Department of Homeland Security
DOJ	U.S. Department of Justice
DTO	Drug Trafficking Organization
ECOWAS	Economic Community of West African States
EU	European Union
FBI	Federal Bureau of Investigation
FIU	Financial Intelligence Unit
ICE	U.S. Immigration and Customs Enforcement
ILEA	International Law Enforcement Academy
INCB	International Narcotics Control Board
INCSR	International Narcotics Control Strategy Report
INL	U.S. Department of State's Bureau for International Narcotics and Law Enforcement Affairs
JIATF-S	Joint Interagency Task Force South
JIATF-W	Joint Interagency Task Force West
MAOC-N	Maritime Analysis and Operations Centre-Narcotics

MLAT	Mutual Legal Assistance Treaty
MOU	Memorandum of Understanding
NIDA	National Institute of Drug Abuse
OAS	Organization of American States
OAS/CICAD	Inter-American Drug Abuse Control Commission
ONDCP	Office of National Drug Control Policy
SELEC	Southern European Law Enforcement Center
SIU	Special Investigative Unit
SOUTHCOM	U.S Military Command for the Caribbean, Central and South America
UNODC	United Nations Office on Drugs and Crime
USAID	U.S. Agency for International Development
USCG	U.S. Coast Guard
WACSI	West Africa Cooperative Security Initiative
Ha	Hectare
HCL	Hydrochloride (cocaine)
Kg	kilogram
MT	Metric Ton

International Agreements

1988 UN Drug Convention – United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988)

UN Single Drug Convention – United Nations Single Convention on Narcotic Drugs (1961 as amended by the 1972 Protocol)

UN Psychotropic Substances Convention – United Nations Convention on Psychotropic Substances (1971)

UNCAC – UN Convention against Corruption (2003)

UNTOC - UN Convention against Transnational Organized Crime (2000), and its supplementing protocols:

Trafficking in Persons Protocol – Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime

Migrant Smuggling Protocol – Protocol against the Smuggling of Migrants by Land, Air and Sea, supplementing the United Nations Convention against Transnational Organized Crime

Firearms Protocol – Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organized Crime

INTRODUCTION

Legislative Basis for the INCSR

The Department of State's International Narcotics Control Strategy Report (INCSR) has been prepared in accordance with section 489 of the Foreign Assistance Act of 1961, as amended (the "FAA," 22 U.S.C. § 2291). The 2014 INCSR, published in March 2014, covers the year January 1 to December 31, 2013 and is published in two volumes, the second of which covers money laundering and financial crimes. In addition to addressing the reporting requirements of section 489 of the FAA (as well as sections 481(d)(2) and 484(c) of the FAA and section 804 of the Narcotics Control Trade Act of 1974, as amended), the INCSR provides the factual basis for the designations contained in the President's report to Congress on the major drug-transit or major illicit drug producing countries initially set forth in section 591 of the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (P.L. 107-115) (the "FOAA"), and now made permanent pursuant to section 706 of the Foreign Relations Authorization Act, Fiscal Year 2003 (P.L. 107-228) (the "FRAA").

Section 706 of the FRAA requires that the President submit an annual report no later than September 15 identifying each country determined by the President to be a major drug-transit country or major illicit drug producing country. The President is also required in that report to identify any country on the majors list that has "failed demonstrably . . . to make substantial efforts" during the previous 12 months to adhere to international counternarcotics agreements and to take certain counternarcotics measures set forth in U.S. law. U.S. assistance under the current foreign operations appropriations act may not be provided to any country designated as having "failed demonstrably" unless the President determines that the provision of such assistance is vital to U.S. national interests or that the country, at any time after the President's initial report to Congress, has made "substantial efforts" to comply with the counternarcotics conditions in the legislation. This prohibition does not affect humanitarian, counternarcotics, and certain other types of assistance that are authorized to be provided notwithstanding any other provision of law.

The FAA requires a report on the extent to which each country or entity that received assistance under chapter 8 of Part I of the Foreign Assistance Act in the past two fiscal years has "met the goals and objectives of the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances" (the "1988 UN Drug Convention"). FAA § 489(a)(1)(A).

Several years ago, pursuant to The Combat Methamphetamine Enforcement Act (CMEA) (The USA Patriot Improvement and Reauthorization Act 2005, Title VII, P.L. 109-177), amending sections 489 and 490 of the Foreign Assistance Act (22 USC 2291h and 2291) section 722, the INCSR was expanded to include reporting on the five countries that export the largest amounts of methamphetamine precursor chemicals, as well as the five countries importing the largest amounts of these chemicals and which have the highest rate of diversion of the chemicals for methamphetamine production. This expanded reporting, which appears in this year's INCSR and will appear in each subsequent annual INCSR report, also includes additional information on efforts to control methamphetamine precursor chemicals, as well as estimates of legitimate demand for these methamphetamine precursors, prepared by most parties to the 1988 UN Drug Convention and submitted to the International Narcotics Control Board. The CMEA also

requires a Presidential determination by March 1 of each year on whether the five countries that legally exported and the five countries that legally imported the largest amount of precursor chemicals (under FAA section 490) have cooperated with the United States to prevent these substances from being used to produce methamphetamine or have taken adequate steps on their own to achieve full compliance with the 1988 UN Drug Control Convention. This determination may be exercised by the Secretary of State pursuant to Executive Order 12163 and by the Deputy Secretary of State pursuant to State Department Delegation of Authority 245.

Although the Convention does not contain a list of goals and objectives, it does set forth a number of obligations that the parties agree to undertake. Generally speaking, it requires the parties to take legal measures to outlaw and punish all forms of illicit drug production, trafficking, and drug money laundering, to control chemicals that can be used to process illicit drugs, and to cooperate in international efforts to these ends. The statute lists actions by foreign countries on the following issues as relevant to evaluating performance under the 1988 UN Drug Convention: illicit cultivation, production, distribution, sale, transport and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction.

In attempting to evaluate whether countries and certain entities are meeting the goals and objectives of the 1988 UN Drug Convention, the Department has used the best information it has available. The 2013 INCSR covers countries that range from major drug producing and drug-transit countries, where drug control is a critical element of national policy, to small countries or entities where drug issues or the capacity to deal with them are minimal. The reports vary in the extent of their coverage. For key drug-control countries, where considerable information is available, we have provided comprehensive reports. For some smaller countries or entities where only limited information is available, we have included whatever data the responsible post could provide.

The country chapters report upon actions taken - including plans, programs, and, where applicable, timetables - toward fulfillment of Convention obligations. Because the 1988 UN Drug Convention's subject matter is so broad and availability of information on elements related to performance under the Convention varies widely within and among countries, the Department's views on the extent to which a given country or entity is meeting the goals and objectives of the Convention are based on the overall response of the country or entity to those goals and objectives. Reports will often include discussion of foreign legal and regulatory structures. Although the Department strives to provide accurate information, this report should not be used as the basis for determining legal rights or obligations under U.S. or foreign law.

Some countries and other entities are not yet parties to the 1988 UN Drug Convention; some do not have status in the United Nations and cannot become parties. For such countries or entities, we have nonetheless considered actions taken by those countries or entities in areas covered by the Convention as well as plans (if any) for becoming parties and for bringing their legislation into conformity with the Convention's requirements. Other countries have taken reservations, declarations, or understandings to the 1988 UN Drug Convention or other relevant treaties; such reservations, declarations, or understandings are generally not detailed in this report. For some of the smallest countries or entities that have not been designated by the President as major illicit

drug producing or major drug-transit countries, the Department has insufficient information to make a judgment as to whether the goals and objectives of the Convention are being met. Unless otherwise noted in the relevant country chapters, the Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) considers all countries and other entities with which the United States has bilateral narcotics agreements to be meeting the goals and objectives of those agreements.

Information concerning counternarcotics assistance is provided, pursuant to section 489(b) of the FAA, in section entitled "U.S. Government Assistance."

Major Illicit Drug Producing, Drug-Transit, Significant Source, Precursor Chemical, and Money Laundering Countries

Section 489(a)(3) of the FAA requires the INCSR to identify:
(A) major illicit drug producing and major drug-transit countries;
(B) major sources of precursor chemicals used in the production of illicit narcotics; or
(C) major money laundering countries.
These countries are identified below.

Major Illicit Drug Producing and Major Drug-Transit Countries

A major illicit drug producing country is one in which:
(A) 1,000 hectares or more of illicit opium poppy is cultivated or harvested during a year;
(B) 1,000 hectares or more of illicit coca is cultivated or harvested during a year; or
(C) 5,000 hectares or more of illicit cannabis is cultivated or harvested during a year, unless the President determines that such illicit cannabis production does not significantly affect the United States. FAA § 481(e)(2).

A major drug-transit country is one:

(A) that is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States; or
(B) through which are transported such drugs or substances. FAA § 481(e)(5).
The following major illicit drug producing and/or drug-transit countries were identified and notified to Congress by the President on September 13, 2013, consistent with section 706(1) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107-228):

Afghanistan, The Bahamas, Belize, Bolivia, Burma, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, India, Jamaica, Laos, Mexico, Nicaragua, Pakistan, Panama, Peru, and Venezuela.

Of these 22 countries, **Bolivia, Burma, and Venezuela** were designated by the President as having "failed demonstrably" during the previous 12 months to adhere to their obligations under international counternarcotics agreements and take the measures set forth in section 489(a)(1) of the FAA. The President determined, however, in accordance with provisions of Section 706(3)(A) of the FRAA, that continued support for bilateral programs in Burma and Venezuela are vital to the national interests of the United States.

Major Precursor Chemical Source Countries

The following countries and jurisdictions have been identified to be major sources of precursor or essential chemicals used in the production of illicit narcotics:

Afghanistan, Argentina, Bangladesh, Belgium, Bolivia, Brazil, Burma, Canada, Chile, China, Colombia, Costa Rica, Dominican Republic, Egypt, El Salvador, Germany, Guatemala, Hong Kong Administrative Region, Honduras, India, Indonesia, Iraq, Mexico, the Netherlands, Pakistan, Republic of Korea, Singapore, South Africa, South Korea, Switzerland, Taiwan, Thailand, and the United Kingdom.

Information is provided pursuant to section 489 of the FAA in the section entitled "Chemical Controls."

Major Money Laundering Countries

A major money laundering country is defined by statute as one "whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking." FAA § 481(e)(7). However, the complex nature of money laundering transactions today makes it difficult in many cases to distinguish the proceeds of narcotics trafficking from the proceeds of other serious crime. Moreover, financial institutions engaging in transactions involving significant amounts of proceeds of other serious crime are vulnerable to narcotics-related money laundering. This year's list of major money laundering countries recognizes this relationship by including all countries and other jurisdictions, whose financial institutions engage in transactions involving significant amounts of proceeds from all serious crime. The following countries/jurisdictions have been identified this year in this category:

Afghanistan, Antigua and Barbuda, Australia, Austria, Bahamas, Belize, Bolivia, Brazil, British Virgin Islands, Burma, Cambodia, Canada, Cayman Islands, China, Colombia, Costa Rica, Cyprus, Dominican Republic, France, Germany, Greece, Guatemala, Guernsey, Guinea-Bissau, Haiti, Hong Kong, India, Indonesia, Iran, Iraq, Isle of Man, Israel, Italy, Japan, Jersey, Kenya, Latvia, Lebanon, Liechtenstein, Luxembourg, Macau, Mexico, Netherlands, Nigeria, Pakistan, Panama, Paraguay, Philippines, Russia, Singapore, Somalia, Spain, Switzerland, Taiwan, Thailand, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Venezuela, and Zimbabwe.

Further information on these countries/jurisdictions and United States money laundering policies, as required by section 489 of the FAA, is set forth in Volume II of the INCSR in the section entitled "Money Laundering and Financial Crimes."

Presidential Determination

THE WHITE HOUSE

WASHINGTON

September 13, 2013

Presidential Determination No. 2013-14

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT: Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2014

Pursuant to Section 706(1) of the Foreign Relations Authorization Act, FY 2003 (Public Law 107-228) (FRAA), I hereby identify the following countries as major drug transit and/or major illicit drug producing countries: Afghanistan, The Bahamas, Belize, Bolivia, Burma, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, India, Jamaica, Laos, Mexico, Nicaragua, Pakistan, Panama, Peru and Venezuela.

A country's presence on the majors list is not a reflection of its government's counternarcotics efforts or level of cooperation with the United States. Consistent with the statutory definition of a major drug transit or drug producing country set forth in section 481(e) (2) and (5) of the Foreign Assistance Act of 1961, as amended (FAA), one of the reasons major drug transit or illicit drug producing countries are placed on the list is the combination of geographic, commercial, and economic factors that allow drugs to transit or be produced, even if a government has carried out the most assiduous narcotics control law enforcement measures.

In addition, the law requires identification of any country on the list that has "failed demonstrably" during the previous 12 months to make substantial efforts to adhere to its obligations under international counternarcotics agreements and take certain counternarcotics measures as cited in section 489(a) (1) of the FAA.

Countries found to have failed demonstrably may receive certain U.S. assistance only if the President determines that provision of such assistance is vital to the national interests of the United States, or if subsequent to the designation, the President determines that the country has made substantial efforts to meet the requirement.

Pursuant to Section 706(2) (A) of the FRAA, I hereby designate Bolivia, Burma, and Venezuela as countries that have failed demonstrably during the previous 12 months to make substantial efforts to adhere to their obligations under international counternarcotics agreements and take the measures set forth in section 489(a) (1) of the FAA. Included in this report are justifications for the determinations on Bolivia, Burma and Venezuela, as required by Section 706(2) (B) of the FRAA. Explanations for these decisions are published with this determination.

I have also determined, in accordance with provisions of Section 706(3) (A) of the FRAA, that support for programs to aid Burma and Venezuela are vital to the national interests of the United States.

Drug Producing and Trafficking Trends in Strategic Areas

In addition to the listed countries, the following notable drug production and trafficking trends were observed in the preparation of this determination.

Afghanistan

Afghanistan is the world's largest grower of illegal opium poppy and produces approximately 90 percent of the world's illicit opium. Nearly all poppy cultivation occurs in the southern and western parts of the country, especially Helmand Province. Instability in these regions allows criminal networks, insurgent groups, and illicit cultivation and drug production to thrive.

Most recently, opium production in Afghanistan declined in spite of an increase in the total ground area under poppy cultivation. The drop stemmed primarily from crop disease and poor conditions as some farmers growing illegal crops moved to less hospitable agricultural growing regions. Countering the opium trade remains an uphill struggle and a long-term challenge. Working with Afghan partners, international allies and multilateral organizations, the United States continues to support the commitment to establish effective and sustainable Afghan-led programs which are critical to Afghan security and regional stability.

Afghanistan has continued to take greater responsibility to design and implement its own anti-narcotics programs. The government aggressively eradicated illicit opium poppy during the most recent growing season, as well as carrying out alternative livelihoods and demand reduction policies. To help stem the country's growing domestic drug abuse, the United States has funded a scientifically based survey of urban areas to determine prevalence of use, including among children, and is funding more than 60 in- and out-patient drug treatment centers. The United States supports a wide range of other illegal crop control, alternative development, drug awareness and treatment projects, including training and treatment service delivery programs implemented through international organizations.

As we approach the 2014 withdrawal of international forces from Afghanistan, the country requires continued international support. Even greater efforts are needed to bring counternarcotics programs into the mainstream of social and economic development strategies to successfully curb illegal drug cultivation and production of opium as well as the high use of opiates among the Afghan population.

The Caribbean

Criminal activity in Caribbean states, as a drug-transit zone for illegal substances, is of deep concern to the United States. United States-bound trafficking in cocaine through the Caribbean dramatically increased from five percent of the total in 2011 to nine percent in 2012. A central response to this threat by the United States and 13 partner nations of the Caribbean Basin Security Initiative (CBSI) which is designed especially to address citizen safety by fostering a wide range of crime prevention programs.

Although the problems are daunting, concrete results are being achieved through the support of CBSI, European organizations and the Organization of American States (OAS) Inter-American Drug Abuse Control Commission. Through CBSI, some 2,500 Caribbean police officers were trained in the Dominican Republic, a country which has undertaken an aggressive counternarcotics institution building program. Moreover, the United States is training thousands of Caribbean officials elsewhere in the region on fundamental subjects such as crime scene and homicide investigation. CBSI programs are upgrading the ability of Caribbean partners to investigate complex financial crimes, manage forfeited or seized assets, and prosecute criminals. A range of programs are building awareness, upgrading treatment facilities and fostering the creation of drug courts as alternatives to incarceration for non-violent offenders. The work of a violent crimes task force in St. Kitts and Nevis, mentored by U.S. officials, helped to reduce homicides in St. Kits and Nevis by 41 percent.

Central America

The seven Central American nations are considered major drug transit countries which significantly affect the United States: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. United States Government analysts estimate that approximately 90 percent of illegal drugs from South America destined for the United States are smuggled through the seven Central American countries and Mexican corridor. Of this amount, nearly 80 percent stops first in a Central American country before onward shipment to Mexico. The Central American Regional Security Initiative (CARSI), initiated in 2008, supports local government efforts to strengthen the rule of law, lower homicide rates, and deny traffickers safe haven.

Under CARSI, U.S.-funded training, equipment and technical assistance provided to Central America has contributed to concrete success. The model precinct program in El Salvador, for example, has helped reduce the homicide rate by 70 percent in one crime-ridden community. The CARSI-supported program to create transnational anti-gang units is expanding their criminal investigative leads, especially against the MS-13 and M-18 gangs. These criminal gangs have significant drug trafficking and other criminal links in major U.S. cities. Anti-gang units in Central America led to a homicide arrest in Oklahoma City, the prosecution of felony extortions in Annapolis and the capture of one of the FBI's top ten most wanted fugitives, a suspect who was arrested in El Salvador.

Countries are also strengthening cooperation through the Central American Integrated System (SICA) to promote citizen security and other programs. Multilateral cooperation to stem the smuggling of essential and precursor chemicals from China used to produce illegal synthetic drugs in Central America is an important component of SICA's mandate. This SICA undertaking is aligned with the growing abuse during the last decade of new psychoactive substances (NPS), the production of which is a growing problem in Central America.

The illegal production of NPS is dependent upon access to a wide range of chemicals. Successful interdictions of unauthorized chemicals in Central America have created the urgent need for effective management and disposal systems. To support the overall effort, U.S. funding in 2013 and 2014 to the OAS Department of Public Security will help provide Central American

countries with the development of relevant infrastructure to properly process and destroy these illegally shipped chemicals.

West Africa

Although no West African country is currently listed as a major drug producer or transit zone, the region is a growing concern. The destabilizing effects of increasing drug trafficking in West Africa with direct links to transnational crime organizations based in Latin America pose a direct threat to stability on the African continent. The U.N. Office on Drugs and Crime estimates that cocaine trafficking in West Africa generates approximately $1.25 billion at wholesale prices in Europe.

African leaders understand that growing criminal enterprises in their countries negatively impact national goals for peace and security. Participants at the 2013 Extraordinary Summit of the Economic Community for West African highlighted the need for cooperation to counter drug trafficking in the region. Such efforts by nations in the region are supported by the United States Government's West Africa Cooperative Security Initiative, which will provide some $50 million in 2013 to combat transnational organized crime. Projects include, for example, anti-corruption training in Sierra Leone, support for a regional law enforcement training center in Ghana, and the development of specially trained counternarcotics law enforcement investigative units.

Drug trafficking in West Africa is of particular concern to Latin America and the United States. Law enforcement investigations show that illegal proceeds generated by criminal activities in African nations flow back to the Western Hemisphere, bolstering trafficking organizations' financial strength and ability to fuel the drug trade in producing and consuming countries, including OAS member states.

You are hereby authorized and directed to submit this report, with its Bolivia, Burma and Venezuela memoranda of justification, under Section 706 of the FRAA, to the Congress, and publish it in the *Federal Register*.

/S/
Barack Obama

MEMORANDUM OF JUSTIFICATION FOR MAJOR ILLICIT DRUG TRANSIT OR ILLICIT DRUG PRODUCING COUNTRIES FOR FY 2014

Bolivia

During the past 12 months, the Government of Bolivia has failed demonstrably to make sufficient efforts to meet its obligations under international counternarcotics agreements or to uphold the counternarcotics measures set forth in Section 489 (a) (1) of the Foreign Assistance Act (FAA) of 1961, as amended.

Bolivia is the world's third largest producer of coca leaf for cocaine and other illegal drug products. Bolivia's ability to interdict drugs and major traffickers was seriously compromised by its 2009 expulsion of U.S. Drug Enforcement Administration (DEA) personnel, harming its

ability to conduct counternarcotics operations and to cooperate on international illicit drug interdiction. Due to a lack of sufficient cooperation from the Government of Bolivia on counternarcotics activities, the United States Government determined it should close the International Narcotics and Law Enforcement Affairs section at Embassy La Paz by the end of 2013.

The 2012 United States Government coca cultivation estimate for Bolivia is 25,000 hectares, a 2 percent decrease from the 2011 estimate of 25,500 hectares. The United States Government estimate of pure potential cocaine production decreased 18 percent in 2012 compared to 2011. Nothwithstanding these incremental positive steps, the overall counternarcotics picture in Bolivia is negative.

Bolivia has not maintained adequate controls over licit coca markets to prevent diversion to illegal narcotics production or closed illegal coca markets, and it failed to develop and execute a national drug control strategy. Unlike other coca growing countries, Bolivia has not implemented many of the UN-mandated controls over coca. Bolivia also withdrew from the 1961 UN Single Convention and re-acceded only with a formal caveat that Bolivia "reserves the right" to promote the cultivation and commercialiation of coca leaf products, contrary to Convention's foundational premise to limit the uses of controlled substances to medical or scientific purposes. Given the substantial coca crops already grown in Bolivia, and the difficulty the country has had policing illegally grown coca and with diversion from licit coca markets to illicit ones, this reservation encourages coca growth and adds to the complication of distinguishing between illegally and legally grown coca. The United States remains concerned about Bolivia's intent by this action to limit, redefine, and circumvent the scope and control for illegal substances as they appear in the UN Schedule I list of narcotics. The United States formally objected to Bolivia's reservation to the 1961 Convention, one of the essential cornerstones of international cooperation in this area.

Government of Bolivia policies and actions are not in line with international drug control standards. Such policies include Bolivia's promotion of the idea that coca leaf can be used generally for commercial products, as well as its de facto allowance of 20,000 hectares of legal cultivation, 8,000 hectares over the 12,000 hectare limit set by the country's own law.

The European Union provided funding for the completion of a study to identify the amount of legal cultivation needed to support traditional coca consumption. The unwillingness of the Government of Bolivia to share this report in a timely way demonstrates its disinclination to be transparent with the international community.

As a matter of policy, Bolivia does not encourage or facilitate illegal activity associated with drug trafficking. Senior Bolivian officials, however, have been arrested for facilitating drug shipments in recent years. These arrests have taken place both within Bolivia and abroad.

The United States encourages Bolivia to strengthen its efforts to achieve tighter controls over the trade in coca leaf to stem diversion to cocaine processing, in line with international treaties; to protect its citizens from the deleterious effects of drugs, corruption, and drug trafficking; and to significantly reduce coca cultivation.

To diminish Bolivia's appeal as a convenient trafficking venue for drug smuggling, further government action is required. Bolivia must improve the legal and regulatory environment for security and justice sector institutions to effectively combat drug production and trafficking, money laundering, corruption, and other transnational crimes, and to bring criminal enterprise to justice through the rule of law.

While Bolivia continues to make drug seizures and arrests of implicated individuals, the Bolivian judicial system is not adequately processing these cases to completion. Bolivian law requires that an arrestee be formally charged within 18 months of arrest. An overwhelming majority of the incarcerated population in Bolivia, however, has not been formally charged in accordance with Bolivian law. The number of individuals who have been convicted and sentenced on drug charges in Bolivia has remained stagnant over the last several years and has not increased in proportion to the number of arrests.

In accord with U.S. legislation, the determination that Bolivia has failed demonstrably to make substantial efforts to adhere to its obligations under international counternarcotics agreements and to take counternarcotics measures set forth in the FAA, does not result in the withholding of humanitarian and counternarcotics assistance.

MEMORANDUM OF JUSTIFICATION FOR MAJOR DRUG TRANSIT OR ILLICIT DRUG PRODUCING COUNTRIES FOR FY 2014

Burma

During the past 12 months the Burmese government has failed demonstrably to make sufficient efforts to meet its obligations under international counternarcotics agreements or to uphold the counternarcotics measures set forth in Section 489 (a) (1) of the Foreign Assistance Act of 1961(FAA) , as amended. During this timeframe, however, it has undertaken political and economic reforms to address many of the United States' longstanding concerns regarding governance, democratization and human rights. Given the government's demonstrated commitment to reform and promising signs of action on future poppy eradication, it is in the vital national interests of the United States to grant Burma a national interest waiver for Fiscal Year 2014. In early 2013, Burma and the United States conducted the first joint opium yield survey since 2004. In addition, Burmese counternarcotics police are participating in counternarcotics courses hosted at the International Law Enforcement Academy (ILEA) in Bangkok.

Burma remains the world's second-largest cultivator of illegal opium poppy. A significant increase was noted from 2011 to 2012. Amphetamine-type stimulants have been produced for domestic consumption and export since the mid-1990s. These illegal narcotics produced in Burma are trafficked to neighboring countries, including Thailand, China and Laos.

According to Burmese government statistics, officials destroyed 23,584 hectares of opium poppy in 2012 compared to 7,058 hectares in 2011. Burma has indicated its willingness to work regionally and internationally on counternarcotics initiatives, including with the UN Office on Drugs and Crime. In May, Burma pledged, with other countries in the region, to increase

cooperation in the fight against illegal drugs, which they agreed pose a significant threat to the region. Burma's current counternarcotics performance, however, is not sufficient to meet its international counternarcotics cooperation obligations. The Burmese government needs to dedicate adequate resources to its counternarcotics efforts, increase illegal crop eradication, and redouble its efforts to obtain and maintain ceasefires with ethnic minorities who live in areas where illegal crops are grown.

Pursuant to section 706 of the Foreign Relations Authorization Act of Fiscal Year 2003, while Burma has failed demonstrably, this national interest waiver under the FAA allows the continuation of U.S. bilateral assistance programs to Burma, in addition to counternarcotics and humanitarian assistance which can be provided without a national interest waiver.

MEMORANDUM OF JUSTIFICATION FOR MAJOR DRUG TRANSIT FOR ILLICIT DRUG PRODUCING COUNTRIES FOR FY 2014

Venezuela

During the past 12 months the Venezuelan government failed demonstrably to make sufficient efforts to meet its obligations under international counternarcotics agreements or to uphold the counternarcotics measures set forth in Section 489(a) (1) of the Foreign Assistance Act of 1961 (FAA), as amended. A national interest waiver for Fiscal Year 2014 for Venezuela permits support for programs vital to the national interests of the United States, such as democracy building.

Venezuela's porous border with Colombia, weak judicial system, selective and inadequate international counternarcotics cooperation, and permissive and corrupt environment make the country one of the preferred trafficking routes for illegal drugs leaving South America. As a matter of policy, Venezuela does not encourage or facilitate illegal activity involving drug trafficking. Individual members of the government and security forces, however, were credibly reported to have engaged in or facilitated drug trafficking activities. Nearly all detected illegal drug flights arriving in Honduras, the region's largest center for airborne drug smuggling, originate from Venezuela. Moreover, the majority of detected illegal flights departing Central America and returning to South America land first in western Venezuela.

Venezuelan authorities reported seizing 45 metric tons of illegal drugs in 2012, an increase of three metric tons from 2011, but an overall decrease of 18 metric tons compared to 2010. While Venezuela publicly reports such seizures, it does not systematically share the data or evidence needed to verify the destruction of the drugs. The country also published statistics on arrests and convictions for drug possession and trafficking, although no information was available on the nature or severity of the drug arrests or convictions. Venezuela is party to all relevant international drug and crime control agreements, including the 1988 UN Convention.

Since ceasing formal cooperation with the U.S. Drug Enforcement Administration in 2005, the Venezuelan government has maintained only limited counternarcotics cooperation with the United States. Cooperation consists mainly of coordination of fugitive deportations from Venezuela to the United States and bilateral maritime interdiction operations. However,

Venezuela did not provide follow-up information to the United States on the drug trafficking organizations involved or the prosecution of the suspects as it relates to maritime interdictions. Venezuela's limited international counternarcotics cooperation calls into question the government's intent to uphold its international commitment to combat drug trafficking.

Venezuela has not signed the updated addendum to the 1978 Bilateral Counternarcotics Memorandum of Understanding that was negotiated in 2005.

In the context of increased cooperation within the region, Venezuela took some noteworthy steps, including continuing to deport fugitives to Colombia and other countries. In 2012, Venezuela deported to Colombia high-profile traffickers including Daniel "El Loco" Barrera Barrera, Jorge Milton "JJ" Cifuentes Villa, and in 2013, Juan Carlos Peña Silva.

The Venezuelan government, however, did not take action against government and military officials known to be linked to the Revolutionary Armed Forces of Colombia (FARC). In September 2011, the Department of the Treasury designated four senior Venezuelan government officials - pursuant to the Foreign Narcotics Kingpin Designation Act - as acting for or on behalf of the FARC, in support of narcotics and arms trafficking activities. In 2008, also in accord with the Kingpin Act, the Treasury designated two other senior Venezuelan government officials as well as a third Venezuelan, a former minister of justice and interior, for materially assisting the narcotics trafficking activities of the FARC.

Pursuant to section 706 of the Foreign Relations Authorization Act of Fiscal Year 2003, while Venezuela has failed demonstrably, this national interest waiver under the FAA allows the continuation of U.S. bilateral assistance programs to Venezuela, in addition to counternarcotics and humanitarian assistance which can be provided without a national interest waiver.

POLICY AND PROGRAM DEVELOPMENTS

Overview

Volume I of the 2014 International Narcotics Control Strategy Report provides an overview of steps taken during the previous year by the governments of nearly 90 countries to reduce illicit narcotics production, trafficking, and use. These goals have been a shared international obligation endorsed by nearly all governments for over 60 years, dating back to the creation of the 1961 United Nations Single Convention on Narcotic Drugs. The Single Convention was a pioneering effort and its core principle – that no country can succeed alone in protecting its citizens against the threats of dangerous drugs – remains as true today as it was over a half century ago.

International cooperation is essential, and the goal of protecting citizens from the consequences of harmful drugs is universally acknowledged by all governments. Despite occasional conflicting opinions over specific tactics, there is universal agreement over common goals: greater citizen security, honest governments untainted by corruption, and sustainable economic development safeguarded by the rule of law.

The international community remains committed to this common vision, and has pursued common strategies to achieve these goals for several decades. It has always been an evolving process, and our tactics have never been static. The United States agrees with many governments and civil society observers that we must be open to new approaches and to testing our assumptions. Experience is a great guide, and most of the world's governments are now preparing for the next UN General Assembly Special Session on Drugs in 2016. This preparatory process is an attempt to draw lessons from our experiences over the past decade and to identify what has worked, what has not, and what we might do better. The United States will offer the following broad lessons for consideration.

First, reducing the threat of dangerous drugs cannot be the exclusive responsibility of law enforcement agencies. Educators, civil society, public-health professionals and the business community all have essential roles to play. In particular, much work remains to be done in reducing demand for dangerous and illegal drugs. In the United States, we have made significant progress over the long term, with overall drug use declining by nearly one-third over the past 30 years. Cocaine use has dropped even more, by roughly 40 percent since 2008. Domestically, the United States is committed to preventing, treating, and providing recovery support services for Americans with substance abuse disorders based on effective, science-driven public health interventions. Internationally, the United States will continue to share examples of effective practices with partners that face similar challenges, and will support capacity-building and training activities for service providers in drug prevention, intervention, treatment, and recovery.

Next, we must focus on the criminal organizations that traffic the largest volumes of the most dangerous drugs. Prioritizing resources to target the most dangerous criminal enterprises is both strategically sound and fiscally prudent. The U.S. National Drug Control Strategy is committed to expanding innovative "smart on crime" strategies proven to help break the cycle of drug use, crime, arrest, and incarceration, while protecting public safety. The United States supports reforms to lower incarceration rates for personal drug use, such as the expansion of specialized courts that divert non-violent drug offenders into treatment instead of prison. The United States

also supports diversion programs that identify first-time offenders who have a substance-use disorder and provide community health services instead of a jail cell or arrest record. Reentry programs that help guide former offenders back into society, support their recovery from addiction, and help them avoid a return to the criminal justice system are also important.

The United States will continue to share examples of these reform initiatives internationally, and provide advice and assistance to governments seeking to reform their own policies and institutions.

Governments cannot overcome the threat of drugs by jailing everyone who chooses to violate the law through consumption or possession of illegal drugs, but they can and must cooperate to dismantle the large, multinational, multi-billion dollar criminal enterprises that dominate the drug trade in most countries. These modern transnational criminal networks have become more sophisticated, engaging in multiple varieties of crime, including trafficking in persons, environmental crimes and illicit trafficking in firearms. These activities produce hundreds of billions of dollars annually in laundered proceeds that distort legitimate economies, undercut sustainable development, and undermine democratic institutions.

Targeting these transnational criminal enterprises requires strong and effective criminal justice institutions. All links in the criminal justice continuum – police, courts, and corrections – must be capable of effectively delivering justice and enabling international cooperation. If all links in this chain are not addressed, sophisticated criminal organizations will exploit the weakest link. The United States will continue to support the efforts of governments committed to the difficult but necessary process of reforming and strengthening their criminal justice institutions. These holistic reforms require long-term commitment and political will, but sustainable progress is possible, as evidenced by the achievements of countries such as Colombia, which has made remarkable strides in reducing the power and influence of drug-fueled criminal organizations that only a decade ago challenged the authority of the central government.

Thirdly, the international community must also increase cooperation to prevent the abuse of prescription drugs and the spread of synthetic drugs. The production and use of synthetic drugs continues to expand to new markets around the world, and represent the most urgent drug control challenge for many of the countries featured in this report. A November 2013 study by the UN Office of Drugs and Crime (UNODC) estimated that methamphetamine is now the first or second most used illicit drug in 13 of 15 countries surveyed from the Asia Pacific region. Controlling the spread of these substances requires enhanced demand reduction and treatment efforts as well as effective cooperation with governments and private industry to prevent the diversion from legitimate industry of chemicals that are needed to produce illegal drugs. To advance these goals, the United States joined with the International Narcotics Control Board (INCB) to sponsor a conference on December 2, 2013 that brought together over 100 technical experts and policy officials from 24 governments and international organizations to identify weaknesses in the current chemical control regime and recommend improvements.

The United States also shares the concern of many countries over the spread of new psychoactive substances (NPS) – designer drugs that are produced and introduced faster than they can be scheduled for international enforcement, many of which are extremely dangerous. The number

of NPS reported by governments to UNODC rose from 166 in 2009 to over 250 by mid-2012, an increase of more than 50 percent. For the first time, the number of NPS actually exceeded the total number of substances under international control (234). The United States will continue working with partners, including UNODC, to establish an effective global early warning system to inform authorities of emerging substances and to share best practices and lessons-learned in responding to this challenging phenomenon, including new laws and regulations such as expedited scheduling procedures.

Finally, we must remain vigilant to prevent corruption. No criminal enterprise can function at a high-level for very long without penetrating and corrupting government institutions. To give an illustrative example, at an average U.S. retail street price of approximately $100 per gram in 2012, the 42 metric tons of cocaine seized by U.S. federal authorities in 2012 could theoretically have been worth hundreds of millions of dollars to transnational drug syndicates. The second volume of this report covers the threat of money laundering and financial crimes in greater detail.

Wealth on this scale gives large trafficking organizations a practically unlimited capacity to corrupt, particularly in countries where government and law enforcement officials are poorly paid. Corruption is the great force-multiplier of drug traffickers and other organized criminal organizations, and states must integrate strategies to deter, detect, and eliminate corruption across their criminal justice systems. To promote this process, the United States supports the development of shared international standards on combating corruption and, through diplomacy and assistance, promotes the implementation of these standards by international partners.

These are formidable challenges, and the United States claims no monopoly on how to best address them. We are willing to learn from the experience of others and are open to consideration of new approaches. The United States believes that the collective international community is better positioned to meet these challenges than several decades ago, and the international legal frameworks we have created together with our partners have served us well. The international community's task moving forward is to consider how to build on this foundation to achieve greater international cooperation and achieve the sustainable progress that our citizens deserve.

Demand Reduction

Drug demand reduction is a key foreign policy tool for addressing the interconnected threats of drugs, crime, and violence. It is also a critical component in efforts to stop the spread of HIV/AIDS in countries with high numbers of intravenous drug users. Consequently, the goal of demand reduction strategies calls for a comprehensive, balanced approach to the drug-problem that targets prevention, intervention, treatment and recovery, research, and international cooperation.

Recognizing that drug addiction is a major public health threat, and that drug addiction is a preventable and treatable disease, many foreign countries are requesting INL-sponsored technical assistance to improve development of effective policy and programs. INL works closely with international partners to coordinate and place into practice, capacity building and training activities for service providers in drug prevention, intervention, treatment, and recovery. In addition, INL promotes the sharing of critical information and evidence-based studies, in order to promote and preserve the stability of societies that are threatened by the narcotics trade.

The program has three major objectives: (1) significantly reduce drug use, related crime, and violence in targeted country populations, (2) significantly delay onset of first use in the targeted country population and (3) improve treatment delivery. In achieving these objectives, INL supports the following:

- Capacity building and training aimed to educate governments and public organizations on science-based and best practices in drug prevention, intervention, treatment and recovery;
- Development of regional and international drug-free community coalitions, involving law enforcement and public/private social institutions;
- Research, development, and evaluation efforts to determine the effectiveness of drug prevention and treatment programs; and
- Dissemination of science-based information and knowledge transfer through multilateral and regional organizations.

Recognizing that there are gender differences in the development and pattern of substance use disorders, INL is also supporting technical assistance addressing gender-related drug abuse and related violence.

Significant completed and ongoing INL-funded demand reduction projects for Fiscal Year 2013 included:

Child Addition Initiative: INL is supporting the development of the world's first protocols to treat drug-addicted children. Brazil and neighboring Southern Cone countries report that inexpensive crack cocaine is readily available resulting in a significant increase in child addicts and lowering the age range of crack use to 5-8 years of age. Protocols are also being developed to treat opium and heroin-addicted children (ages infancy – 12) in Afghanistan and children in East Africa.

Women Drug Treatment Initiatives: INL is supporting research-based prevention, treatment, and recovery programs in key drug producing/using countries that improve services for addicted women and their children, a chronically under-served and stigmatized population. INL also supports the development of a training curriculum that addresses the unique needs of female addicts worldwide.

Pregnant and Addicted Women: The UNODC and WHO in collaboration with Johns Hopkins University was supported by INL to develop the first universal protocols for pharmacological detoxification and psycho-social interventions for the treatment of pregnant and addicted women. The guidelines for the treatment of substance use disorders during pregnancy will provide guidance and support for front-line service providers around the world in developing treatment and prevention interventions for pregnant women.

UNODC: INL continues to support UNODC global programs that provide comprehensive treatment provider training and technical assistance to improve treatment delivery systems in Asia, Africa and Latin America. The primary emphasis of these initiatives is to share drug treatment best practices with the aim to improve the quality of services and to guide policy makers in programming.

Colombo Plan and Organization of American States: INL is supporting the work of the Organization of American States and Colombo Plan to establish a national-level counselor certification system for drug addiction counselors, aimed at improving the delivery of drug treatment services and management skills in select countries of Latin America, Asia, and Africa. South Asia, a region of strategic importance to U.S. foreign policy objectives, is also home to the world's largest drug prevalence rates.

Drug-Free Communities: INL is supporting the drug-free communities program which assists community groups in forming and sustaining effective community and anti-drug coalitions that fight illegal drugs. The goal of the coalitions is to bring citizens together to prevent and reduce drug use among youth. INL support has resulted in the establishment of approximately 100 active coalitions in several communities in 17 countries around the world.

Afghanistan: INL currently supports 76 residential and outpatient treatment centers in Afghanistan. The centers provide treatment for adult males and females, adolescent males, adolescent females, and children. INL also supports prevention programs throughout Afghanistan, including the delivery of preventive drug education in the school curricula, mobile exhibit and street theater programs, and engagement of religious leaders in supporting drug prevention activities.

Methodology for U.S. Government Estimates of Illegal Drug Production

Introduction

Illegal narcotics are grown, refined, trafficked, and sold on the street by criminal enterprises that attempt to conceal every step of the process. Accurate estimates of such criminal activity are difficult to produce. The estimates on illicit drug production presented in the INCSR represent the United States government's best effort to sketch the current dimensions of the international drug problem. They are based on agricultural surveys conducted with satellite imagery and scientific studies of crop yields and the likely efficiency of typical illicit refining labs. As we do every year, we publish these estimates with an important caveat: they are *estimates*. While we must express our estimates as numbers, these numbers should not be seen as precise figures. Rather, they represent the midpoint of a band of statistical probability that gets wider as additional variables are introduced and as we move from cultivation to harvest to final refined drug. Although these estimates can be useful for determining trends, even the best U.S. government estimates are ultimately only approximations.

As needed, we revise our estimate process-and occasionally the estimates themselves-in the light of field research. The clandestine, violent nature of the illegal drug trade makes such field research difficult. Geography is also an impediment, as the harsh terrain on which many drugs are cultivated is not always easily accessible. This is particularly relevant given the tremendous geographic areas that must be covered, and the difficulty of collecting reliable information over diverse and treacherous terrain. Weather also impacts our ability to gather data, particularly in the Andes, where cloud-cover can be a major problem.

Improved technologies and analysis techniques may also produce revisions to United States government estimates of potential drug production. This is typical of annualized figures for most other areas of statistical tracking that must be revised year to year, whether the subject of analysis is the size of the U.S. wheat crop, population figures, or the reports of the unemployment rate. When possible, we apply these new techniques to previous years' data and adjust appropriately, but often, especially in the case of new technologies, we can only apply them prospectively. For the present, these illicit drug statistics represent the state of the art. As new information becomes available and as the art and science improve, so will the accuracy of the estimates.

Cultivation Estimates

With limited personnel and technical resources, we cannot look at an entire country for any hint of illicit cultivation. Analysts must, therefore concentrate their efforts on those areas that are most *likely* to have cultivation. Each year they review eradication data, seizure data, law enforcement investigations information, the previous year's imagery, and other information to determine the areas likely to have cultivation, and revise and update the search area if possible. They then estimate cultivation in the new survey area using proven statistical techniques.

The resultant estimates meet the U.S. government's need for an annual estimate of cultivation for each country. They also help with eradication, interdiction and other law enforcement operations. As part of the effort to provide a better and more comprehensive assessment, the areas surveyed are often expanded and changed, so direct comparison with previous year estimates may not be possible.

Production Estimates

Illicit crop productivity depends upon a number of factors. Changes in weather, farming techniques, soil fertility, and disease prevalence can produce widely varying results from year to year and place to place. Although most illicit drug crop areas are not easily accessible to the United States government, making scientific information difficult to obtain, we continually strive to improve our production estimates. The relative productivity of poppy crops can be estimated using imagery, and our confidence in coca leaf yield estimates continues to improve in the past few years as a result of field studies conducted in Latin America. Such studies led to a reduction in our estimates of average productivity for fields that had been sprayed with herbicide, but not completely destroyed. In such fields, some, but not all of the coca bushes survive. The farmers of the illicit crop either plant new bushes among the surviving plants or let what is left grow until harvest. In either case, the average yield of such plots is considerably less than if it had not been sprayed. Multiple studies in the same growing area over several years have helped us understand and measure the effects of eradication and other factors average yield.

Coca fields which are less than a year old ("new fields") produce much less leaf than mature fields. In Colombia, for example, fields might get their first small harvest at six months of age; in Bolivia fields are usually not harvested in their first year. The U.S. government estimates include the proportion of new fields detected each year and adjust leaf production accordingly.

Processing Estimates

The wide variation in processing efficiency achieved by traffickers complicates the task of estimating the quantity of cocaine or heroin that could be refined from a crop. Differences in the origin and quality of the raw material used, the technical processing method employed, the size and sophistication of laboratories, the skill and experience of local workers and chemists, and decisions made in response to enforcement pressures all affect production.

The U.S. government estimates for coca leaf, cocaine, marijuana, opium, and heroin production are *potential* estimates; that is, it is assumed that all of the coca, marijuana, and poppy grown is harvested and processed into illicit drugs. This is a reasonable assumption for coca leaf in Colombia. In Bolivia and Peru, however, the U.S. government potential cocaine production estimates are overestimated to some unknown extent since significant amounts of coca leaf are locally chewed and used in products such as coca tea. In Southwest and Southeast Asia, it is not unrealistic to assume that virtually all poppy is harvested for opium gum, but substantial amounts of the opium are consumed as opium rather than being processed into heroin. (The proportion of opium ultimately processed into heroin is unknown.)

Other International Estimates

The United States helps fund estimates done by the United Nations in some countries. These estimates use slightly different methodologies, but also use a mix of imagery and ground-based observations. The UN estimates are often used to help determine the response of the international donor community to specific countries or regions.

There have been some efforts, for Colombia in particular, for the United States and the UN to understand each other's methodologies in the hope of improving both sets of estimates. These efforts are ongoing.

This report also includes data on drug production, trafficking, seizures, and consumption that come from host governments or NGOs. Such data is attributed to the source organization, especially when we cannot independently verify it.

Worldwide Potential Illicit Drug Production 2005-2013

(all figures in metric tons)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Opium									
Afghanistan	4,475	5,644	8,000	5,500	5,300	3,200	4,400	4,300	5,500
Burma	380	230	270	340	305	530	450		795
Colombia		37	15		17				
Guatemala	4						4	6	in process
Laos	28	8.5	6	17	12	23	57		
Mexico	71	108	150	325	425	300	250	219	in process
Pakistan	32	36		26	26				in process
Total Opium	**4,990**	**6,064**	**8,441**	**6,208**	**6,085**	**4,053**	**5,161**	**4,525**	
Coca Leaf									
Bolivia	36,000	37,000	38,500	36,500	35,500	34,000	39,500	32,500	in process
Colombia	145,000	147,000	134,000	82,500	77,500	69,500	52,500	48,000	in process
Peru	53,500	54,500	43,500	44,000	46,000	66,500	62,500	58,500	in process
Total Coca Leaf*	**234,500**	**238,500**	**216,000**	**163,000**	**159,000**	**170,000**	**154,500**	**139,000**	in process
Potential Pure Cocaine									
Bolivia	115	115	130	165	165	160	190	155	in process
Colombia	500	510	470	280	280	255	190	175	in process
Peru	260	265	210	215	225	325	305	290	305
Total Potential Pure Cocaine	**875**	**890**	**810**	**660**	**670**	**740**	**685**	**620**	
Potential Export Quality Cocaine									
Bolivia	155	130	140	180	185	180	215	180	in process
Colombia	590	600	570	350	370	345	255	225	in process
Peru	290	295	240	245	260	375	375	375	385
Total Potential Pure Cocaine	**1,035**	**1,025**	**950**	**775**	**815**	**900**	**845**	**780**	
Cannabis									
Mexico (marijuana)	10,100	15,500	15,800	21,500					
Total Cannabis	**10,100**	**15,500**	**15,800**	**21,500**					

Note on Mexico marijuana production: No production estimates for 2009-2013 due to lack of reliable yield data

Worldwide Illicit Drug Crop Cultivation 2005-2013

(all figures in hectares)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Poppy									
Afghanistan	107,400	172,600	202,000	157,000	131,000	119,000	115,000	180,000	198,000
Burma	40,000	21,000	21,700	22,500	19,000	45,500	36,500		51,000
Colombia		2,300	1,000		1,100				
Guatemala	100						220	310	in process
Laos	5,600	1,700	1,100	1,900	940	1,800	4,400		
Mexico	3,300	5,100	6,900	15,000	19,500	14,000	12,000	10,500	in process
Pakistan	770	980		700	705				in process
Total Poppy	**157,170**	**203,680**	**232,700**	**197,100**	**172,245**	**180,300**	**168,120**	**190,810**	
Coca									
Bolivia	21,500	21,500	24,000	26,500	29,000	29,000	25,500	25,000	in process
Colombia	144,000	157,000	167,000	119,000	116,000	100,000	83,000	78,000	in process
Peru	34,000	42,000	36,000	41,000	40,000	53,000	49,500	50,500	59,500
Total Coca	**199,500**	**220,500**	**227,000**	**186,500**	**185,000**	**182,000**	**158,000**	**153,500**	
Cannabis									
Mexico	5,600	8,600	8,800	12,000	17,500	16,500	12,000	11,500	in process
Total Cannabis	**5,600**	**8,600**	**8,800**	**12,000**	**17,500**	**16,500**	**12,000**	**11,500**	

Note on Colombia poppy cultivation:	No estimates in 2005, 2008, and 2010-2013 due to cloud cover.
Note on Guatemala poppy	2011 survey limited to fall season in San Marcos and Huehuetenango only.

cultivation:	
Note on Laos poppy cultivation:	Estimates for 2009-2010 are for Phongsali only. Survey area for 2011 was significantly expanded to include parts of Louang Namtha.
Note on Mexico poppy cultivation:	2011 and later surveys incorporate a major methodological change; 2005-2010 estimates are indicative of trends only and overstate actual cultivation.
Note on Pakistan poppy cultivation:	2005, 2006, and 2008 estimates are for Bara River Valley in Khyber Agency only. 2009 estimate is for Khyber, Mohmand, and Bajaur Agencies only.

Parties to UN Conventions

(with dates ratified/acceded)

As of 31 December, 2013

Country	Convention Against Transnational Organized Crime	1988 UN Drug Convention	Convention Against Corruption
1. Afghanistan	24 September 2003	14 February 1992	25 August 2008
2. Albania	21 August 2002	27 June 2001	25 May 2006
3. Algeria	7 October 2002	9 May 1995	25 August 2004
4. Andorra	22 September 2011	23 July 1999	
5. Angola	1 April 2013	26 October 2005	29 August 2006
6. Antigua and Barbuda	24 July 2002	5 April 1993	21 June 2006
7. Argentina	19 November 2002	28 June 1993	28 August 2006
8. Armenia	1 July 2003	13 September 1993	8 March 2007
9. Australia	27 May 2004	16 November 1992	7 December 2005
10. Austria	23 September 2004	11 July 1997	11 January 2006
11. Azerbaijan	30 October 2003	22 September 1993	1 November 2005
12. Bahamas	26 September 2008	30 January 1989	10 January 2008
13. Bahrain	7 June 2004	7 February 1990	5 October 2010
14. Bangladesh	13 July 2011	11 October 1990	27 February 2007
15. Barbados		15 October 1992	
16. Belarus	25 June 2003	15 October 1990	17 February 2005
17. Belgium	11 August 2004	25 October 1995	25 September 2008
18. Belize	26 September 2003	24 July 1996	
19. Benin	30 August 2004	23 May 1997	14 October 2004
20. Bhutan		27 August 1990	
21. Bolivia	10 October 2005	20 August 1990	5 December 2005
22. Bosnia and Herzegovina	24 April 2002	1 September 1993	26 October 2006
23. Botswana	29 August 2002	13 August 1996	27 June 2011
24. Brazil	29 January 2004	17 July 1991	15 June 2005
25. Brunei Darussalam	25 March 2008	12 November 1993	2 December 2008
26. Bulgaria	5 December 2001	24 September 1992	20 September 2006

27. Burkina Faso	15 May 2002	2 June 1992	10 October 2006
28. Burundi	24 May 2012	18 February 1993	10 March 2006
29. Cambodia	12 December 2005	7 July 2005	5 September 2007
30. Cameroon	6 February 2006	28 October 1991	6 February 2006
31. Canada	13 May 2002	05 July 1990	2 October 2007
32. Cabo Verde	15 July 2004	8 May 1995	23 April 2008
33. Central African Republic	14 September 2004	15 October 2001	6 October 2006
34. Chad	18 August 2009	9 June 1995	
35. Chile	29 November 2004	13 March 1990	13 September 2006
36. China	23 September 2003	25 October 1989	13 January 2006
37. Colombia	4 August 2004	10 June 1994	27 October 2006
38. Comoros	25 September 2003	1 March 2000	11 October 2012
39. Congo		3 March 2004	13 July 2006
40. Cook Islands	4 March 2004	22 February 2005	17 October 2011
41. Costa Rica	24 July 2003	8 February 1991	21 March 2007
42. Cote d'Ivoire	25 October 2012	25 November 1991	25 October 2012
43. Croatia	24 January 2003	26 July 1993	24 April 2005
44. Cuba	9 February 2007	12 June 1996	9 February 2007
45. Cyprus	22 April 2003	25 May 1990	23 February 2009
46. Czech Republic	24 September 2013	30 December 1993	29 November 2013
47. Democratic People's Republic of Korea		19 March 2007	
48. Democratic Republic of the Congo	28 October 2005	28 October 2005	23 September 2010
49. Denmark	30 September 2003	19 December 1991	26 December 2006
50. Djibouti	20 April 2005	22 February 2001	20 April 2005
51. Dominica	17 May 2013	30 June 1993	28 May 2010
52. Dominican Republic	26 October 2006	21 September 1993	26 October 2006
53. Ecuador	17 September 2002	23 March 1990	15 September 2005
54. Egypt	5 March 2004	15 March 1991	25 February 2005
55. El Salvador	18 March 2004	21 May 1993	1 July 2004
56. Equatorial Guinea	7 February 2003		
57. Eritrea		30 January 2002	
58. Estonia	10 February 2003	12 July 2000	12 April 2010
59. Ethiopia	23 July 2007	11 October 1994	26 November 2007
60. European Union	21 May 2004	31 December 1990	12 November 2008
61. Fiji		25 March 1993	14 May 2008
62. Finland	10 February 2004	15 February 1994	20 June 2006
63. France	29 October 2002	31 December 1990	11 July 2005

64. Gabon	15 December 2004	10 July 2006	1 October 2007
65. Gambia	5 May 2003	23 April 1996	
66. Georgia	5 September 2006	8 January 1998	4 November 2008
67. Germany	14 June 2006	30 November 1993	
68. Ghana	21 August 2012	10 April 1990	27 June 2007
69. Greece	11 January 2011	28 January 1992	17 September 2008
70. Grenada	21 May 2004	10 December 1990	
71. Guatemala	25 September 2003	28 February 1991	3 November 2006
72. Guinea	9 November 2004	27 December 1990	29 May 2013
73. Guinea-Bissau	10 September 2007	27 October 1995	10 September 2007
74. Guyana	14 September 2004	19 March 1993	16 April 2008
75. Haiti	19 April 2011	18 September 1995	14 September 2009
76. Holy See	25 January 2012	25 January 2012	
77. Honduras	2 December 2003	11 December 1991	23 May 2005
78. Hungary	22 December 2006	15 November 1996	19 April 2005
79. Iceland	13 May 2010	2 September 1997	1 March 2011
80. India	5 May 2011	27 March 1990	9 May 2011
81. Indonesia	20 April 2009	23 February 1999	19 September 2006
82. Iran		7 December 1992	20 April 2009
83. Iraq	17 March 2008	22 July 1998	17 March 2008
84. Ireland	17 June 2010	3 September 1996	9 November 2011
85. Israel	27 December 2006	20 May 2002	4 February 2009
86. Italy	2 August 2006	31 December 1990	5 October 2009
87. Jamaica	29 September 2003	29 December 1995	5 March 2008
88. Japan		12 June 1992	
89. Jordan	22 May 2009	16 April 1990	24 February 2005
90. Kazakhstan	31 July 2008	29 April 1997	18 June 2008
91. Kenya	16 June 2004	19 October 1992	9 December 2003
92. Korea, Republic of		28 December 1998	27 March 2008
93. Kiribati	15 September 2005		27 September 2013
94. Kuwait	12 May 2006	3 November 2000	16 February 2007
95. Kyrgyz Republic	2 October 2003	7 October 1994	16 September 2005
96. Lao Peoples Democratic Republic	26 September 2003	1 October 2004	25 September 2009
97. Latvia	7 December 2001	24 February 1994	4 January 2006
98. Lebanon	5 October 2005	11 March 1996	22 April 2009
99. Lesotho	24 September 2003	28 March 1995	16 September 2005
100. Liberia	22 September 2004	16 September 2005	16 September 2005
101. Libya	18 June 2004	22 July 1996	7 June 2005

102. Liechtenstein	20 February 2008	9 March 2007	8 July 2010
103. Lithuania	9 May 2002	8 June 1998	21 December 2006
104. Luxembourg	12 May 2008	29 April 1992	6 November 2007
105. Macedonia, Former Yugoslav Rep.	12 January 2005	13 October 1993	13 April 2007
106. Madagascar	15 September 2005	12 March 1991	22 September 2004
107. Malawi	17 March 2005	12 October 1995	4 December 2007
108. Malaysia	24 September 2004	11 May 1993	24 September 2008
109. Maldives	4 February 2013	7 September 2000	22 March 2007
110. Mali	12 April 2002	31 October 1995	18 April 2008
111. Malta	24 September 2003	28 February 1996	11 April 2008
112. Marshall Islands	15 June 2011	5 November 2010	17 November 2011
113. Mauritania	22 July 2005	1 July 1993	25 October 2006
114. Mauritius	21 April 2003	6 March 2001	15 December 2004
115. Mexico	4 March 2003	11 April 1990	20 July 2004
116. Micronesia, Federal States of	24 May 2004	6 July 2004	21 March 2012
117. Moldova	16 September 2005	15 February 1995	1 October 2007
118. Monaco	5 June 2001	23 April 1991	
119. Mongolia	27 June 2008	25 June 2003	11 January 2006
120. Montenegro	23 October 2006	23 October 2006	23 October 2006
121. Morocco	19 September 2002	28 October 1992	9 May 2007
122. Mozambique	20 September 2006	8 June 1998	9 April 2008
123. Myanmar (Burma)	30 March 2004	11 June 1991	20 December 2012
124. Namibia	16 August 2002	6 March 2009	3 August 2004
125. Nauru	12 July 2012	12 July 2012	12 July 2012
126. Nepal	23 December 2011	24 July 1991	31 March 2011
127. Netherlands	26 May 2004	8 September 1993	31 October 2006
128. New Zealand	19 July 2002	16 December 1998	
129. Nicaragua	9 September 2002	4 May 1990	15 February 2006
130. Niger	30 September 2004	10 November 1992	11 August 2008
131. Nigeria	28 June 2001	1 November 1989	14 December 2004
132. Niue	16 July 2012	16 July 2012	
133. Norway	23 September 2003	14 November 1994	29 June 2006
134. Oman	13 May 2005	15 March 1991	
135. Pakistan	13 January 2010	25 October 1991	31 August 2007
136. Palau			24 March 2009
137. Panama	18 August 2004	13 January 1994	23 September 2005
138. Papa New Guinea			16 July 2007
139. Paraguay	22 September 2004	23 August 1990	1 June 2005

140. Peru	23 January 2002	16 January 1992	16 November 2004
141. Philippines	28 May 2002	7 June 1996	8 November 2006
142. Poland	12 November 2001	26 May 1994	15 September 2006
143. Portugal	10 May 2004	3 December 1991	28 September 2007
144. Qatar	10 March 2008	4 May 1990	30 January 2007
145. Romania	4 December 2002	21 January 1993	2 November 2004
146. Russia	26 May 2004	17 December 1990	9 May 2006
147. Rwanda	26 September 2003	13 May 2002	4 October 2006
148. St. Kitts and Nevis	21 May 2004	19 April 1995	
149. St. Lucia	16 July 2013	21 August 1995	25 November 2011
150. St. Vincent and the Grenadines	29 October 2010	17 May 1994	
151.Samoa		19 August 2005	
152. San Marino	20 July 2010	10 October 2000	
153. Sao Tome and Principe	12 April 2006	20 June 1996	12 April 2006
154. Saudi Arabia	18 January 2005	9 January 1992	29 April 2013
155. Senegal	27 September 2003	27 November 1989	16 November 2005
156. Serbia	6 September 2001	12 March 2001	20 December 2005
157. Seychelles	22 April 2003	27 February 1992	16 March 2006
158. Sierra Leone		6 June 1994	30 September 2004
159. Singapore	28 August 2007	23 October 1997	6 November 2009
160. Slovakia	3 December 2003	28 May 1993	1 June 2006
161. Slovenia	21 May 2004	6 July 1992	1 April 2008
162. Solomon Islands			6 January 2012
163. South Africa	20 February 2004	14 December 1998	22 November 2004
164. Spain	1 March 2002	13 August 1990	19 June 2006
165. Sri Lanka	22 September 2006	6 June 1991	31 March 2004
166. Sudan	10 December 2004	19 November 1993	
167. Suriname	25 May 2007	28 October 1992	
168. Swaziland	24 September 2012	3 October 1995	24 September 2012
169. Sweden	30 April 2004	22 July 1991	25 September 2007
170.Switzerland	27 October 2006	14 September 2005	24 September 2009
171. Syria	8 April 2009	3 September 1991	
172. Tajikistan	8 July 2002	6 May 1996	25 September 2006
173. Thailand	17 October 2013	3 May 2002	1 March 2011
174. Tanzania	24 May 2006	17 April 1996	25 May 2005
175. Timor-Leste	9 November 2009		27 March 2009
176. Togo	2 July 2004	1 August 1990	6 July 2005
177. Tonga		29 April 1996	

178. Trinidad and Tobago	6 November 2007	17 February 1995	31 May 2006
179. Tunisia	19 July 2003	20 September 1990	23 September 2008
180. Turkey	25 March 2003	2 April 1996	9 November 2006
181. Turkmenistan	28 March 2005	21 February 1996	28 March 2005
182. UAE	7 May 2007	12 April 1990	22 February 2006
183. Uganda	9 March 2005	20 August 1990	9 September 2004
184. Ukraine	21 May 2004	28 August 1991	2 December 2009
185. United Kingdom	9 February 2006	28 June 1991	9 February 2006
186. United States	3 November 2005	20 February 1990	30 October 2006
187. Uruguay	4 March 2005	10 March 1995	10 January 2007
188. Uzbekistan	9 December 2003	24 August 1995	29 July 2008
189. Vanuatu	4 January 2006	26 January 2006	12 July 2011
190. Venezuela	13 May 2002	16 July 1991	2 February 2009
191. Vietnam	8 June 2012	4 November 1997	19 August 2009
192. Yemen	8 February 2010	25 March 1996	7 November 2005
193. Zambia	24 April 2005	28 May 1993	7 December 2007
194. Zimbabwe	12 December 2007	30 July 1993	8 March 2007

USG ASSISTANCE

Department of State Budget

Counter-Narcotics Program Area

$ in thousands for all items	FY 2013 Initial Actual	FY 2014 Request
TOTAL	**689,831**	**611,880**
Africa	**1,050**	**540**
Liberia	**1,050**	**540**
International Narcotics Control and Law Enforcement	**1,050**	**540**
East Asia and Pacific	**2,950**	**2,675**
Indonesia	**450**	**475**
International Narcotics Control and Law Enforcement	**450**	**475**
Laos	**600**	**200**
International Narcotics Control and Law Enforcement	**600**	**200**
Timor-Leste	**100**	**-**
International Narcotics Control and Law Enforcement	**100**	**-**
State East Asia and Pacific Regional	**1,800**	**2,000**
International Narcotics Control and Law Enforcement	**1,800**	**2,000**
Europe and Eurasia	**1,460**	**121**
Ukraine	**-**	**121**
International Narcotics Control and Law Enforcement	**-**	**121**
Europe and Eurasia Regional	**1,460**	**-**
International Narcotics Control and Law Enforcement	**1,460**	**-**
Near East	**1,165**	**1,000**
Iraq	**1,165**	**1,000**
International Narcotics Control and Law Enforcement	**1,165**	**1,000**
South and Central Asia	**221,730**	**209,241**
Afghanistan	**199,772**	**187,918**
Economic Support Fund	**53,666**	**50,000**
International Narcotics Control and Law Enforcement	**146,106**	**137,918**
Kazakhstan	**799**	**385**
International Narcotics Control and Law Enforcement	**799**	**385**
Kyrgyz Republic	**221**	**714**

International Narcotics Control and Law Enforcement	221	714
Pakistan	12,364	12,243
International Narcotics Control and Law Enforcement	12,364	12,243
Tajikistan	80	565
International Narcotics Control and Law Enforcement	80	565
Turkmenistan	298	260
International Narcotics Control and Law Enforcement	298	260
Uzbekistan	152	156
International Narcotics Control and Law Enforcement	152	156
Central Asia Regional	8,044	7,000
International Narcotics Control and Law Enforcement	8,044	7,000
Western Hemisphere	381,198	330,435
Bolivia	4,996	2,934
International Narcotics Control and Law Enforcement	4,996	2,934
Brazil	1,915	-
International Narcotics Control and Law Enforcement	1,915	-
Colombia	209,946	181,716
Economic Support Fund	82,674	61,633
International Narcotics Control and Law Enforcement	127,272	120,083
Ecuador	3,703	-
International Narcotics Control and Law Enforcement	3,703	-
Haiti	1,300	1,000
International Narcotics Control and Law Enforcement	1,300	1,000
Mexico	43,208	47,650
International Narcotics Control and Law Enforcement	43,208	47,650
Paraguay	500	-
International Narcotics Control and Law Enforcement	500	-
Peru	71,290	52,250
Development Assistance	25,256	27,000
Economic Support Fund	2,834	-
International Narcotics Control and Law Enforcement	43,200	25,250
State Western Hemisphere Regional (WHA)	44,340	44,885
International Narcotics Control and Law Enforcement	44,340	44,885

INL - International Narcotics and Law Enforcement Affairs	**80,278**	**67,868**
INL - CFSP, Critical Flight Safety Program	**8,185**	**7,585**
International Narcotics Control and Law Enforcement	**8,185**	**7,585**
INL - Demand Reduction	**12,499**	**12,500**
International Narcotics Control and Law Enforcement	**12,499**	**12,500**
INL - Inter-regional Aviation Support	**41,958**	**35,195**
International Narcotics Control and Law Enforcement	**41,958**	**35,195**
INL - International Organizations	**3,900**	**3,369**
International Narcotics Control and Law Enforcement	**3,900**	**3,369**
INL - Program Development and Support	**13,736**	**9,219**
International Narcotics Control and Law Enforcement	**13,736**	**9,219**

International Training

International counternarcotics training is managed and funded by the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL), and implemented by various U.S. law enforcement organizations including the Drug Enforcement Administration (DEA), the Federal Bureau of Investigation (FBI), Immigration and Customs Enforcement (ICE), U.S. Customs and Border Patrol (CBP), and U.S. Coast Guard. Major objectives are:

- Contributing to enhanced professionalism of the basic rule of law infrastructure for carrying out counternarcotics law enforcement activities in countries which cooperate with and are considered significant to U.S. narcotics control efforts;

- Improving technical skills of drug law enforcement personnel in these countries; and
- Increasing cooperation between U.S. and foreign law enforcement officials.

INL-funded training supports U.S. counternarcotics priorities worldwide, and focuses on encouraging foreign law enforcement agency self-sufficiency. The overarching goal of U.S. counternarcotics training is to support the development of effective host country enforcement institutions, capable of removing drugs from circulation before they can reach the United States. U.S training can take two forms: as part of a planned bilateral assistance program in target partner countries; and as regional training with international participants from multiple countries. The regional training provided at International Law Enforcement Academies (ILEAs) consists of both general law enforcement training as well as specialized training for mid-level managers in police and other law enforcement agencies.

U.S. bilateral training assistance program works closely with international organizations including the UN Office on Drugs and Crime (UNODC) and the Organization of American States. The U.S. coordinates assistance planning with other donors through mechanisms such as the Dublin Group (an informal body of countries and organizations that provide law enforcement training), and the Paris Pact (an informal network of states dedicated to stopping the spread of Afghan opiates). The U.S. continuously works to promote burden-sharing with our allies in the provision of training, as well as ensuring that our respective efforts are complementary and directed towards common goals.

International Law Enforcement Academies (ILEAs)

The mission of the regional International Law Enforcement Academies (ILEAs) is to support emerging democracies, help protect U.S. interests through international cooperation, and promote social, political and economic stability by combating crime. To achieve these goals, the ILEA program provides high-quality training and technical assistance, supports institution building and enforcement capability development, and fosters relationships between American law enforcement agencies and their counterparts around the world.
Since the first ILEA opened in Budapest in 1995, the program has grown to five academies worldwide, and has provided training to approximately 50,000 students in from countries in Africa, Europe, Asia, and across Latin America. ILEAs offer three different types of programs to address global threats: a core program; specialized courses; and seminars and workshops. The

core program is a six-week intensive professional development program – the Law Enforcement Leadership Development (LELD) – designed for mid-level law enforcement practitioners , and is tailored to region-specific needs and emerging global threats. The core program typically includes 40 to 50 participants, normally from three or more countries. The specialized courses, comprised of about 30 participants, are one or two-week courses for law enforcement or criminal justice officials on a specific topic. Lastly, regional seminars or workshops present various emerging law enforcement topics such as transnational crimes, financial crimes, and counterterrorism.

The ILEAs help to develop an extensive network of alumni who exchange information with their regional and U.S. counterparts and assist in transnational investigations. Many ILEA graduates become the leaders and decision-makers in their respective law enforcement organizations. The Department of State coordinates with the Departments of Justice, Homeland Security and Treasury, and with foreign government counterparts to implement the ILEA program.

Africa. ILEA Gaborone (Botswana) opened in 2001. ILEA Gaborone delivers four core programs annually and also offers specialized courses for police and other criminal justice officials to boost their capacity to work with U.S. and regional counterparts. These courses concentrate on specific methods and techniques in a variety of subjects, such as anti-corruption, financial crimes, border security, crime scene investigations, drug enforcement, firearms, explosives, wildlife investigation, gender-based violence and many others. ILEA Gaborone provided training to approximately 780 students in 2013.

Asia. ILEA Bangkok (Thailand) opened in 1999, and focuses on enhancing regional cooperation against transnational crime threats in Southeast Asia. Courses focus on combating illicit drug trafficking, terrorist financing and financial crimes, illicit wildlife trafficking environmental crimes, and human trafficking. ILEA Bangkok provides one core program and also provides specialized courses on a variety of criminal justice topics each year. ILEA Bangkok trained approximately 1260 students in 2013.

Europe. ILEA Budapest (Hungary) was the first ILEA and was established in 1995. ILEA Budapest delivers four core programs annually and also offers specialized courses on regional threats such as organized crime, environmental and cyber-crime, terrorist financing and financial crimes, women in law enforcement, gender-based violence and many others. ILEA Budapest trained approximately 1225 students in 2013.

Global. ILEA Roswell (New Mexico) opened in September 2001. ILEA Roswell provides the tools necessary to enable partner countries to formulate and execute effective and responsible criminal justice public policy. Unlike other ILEAs, ILEA Roswell draws its recruits from graduates of regional Academies in Budapest, Bangkok, Gaborone, and San Salvador. ILEA Roswell trained approximately 450 students in 2013.

Latin America. ILEA San Salvador (El Salvador) opened in 2005. ILEA San Salvador delivers four core programs annually and also offers specialized courses on regional threats as well as specialized courses for police, prosecutors, and judicial officials. ILEA San Salvador courses concentrate on anti-gangs, human rights, illegal trafficking in drugs, alien smuggling, terrorist

financing and financial crimes. ILEA San Salvador also supports an associate Regional Training Center (RTC) located in Lima, Peru. The RTC augments the delivery of region specific training for countries in the Southern Cone and Andean Regions. ILEA San Salvador trained approximately 1540 students in 2013.

Drug Enforcement Administration (DEA)

The majority of illicit drugs distributed and consumed in America originate in foreign countries. DEA's mission is to enforce the controlled substances laws and regulations of the United States. In furtherance of this mission, DEA targets the cultivation, production, transportation, distribution and financial operations of Drug Trafficking Organizations (DTOs) based in foreign nations and at home. In order to dismantle and disrupt DTOs, DEA and other U.S. agencies work hand in hand with our foreign law enforcement counterparts.

DEA establishes and maintains working relationships with host nations by staffing 86 DEA offices located in 67 countries. DEA's foreign offices act as conduits of information to DEA components in the United States and vice versa. In this manner, investigators are able to target DTOs from the source to the end user. DEA's foreign offices are tasked with the following objectives:

- Conduct bilateral investigations with foreign law enforcement;
- Coordinate counternarcotic intelligence gathering with host governments;
- Conduct training programs for host country police agencies;
- Assist in the development of host country drug law enforcement institutions and develop mutually beneficial law enforcement relationships with foreign law enforcement agencies.

The emphasis placed on each objective is determined by the host nation's unique conditions and circumstances as it relates to their infrastructure and law enforcement capabilities. DEA works side by side with host nation counterparts to develop relevant training, promote intelligence sharing, and support joint operations. The following information highlights the assistance and joint enforcement efforts undertaken by DEA and host nation counterparts in 2013.

Drug Flow Attack Strategy: A key element in combating international drug trafficking is the concerted and coordinated efforts of the inter-agency community to jointly identify chokepoints vulnerable to enforcement efforts and simultaneously direct assets to vigorously target the identified chokepoints on a coordinated and sustained basis. To this end, DEA developed an International Drug Flow Attack Strategy which has the primary objective to cause major disruption to the flow of drugs, money, and chemicals between the source zones and the United States. The strategy includes an integrated intelligence-enforcement process that rests on multiple pillars: intelligence-driven enforcement, sequential operations, and predictive intelligence. To stem the flow of drugs into the United States, DEA will continue to implement this successful Drug Flow Attack Strategy by expanding enforcement initiatives with our global law enforcement partners

International Drug Enforcement Conference (IDEC) in Support of Strengthening International Relations: IDEC was established by DEA in 1983 with the objective of creating a forum for the international community to share drug-related intelligence and to develop operational strategies that can be used to combat transnational, organized criminal organizations involved in the illicit drug trade. Representatives from over 100 countries are participating members of IDEC, and the conference is co-sponsored by the United States and one of the

international participating members each year. It is an operational conference where critical and sensitive issues in international drug enforcement, money laundering, and narco-terrorism are discussed, and operational targets are selected. Recent IDEC meetings have included sessions on the use of the Internet by drug traffickers, Africa's emergence as a global threat in drug trafficking, precursor chemical control, the drug flow attack strategy, and money laundering. The 2013 conference was co-hosted by the Government of the Russian Federation. Regional working groups were held to identify collective targets and goals. Members provided briefings on current investigations related to their collective targets and assessed their progress and evaluated their intelligence on existing and new targets planned for the year ahead.

International Training: DEA has been conducting international counter-narcotics training since 1969. DEA is recognized as the world pioneer in international training and serves as the model for a variety of international law enforcement training efforts. DEA's role has grown to include that of international consultant to law enforcement agencies, as well as foreign governments seeking to develop quality narcotics law enforcement programs, organizational infrastructures, and judicial reforms. The specific courses offered by DEA are continually changing as new curricula are developed and instituted in response to experiences, changes in law enforcement emphasis, current international narcotics trafficking situations, new technologies, and specific requests of the host governments. All DEA international training programs have as a major objective the building of regional working relationships between countries. In 2013, DEA conducted bilateral training seminars for approximately 14,070 participants from 94 countries.

The Special Testing and Research Laboratory Signature Programs: The Heroin and Cocaine Signature Programs (HSP/CSP) at the DEA's Special Testing and Research Laboratory are intelligence gathering, science-based initiatives which determine the geographic origins of heroin and cocaine exhibits. In addition, the laboratory maintains a Methamphetamine Profiling Program (MPP) that determines the synthetic routes and precursors employed in producing methamphetamine. The classification schemes for these programs were developed using authentic exhibits collected from world-wide drug processing laboratories. By collaborating with the host nations, hundreds of such authentics are submitted annually to the laboratory from the DEA foreign country offices. Currently, the laboratory classifies more than 7000 U.S.-seized and foreign drug exhibits every year. The Signature Programs provide the counterdrug intelligence community with science-based heroin and cocaine source data and intelligence information regarding methamphetamine synthesis. The HSP, CSP, and the MPP are viewed as crucial tools to investigate and support strategic intelligence regarding illicit production, trafficking, and availability of these three high profile drugs within the United States and foreign countries.

United States Coast Guard (USCG)

The USCG plays a crucial role in efforts to keep dangerous narcotic drugs moving by sea from reaching the United States. Working within the Department of Homeland Security (DHS) in carrying out its responsibilities within the National Drug Control Strategy, the USCG leverages its unique maritime security authorities, capabilities and partnerships to mitigate risk and improve security in U.S. domestic ports, on the high seas, and abroad. The overarching strategy is to increase maritime border security through a layered security system that begins beyond the country's physical borders. This layered approach begins in foreign ports where the Coast Guard conducts foreign port assessments, leveraging the International Port Security Program to assess the effectiveness of port security and antiterrorism measures. Offshore, maritime patrol aircraft provide broad surveillance capability enabling cutters and USCG law enforcement detachments (LEDET) embarked on U.S. Naval ships and partner nation vessels to respond to potential threats, launch boats and aircraft in adverse sea states, and maintain a presence through all weather conditions. Well before vessels arrive in ports, screening and targeting operations provide critical information regarding vessels, crews, passengers, and cargo destined for the United States. The USCG uses maritime counterdrug bilateral agreements and operating procedures with partner nations to coordinate detection and monitoring (D&M) and interdiction and apprehension (I&A) endgame activities and coordinate joint operations.

D&M and I&A: Detection of narcotics trafficking vessels occurs principally through the collection, analysis, and dissemination of tactical information and strategic intelligence combined with effective sensors operating from land, air and surface assets. The six million square mile transit zone is far too expansive to randomly patrol; targeting information is necessary to focus efforts. Upon detection, the USCG and other U.S. and partner nation law enforcement agencies provide monitoring, relaying data, imagery and position information until an appropriate interdiction asset arrives on scene. The USCG is the lead U.S. federal agency for drug interdiction on the high seas. Interdiction success causes transnational criminal organizations to incur greater costs and decreases their efficiency in moving illicit products to market. A crucial element in USCG success for drug interdiction is the system of agreements with many countries around the world, which permit USCG law enforcement officers to stop, board, and search vessels suspected of transporting narcotics and coordinate law enforcement operations with partner nations.

International Cooperative Efforts: In December 2013, the USCG had 52 personnel deployed abroad to facilitate maritime counterdrug activities including security assistance, intelligence collection and dissemination, and liaison internally and externally. There are 45 maritime counterdrug bilateral agreements or operational procedures in place between the United States and partner nations. These agreements greatly increase the operational reach of U.S. assets, and help partner nations protect their sovereignty. The Coast Guard sponsors two separate Multilateral Maritime Counterdrug Summits with Caribbean Basin Security Initiative (CBSI) nations and 13 Central and South American partner nations that give participants the opportunity to exchange and improve best practices, and to think creatively about employing new tactics, techniques, and procedures to counter drug trafficking organizations. To counter trans-Atlantic drug flows, the USCG continues to work with U.S. Africa Command (AFRICOM) to expand

maritime training and operations for West African countries through the African Maritime Law Enforcement Partnership (AMLEP).

International Training and Technical Assistance: The USCG provides international training and technical assistance to enhance the interdiction capacities of international partners. The Technical Assistance Field Team (TAFT), a joint initiative between USCG and the U.S. Southern Command (SOUTHCOM), is a team of USCG engineers and logisticians whose purpose is to professionalize and improve the operational readiness of 13 Caribbean maritime forces through technical assistance visits. The Coast Guard, with the assistance of SOUTHCOM and the U.S. Department of State, expanded TAFT from three to eight members in 2013 in support of CBSI. The USCG's Security Assistance Program offers both resident training programs and mobile training teams (MTTs) to partner nation maritime services around the world to advance the capability of their naval and coast guard forces. In 2013, the USCG deployed 58 MTTs to 25 countries, and partner nation students attended 232 resident courses at USCG training installations.

Operational Highlights: In 2013, the USCG expended over 2,900 cutter days, 900 Airborne Use of Force capable helicopters days, and 8,000 surveillance aircraft hours on counterdrug patrols. USCG also deployed 17 LEDETs aboard U.S. Navy, British, Dutch and Canadian warships. As a result, the USCG disrupted 144 drug smuggling attempts, which included the seizure of 64 vessels, detention of 230 suspected smugglers, and removal of 88 metric tons (MT) of cocaine and 37 MT of marijuana.

U.S. Customs and Border Protection (CBP)

CBP processes all goods, vehicles, and people entering and exiting the 329 Ports of Entry (POE) within 20 field offices of the United States. CBP has also been charged with the border regulatory functions of passport control and agriculture inspections in order to provide comprehensive control services. CBP is the nation‘s first line of defense against the introduction of narcotics and dangerous contraband items from foreign sources.

CBP officers and agriculture specialists inspected 351.5 million travelers and more than 107 million cars, trucks, buses, train, vessels and aircrafts. They also performed more than 26.7 million agricultural inspections and made 1.6 million interceptions (prohibited meats, plants and insect pests). CBP officers seized more than 759,000 pounds of drugs, arrested more than 24,000 suspected criminals and turned away more than 144,000 inadmissible aliens. CBP seizes an average of $274,065 in illicit currency at the borders on a daily basis.

CBP deploys approximately 46,346 law enforcement officers daily in 26,000 tactical vehicles, 260 aircraft, 290 watercraft, 367 horse patrols and 1,580 canine teams to keep our border secure.

Security at the Border: The Office of Field Operations (OFO) oversees nearly 28,000 employees with more than 21,775 dedicated officers and 2,414 Agriculture Specialists that protect U.S. borders from 20 Field Offices, 329 ports of entry, 15 preclearance stations in Canada, Ireland and the Caribbean and 58 Container Security Initiative Ports.

The Office of Border Patrol (OBP) is assigned the mission of securing the border against all threats between the POEs along the over 8,000 miles of land and coastal borders. These threats include criminal or undocumented aliens, drug smugglers, potential terrorists, wanted criminals, and persons seeking to avoid inspection at the designated POEs. OBP’s drug interdiction activity includes staffing 139 stations within 20 sectors, with 31 permanent checkpoints nationwide.

The Office of Air and Marine (OAM) engages in air and marine interdiction, law enforcement, and air domain security. It targets the conveyances that illegally transport narcotics, arms, and aliens across U.S. borders and in the Source, Transit and Arrival Zones. OAM achieved 81,045 flight hours in aircraft in FY2012. In support of Source and Transit Zone interdiction operations, the Air and Marine P-3 Program has dedicated a minimum of 5,500 hours a year in support of Joint Interagency Task Force – South (JIATF-S).

In FY 2012, the P-3 Air Wing accounted for 117, 103 pounds of cocaine either seized or disrupted with a value of $8.76 billion. The Unmanned Aircraft System (UAS) flew a record 5,737 hours in FY2012, the most in the program’s history. UAS missions contributed to the seizure of more than 66,500 pounds of narcotics and the detection of more than 12,000 persons crossing our border illegally since March 2012.

Security Beyond the Borders: As part of its efforts to extend the nation‘s zone of security beyond U.S. ports of entry, the Office of International Affairs (INA) works with other U.S. government and foreign government components to provide a wide array of short-term and long-term technical training and assistance to countries throughout the world. These programs are designed to standardize and build the capacity of foreign organizations to implement more effective customs trade operations, border policing, and immigration inspection.

International Engagement Programs: CBP has a growing network of Attachés, Representatives and Advisors who serve abroad in U.S. Embassies along with the Combatant Commands from the Department of Defense. These personnel work closely with CBP’s foreign counterparts in the ongoing effort to counter drug-smuggling.

Technical Assistance Programs: INA coordinates and presents over 257 technical assistance programs to thousands of foreign participants each year. The majority of these programs take place outside the United States, although CBP also hosts training events at specific U.S. ports of entry.

Capacity Building Programs: In 2012, INA provided technical training and assistance in support of the ILEA-International Law Enforcement Academy programs currently operating in Bangkok, Budapest, Gaborone, San Salvador, and Lima. INA provided 257 capacity building sessions in 64 countries for foreign partners, including 17 courses at the ILEAs.

International Visitors Programs: The International Visitors Program (IVP) provides an opportunity for foreign customs officials and other foreign officials working on contraband enforcement issues to consult with their U.S. counterparts and appropriate high level managers in CBP Headquarters. During FY 2012, 80 countries participated in 450 visits, hosting over 2,491 participants.

Bulk Currency Smuggling Training: Bulk Currency Smuggling training assists foreign government enforcement personnel in identifying techniques used by bulk currency smugglers. Further, it helps them to design and implement programs to counter that threat, resulting in seizures of millions of dollars in the proceeds of crime.

Tactical Response Training: At the request of the State Department’s Bureau of International Narcotics and Law Enforcement Affairs, the Border Patrol Conducts training focused in South and Central American countries and also participates in training for the Drug Enforcement Administration’s Foreign-Deployed Advisory Support Teams bound for Afghanistan. The Special Operations Group (SOG) is comprised of both Border Patrol Tactical Operations (BORTAC) and Border Patrol Search and Trauma & Rescue (BORSTAR) personnel/specialties and provides the majority, but not all the instructors and operators. In FY 2013, the Border Patrol provided law enforcement training to foreign nationals in several countries within Central and South America. The number of personnel trained in each country is as follows: 50 in Honduras, 20 in Belize, 240 in Guatemala, 86 in Panama 28 in Mexico and 32 in Peru.

Chemical Controls

2013 Trends

Chemicals play two critical roles in the production of illegal drugs: as chemical inputs for the production of synthetic drugs such as methamphetamine and MDMA (3,4-methylenedioxymethamphetamine, commonly known as ecstasy); and as refining agents and solvents for processing plant-based materials such as coca and opium poppy into drugs such as cocaine and heroin. Chemicals used in synthetic drug production are known as "precursor" chemicals because they are incorporated into the drug product and are less likely to be substituted by other chemicals. Chemicals used to refine and process plant-based drugs are referred to as "essential" chemicals and can be readily replaced by other chemicals with similar properties. Both sets of chemicals are often referred to as "precursor" chemicals and for brevity this term is used interchangeably for both categories throughout this report.

Chemical control challenges have changed significantly in recent years. Twenty-five years ago, government authorities envisaged a system of regulation for chemicals used in the production of illicit drugs that would work in tandem with the control systems for narcotic drugs and psychotropic substances under the United Nations treaties. Specifically, the chemical control system was developed to include a list of chemicals appended to the 1988 UN Convention with the monitoring and reporting requirements under the auspices of the International Narcotics Control Board (INCB). Since 2006, States Parties to the 1988 Convention have been reporting exports and imports of these licit chemicals on a specific basis to the INCB through an online Pre-Export Notification System (PENS). This system which is now used by 146 UN Member States and territories and more than 2,000 pre-export notifications are provided to the INCB each month. In 2012, the INCB expanded its online capabilities at the request of UN Members to allow participants to notify the Board of suspicious or seized shipments under a Precursor Incident Communications System (PICS) that includes users from over 78 governments.

Success in monitoring and tracking both listed chemicals and non-scheduled chemicals used in illicit production has led to significant changes in illicit drug production. There have been significant shifts in illicit drug operations, resulting in new trends in production and trafficking that were even more pronounced in 2013.

Drug traffickers in 2013 stepped up efforts to seek new sources, methods, and trafficking opportunities to evade of enforcement authorities, laws, and current regulations. Increasingly, synthetic drug manufacturers are now using chemicals that are not listed under the convention – or for that matter the national laws of the source or importing country – and exploiting countries that have limited enforcement and regulatory systems. Traffickers are also seeking to obtain, divert, or even manufacture chemicals in the country where illicit drugs are produced, thereby escaping international monitoring and surveillance efforts. International efforts will increasingly need to focus on enhanced voluntary identification and reporting of possible substitute precursor chemicals; initiatives to track, seize, and safely dispose of diverted chemicals; and further engagement with the private sector to support such voluntary efforts. Regional and multilateral cooperative efforts continue to be critical in this regard.

Methamphetamine. Methamphetamine production and abuse rose significantly around the globe in 2013. As with other synthetic drugs, traffickers sought to use substitute chemicals and to develop new trafficking routes and production centers. Specifically, methamphetamine production reportedly expanded in Asia, including in Bangladesh, India, Burma, Iran, and Oceania. The INCB received reports that ephedrine trafficking occurred in the African countries of Benin, Botswana, Cote d'Ivoire, Guinea, Kenya, Namibia, Nigeria, Zimbabwe, as well as in Mexico and Central America. In 2013, the United States worked with international partners to prevent diversion of ephedrine and pseudoephedrine – the two most common chemicals used to produce methamphetamine – into illicit channels. The most significant tool to target methamphetamine precursor diversion is the INCB's PENs system which, as referenced above has the ability to trace and monitor licit bulk shipments of these chemicals and thereby prevent or detect diversion. Operations conducted under Project Prism—an international initiative coordinated by the INCB – have aided law enforcement authorities in their efforts to understand the sources and methods of new smuggling trends.

As methamphetamine production and trafficking in Mexico and some Central American countries has expanded, these governments have sought to ways to target precursors after tightening legislative and administrative controls on both the methamphetamine precursor chemicals and finished medicines containing them, Traffickers in the Americas, however, are turning to non-scheduled precursor chemicals to manufacture methamphetamine through alternative methods. In Europe, criminal organizations continued this year to seek alpha-Phenylacetoacetonitrile (APAAN). APAAN is a non-scheduled chemical pre-precursor used to manufacture methamphetamine that will be considered for control under the 1988 UN convention by the UN Commission on Narcotic Drugs in 2014.

INCB operations under Project Prism also indicate that methamphetamine traffickers are increasingly procuring chemicals through and shifting production to regions with little experience with chemical control. As Mexico has strengthened its precursor chemical control laws and stepped up its interdiction and enforcement efforts, the diversion of precursor chemicals shipments to Central America has increased significantly. For example, multi-ton shipments, seized in Belize, El Salvador, Guatemala, and Honduras, are routed to Mexican drug trafficking organizations for the manufacture of methamphetamine and other synthetic drugs. Additionally, there is the potential for these chemicals to be utilized in the production of illicit drugs in Central America as traffickers seek alternate production sites. These Central American countries are struggling to seize, transport, warehouse, protect, and dispose of often toxic and hazardous precursor chemicals. Traffickers also appear to be exploiting African nations on a more substantial scale. Africa is now a source of methamphetamine destined for Asia, and trafficking through East Africa has been reported. Pakistan has also emerged as a transit country, and trafficking of precursor chemicals from Bangladesh continues. Iranian methamphetamine-trafficking networks reportedly have become leading suppliers to markets across the Middle East and the Asia Pacific region.

Heroin. In 2013, the United States expanded efforts to target the precursor chemicals used to produce heroin, primarily acetic anhydride. These efforts included working both bilaterally with Afghanistan and its neighbors as well as with 58 other countries that participated in the Paris Pact meetings on chemical control. This effort focused on ways to prevent smuggling and

diversion of acetic anhydride, and included support for an INCB-coordinated meeting of over 60 countries held in Bangkok on chemical control issues. The United States also supported increased use of the INCB's PENs and the new PICS systems, as well as continued support for INCB-led operations to address heroin precursor chemical trafficking. The Government of Afghanistan informed the INCB that there is no legitimate use for acetic anhydride in Afghanistan and now seeks to block all imports of the substance. Authorities believe that acetic anhydride is diverted primarily from neighboring countries to Afghanistan for heroin production. Afghanistan's neighbors and other international partners continue to work with Afghanistan to address this issue. As with methamphetamine precursors, traffickers are increasingly smuggling acetic anhydride through new routes in Africa, Asia, and Europe, as well as illegally diverting supplies from legitimate trade.

Cocaine. Potassium permanganate, an oxidizer, is the primary precursor chemical used in producing cocaine, used to remove the impurities from cocaine base. It has many legitimate industrial uses, including waste water treatment, disinfecting, and deodorizing. Potassium permanganate also can be combined with pseudoephedrine to produce methcathinone, a synthetic stimulant that is also a controlled substance.

In South America, the INCB Project Cohesion focuses on monitoring the imports of potassium permanganate to cocaine processing areas. Developing an effective multilateral effort focused on potassium permanganate has proved difficult because of the vast licit uses of this chemical. Moreover, investigations over 2013 and increased reporting of licit shipments through PENS reveal that traffickers are exploiting domestic sources for chemicals particularly in Latin America. Alternative precursor chemicals used in cocaine manufacturing have also been detected. The United States, the INCB and others are encouraging countries in South America to continue obtaining and sharing information on these new trends. Despite the lack of multilateral operations focusing on potassium permanganate, Colombia continues to report large numbers of seizures and has noted its concern about illicitly manufactured potassium permanganate.

The Road Ahead

To counter the shifts in diversion, trafficking and production of chemicals, the United States is expanding its efforts to work with international partners to implement the provisions of the 1988 UN Convention, monitor those substances on the special surveillance list, and to identify and stop shipments and/or smuggling of new substitute chemicals that can be used for illicit drug production. Development of effective chemical control regimes and legislation is critical. Additionally, it is important to develop and utilize the administrative, investigative, and prosecutorial tools to successfully identify suspicious transactions and bring chemical traffickers to justice, as well as to make better use of watch lists and voluntary control mechanisms to target listed chemicals and substitute chemicals and identify the latest production and trafficking methods.

Against this backdrop, the United States will continue to promote efforts through the INCB and engage the UN Commission on Narcotic Drugs (CND). In the Western Hemisphere, the United

States works through the Inter-American Drug Abuse Control Commission (CICAD) of the Organization of American States (OAS) to advance cooperation on precursor chemical controls. Guided at the policy level by CICAD Commissioners (delegates from the 34 Member States in the region), the Supply Reduction Unit of CICAD carries out a variety of initiatives in this important field, and is supported by its Experts Groups on Chemical Control and Pharmaceutical Products, which meets annually. The United States is also working through the OAS to assist Central American countries in their efforts to warehouse, protect, and dispose of often toxic and hazardous precursor chemicals. Specifically, the United States is supporting partner nation efforts to develop and strengthen precursor laws and regulations to ensure compliance with international drug control treaties, including further steps to; to enhance and foster communication between competent national authorities; to promote increased communication and follow-up on exports and imports of controlled chemicals through the INCB task forces; and expand diplomatic engagement on precursor initiatives bilaterally and through multilateral and regional institutions.

Precursors and Essential Chemicals

Plant-based drugs such as cocaine and heroin require precursor chemicals for processing. Cutting off supply of these chemicals to drug trafficking organizations is critical to the U.S. National Drug Control Strategy. International efforts have a long track record in targeting the illicit diversion of the most common precursors for cocaine and heroin, potassium permanganate and acetic anhydride, respectively. The large licit market for these chemicals makes this a difficult task. Diversion of less than one percent of worldwide licit commercial use of these chemicals is required to produce the world's supply of cocaine and heroin, and curbing supplies is an enormous challenge.

International Regulatory Framework for Chemical Control

Preventing diversion of precursor chemicals from legitimate trade is one key goal of the 1988 UN Convention. Specifically, state parties are required under article 12 to monitor international trade in chemicals listed under Tables I and II of the Convention. Albeit a slow process, these tables are updated to account for changes in the manufacture of illicit drugs, and state parties are required to share information with one another and with INCB on international transactions involving these chemicals. The Convention further encourages state parties to license all persons and enterprises involved in the manufacture and distribution of listed chemicals. Subsequent resolutions from the UN Commission on Narcotic Drugs (CND) – the UN's primary narcotic drug policy-making body – have provided additional guidance to states on how to implement these obligations according to specific best practices. The INCB is an independent, quasi-judicial body that monitors the implementation of the three UN international drug control conventions. The underlying strategy is to monitor the trade in drug precursors and prevent transactions to suspicious customers.

Special Monitoring List: In 1996, the United States supported a CND resolution that added a special monitoring list of chemicals that are not included in the Convention but for which substantial evidence exists of their use in illicit drug manufacture. Reporting on these non-listed chemicals is voluntary under international law, but widely implemented under INCB supervision. The list is regularly reviewed, but it takes time to update with the newly emerging non-scheduled substances. As a result, criminals vigorously exploit delays and gaps in the listings.

Regional Bodies. The regulatory framework codified by the United Nations does not exist in isolation. Regional bodies, such as the European Union (EU) and the OAS, actively collaborated with the United States on multilateral chemical control initiatives, including CND resolutions.

Major Chemical Source Countries and Territories

This section focuses on individual countries with large chemical manufacturing or trading industries that have significant trade with drug-producing regions and those with significant chemical commerce susceptible to diversion domestically for smuggling into neighboring drug-producing countries. Designation as a major chemical source country does not indicate a lack of adequate chemical control legislation or the ability to enforce it. Rather, it recognizes that the volume of chemical trade with drug-producing regions, or proximity to them, makes these countries the sources of the greatest quantities of chemicals liable to diversion. The United States, with its large chemical industry and extensive trade with drug-producing regions, is included on the list.

Many other countries manufacture and trade in chemicals, but not on the same scale, or with the broad range of precursor chemicals, as the countries in this section. These two sections are broken down by region.

Egypt

In 2012 Egypt was the world's fourth largest importer of pseudoephedrine with a total of 42,290 kilograms. Egypt is not a major producer, supplier, or consumer of precursor chemicals, but does import and export finished pharmaceutical products. Imports into Egypt of ephedrine and pseudoephedrine medical preparations that can be used as precursor chemicals to produce methamphetamine increased sharply in 2010 and 2011 as Egypt became a regional producer of cold and flu medicine. There are no reports indicating widespread diversion of these chemicals, and Egyptian authorities have not made any seizures of these chemicals.

Egypt has reported licit requirements to the UN's International Narcotics Control Board (INCB) for several years.

The Americas

Argentina

Argentina is one of South America‘s largest producers of precursor chemicals and Argentina’s anti-drug agency SEDRONAR is the country’s lead agency for registering and tracking precursor chemicals. Argentina has in place a legislative and regulatory framework for the registration and monitoring of precursor chemicals, covering local production as well as imports and exports. Additionally, Argentina has taken measures to prepare a voluntary code of conduct for the chemical industry and now implements a federal inspection plan for entities working with controlled substances with an emphasis on precursors used to produce cocaine.

The Argentine government has not designated precursor control as a priority in its counternarcotics efforts. Ephedrine tends to enter the country from abroad, often originating in India. Precursors for the processing of coca leaf and cocaine are often diverted locally from Argentina’s sizeable chemicals industry.

Several large-scale seizures of precursors were reported in the media in 2013, though there were no public reports of seizures of either potassium permanganate or acetic anhydride. The Argentine government did not release aggregate statistics regarding precursor seizures. Argentina complies with UN Commission on Narcotic Drugs Resolution 49/3 by submitting estimates of the size of Argentina’s licit domestic market for ephedrine and related substances to the International Narcotics Control Board (INCB), and reports shipments using the INCB’s PENS system.

Brazil

Brazil is one of the world’s 10 largest chemical producing countries. Brazil licenses, controls and inspects essential and precursor chemical products, including potassium permanganate and acetic anhydride. Currently, the controls on both allow for either product to be commercialized without restriction for quantities of up to one kilogram for potassium permanganate and one liter of acetic anhydride.

The Brazilian Federal Police (DPF) Chemical Division controls and monitors 146 chemical products in conjunction with 27 DPF regional divisions and 97 resident offices. The Chemical Division is comprised of two units; the Chemical Control Division, subordinate to the DPF Executive Directorate, and the Criminal Diversion Investigations unit which reports to the Organized Crime Division. However, both divisions routinely coordinate and share information when conducting administrative inspections and criminal investigations.

Regulatory guidelines require all chemical handlers to be registered and licensed for conducting activities such as manufacturing, importing, exporting, storing, transporting, commercializing and distributing chemicals. The DPF uses a National Computerized System of Chemical Control to monitor all chemical movements in the country, including imports/exports, and licensing. This system requires all companies to use an on-line system for registration and to report all activity being conducted, including the submission of mandatory monthly reports of all chemical related movements as well as existing chemical stocks in their inventories.

The Government of Brazil adheres to the UN Commission on Narcotic Drugs - Resolution 49/3 on strengthening systems for the control of precursor chemicals used in the manufacturing of synthetic drugs. Brazil reports its annual estimates of legitimate requirements for ephedrine and pseudoephedrine for quantities above 10 grams, and phenyl-2-propanone (P2P) in any amount. This is done through the UN automated Pre-Export Notification System (PEN Online). The DPF routinely uses PEN Online in cases of international trade and in coordination with member states to alert importing countries with details of an export transaction.

Canada

Controls on precursors commonly used in synthetic drug production are closely regulated in Canada, so diversion within Canada by manufacturers is difficult. Nonetheless, the large volume of chemical imports into Canada from Asia make precursor chemical control a significant challenge. The RCMP initiated in 2009 the Synthetic Drug Initiative which aims to inhibit the diversion of precursor chemicals from foreign and domestic sources. The RCMP also participates in Project Prism, an international initiative coordinated by the International Narcotics Control Board targeting precursor chemicals.

Canada has effective measures to seize imported precursor chemicals. In 2003 Canada implemented the new "Precursor Control Regulations" as per the country's Controlled Drugs and Substances Act to respond directly to the increasing diversion of precursor chemicals to the clandestine manufacturing of illicit substances. The regulatory framework addresses the cross-border trafficking of precursor chemicals by requiring a license and a permit for all imports and exports of precursor chemicals listed as "Class A" in legislation.

The Canadian Border Services Agency made two important seizures in late 2012 and 2013, both of which originated in China. The first occurred in October 2012 when authorities seized 14 metric tons of precursor used to make drugs including methamphetamine, MDMA and gamma-butyrolactone. The second was in April 2013, when officers seized over 2,000 liters of precursor chemicals, notably hypophosphorous acid used to produce methamphetamine, falsely labeled as soy sauce.

Health Canada submits information to the INCB annually regarding the licit uses and needs for precursor chemicals (via Form D) that include estimates on potential uses for ephedrine, pseudoephedrine, P2P and their preparations. Each year, these estimates may vary depending on the quantities imported and exported. Likewise, Form D includes information about illicit uses of precursor chemicals provided in the form of seizures and stopped shipments received from the RCMP and the Canada Border Services Agency, as well as a detailed list of objections issued by Health Canada regarding proposed imports and exports as needed.
Health Canada also uses the Pre-Export Notification System (PEN Online) to receive notifications (import into Canada), and sends notification (export from Canada) to foreign countries on a daily basis. The PEN Online system serves to notify foreign competent authorities and transit/transshipment countries of proposed exports to their countries. Canada, like its foreign counterparts, may refuse the import of a controlled substance or preparation if deemed necessary. Otherwise, Health Canada reconciles the PEN to the corresponding permit. Canada

imports raw material for the production/manufacture of preparations containing ephedrine and pseudoephedrine.

Chile

Chile has a large petrochemical industry engaged in the manufacturing, importation and exportation of chemical products. Despite government efforts to control the diversion of chemicals, precursors continue to be diverted from legitimate market uses in Chile for use in coca processing in Peru and Bolivia. Additionally, Chile has been a source of ephedrine for methamphetamine processing in Mexico. The majority of chemicals imported into Chile originates in India and China, and are directed primarily to Bolivia, Peru and Mexico.

Chile is party to the 1988 UN Drug Convention and has in place, in accordance with Article 12 of the convention, a chemical control regime aimed at preventing diversion. Chile regularly submits information required by the convention. Chile has ratified the Convention on Psychotropic Substances of 1971.

Chile's laws regulate potassium permanganate and acetic anhydride as well as ephedrine and pseudoephedrine. A specialized task force within the investigative police investigates diversion of potassium permanganate, acetic anhydride, ephedrine and pseudoephedrine. An entity within the Ministry of Interior's Division of Studies, the Directorate of Controlled Chemical Substances, is the lead agency on precursor chemical control matters. Chilean law enforcement entities have chemical diversion units and dedicated personnel tasked with investigating chemical and pharmaceutical diversion cases. The Customs agency has a risk analysis unit which profiles suspicious imports and exports, including chemical precursors.

The Directorate of Controlled Chemical Substances within the Ministry of Interior maintains a Special Register of Controlled Chemical Handlers for the purpose of regulating chemicals. As of September 2013, 531 companies that import, export, or manufacture chemical precursors were registered. The registration system is not well-developed, making effective monitoring of diversion difficult. Other weaknesses in Chile's efforts to prevent diversion include a cumbersome bureaucratic structure and a lack of personnel. Authorities are taking steps to strengthen the chemical controls regime.

Mexico

Methamphetamine production and importations of precursor chemicals continue to pose problems in Mexico. Mexico does not control all chemicals listed in the 1988 UN Convention. Nonetheless, Mexican laws regulate the production and use of many of these substances, and the Mexican Office of the Attorney General (PGR) is responsible for enforcing chemical control laws. In 2008, Mexico outlawed imports of pseudoephedrine, except hospital use of liquid pseudoephedrine. Ephedrine imports are also banned.

Mexico has enhanced regulatory laws on the importation of precursor chemicals, including regulations for imports of phenylacetic acid (including its salts, esters, and derivatives), methylamine, hydriodic acid, and red phosphorous. Imports of both precursor and essential

chemicals are also limited by law to four of 19 Mexican ports of entry. Mexico does not, however, regulate imports and exports of potassium permanganate or acetic anhydride which can potentially be used in the production of cocaine and heroin, respectively.

Mexico participates in international efforts to control precursors and has a strong bilateral working relationship with the United States. Mexico participates in the National Methamphetamine and Pharmaceutical Initiative conference and signed a memorandum of cooperation with the United States in 2012 to address precursor chemicals and clandestine laboratories. The two governments also cooperate to share best practices with Central American countries affected by the trafficking of precursor chemicals.

Mexico has several major chemical manufacturing and trade industries that produce, import, or export most of the chemicals required for illicit drug production, including potassium permanganate and acetic anhydride. Although Mexico-based transnational criminal organizations are major producers of methamphetamine, no pseudoephedrine or ephedrine is produced legally within the country.

With respect to synthetic drugs, Mexican seizures of methamphetamines totaled 7.3 metric tons (MT) between December 2012 and July 2013, down 79 percent from the same time period a year before. Seizures of clandestine methamphetamine labs also dropped. Ninety-four seizures occurred between January 1 and August 22, a 31 percent decrease compared with a proportional number of labs seized in 2012. Seventy of these 94 labs were located in the states of Michoacán, Sinaloa, and Jalisco.

In contrast, Mexico reports an increase of pseudoephedrine seizures since the Peña Nieto administration took office, indicating that 7.2 MT of the substance were seized between December 2012 and July 2013. This figure was approximately 90 times the amount seized during the same time period the year before.

The United States

The United States manufactures and/or trades in all 23 chemicals listed in Tables I and II of the 1988 UN Convention to which it is a party; and it has laws and regulations meeting its chemical control provisions.

The basic U.S. chemical control law is the Chemical Diversion and Trafficking Act of 1988. This law and subsequent chemical control amendments were all designed as amendments to U.S. Controlled Substances Act of 1970, rather than stand-alone legislation. The Drug Enforcement Administration (DEA) is responsible for administering and enforcing them. The Department of Justice, primarily through its U.S. Attorneys Offices, handles criminal prosecutions and cases seeking civil penalties for regulatory violations. In addition to registration and record-keeping requirements, the legislation requires traders to file import/export declarations at least 15 days prior to shipment of regulated chemicals. DEA uses the 15-day period to determine if the consignee has a legitimate need for the chemical. However, the regulations allow that if a company has an established business relationship with their foreign customer, the 15-day period is waived and same day notification is permitted for any future shipments. Diversion

investigators and special agents work closely with exporting and receiving country officials in this process. If legitimate end-use cannot be determined, the legislation gives DEA the authority to stop shipments. One of the main goals of DEA's Diversion Control Program is to ensure that U.S. registrants' (those companies registered with DEA to handle List I chemicals) products are not diverted for illicit drug manufacture.

U.S. legislation also requires chemical traders to report to DEA suspicious transactions such as those involving extraordinary quantities or unusual methods of payment. Close cooperation has developed between the U.S. chemical industry and DEA in the course of implementing the legislation. Criminal penalties for chemical diversion are strict; the penalties for some chemical trafficking offenses involving methamphetamine are tied to the quantities of drugs that could have been produced with the diverted chemicals. Persons and companies engaged in chemical diversion have been aggressively and routinely subjected to revocation of their registration.

The United States has played a leading role in the design, promotion, and implementation of cooperative multilateral chemical control initiatives. The United States also actively works with other concerned nations, and with the UNODC and the INCB to develop information sharing procedures to better control precursor chemicals, including pseudoephedrine and ephedrine, the principal precursors in one method of methamphetamine production. U.S. officials participate in the combined task force for both Project Cohesion and Project Prism. The United States has established close operational cooperation with counterparts in major chemical manufacturing and trading countries. This cooperation includes information sharing in support of chemical control programs and in the investigation of diversion attempts.

The Combat Methamphetamine Epidemic Act of 2005 (CMEA) mandated that DEA establish total annual requirements for pseudoephedrine, ephedrine and phenylpropanolamine for the United States and provide individual import, manufacturing and procurement quotas to registered importers and manufactures that wish to conduct import and manufacturing activities with these chemicals. Since the implementation of quotas in 2008, the United States has seen significant decreases in the importation of some of these chemicals.

Central America and the Caribbean

Costa Rica

Costa Rica has a licensing process for the importation and distribution of precursor chemicals and in 2010, adopted recommendations from the International Narcotics and Control Board, adding controls for Table I precursors as defined by the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. The current government's National Plan on Drugs for 2013-2017 recognizes as an urgent concern the international production and trafficking of chemical precursors. The Costa Rican Drug Institute has a special unit dedicated to the control and prosecution of precursor chemicals, and this unit has broad powers to monitor and respond to illegal activity.

Dominican Republic

The Dominican Republic is party to the 1988 UN Drug Convention and, in accordance with Article 12, has implemented a chemical control regime to prevent diversion. Dominican laws regulate the production and use of the 23 chemicals listed in the Convention and the Dominican Republic annually submits information required by the Convention. The Dominican Republic has also ratified the Convention on Psychotropic Substances of 1971. The National Directorate for Drug Control (DNCD) is responsible for enforcing chemical control laws.

The Dominican Republic does not have a large petrochemical industry engaged in the manufacturing, importation, and exportation of chemical products. Chemicals for industrial production are imported from the United States. The two largest chemical imports are sodium carbonate and toluene, which is used in the Dominican Republic as an additive for gasoline and as a solvent for paint. Production of methamphetamines is not significant in the Dominican Republic. The DNCD has reported no seizures of precursor chemicals in the last three years. As of October 31, Dominican authorities had not seized methamphetamine in 2013.

The DNCD regulates and enforces the importation and use of precursor chemicals. The DNCD receives pre-notifications for precursor imports and issues certificates of importation. The DNCD also controls and regulates prescription drugs and issues annual permits to medical doctors, clinics, and hospitals, maintaining a register of the type of drug and amount each doctor prescribes each year, especially for drugs containing opiates. Clinics and hospitals are mandated to report prescriptions for certain drugs before dispensing them and the DNCD verifies that the prescription number and the doctor are valid before authorizing the sale. The DNCD is taking steps to automate its paper-based chemical control registration.

Guatemala

The manufacture of methamphetamine and other synthetic drugs in Guatemala is a growing problem as highlighted by an increase in the seizures of precursor chemicals. Due to increased law-enforcement activities in Mexico, drug traffickers are now using Guatemala as a manufacturing base, presenting the Government of Guatemala with both law-enforcement and chemical disposal challenges. The majority of chemicals enter and transit Guatemala via land border due to a concentrated effort since 2011 to prevent precursor chemicals utilizing Guatemala's ports.

Since 2005, Guatemala has store large quantities of seized precursor chemicals. At the time of this writing, there were approximately 17,000 barrels of precursors, 7,500 bags of dry chemical, and 25,000 liters of liquid chemicals stored at 10 sites throughout the country. In 2012, a Guatemalan government survey determined that none of the ad-hoc storage facilities had adequate security or safeguards to protect the environment or residents in the vicinity in case of spillage.

In 2013, the Government of Guatemala accepted a U.S.-funded, OAS proposal to improve the national capacity to: manage and dispose of precursor chemicals in compliance with the United Nations Chemical and Waste Management Program and Guatemalan laws;provide a national standard operation procedures for the handling of dangerous chemicals seized in law-enforcement operations; improve the safety and security of the main Guatemalan storage facility

by providing training, equipment, and technical and administrative support in the management of seized precursors; and safely dispose of all precursor and related hazardous materials. The OAS submitted the final version of the standard operation procedures to the Guatemalan government for approval and will purchase the majority of the equipment required to properly identify, safely handle, transport and dispose of the stored precursors. An inter-agency team, consisting of 35 Guatemalan government technicians and two OAS supervisors, received training in early December 2013 in appropriate techniques of identifying, handling, storing, transporting and disposal of the collected chemicals. In January 2014, the positive identification and consolidation of all seized precursors in preparation for their systematic disposal began.

Honduras

Precursor chemicals are a developing problem within Honduras. In December 2012, Honduran anti-drug agents seized a record 14 metric tons of pseudoephedrine for the production of methamphetamine. The chemicals were discovered during a law enforcement operation that netted an estimated $100 million in assets. Also in December 2012, Honduran law enforcement, in cooperation with the DEA, seized two cargo containers in Puerto Cortes that had 1000 50-liter barrels of ethyl phenyl acetate (EPA), a chemical that can be utilized to produce methamphetamine.

The Organization of American States, with U.S. funding, is working with Honduras and other Central American countries to destroy existing stockpiles of seized precursor chemicals. The OAS expects to begin destruction of precursor chemicals in Honduran in mid to late 2014.

Honduras will need to continue efforts to strengthen the civilian police, including by passing the relevant bill, reforming the HNP's structure, and providing adequate funding to that institution.

Asia

Bangladesh

Bangladesh is a source and transit location for methamphetamine precursors such as ephedrine and pseudoephedrine. Bangladeshi entities purchase bulk shipments of ephedrine and pseudoephedrine from India to produce preparations containing pseudoephedrine. Thousands of pills seized in Mexico during 2011 and 2012 were sourced to production centers in Dhaka. Dhaka is also a transshipment point for heroin trafficking.

The Government of Bangladesh is committed to implementing the principles and provisions of 1988 UN Drug Convention and regional agreements regarding control of narcotic drugs, psychotropic substances and precursor chemicals. Article 18 of the Constitution provides legal obligations for restriction and control of harmful narcotic drugs and psychotropic substances, including precursor chemicals. The government has included 22 precursor chemicals in the Schedule of Drugs of the Narcotics Control Act to comply with the provisions of Article 12 of the 1988 UN Drug Convention, placing them under the definition of controlled drugs. The Narcotics Control Act also allows for financial investigations and freezing of assets derived from trafficking in drugs and precursors. In 2002, the government amended the Narcotics Control Act

with the provision that offenses of drugs and precursor chemicals should be investigated within 15 days and tried under the jurisdiction of Speedy Trial Court. The Government of Bangladesh is working on a new national drug policy in response to the threat posed to the region by the abuse of and trafficking in pharmaceutical preparations and other drugs.

The Narcotics Control Rules regulate the control, monitoring and supervision of use of precursors for industrial, scientific and medical purposes through a licensing system. Under this system, no import, export, transport, shipment, manufacture, sale, distribution, purchase, possession, storage, warehousing, or other use can be done without a license, permit or pass from the Department of Narcotics Control (DNC). Persons managing storage and transshipment of precursor chemicals are also legally accountable for any misuse, damage or diversions.

Besides the DNC, the Police, Customs, Rapid Action Battalion (RAB), Border Guards, and Coast Guard are also empowered to detect and intercept illegal operations regarding precursor chemicals. Bangladesh has also established District Drug Control Committees (DDCC) to monitor and coordinate activities of all agencies responsible for interdicting drugs and precursors. The Dhaka Metro Police counterdrug unit has successfully assisted the U.S. Drug Enforcement Administration in conducting complex wire intercept investigations targeting Dhaka based pseudoephedrine preparation traffickers. Bangladesh is also in the process of establishing computer-based training centers for drug law enforcement and has formed approximately 800 anti-drug committees in educational institutes.

Despite these measures, Bangladesh's laws and resources are not adequate at this point for effective control of precursors. The DNC lacks sufficient manpower, equipment, the ability to conduct wire intercepts and training to consistently detect and interdict precursors. Bangladeshi authorities continue to be challenged by drug traffickers diverting precursor-based pharmaceutical preparations from the legitimate market and smuggling shipments out of the country. Additionally, the large influx of heroin from Pakistan has resulted in Nigerian drug trafficking organizations establishing purchasing and distribution operations in Dhaka.

China

China is one of the world's largest producers and exporters of precursor chemicals, with approximately 160,000 precursor chemical companies and production facilities nationwide. In 2012, China was the third top exporter of ephedrine with exports totaling 18,316 kilograms and the fourth top exporter of pseudoephedrine with exports totaling 67,309 kilograms. As an original signatory to the 1988 UN Convention, China controls all 23 International Narcotics Control Board (INCB) precursor chemicals. In addition, China also regulates chloroform and hydroxylamine.

Diversion of hydroxylamine for the clandestine manufacture of ketamine is a serious problem in China. After methamphetamine, abuse of ketamine is the second most important drug issue for China. In August 2013, police in Guangdong and Jiangsu Provinces dismantled two ketamine clandestine laboratories, arresting 38 suspects, and seized 196 kilograms of ketamine and approximately $290,000. Allegedly, the suspects belonged to a gang of drug manufacturers and

dealers with sources in Jiangsu Province that offered raw materials, a factory for making drugs in Heyuan, China, and a sales network covering seven cities in Guangdong Province.

China is also a significant producer of ephedrine and pseudoephedrine for global consumption. "ContacNT" originating from China is the most prevalent type of pseudoephedrine-combination product found in Australia and New Zealand for the clandestine manufacture of methamphetamine. Although manufactured solely for domestic consumption in China, almost half of all seizures in Australia/New Zealand of ContacNT originate directly from China. The majority of the seized chemicals were interdicted through regular mail.

China is also a major source of potassium permanganate, acetic anhydride, methylamine, phenylacetic acid (PAA), piperonylmethylketone, and other related chemicals that can be used to produce illicit substances.

The diversion of precursor chemicals for the illicit production of drugs remains a significant problem within China. For example, although China regulates PAA, China does not control, regulate, or monitor the esters and derivatives of PAA, or other non-regulated chemicals known as "pre-precursors." These pre-precursors are now the primary chemicals employed in the illicit manufacture of methamphetamine in Mexico and Central America, which is then smuggled into the United States for consumption.

Most pre-precursor and precursor chemicals seized in Mexico and Central America destined for illegal production of methamphetamine were legally exported from China and diverted en route, or exported via mis-identification, fraudulent labeling, or false declarations. The shipment of precursor chemicals by mis-identification, fraudulent labeling, or false declarations is not considered a serious violation within China, warranting merely a verbal warning or, at worst, a $30,000 fine.

Chinese-produced pre-precursor and precursor chemicals are in high demand for exportation by transnational criminal organizations from Mexico, Colombia, West Africa, Iran, and Pakistan operating in China. In China, many large chemical factories are located near coastal cities with modern port facilities, increasing the opportunity for criminal syndicates to divert legal shipments to illegal use. Inadequate legislation also contributes to the diversion and illicit exportations of pre-precursor and precursor chemicals by drug trafficking organizations.

China is increasing its efforts to work with multilateral partners through organizations such as the UNODC and the INCB to target chemicals that are not controlled.

India

India is one of the world's largest manufacturers of precursor chemicals, including acetic anhydride, ephedrine and pseudoephedrine. In 2012 India was also the second largest exporter of both ephedrine (49,231 kg) and the top exporter of pseudoephedrine (409, 736 kg). India was also the top importer of ephedrine (44,019 kg). India does not have controls on all the chemicals listed in the Convention. However, India's large pharmaceutical industry manufactures narcotic drugs and psychotropic substances. India is also a major producer of precursor chemicals,

including acetic anhydride (AA), ephedrine, and pseudoephedrine. India issues pre-export notifications for export of precursors using the INCB's PENS online system, and has a licensing regime to control pharmaceutical products.

In 2013, the Government of India amended the Narcotic Drugs and Psychotropic Substances (NDPS) Act of 1985, issuing the Regulation of Controlled Substances Order of 2013. The NDPS Act now designates a total of 17 precursor chemicals as controlled substances, including five as "Schedule A" substances (the highest classification for controls): acetic anhydride; ephedrine; pseudoephedrine; n-acetylanthranilic acid; and anthranilic acid. Domestic manufacture, transport, sale, possession, and international trade in designated precursor chemicals are controlled under the NDPS Act. The manufacturers and dealers of these substances are required to obtain registration certificates from NCB. The international trade of ephedrine and pseudoephedrine has also been placed under tighter controls.

Criminal organizations continue to target India as a source of precursor of amphetamine-type stimulants, in particular ephedrine and pseudoephedrine. The diversion of ephedrine from legal production companies in India to illicit ephedrine brokers is a serious problem. The increased profitability from the manufacturing and distribution of methamphetamine has created an entirely new trafficking element in India that did not exist 10 years ago, transforming India into a significant precursor chemical source and supply warehouse. The demand to supply the global production of methamphetamine is rapidly creating new precursor chemical entrepreneurs in India who are retooling commercial chemical factories to produce illicit quantities of ephedrine and methamphetamine. As the global price and demand for high quality methamphetamine continues to grow, so too will illicit precursor chemical manufacturing and trafficking networks operating in India.

In 2012, Indian drug law enforcement agencies seized approximately 33.8 million ephedrine and pseudoephedrine tablets. Through the first nine months of 2013, however, only 1.63 million tablets were seized – a notable decrease.

Legitimate factory owners and operators are transitioning into criminal drug production and trafficking due to its enormous profit potential and low-risk of capture by Indian law enforcement. However, the Indian legal system is not developing fast enough to keep pace with this changing trend.

In 2013, NCB worked with the United States to conduct several joint ephedrine-methamphetamine investigations targeting illicit ephedrine distributors and methamphetamine production laboratories. One recent investigation resulted in the seizure of 32,000 pills of pseudoephedrine (worth approximately $24 million) en route to a methamphetamine manufacturing and trafficking organization in Burma. Recent joint NCB and DEA investigations have also targeted licit precursor chemical factory owners using their factories to produce illicit amounts of ephedrine and methamphetamine.

Singapore

In 2012, the latest year for which data is available, Singapore's exports of both ephedrine and pseudoephedrine increased. Singapore was ranked globally as the fifth largest exporter of ephedrine and pseudoephedrine with 10,295 kilograms and 55,278 kg respectively. Singapore was also the third largest importer of both ephedrine and pseudoephedrine with imports of 11,704 kg and 49,624 kg respectively. Authorities indicate that the amounts not re-exported are used primarily by the domestic pharmaceutical industry and by the large number of regional pharmaceutical companies served by Singapore's port. Singapore is one of the largest distributors of acetic anhydride in Asia. Used in film processing and the manufacture of plastics, pharmaceuticals and industrial chemicals, acetic anhydride is also the primary acetylating agent for heroin.

Precursor chemicals including ephedrine transit Singapore from India and Bangladesh en route to Mexico, Honduras, and Guatemala. Singapore's port, the world's second largest by container volume, does not screen containerized shipments unless they enter its customs territory.

In-transit or transshipment cargo shipped on a through bill of lading and which does not have a Singapore consignee involved in the shipment, is not reported to Government of Singapore authorities (Immigration and Checkpoints Authority, or ICA, and Singapore Customs). Other transshipments do require inward/outward permits; however, reporting requirements of up to 10 days after arrival and three days prior to departure, and very efficient cargo processing allow most shipments to move out of the country before they are reported. Singapore's free trade zone and large, well-developed air and maritime shipping infrastructure leave it susceptible to illicit freight forwarding activity, though no statistics were available to assess the degree of such activity. Given the sheer volume of shipments transiting Singapore, local inspection and control of outbound and transiting shipments is limited.

In compliance with the 1988 UN Drug Convention, the Government of Singapore amended the Misuse of Drugs Act (Chapter 185) in 1988 to control the manufacture, supply, and possession of precursor chemicals, and regulate the import, export and transshipment of these chemicals. Both pseudoephedrine and ephedrine are among the controlled precursor chemicals identified by the International Narcotics Control Board (INCB) which are monitored and controlled by Singapore's CNB. The Government of Singapore conducts site visits to companies dealing with controlled chemicals to ensure awareness of the requirements and overall compliance.

Singapore controls precursor chemicals, including pseudoephedrine and ephedrine, in accordance with the 1988 UN Drug Convention. Authorities will not authorize imports of precursors before issuing a "No Objection" letter in response to the exporting country's pre-export notification. Pre-export notifications are issued on all exports.

Singapore participates in a multilateral precursor chemical control programs, including Projects Cohesion and Prism, and works closely with the United States. Singapore controls precursor chemicals, including pseudoephedrine and ephedrine, in accordance with the 1988 UN Drug Convention provisions, and accordingly tracks exports and works closely with industry officials.

The Republic of Korea

In 2012, South Korea was the second top importer of ephedrine with imports totaling 28,150 kg and the fifth largest importer of pseudoephedrine with imports of 38,975 kg. With one of the most developed commercial infrastructures in the region, the Republic of Korea is an attractive location for criminals to obtain precursor chemicals. Precursor chemicals used for the manufacture of illicit drugs, such as acetic anhydride, pseudoephedrine and ephedrine, are imported from the United States, Japan, India and China and either resold within South Korea or transshipped to other countries in the Middle East, Southeast Asia and Mexico. In 2013, 30 precursor chemicals were controlled by Korean authorities. Acetic anhydride remains the chemical of greatest concern. All imported acetic anhydride is either sold domestically for legitimate use or diverted and smuggled to the Middle East by trafficking organizations.

Both the Korea Customs Service and the Ministry of Food and Drug Safety (MFDS) participate in INCB-coordinated taskforces including Projects Cohesion and Prism, which monitor imports of potassium permanganate and chemicals used to produce amphetamine-type stimulants, respectively. Korean law enforcement authorities also cooperate with Southeast Asian nations to verify documents and confirm the existence of importing businesses and send representatives to the region to investigate. In April 2011, the National Assembly passed a law that requires manufacturers and exporters of precursor chemicals to register with the government, and also provides for education to Korean businesses to prevent them from unknowingly exporting such chemicals to fraudulent importers. South Korean authorities work closely with U.S. counterparts to track suspect shipments. Beginning on December 18, 2013, a new regulation regarding pseudoephedrine was implemented that classifies all over the counter medications containing 120 milligrams or more of pseudoephedrine as prescription medicine.

Taiwan

In 2012, Taiwan was the third largest exporter of ephedrine in the world with exports totaling 77,924 kg. Taiwanese law enforcement authorities have long recognized that certain Taiwan-based chemical companies divert chemicals that may be used to manufacture illicit substances in other countries. In order to combat this practice, the Ministry of Economic Affairs, Industrial Development Bureau serves as the regulatory agency for chemicals such as acetic anhydride, piperonal, safrole, piperidine, hydrogen chloride, and potassium permanganate. While licensing is not required for the trade of these substances, any company that imports, manufactures, sells, stores, or otherwise utilizes these chemicals must report to the Industrial Development Bureau. The Bureau may inspect the company's records to ensure there is no diversion activity.

In 2012 – the last year for which full annual statistics are available – Taiwan exported a total of 42.86 metric tons (MT) of acetic anhydride, including 29.82 MT to Iran, 11.76 MT to Pakistan, and 1.28 MT to Indonesia. Taiwan also exported total of 117.26 MT of potassium permanganate, including 100 MT to Mexico; 5 MT to the Republic of Korea; 3 MT to Lesotho; 2.75 MT to Singapore; 2.68 MT to the Philippines; 2.03 MT to Malaysia; one MT to Cambodia; 500 kilograms to South Africa; and 300 MT to Vietnam. Between January and July of 2013, Taiwan exported total of 6.09 MT of acetic anhydride, including 5.04 MT to Iran, and 1.05 MT to Indonesia. Taiwan also exported a total of 45.65 MT of potassium permanganate, including 40 MT to Mexico; 2.6 MT to Cambodia; 2.5 MT to Singapore; and 550 kg to Vietnam.

Taiwan does not have regulatory controls in place for the trade of over-the-counter pharmaceutical preparations containing ephedrine or pseudoephedrine. However, companies engaging in their import and export must register their transactions with the Department of Health, who may elect to examine relevant shipping records. Additionally, the Taiwan Federal Drug Administration (FDA) requires companies exporting cold medicine containing ephedrine from Taiwan to have import permits from the importing countries prior to shipment. There have been no violations of this regulation for the past two years of its enforcement. In 2013, Taiwan began enforcing a 2009 law that requires the Department of Health to report unusual or excessive sales of cold medicines to the Ministry of Justice Investigations Bureau (MJIB), which has resulted in an ongoing reduction of cold medicine sales. New rules also restrict the sale of over the counter cold medicines to a maximum dosage of seven days per customer. Aggressive law enforcement operations targeting factories illegally producing amphetamines, closer scrutiny of companies legally producing ephedrine, and renewed emphasis on surveillance of drug smuggling routes have all led to significantly reduced availability of precursor chemicals for amphetamine production. These efforts have also eroded the ability of illegal manufacturers to produce sufficient amphetamine/methamphetamine to satisfy domestic demand.

Taiwan's customs and law enforcement authorities have benefitted from training offered by U.S. law enforcement agencies with particular emphasis on the diversion of chemicals, smuggling of pre-cursor chemicals, and the scheduling of controlled substances.

Thailand

Precursor chemicals are not produced in Thailand, but the government imports chemicals in bulk for licit medical and industrial purposes. To control the diversion of precursor chemicals from legitimate industry, the Precursor Chemical Control Committee was established in 1993. This committee is responsible for formulating the national strategy on precursor controls, supervising the controls, and integrating the activities of the agencies engaged in preventing diversion. The Office of Narcotics Control Board (ONCB) is the principal Thai law enforcement agency responsible for enforcing the laws against the illicit diversion of prohibited chemicals.

Limited quantities of certain chemicals, such as acetic anhydride and ephedrine, transit Thailand destined for clandestine laboratories in Burma. Acetic anhydride is produced in Indonesia while other chemicals are brokered through Indonesian chemical houses and transported through Malaysia into Thailand. Pseudoephedrine and ephedrine enter Thailand by couriers or by air or containerized maritime cargo before being transshipped overland from northern or northeastern Thailand provinces directly to Burma or through Laos and/or Cambodia to methamphetamine production centers in Burma, Laos, and/or Cambodia. In August 2013, there was a 12-ton seizure of safrole oil in Thailand that was transiting to the Netherlands.

Concerned with the increase in pseudoephedrine seizures, in 2012 the Thai Food and Drug Administration announced a ban on the sale of pseudoephedrine tablets at local pharmacies. The 2012 law includes penalties for possession of pseudoephedrine tablets (less than five grams) that include one to five year imprisonment and fines. Possession of quantities of more than five grams of pseudoephedrine carries a penalty of five to 20 years imprisonment and heavier fines.

On April 20, 2013, due to the determination of an imminent threat to the public safety, the Thai Ministry of Public Health signed into law the control of mephedrone, methylenedioxypyrovalerone (MPDV), and methylone. These substances have been designated narcotics in schedule I under the Narcotic Drugs Act B.E. 2522. The importation, exportation, and possession of these substances is strictly prohibited.

Thailand does provide pre-export notifications (PENs) as a means of discouraging diversion of precursors and essential chemicals in the illicit manufacture of narcotic drugs and psychotropic substances.

Iraq

According to the International Narcotics Control Board (INCB), Iraq prohibits the importation of 1-pheyl-2-propanone (P-2-P) (a precursor for crystal methamphetamine) and products containing P-2-P. Nonetheless, attempts to import precursor chemicals and traffic them throughout Iraq continue, with most of them destined for Saudi Arabia. The most common chemicals trafficked through Iraq are ephedrine, pseudoephedrine, and acetic anhydride (a precursor for heroin), and Iraq requires licenses to import them. Iraq does not have an active commercial sector manufacturing or trading in precursor chemicals. Iraq has taken steps to implement United Nations Commission on Narcotic Drugs Resolution 49/3 of the 2006 session, and provides the INCB with its estimated legitimate quantities for the following: ephedrine; pseudoephedrine; P-2-P; and 3,4-methylenedioxyphenyl-2-propanone; and their preparations. Those estimates have remained the same for the past few years. Iraq has registered to use INCB's Pre-Export Notification Online System. Border guards and law enforcement officials are becoming aware of trafficking in precursor chemicals, and have shown interest in preventing their diversion. However, Iraq needs to update its drug laws to address precursor chemicals and stop their diversion to illicit use.

Europe

Chemical diversion control within the European Union (EU) is regulated by EU regulations binding on all 28 Member States. The regulations are updated regularly and the Commission currently has two legislative proposals that the Council and Parliament are discussing. The first proposal strengthens customs controls on two drug precursors, namely ephedrine and pseudoephedrine; the second proposal tightens the rules for companies in the EU using acetic anhydride, which is used in the manufacture of heroin. The EU regulations meet the chemical control provisions of the 1988 UN Convention, including provisions for record-keeping on transactions in controlled chemicals, a system of permits or declarations for exports and imports of regulated chemicals, and authority for governments to suspend chemical shipments. The EU regulations are directly applicable in all Member States. Only a few aspects require further implementation through national legislation, such as law enforcement powers and sanctions.

The EU regulations govern the regulatory aspects of chemical diversion control and set up common risk management rules to counter diversion at the EU's borders. Member states are responsible for investigating and prosecuting violators of national laws and creating regulations necessary for implementing the EU regulations.

The U.S.-EU Chemical Control Agreement, signed May 28, 1997, is the formal basis for U.S. cooperation with the European Commission and EU Member States in chemical control through enhanced regulatory cooperation and mutual assistance. The agreement calls for annual meetings of a Joint Chemical Working Group to review implementation of the agreement and to coordinate positions in other areas. The annual meeting coordinates national or joint positions on chemical control matters before larger multilateral fora, including the CND.

Bilateral chemical control cooperation continues between the United States and EU member states. Many states participate in voluntary initiatives such as Project Cohesion and Project Prism. In 2007, the EU established guidelines for private sector operators involved in trading in precursor chemicals, with a view to offering practical guidance on the implementation of the main provisions of EU legislation on precursor chemicals, in particular the prevention of illegal diversion.

Germany and the Netherlands, with large chemical manufacturing or trading sectors and significant trade with drug-producing areas, are considered the major European source countries and points of departure for exported precursor chemicals. Other European countries have important chemical industries, but the level of chemical trade with drug-producing areas is not as large and broad-scale as these countries. Belgium and the United Kingdom are also included this year because of their large exports of ephedrine and pseudoephedrine.

Belgium

Belgium is not a major producer of or destination for chemical precursors used for the production of illicit drugs, and the country manufactures methamphetamine precursors for licit products only to a very limited extent. In recent years, however, Belgium has emerged as a transshipment point for ephedrine and other methamphetamine precursors. Belgium requires and enforces strong reporting requirements for the import and export of precursor chemicals (bulk pseudoephedrine/ephedrine, safrole oil and benzyl methyl ketone), and the Belgian Federal Police have the lead role in enforcing these controls. However, shipments of pharmaceutical preparations (medication in tablet form) containing pseudoephedrine and ephedrine are only controlled on a regulatory level by the Belgian Ministry of Safety and Public Health.

Drug traffickers are increasingly turning to pharmaceutical preparations that contain pseudoephedrine or ephedrine as a way to circumvent controls on those substances in their form as raw products. Pseudoephedrine and ephedrine contained in these medications can be extracted and used in the production of methamphetamine. Since ephedrine is strictly regulated in the United States and other countries in the Western Hemisphere, Belgium and other Western European countries have been used as transshipment points for ephedrine and other methamphetamine precursors. The illicit ephedrine diversion market is mainly controlled by Mexican drug trafficking organizations that acquire both legal (i.e., cold medicine and dietary supplements) and illegal bulk ephedrine, and ship it to Mexico, where it is used to produce methamphetamine for distribution in the United States.

In instances where precursor diversion for drug manufacturing purposes was suspected, Belgian authorities have cooperated by executing international controlled deliveries (i.e., illicit deliveries monitored by law enforcement in order to further investigations) to the destinations, or by seizing the shipments when controlled deliveries are not possible. The United States continues to coordinate with Belgian authorities to identify and investigate both suppliers and shippers of precursor chemicals.

Germany

Germany continues to be a leading manufacturer of legal pharmaceuticals and chemicals. In 2012, the most recent year for which statistics are available, Germany was the largest exporter of ephedrine with 82,800 kilograms (kg) and the second largest exporter of pseudoephedrine with 310,200 kg. Most of the 23 scheduled substances under international control as listed in Tables I and II of the 1988 UN Drug Convention and other chemicals, which are used for the illicit production of narcotic drugs, are manufactured and/or sold by the German chemical and pharmaceutical industry. Germany's National Precursor Monitoring Act complements EU regulations. Germany has a highly developed chemical sector that is tightly controlled through a combination of national and EU regulations, law enforcement action, and voluntary industry compliance.

Cooperation between the chemical and pharmaceutical industries, merchants, and German authorities is a key element in Germany's chemical control strategy. Germany works closely with the United Nations Office on Drugs and Crime, and is an active participant in chemical control initiatives led by the INCB, including Project Prism and Project Cohesion. The United States works closely with Germany's chemical regulatory agency, the Federal Institute for Drugs and Medical Devices, on chemical control issues and exchanges information bilaterally to promote transnational chemical control initiatives. German agencies cooperate closely with their U.S. counterparts to identify and stop chemical precursor diversion.

The Netherlands

The Netherlands has a large chemical industry with large chemical storage facilities, and Rotterdam serves as a major chemical shipping port. However, the Netherlands has strong legislation and regulatory controls and law enforcement authorities track domestic shipments and work closely with international partners. Trade in precursor chemicals is governed by the 1995 Act to Prevent Abuse of Chemical Substances (WVMC). The law seeks to prevent the diversion of legal chemicals into the illegal sector. Chemicals substances are furthermore governed under The Act on Economic Offences and the Opium Act, and EU regulations 273/2004, 111/2005, and 127/2005.

Production of synthetics is significant in the Netherlands, and recent trends show an increase in new types of precursors and pre-precursors to circumvent national and international legislation. Alpha-phenylacetoacetonitrile (APAAN) is used in amphetamine production and acetic anhydride is used as a pre-precursor for phenyl-2-propanone (BMK). Safrole continues to be used as a pre-precursor for piperony methyl ketone (PMK) and its increased availability has been attributed to an increase in MDMA production.

The Financial Investigation Service (FIOD) of the Ministry of Finance oversees implementation of the WVMC and has responsibility of law enforcement efforts targeting precursors. Customs monitors trade in and production of chemicals. The chemical industry is legally obliged to report suspicious transactions. The Netherlands abides by all EU Regulations for drug precursors. The Prosecutor's Office has strengthened cooperation with countries playing an important role in precursor chemicals used in the manufacture of ecstasy. The Netherlands signed a memorandum of understanding with China concerning chemical precursor investigations. The Netherlands is an active participant in the INCB-led Project Prism taskforce and provides the INCB annual estimates of legitimate commercial requirements for chemical precursors. The Dutch continue to work closely with the United States on precursor chemical controls and investigations. There is close cooperation between the FIOD and the police on drug precursors.
The Netherlands is not a cocaine-producing country, but Customs does control checks on potassium permanganate. The Netherlands is not a producing country for heroin, and there are almost no indications of suspicious transactions regarding acetic anhydride.
There is an obligation to have a license for the manufacture and trade of ephedrine. Relevant reports on suspicious transactions are shared nationally and internationally. The Netherlands also monitors a number of non-registered substances used in the production of methamphetamines.

Poland

Poland is the fourth largest global exporter of ephedrine in 2012 with 15,400 kg in exports, according to commercial trade data. Legitimate needs for precursor chemicals and pharmaceutical exports appear to be increasing in Poland. Authorities in Poland and neighboring countries are also reporting increased illicit production of synthetic drugs, including methamphetamine. Despite diligent counternarcotics measures and international information sharing on cross-border crimes, Poland has emerged as a major illicit producer of synthetic drugs for the international market. The INCB indicates that seizures of illicit amphetamine laboratories may have increased as much as 160 percent in Poland in 2011.

Poland is a party to all three drug conventions. Polish law enforcement officials work closely with U.S. authorities. Both regulatory and law enforcement officials work closely with DEA on chemical control issues. Poland continues to participate with the United States and other countries in the INCB's Project Prism and is actively involved in operations conducted under its auspices. Cooperation on chemical investigations is good. Recent efforts by Polish authorities, for instance led to a stopped 18 ton shipment of phenylacetic acid ordered in China. The pre-export notification led Polish authorities to question the importer regarding such a large shipment of PAA when legitimate needs for this substance are relatively low.

Switzerland

Switzerland's imports of pseudoephedrine declined in 2012. However, Switzerland remained the top (non-U.S.) importer of pseudoephedrine for 2012 with 60,056 kg. The Government of Switzerland continues to be a strong partner with the United States and other concerned countries

in international chemical control initiatives to prevent the diversion of synthetic drug precursor chemicals, including ephedrine and pseudoephedrine, and other primarily essential chemicals, including potassium permanganate and acetic anhydride. Switzerland participates in multilateral chemical control initiatives led by the International Narcotics Control Board, including Project Prism (targeting the key chemicals used to manufacture synthetic drugs, including ephedrine and pseudoephedrine) and Project Cohesion (tracking acetic anhydride and potassium permanganate). Specifically, ephedrine and pseudoephedrine are subject to import and export license requirements and Swiss chemical manufacturers must provide end-user certificates in concert with the exportation of ephedrine and pseudoephedrine. In addition, an export license is required to export acetic anhydride to "risk" countries where significant illicit drug production occurs.

Swiss law enforcement agencies have established close operational cooperation with the Swiss chemical manufacturing and trading industries and counterparts in major chemical manufacturing and trading countries. This cooperation includes information exchange in support of chemical control programs and in the investigation of diversion attempts. Cooperation between U.S. and Swiss law enforcement agencies, particularly the Swiss Federal Criminal Police, in chemical control related issues is excellent.

The United Kingdom

The United Kingdom (UK) continues to be one of the top worldwide exporters of ephedrine. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. In 2008, the Controlled Drugs Regulations (Drug Precursors) (Intra and External Community Trade) were implemented, bringing UK law in line with pre-existing EU regulations. Licensing and reporting obligations are requirements for those that engage in commerce of listed substances, and failure to comply with these obligations is a criminal offense. The Home Office Drug Licensing and Compliance Unit is the regulatory body for precursor chemical control in the UK. However, the National Crime Agency and the police have the responsibility to investigate suspicious transactions. Her Majesty's Revenue and Customs monitors imports and exports of listed chemicals. U.S. and UK law enforcement continue to exchange information and training on the methamphetamine threat.

Significant Illicit Drug Manufacturing Countries

This section is also broken down by region and focuses on illicit drug manufacturing countries, their chemical control policies and efforts.

Asia

Afghanistan

Afghanistan does not have a domestic chemical industry or a legitimate use for acetic anhydride (AA) and consequently and does not allow importation. However, AA is smuggled into the country each year by organized criminal group and others. The principal illicit sources are believed to be China, South Korea, Europe, the Central Asian states, and India. Re-packaging and false labeling often hide the identity of the shipper. Limited police and administrative capacity has hampered efforts to interdict precursor substances and processing equipment and Afghan heroin conversion laboratories tend to be small operations, making the task of control and investigative authorities more difficult. During the first nine months of 2013, the Counter Narcotics Police of Afghanistan seized 14.4. mt of precursors.

Afghanistan has an export/import regimen for all 23 substances listed in the 1988 UN Convention which are under international control. Afghanistan's multi-agency body that includes the CNPA and Department of Customs is responsible for tracking shipments. The Precursor Chemical Unit (PCU) of the Counter Narcotics Police of Afghanistan (CNPA) is now online with the Precursor Incident Communication System PICs. The PICs system is a secure online tool to enhance real time communication and information sharing between national authorities on precursor incidents which may include seizures, stopped shipments, diversions and illicit laboratories**.**

Burma

The illicit production and export of synthetic drugs in Burma continued in 2013. Burma does not have a significant chemical industry and does not manufacture ephedrine, pseudoephedrine or acetic anhydride used in synthetic drug manufacturing. Organized criminal syndicates smuggle these precursor chemicals into Burma through borders shared with Bangladesh, China, Laos, India and Thailand. The precursors are then transported to heroin refineries and amphetamine-type-stimulant (ATS) laboratories primarily located in regions of Shan State which are under the control of armed militia groups or in other areas that are lightly policed.

In 2013, because of extremely porous borders, primarily along the Burma/India border, Burmese authorities were unable to control the illicit import and diversion of precursor chemicals for use in production of illegal narcotics. Efforts by Burma to engage India on the control of precursor chemicals, specifically pseudoephedrine, were unsuccessful. The Burmese police made significant precursor seizures in government controlled areas such as Mandalay, Burma's main distribution center for precursor chemicals. Between January and September, Burmese authorities seized approximately 2.95 metric tons (MT) of pseudoephedrine, most of which originated from India. The Government of Burma has not provided estimates on the size of its licit domestic market for ephedrine or pseudoephedrine; however, Burmese officials have noted that all pseudoephedrine smuggled across the Burma/India border is destined for illicit methamphetamine laboratories in Shan State and not the legal domestic market.

Official seizure statistics between January and September 2013 related to ATS production also included approximately 2.947 kilograms (kg) of pseudoephedrine 113.2 kilograms (kg) of ephedrine and 4.63 MT of caffeine powder. Burmese police also seized 6.42 million ATS tablets and 131.47 kg of crystal methamphetamine during the same reporting period. Burma is a party to the 1988 UN Drug Convention, but has not yet instituted laws that meet all UN chemical

control provisions. In 1998, Burma established a Precursor Chemical Control Committee responsible for monitoring, supervising, and coordinating the sale, use, manufacture and transportation of imported chemicals. In 2002, the Committee identified 25 substances as precursor chemicals, and prohibited their import, sale or use in Burma.

Indonesia

Indonesia was the fourth largest importer of ephedrine and second largest importer of pseudoephedrine in 2012. Imports of ephedrine and pseudoephedrine pose significant challenges for Indonesia. While Indonesia's growing population of close to 240 million may generate a large demand for cough and flu medicines, authorities estimate that some of these medicines and their precursors are diverted for production of methamphetamine/ecstasy. China is the primary source of licit chemicals for the Indonesian pharmaceutical industry and for chemicals used to produce illicit methamphetamines. Taiwan, India, and other Asian countries are also significant sources of licit pharmaceutical drugs diverted for use to produce amphetamine type stimulants. The 2009 National Narcotics Law gave the National Narcotics Board the authority to monitor narcotics and precursor production at pharmaceutical plants, and to conduct investigations and arrests in response to precursor and narcotics violations. Although there are several laws and regulations in place regarding the import and export of precursor chemicals, and Indonesia has reorganized the Ministry of Trade and Industry and the Ministry of Health to better control the import of precursor chemicals and pharmaceutical drugs, the extent of enforcement is largely unknown.

The National Narcotics Board reports that it regularly monitors companies that are listed importers of precursor chemicals such as potassium permanganate and acetic anhydride, which are commonly diverted for cocaine and heroin production. In 2013, the agency conducted visits to registered importers on 29 occasions, which resulted in two cases involving illegal precursor substances. In regard to supervision of acetic anhydride, the National Narcotics Board cooperates closely with the Ministry of Industry. Indonesia is now utilizing an online Pre-Export Notification System (PENS) for pharmaceutical precursors and the National Single Window for control of imports and exports, including precursors. Through the Ministry of Health, Indonesia reports estimates of its legal domestic narcotics precursors annually to the International Narcotics Control Board as per Commission on Narcotics Drugs Resolution 49/3.

Laos

Laos is an important transit point for Southeast Asian heroin, ATS, and precursor chemicals en route to other nations in the region. This transit drug trade involves criminal gangs with links in Africa, Latin America, Europe, and the United States, as well as in other parts of Asia.

The Laos Penal Code has several prohibitions against the import, production, and use and misuse of chemicals used for manufacturing illicit narcotics. The Ministry of Health and the Customs Department maintain controls over chemical substances. Laos has a small and nascent industrial base and the use of industrial chemicals subject to misuse for narcotics manufacture is relatively small. In 2008 the Lao National Assembly passed a drug law (Law on Drugs and Article 46 of the Penal Law) that defines prohibited substances and pharmaceuticals for medical use. In

March 2009, the Prime Minister's Office issued a "Decree" to the revised drug law to clarify criminal liability that includes a list of 32 chemical precursors which could be used for illicit purposes.

Malaysia

Malaysia is emerging as a regional production hub for crystal methamphetamine and ecstasy. Narcotics imported to Malaysia include heroin and marijuana from the Golden Triangle area (Thailand, Burma, Laos), and other drugs such as ATS. Small quantities of cocaine are smuggled into and through Malaysia from South America. Methamphetamine, ecstasy, and ketamine, mostly from India, are smuggled through Malaysia en route to consumers in Thailand, Japan, Indonesia, Singapore, China, and Australia. Since 2006, Malaysia has been a location where significant quantities of crystal methamphetamine are produced. Since 2009 there have been reports of methamphetamine laboratories seized in Kuala Lumpur and in Southern Malaysia, and frequent police reports of ethnic Chinese traffickers setting up labs in Malaysia. Nigerian and Iranian drug trafficking organizations are also increasingly using Kuala Lumpur as a hub for their illegal activities.

Latin America

Bolivia

The FELCN Chemical Substances Investigations Group (GISUQ) is charged with locating and interdicting chemicals used in the traditional cocaine process, such as sulfuric acid, hydrochloric acid, gasoline, diesel oil and limestone. In 2011, the GISUQ found drug traffickers using new chemicals, such as isopropyl alcohol, liquid ethyl acetate and sodium bisulphate, and cement to produce cocaine. In 2012 the GISUQ also found ethyl acetate being used to purify cocaine into HCL.

In 2013, drug traffickers continued using the same chemicals and GISUQ found two new chemicals were used in cocaine production: activated carbon and phenacetin. Traffickers use activated carbon to deodorize and discolor water and other liquids and phenacetin, a highly toxic analgesic, to increase volume of cocaine. These chemicals are not among the precursor chemicals controlled under the Bolivian Counternarcotics (CN) Law. Through August 31, the GISUQ seized 585 MT of solid substances and 1,266,216 liters of liquid precursor chemicals, a 39 percent and 15 percent decrease respectively over the same period in 2012.

GISUQ coordinates activities with the General Directorate for Controlled Substances, a civilian entity under the GOB that administers and licenses the commercialization and transport of controlled substances listed under Bolivian CN Law 1008. Per Bolivian law, unless controlled substances are found next to a cocaine lab, unlicensed transport and commercialization generates only an administrative violation, being penalized by a fine and the possibility to lose the merchandise if proper paperwork is not produced within a certain period of time.
The Bolivian government does not have control regimes for ephedrine and pseudoephedrine. The GISUQ, however, coordinates with the Ministry of Health to supervise and interdict illegal commercialization of illegal methamphetamines.

Colombia

Precursor chemical diversion is a serious problem within Colombia. Unlike illicit drugs, chemicals have a legitimate, and often widespread, use within Colombia. In 2013, there were approximately 4,500 chemical companies in Colombia authorized to handle regulated chemicals for legitimate use. Although chemical companies must have governmental permission to import or export specific chemicals and controlled substances, the burden of proof is on the police to prove the chemicals are intended for illicit drug production.

The Colombian government has tightened chemical controls on chemicals used for coca processing as well as strengthened chemical control legislation. However, traffickers continue to seek new avenues for camouflaging precursors and clandestinely moving them into Colombia. Chemicals are also diverted by large Colombian chemical handlers whose management may have no knowledge of the illegal activities. Chemical traffickers and clandestine laboratories use non-controlled chemicals such as n-propyl acetate to replace controlled chemicals that are difficult to obtain. They also recycle chemicals in order to decrease the risk associated with the purchase and diversion of these chemicals. Along with this practice, traffickers are recycling the chemical containers, making it difficult to trace their origin.

The Government of Colombia's chemical control regulating authority is the Chemical and Narcotics Control and Compliance Section, operating under the Ministry of Justice and Law.

The Government of Colombia implements tighter restrictions on precursor chemicals in certain zones known for coca processing. These restrictions include reduced numbers for production, distribution and storage of chemicals, and in some areas, complete prohibition of some chemicals.

Colombian companies are not authorized to export ephedrine or pseudoephedrine in bulk form and all drug combination products containing ephedrine or pseudoephedrine have been banned from domestic distribution. However, they can import these precursors for the manufacture of pharmaceutical preparations which can be re-exported.

The Colombian National Police Chemical Sensitive Intelligence Unit (SIU) was formed in June of 1998. The unit's primary mission was to verify the existence of companies importing chemicals and the validity of the import permits, including those from the United States, as well as to review their compliance with chemical control regulations. This mission changed near the end of 2000 when the focus shifted to investigative work as opposed to solely regulatory inspections. In 2007, the regulatory function of the SIU was transferred to the Chemical Control and Compliance Unit (CCCU) and the SIU maintained its investigative focus. The SIU is currently comprised of 37 members and the CCCU has 27 members. The SIU has offices in four cities in Colombia (Bogota, Cali, Medellin, and Villavicencio). The CCCU is primarily based in Bogota, but travels as needed to other cities within Colombia.

The primary mission of the SIU is to target and dismantle large-scale chemical trafficking organizations that provide chemicals to cocaine, heroin, and synthetic drug producing

organizations within Colombia, Panama and Mexico. The CCCU is responsible for on-site inspections and audits, verification of imports/exports, and for developing leads for criminal prosecution purposes. The SIU and the CCCU are also responsible for the multi-national chemical targeting operation Sin Fronteras ("without borders"). The SIU coordinates all operations within Colombia in association with the Colombian Military, the Judicial Police, Colombian Prosecutors office, Colombian Customs, and various other agencies.

In 2011, the Colombian government amended its chemical law making the diversion of listed chemicals a criminal act. With this amendment, the owners can be prosecuted and their companies are susceptible to forfeiture. In 2011, the Government of Colombia scheduled levamisole, which is now the most frequently used product to cut Colombian cocaine.

The Colombian National Police (CNP) primary interdiction force, the Anti-Narcotics Directorate's (DIRAN) Jungle Commandos (Junglas), or airmobile units, are largely responsible for the significant number of cocaine HCL and coca base labs destroyed in 2013, as well as for the seizure of significant amounts of listed chemicals during the course of their operations in 2013. The Junglas seized 282 metric tons (MT) of solid precursors and 230 MT of liquid precursors. The Carabineros, or rural police, seized 69 liters of liquid precursors in 2013 and 174 MT of solid precursors.

Peru

Peru continues to be a major importer of precursor chemicals used in cocaine production, including acetone, sulfuric acid, hydrochloric acid, and calcium oxide – the four primary precursor chemicals used in the production of cocaine in the country according to a 2012 study by the United Nations. Peru also produces sulfuric acid for this purpose. These chemicals are often diverted from legitimate channels to cocaine production with a concentration in Upper Huallaga Valley (UHV) and the Ene, Apurimac and Mantauro River Valley (VRAEM), the principal coca producing areas in Peru. Potassium permanganate, the precursor chemical most widely sought in cocaine production in neighboring countries to remove impurities and enhance the coloration, is not typically used in Peru, where alcohol is the preferred substance for this purpose. In the first nine months of 2013, the Peruvian National Police seized only two metric tons (MT) of potassium permanganate. The Peruvian National Police (PNP) has identified the principal routes of precursor chemicals from Lima into the drug source areas, and is building its capacity to intercept these shipments.

In the first nine months of 2013, the PNP Chemical Investigations Unit (DEPCIQ) continued its chemical enforcement and regulatory operations, leading to the seizure of 1,582 MT of precursor chemicals, including calcium oxide (294 MT); sulfuric acid (108.7 MT); hydrochloric acid (65 MT); and acetone (34.8 MT). The counternarcotics police (DIRANDRO) continued a bilateral chemical control program with the United States, known as Operation Chemical Choke, which specifically targets the seizure of acetone, hydrochloric, and sulfuric acid through a specialized enforcement and intelligence unit of the police. Operation Chemical Choke targets those organizations that divert these chemicals to cocaine production laboratories located near coca growing areas. In the first nine months of 2013, this operation resulted in the arrest of

several chemical traffickers and the seizure of 9.4 MT of acetone, 2.5 MT of hydrochloric acid, and 38.4 MT of sulfuric acid.

Peruvian law enforcement also conducted chemical enforcement operations with neighboring countries and participated in enforcement strategy conferences to address chemical diversion. The PNP and Brazilian Federal Police (DPF) conducted a 13-day enforcement operation in September, known as Operation "Trapecio," which focused on cocaine trafficking organizations operating in the tri-border region of Peru, Brazil, and Colombia. This successful operation targeted the floating gas stations that provide gasoline for the coca leaf alkaloid extraction process. PNP and DPF seizures included several floating gas stations and 28,860 liters of gasoline, 54.2 MT of precursor chemicals, and 30.5 MT of cement. Within the 28 cocaine laboratories destroyed as part of this mission, the police found 16.8 MT of cocaine sulfate – enough to yield approximately 2.1 MT of cocaine base.

In 2013, there were no reports of the manufacture or distribution of synthetic drugs in Peru. According to the Humala Government's five-year national counternarcotics strategy, the Ministry of Health's General Directorate for Medical Precursors and Drugs (DIGEMID) is responsible for the import and export, distribution, storage, trade, and promotion of all pharmaceutical products, as well as estimating the amount of precursors required to produce pharmaceuticals for legitimate purposes. Local laboratories are required to submit information related to their required quantities for this purpose to DIGEMID.

In 2012, the Government of Peru issued a legislative decree to enhance monitoring and control of chemical precursors, finished products, and machinery used to produce and transport illegal drugs. The National Tax and Customs Administration (SUNAT) is responsible for overseeing monitoring and control of precursor chemicals seized at the ports. The legislation required that SUNAT define authorized routes for the licit transportation of chemicals and that those transporting them be tracked via GPS technology by September 1. Variations from the route will result in fines and could result in criminal charges. While authorized routes have been established, we are unable to confirm whether GPS technology is being used to track vehicles carrying those chemicals as Peru's legislation now requires. In 2013, a subsequent legislative decree was passed to make CONABI, Peru's asset management agency, responsible for the management and disposal of chemical precursors seized by the Peruvian National Police. SUNAT and CONABI struggle to manage and dispose of these chemicals in an expedient, safe, and environmentally-sound manner.

Multilateral Efforts to Target Methamphetamine Chemicals

Methamphetamine abuse, production and trafficking appeared to be on the rise globally in 2013 with significant shifts in production and trafficking. Abuse also continues to expand in Asia and Europe, as well as in the United States. Central American, Latin American and African officials also noted use for the first time and European officials highlight concern about expanded abuse. Moreover, continued pressure on the criminal organizations including monitoring licit chemicals

in methamphetamine production as well as medical preparations containing ephedrine and pseudoephedrine, has forced traffickers to seek new sources, smuggling routes and production methods. For instance, following the increased legislative and regulatory changes in both Mexico and Central America, ban on trade and use of pseudoephedrine in Mexico in 2008, Mexico-based traffickers gradually moved away from using the phosphorus-iodine production method (which uses pseudoephedrine as a precursor) to the Phenyl-2-propanone (P2P) method (which does not require pseudoephedrine). Although the pseudoephedrine-based methamphetamine typically is more potent, P2P is the primary method used in methamphetamine produced in Mexico. Additionally, methamphetamine producers have now found ways to improve the P2P methamphetamine to significantly increase potency. In Europe, traffickers continue to circumvent controls by using alpha-Phenylacetoacetonitrile (APAAN) a non-scheduled substance that can be easily converted into P-2-P. Multi-ton shipments of these substances from China have begun appearing in the Netherlands and Belgium. Production is also shifting and authorities have begun to see a concerted effort by criminals to expand their operations out of the reach of sophisticated law enforcement efforts or established monitoring regimes to African nations.

To target the global challenge of methamphetamine production, diversion and trafficking, the United States continues to work in close cooperation with other nations through the United Nations and the OAS CICAD.

Additionally, the United States has actively supported Project Prism an international initiative under the auspices of the INCB designed to assist governments in developing and implementing operating procedures to control and more effectively monitor trade in amphetamine-type stimulant precursors to prevent their diversion. The initiative allows for sharing of information and helps to identify trends in diversion, trafficking, and distribution. Under five separate operations, a total of 167 notifications have been issued regarding suspicious and/or seized shipments with over 196 MT of ephedrine and pseudoephedrine suspended, stopped, or seized as well as over 600 MT of phenylacetic acid, its esters and derivatives, preventing up to 288 MT of methamphetamine from being produced.

INCB-led operations have been the backdrop for specific multilateral action on methamphetamine, including:
--the 2012 establishment of a new INCB-led operation Ephedrine and Pseudoephedrine Intelligence Gaps in Africa (EPIG);
--a 2011 INCB-led operation focusing on phenylacetic acid and derivatives (PAAD).
--increased use of the INCB Secretariat's PENS program to monitor licit shipments of precursor chemicals.
--support for the INCB expanded online capabilities allow participants to notify the Board of suspicious or new shipments under the Precursor Incident Communications System (PICS).

The United States has provided law enforcement training to a variety of countries, including training in basic drug investigations, chemical control, and clandestine laboratory identification (and clean-up) training. These programs help encourage international cooperation to pursue our common anti-drug and broader geopolitical objectives with the countries of the region, as well as to undercut illegal drug producers that could eventually turn their sights on U.S. markets.

Major Exporters and Importers of Pseudoephedrine and Ephedrine (Section 722, Combat Methamphetamine Epidemic Act (CMEA)

This section of the INCSR is in response to the CMEA Section 722 requirement for reporting on the five major importing and exporting countries of the identified chemicals. In meeting these requirements, the Department of State and DEA considered the chemicals involved and the available data on their export, import, worldwide production, and the known legitimate demand. Illicit trafficking and production are not addressed in these figures.

Ephedrine and pseudoephedrine are the preferred chemicals for methamphetamine production, although traffickers are increasingly using substitutes or pre-precursors. Phenylpropanolamine, a third chemical listed in the CMEA, is not a methamphetamine precursor, although it can be used as an amphetamine precursor. In 2000, the FDA issued warnings concerning significant health risks associated with phenylpropanolamine. As a result phenylpropanolamine is no longer approved for human consumption. Phenylpropanolamine is still imported for veterinary medicines, and for the conversion to amphetamine for the legitimate manufacture of pharmaceutical products. Phenylpropanolamine is not a methamphetamine precursor chemical and trade and production data are not available on phenylpropanolamine. Therefore, this section provides information only on pseudoephedrine and ephedrine.

The Global Trade Atlas (GTA), compiled by Global Trade Information Services, Inc., (WWW.GTIS.COM) provides export and import data on pseudoephedrine and ephedrine collected from major trading countries. However, given the reporting cycles by participating countries, data often lags behind one year. 2012 is the most recent year with full-year data. The data, including data from the previous year, is continually revised as countries review and revise their data. GTA data is used in the tables at the end of the chapter.

Obtaining data on legitimate demand remains problematic, but it is more complete for 2012 and 2013 than in any previous years. It is still not fully sufficient to enable any accurate estimates of diversion percentages based on import data. There are significant numbers of countries which have yet to report regularly to the INCB their reasonable estimates about the trade in the end products that form the basis of legitimate demand – although each year the number is increasing. Many countries and regions do not report trade in ephedrine and pseudoephedrine when it is incorporated into a finished pharmaceutical product, in the form of finished dosage units such as liquids, tablets, and capsules, due to concerns that this type of information infringes on commercially sensitive information. Further challenges include governments that may not be able to ascertain this data if, for example, they do not subject pharmaceutical preparations to national control, or if a different ministry with different or less stringent means of oversight regulates preparations versus bulk chemicals.

Ephedrine and pseudoephedrine pharmaceutical products are not specifically listed chemicals under the 1988 UN Convention. Therefore, in the case of the reporting on licit market requirements for ephedrine and pseudoephedrine, the governing UN resolutions are not mandatory and only request voluntary reporting trade and demand of pharmaceutical products. Even so, the trend in this direction has been positive. Since the passage of the 2006 CND resolution sponsored by the United States, 153 countries and jurisdictions of the 183 signatories to the 1988 Convention have reported import requirements to the INCB for the bulk chemicals ephedrine and pseudoephedrine. Before 2006, only a small number of countries reported, and these rare communications were scattered and irregular.

A further challenge to analyzing the data is that most countries have not made any attempt to reconcile trade data and their own reporting of licit requirements, although this is changing. There are some signs countries are beginning to make efforts to reconcile data either from commercial industry, domestic use, or onward exports. For instance, some countries that noted licit requirements, but had not reported into the Global Trade Atlas (GTA) data exports or imports, have begun to do so. And the INCB has indicated that it remains concerned about the high estimates of annual legitimate requirements for certain precursors, especially in West Asian and Middle East countries.

Thus far, the economic analysis required by CMEA remains limited because of insufficient and constantly changing data. Often the collection and reporting of such data requires a regulatory infrastructure that is beyond the means of some governments in question. The United States will continue to push in both diplomatic and operational forums – in both bilateral and multilateral settings – to urge countries to provide reporting on their licit domestic requirements for methamphetamine precursor chemicals to the INCB. The United States will continue to work with the INCB and with authorities in the reporting countries themselves to secure explanations for any anomalies between reported imports and reported licit domestic requirements. We also will seek to support efforts to provide developing countries with the expertise and technical capacities necessary to develop such commercial estimates.

This report provides export and import figures for both ephedrine and pseudoephedrine for calendar years 2010-2012. The report illustrates the wide annual shifts that can occur in some countries, reflecting such commercial factors as demand, pricing, and inventory buildup. GTA data on U.S. exports and imports have been included to indicate the importance of the United States in international pseudoephedrine and ephedrine trade. Complete data on the worldwide production of pseudoephedrine and ephedrine are not available because the major producers will not release this proprietary data.

Top Five Exporting Countries and the United States
Ephedrines And Their Salts

2010 - 2012

Reporting Country	Unit	Quantity		
		2010	2011	2012

Germany	KG	15,900	62,500	82,800
India	KG	65,261	94,971	49,231
China	KG	2,530	3,110	18,316
Poland	KG	2,500	7,700	15,400
Singapore	KG	8,800	9,800	10,295
Top five total		94,991	178,081	176,042
United States	KG	181	163	171

Analysis of Export Data: According to the Global Trade Atlas (GTA) ephedrine exports declined slightly in 2012. However, Germany's exports increased to 82,800 kg in 2012 from 62,500 kg in 2011, making it the lead exporter of ephedrine. India's exports dropped by more than half of the previous year— – making it the second largest exporter of ephedrine, while China's exports in 2012 were more than six times its 2011 exports. The aggregate amount of ephedrine exported by the top five countries dropped slightly from 178,081 kg in 2011 to 176,042 kg 2012. However, the 2012 figure is still almost double the 2010 amount of 94,991 kg. U.S. exports increased slightly to 171 kg in 2012 from 163 kg in 2011. The top five countries in 2011 included India, Germany, Singapore, Poland, and the United Kingdom. The aggregate amount of ephedrine exported by the top five countries was 176,042 kg.

Top Five Exporting Entities and the United States Pseudoephedrine And Their Salts				
2010 - 2012				
Reporting entity	Unit	Quantity		
		2010	2011	2012
India	KG	458,063	1,658,599	409,736
Germany	KG	364,900	475,600	310,200
Taiwan	KG	101,744	70,310	77,924
China	KG	73,129	65,200	67,309
Singapore	KG	41,456	43,371	55,278
Top five total		1,039,292	2,313,080	920,447
United States	KG	14,102	13,423	11,809

Analysis of Export Data: For pseudoephedrine, the aggregate volume of worldwide exports for the top five exporters dropped significantly from 2,317,000 kg in 201 to 920,447 kg in 2012. The top five exporters of pseudoephedrine in 2012 were India, Germany, Taiwan, China and Singapore. Switzerland dropped from the 2012 list. In 2011 the top five were India, Germany, Taiwan, China and Switzerland. India's exports increased fourfold in 2011. While still the top exporter, India's exports dropped from 1,658,599 kg to 409,736 kg. In contrast, only Germany decreased slightly.

Top Five Importers and the United States Ephedrines And Their Salts				
2010 - 2012				
Reporting entity	Unit	Quantity		
		2010	2011	2012
India	KG	791	6,100	44,019
South Korea	KG	15,700	25,801	28,150
Singapore	KG	9,000	10,277	11,704
Indonesia	KG	8,503	9,322	9,279
Hong Kong	KG	4,800	4,200	5,500
Top five total		38,794	55,700	98,652
United States	KG	22,394	10,132	11,731

Analysis of Import Data: The top five ephedrine importers in 2012 are India, South Korea, Singapore, Indonesia, and Hong Kong. India's imports appear to have increased significantly as did India's annual requirements and production of cold and other medicines in the last year. South Korea, Egypt, Taiwan, Singapore, and Egypt were the top four importers in 2011. The U.S. imports increased slightly and the United States was the second largest importer of ephedrine. Previously, U.S. imports dropped from 22,000 kg in 2010 to 2011 due to the refinement of the quota system implemented under the CMEA.

Top Five Importers and the United States				
Pseudoephedrine And Their Salts				
2010 – 2012				
Reporting Country	Unit	Quantity		
		2010	2011	2012
Switzerland	KG	61,882	84,980	60,056
Indonesia	KG	45,365	40,147	51,594
Singapore	KG	56,100	55,069	49,624
Egypt	KG	210	33,872	42,290
South Korea	KG	65,270	40,200	38,975
top five total		228,827	254,268	242,539
United States	KG	212,307	248,354	185,306

Analysis of Import Data: Shifts in trade of pseudoephedrine show a decline in the top five importers of pseudoephedrine and a dramatic drop in United States imports. Because of Egypt's increased imports it became the third largest importer in 2012. Belgium was dropped from the list of top five that in 2012 includes Switzerland, Indonesia, Singapore, Egypt, South Korea. The 2011 list included Switzerland, Singapore, Belgium, South Korea and Indonesia.

Even with the decline in imports, the United States remained the top importer of pseudoephedrine, with imports of 185,306 kg in 2012. However, this is still down from the high of 312,000 kg imported in 2007. It should be noted that the United States no longer manufactures pseudoephedrine.

INCB Tables on Licit Requirements

Annual legitimate requirements (ALR) as reported by Governments to the International Narcotic Control Board (INCB) for imports of ephedrine, pseudoephedrine, 3,4-methylenedioxyphenyl-2-propanone, 1-phenyl-2-propanone and their preparations

(Kilograms, rounded up)

Status: 1 FEBRUARY 2014

Country or territory	*Ephedrine*	*Ephedrine preparations*	*Pseudoephedrine*	*Pseudoephedrine preparations*	*3,4-MDP-2-P*[a]	*P-2-P*[b]
Afghanistan	50	0	3 000	0	0	0
Albania	3	0	0	0	0	0
Algeria	1		17 000		0	0
Argentina	23		11 356		0	0
Armenia	0	0	0	0	0	0
Ascension Island	0	0	0	0	0	0
Australia	5	10	6 000	1 450	1	1
Austria	126	214	2	1	1	1
Azerbaijan	20		10		0	0
Bahrain	0	0			0	
Bangladesh	200		49 021		0 [i]	
Barbados	250		160		0 [i]	
Belarus	0	25	25	20	0	0
Belgium	300	200	11 000	8 000	5	1
Belize			P	P	0 [i]	
Benin	2		8	10	0 [i]	
Bhutan	0	0	0	0	0	0
Bolivia	41	1	3 316	2 983	0	0
Bosnia and Herzegovina	11	0	1 001	0	0	0
Botswana	300				0 [i]	
Brazil	700 [c]		20 000 [c]		0	1
Brunei Darussalam	0	2	0	181	0	0
Cambodia	200	50	300	900	0 [i]	
Cameroon	25				0 [i]	
Canada	3 330	5	42 000		0	0
Chile	63	200	8 500	950	0	0
China	110 000		270 000		0 [i]	

Hong Kong SAR of China	5 500	0	17 480	0	0	1
Macao SAR of China	1	10	1	159	0	0
Christmas Island	0	0	0	1	0	0
Cocos (Keeling) Islands	0	0	0	0	0	0
Colombia	0 [d]	0 [e]	3 194 [d]	P	0	0
Cook Islands	0	0	0	1	0	0
Costa Rica	0	0	523	39	0	0
Cote d'Ivoire	30	1	25	250	0	0
Croatia	2		1		0	1
Cuba	200			6	0 [i]	
Curacao	0		0		0	0
Cyprus		0	500		0 [i]	
Czech Republic	600	10	1 600	800	0	1
Democratic People's Republic of Korea	1 500	0	0	0	5	0
Democratic Republic of the Congo	300	10	720	900	0 [i]	
Denmark					0	0
Dominican Republic	75	5	230	250	0	0
Ecuador	25	5	1 000	3 000	0	0
Egypt	6 000	0	60 000	2 500	0	0
El Salvador	P(6) [f]	P(2) [f]	P	P	0	0
Eritrea	0	0	0	0	0	0
Estonia	4	1		350	0 [i]	
Faroe Islands	0	0	0	0	0	0
Falkland Islands (Malvinas)		1		1	0 [i]	
Finland	6	100		1 000	0 [i]	1
France	5 000	10	20 000	500	0	0
Gambia	0	0	0	0	0	0
Georgia	3	25	2	30	0 [i]	

Germany	1 000		8 000		1	8
Ghana	4 500	300	3 000	200	0	0
Greece	25		1 450		0	0
Greenland	0	0	0	0	0	0
Guatemala	0		P	P	0	0
Guinea	36				0 [i]	
Guinea-Bissau	0	0	0	0	0	0
Guyana	120	50	120	30	0	0
Haiti	200	1	350		0	0
Honduras	P	P(1) [e]	P	P	0	0
Hungary	650		1		0	800
Iceland	1		1		0 [i]	
India	1 879	102 704	207 198	411	0	0
Indonesia	8 500		50 000	805	0 [i]	
Iran (Islamic Republic of)	50	1	55 000	10	6	51
Iraq	3 000	100	14 000	10 000	0	P [h]
Ireland	1	2	1	656	0	0
Israel	1	28	1	2 505	0 [i]	
Italy	600	0	1 000	0	0	300
Jamaica			300	300	0	0
Japan	1 000		12 000		0 [i]	
Jordan	200		15 000		0 [i]	P
Kazakhstan	0		0		0	0
Kenya	2 500		3 000		0 [i]	
Kyrgyzstan	0		20	50	0	0
Lao People's Democratic Republic	0	0	220	50	0	0
Latvia	25	27	41	383	0	0
Lebanon	0	4	220	300	0	0
Lithuania	1	2	1	600	1	1
Luxembourg	1	0	0	0	0	0
Madagascar	702	180	150		0 [i]	
Malawi	1 000				0 [i]	
Malaysia	211	21	8 000	6 000	0	0
Maldives	0	0	0	0	0	0
Malta		220	220		0	0
Mauritius	0	0	0	0	0	0
Mexico	P(38) [f]	P [f]	P	P	0	0
Monaco	0	0	0	0	0	0

Mongolia	3				0 [i]	
Montenegro	0	2	0	50	0	0
Montserrat	0	1	0	1	0	0
Morocco	41	0	2 245	0	0	0
Mozambique	3				0 [i]	
Myanmar	2	0	0	0	0	0
Namibia	0	0	0	0	0	0
Netherlands		0		0	0	0
New Zealand	50		800		0	3
Nicaragua	P [g]	P [g]	P	P	0 [i]	
Nigeria	9 650	2 000	5 823	15 000	0	
Norfolk Island	0	0	0	0	0	0
Norway	225	0	1	0	0	0
Pakistan	22 000		48 000		0 [i]	
Panama	5	2	400	600	0 [i]	
Papua New Guinea	1		200		0	0
Paraguay	0	0	2 500	0	0	0
Peru	54		2 409	1 192	0 [i]	
Philippines	120	0	60	0	0	0
Poland	135	0	4 150	0	1	3
Portugal			15		0 [i]	
Qatar	0	0	0	80	0	0
Republic of Korea	23 316		62 901		1	1
Republic of Moldova	0	5	0	250	0	0
Romania	466		6 350		0	0
Russian Federation	1 500				0 [i]	
Saint Helena	0	1	0	1	0	0
Saint Lucia	0	0	0	0	0	0
Sao Tome and Principe	0	0	0	0	0	0
Senegal	0	0	0	0	0	0
Serbia	26	0	1 265	0	0	1
Singapore	11 176	1	50 022	2 937	0	0
Slovakia	8	1	1	0	0	0
Slovenia	22		250		0	0
Solomon Islands	0	1	0	1	0	0
South Africa	15 000	0	10 444	0	0	0

Spain	255		6		0	98
Sri Lanka		0		0	0	0
Sweden	188	215	1	30	0	24
Switzerland	2 400		70 000		100	20
Syrian Arab Republic	1 000		50 000		0 [i]	
Tajikistan	38				0 [i]	
Thailand	53		101	0	0 [i]	
Trinidad and Tobago					0 [i]	0
Tristan da Cunha	0	0	0	0	0	0
Tunisia	1	25	3 500	0	0	0
Turkey	200	0	45 000	1 350	1	1
Uganda	150	35	2 500	400	0	0
Ukraine	235	109	0	1 408	0	0
United Arab Emirates	0		3 000	2 499	0	0
United Kingdom	64 448	1 011	25 460	1 683	8	1
United Republic of Tanzania	200	800	2 000	500	0 [i]	
United States of America	16 300		278 000		0	62 769
Uruguay	1	0	0	10	0	0
Uzbekistan	1		15		0 [i]	
Venezuela (Bolivarian Rep. of)	1 000		3 000		0 [i]	
Yemen	150		5 000		0 [i]	
Zambia	5		10		0 [i]	
Zimbabwe	100	1	150	0	0	0

A blank field signifies that no requirement was indicated or that data were not submitted for the substance in question.

A zero (0) signifies that the country or territory currently has no licit requirement for the substance.

The letter “P” signifies that importation of the substance is prohibited.

Reported quantities of less than 1 kg have been rounded up and are reflected as 1 kg.

3,4-Methylenedioxyphenyl-2-propanone.

1-Phenyl-2-propanone.

Including the licit requirements for pharmaceutical preparations containing the substance.

The required amount of ephedrine is to be used for the manufacture of injectable ephedrine sulphate solution. The required amount of pseudoephedrine is to be used exclusively for the manufacture of medicines for export.

In the form of injectable ephedrine sulfate solution.

Imports of the substance and preparations containing the substance are prohibited, with the exception of the imports of injectable ephedrine preparations and ephedrine as a prime raw material for the manufacture of such ephedrine preparations. Pre-export notification is required for each individual import.

Imports of the substance and preparations containing the substance are prohibited, with the exception of the imports of injectable ephedrine preparations and ephedrine as a prime raw material for the manufacture of such ephedrine preparations. Such export requires an import permit.

Includes products containing P-2-P.

The Board is currently unaware of any legitimate need for the importation of this substance into the country[1]

[1] U.S. Department of State thanks the INCB for providing this very useful and informative chart.

COUNTRY REPORTS

Afghanistan

A. Introduction

Illicit drug cultivation, production, trafficking, and consumption flourish in Afghanistan, particularly in parts of the south and southwest where instability is high and state institutions are weak or non-existent. More than 90 percent of poppy cultivation takes place in these regions. The UN Office of Drugs and Crime (UNODC) and the Afghan Ministry of Counter Narcotics (MCN) estimate that Afghanistan cultivated 209,000 hectares (ha) of opium poppy in 2013, with a total yield of 5,500 metric tons (MT) of raw opium. This was a 36 percent increase in cultivation and a 49 percent increase in opium production from 2012. The United States government estimates that in 2013, poppy cultivation in Afghanistan increased 10 percent to 198,000 ha, while potential opium production increased 28 percent to 5,500 MT. A symbiotic relationship exists between the insurgency and narcotics trafficking in Afghanistan. Traffickers provide weapons, funding, and other material support to the insurgency in exchange for the protection of drug trade routes, fields, laboratories, and their organizations. Some insurgent commanders engage directly in drug trafficking to finance their operations. The narcotics trade undermines governance and rule of law in all parts of the country where poppy is cultivated and traffickers operate.

Afghanistan is involved in the full narcotics production cycle, from cultivation to finished heroin to consumption. Drug traffickers trade in all forms of opiates, including unrefined opium, semi-refined morphine base, and refined heroin. Some raw opium and morphine base is trafficked to neighboring and regional countries, where it is further refined into heroin. While the vast majority of the opium and heroin produced in Afghanistan is exported, Afghanistan is also struggling to respond to a burgeoning domestic opiate addiction problem.

Afghanistan relies on assistance from the international community to implement its national counternarcotics strategy. Greater political will, increased institutional capacity, enhanced security, viable economic alternatives for farmers, and more robust efforts at all levels are required to decrease cultivation in high-cultivating provinces, maintain cultivation reductions in the rest of the country, and combat trafficking.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Government of Afghanistan is publicly committed to confronting the drug problem in Afghanistan, particularly focusing on what it identifies as the root causes of the drug economy including instability; poverty; unemployment; and organized crime. The Ministry of Counter Narcotics (MCN) is the lead governmental agency for developing counternarcotics policy and coordinates the activities of other governmental bodies involved in issues related to the drug trade. The Afghan government approved the new Afghan National Drug Control Strategy (NDCS) in October 2013. MCN is also working to insert counternarcotics into the activities of

the entire government by “mainstreaming” counternarcotics efforts into other existing national strategies and programs.

Afghanistan has no formal extradition or mutual legal assistance arrangements with the United States. Afghanistan is a signatory to the 1988 UN Drug Convention, and the 2005 Afghan Counter Narcotics Law allows for the extradition of drug offenders to requesting countries under the 1988 UN Drug Convention. A 2013 domestic Afghan extradition law adds additional hurdles to any potential extradition process.

2. Supply Reduction

According to UNODC and MCN, Afghanistan cultivated 209,000 ha of opium poppy in 2013, up 36 percent from 2012. UNODC and MCN estimate that Afghan opium poppy crops in 2013 yielded 5,500 MT of raw opium, up 49 percent from 3,700 MT in 2012, a year in which yields were suppressed by unfavorable growing conditions. According to the UNODC and MCN, the number of poppy free provinces (those provinces with less than 100 ha of poppy under cultivation) decreased from 17 in 2012 to 15 in 2013 (out of a total of 34 provinces).

There is significant evidence of commercial cultivation of cannabis in Afghanistan. The UNODC and MCN’s 2012 cannabis survey found that commercial cannabis cultivation in 2012 was approximately 10,000 ha, capable of producing 1,400 MT of hashish per year. The 2012 survey did not assess the number of households growing cannabis for commercial purposes, but a 2011 survey estimated that the number of cannabis producing households increased by 38 percent (65,000 households) from 2010. As with poppy, most cannabis cultivation takes place in insecure areas of the country.

Primary trafficking routes into and out of Afghanistan are through Pakistan and Iran to the Balkans, Turkey and Western Europe; through Pakistan to Africa, Asia, the Middle East, China and Iran; and through Central Asia to the Russian Federation. The United States is not a common destination for Afghan opiates. Drug laboratories within Afghanistan still process a large portion of the country's raw opium into heroin and morphine base. Traffickers illicitly import large quantities of precursor chemicals into Afghanistan; UNODC estimates that 475 MT of acetic anhydride are imported annually for manufacturing heroin.

MCN implements the U.S.-funded Good Performers Initiative (GPI) to reward provinces that successfully reduce poppy cultivation within their borders. Provinces that are determined to be poppy-free by UNODC, or where poppy cultivation has declined by 10 percent or more, receive funding for development projects proposed by provincial development councils and governors’ offices. In 2012, 21 of Afghanistan’s 34 provinces received $18.2 million in GPI awards, including two provinces that received special recognition awards of $500,000 each. The MCN-run Governor-Led Eradication program reimburses governors for expenses incurred for eradicating poppy fields. Eradication is verified by UNODC. In 2013, a total of 7,348 ha was eradicated, a decrease of 24 percent compared to 2012. Both the quality and efficiency of eradication improved in certain provinces, but attacks by criminals and insurgents on eradication teams resulted in 143 deaths on both sides in 2013, including civilians and security personnel. An additional 93 people were injured in such attacks.

The Criminal Justice Task Force (CJTF) is a vetted, self-contained unit that consists of investigators, prosecutors, and first instance and appellate court judges. Under Afghanistan's 2005 Counternarcotics Law, amended in 2010, the CJTF prosecutes all drug cases that reach certain thresholds (possession of two kilogram of heroin, 10 kilograms of opium or 50 kilograms of hashish or precursor chemicals) before the Counter Narcotics Tribunal. The Counter Narcotics Justice Center (CNJC) houses the Tribunal and CJTF, and is the central facility for the investigation, prosecution, and trial of major narcotics and narcotics-related corruption cases. The CNJC is considered a model of excellence within the Afghan justice system. Between March 2012 and March 2013, the CNJC primary court heard 551 cases and tried 704 suspects, involving more than 233 MT of illegal drugs (a 26 percent increase in the volume of drugs over the previous year). Those convicted receive sentences ranging from 11 to 20 years.

Afghan authorities have increasingly used their specialized counternarcotics units and the CNJC to arrest and prosecute high-value traffickers, including the arrest, prosecution, and conviction of Nimruz Provincial Police Chief Mohammad Kabir Andarabi in 2013. Andarabi was arrested on narcotics trafficking charges and sentenced to 10 years. According to U.S. Drug Enforcement Administration (DEA) figures, during the first nine months of 2013, specialized units of the Counternarcotics Police of Afghanistan (CNPA) conducted a total of 78 counternarcotics operations and seized 27.5 MT of opium, 16.7 MT of morphine, and 284 kilograms of heroin. The CNPA was established in 2003 as a specialized element of the Afghan National Police and is responsible for counternarcotics investigations and operations. The United States supports several specialized units within the CNPA, including the Sensitive Investigations Unit (SIU), the Technical Investigative Unit (TIU), and the National Interdiction Unit (NIU). These units are partnered with the DEA. The NIU is the tactical element of the CNPA and is capable of conducting independent, evidence-based interdiction operations and seizures in high threat environments. The TIU and SIU are specially vetted and trained law enforcement units. The SIU carries out complex CN and counter corruption investigations using intelligence developed by the TIU.

U.S. assistance has also supported the development of a viable command and control structure at the Afghan Customs Police, with specialized training and operational support provided by the Department of Homeland Security's Customs and Border Protection. These efforts, channeled through the Afghan government's Border Management Task Force, led to a 31 percent increase in narcotics seizures at border checkpoints over 2012.

Outside these special units, limited capacity and corruption within law enforcement institutions and the lack of CNPA's direct authority over its resources in the provinces hampers counternarcotics efforts.

3. Drug Abuse Awareness, Demand Reduction and Treatment

The Afghan government acknowledges a growing domestic drug abuse problem, primarily involving opiates and cannabis. Funded by the United States, the Afghan National Urban Drug Use Survey released in 2012 provides a scientifically-valid prevalence rate for the country's urban population based on interviews and toxicology. The survey conservatively estimated that

Afghanistan is home to 1.3 to 1.6 million drug users, one of the world's highest per capita rates. The United States is supporting a National Rural Drug Use Survey to complement the urban study and provide a national prevalence rate. Other recently conducted studies indicate that the prevalence of addiction and severity of consumption among Afghan children is the highest documented in the world.

The United States expanded funding to 76 inpatient and outpatient drug treatment centers across the country in 2013. Unfortunately, the demand for services exceeds the capacity of the centers, most of which have waiting lists for new patients. The United States also supports UNODC's global child addiction program throughout Afghanistan to develop protocols for treating opiate-addicted children, training treatment staff, and delivering services through Afghan non-governmental organizations. The current annual treatment capacity of Afghanistan's centers is more than 15,000 persons. The Government of Afghanistan is planning an expansion of its treatment system by opening new clinics across the country. Private clinics have also proliferated in recent years, although many of these do not apply evidence-based practices, discharging clients after detoxification without follow-up, thereby resulting in high relapse rates.

The United States funds a Counter Narcotics Community Engagement program (CNCE). This multi-track annual communication and outreach campaign, implemented by Sayara Strategies, aims to ensure a smooth transition of activities to the Afghan government through systematic capacity development efforts. The program focuses on discouraging poppy cultivation, preventing drug use by public awareness, and encouraging licit crop production. The United States has undertaken a vigorous public information campaign implemented by Colombo Plan, to reduce drug demand inside Afghanistan, including seeking the support of subject-matter experts and school teachers; engaging local media; and implementing an anti-drug curriculum in Afghan schools. In 2012, the U.S. government helped establish a partnership between the Colombo Plan's Preventive Drug Education program and the Afghan Premier Soccer League to spread an anti-drug message to Afghan youth. The United States also funds an Afghanistan-specific mobile preventive drug education exhibit.

4. Corruption

As a matter of government policy, the Government of Afghanistan does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering proceeds from the sale of illicit drugs. However, many central, provincial, and district level government officials are believed to directly engage in and benefit from the drug trade. Corrupt practices range from facilitating drug activities to benefiting from drug trade revenue streams. The CJTF actively investigates and prosecutes public officials who facilitate drug trafficking under Article 21 of the Counter Narcotics Law, which criminalizes drug trafficking-related corruption. The CJTF has successfully prosecuted high ranking government officials, including members of the CNPA. According to Afghan officials, between March 2012 and March 2013, 21 public officials were prosecuted in the CJTF primary court.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The U.S. government maintains a counternarcotics strategy that supports Afghanistan's four counternarcotics priorities: disrupting the drug trade; developing licit agricultural livelihoods; reducing the demand for drugs; and building the capacity of the government's CN institutions. The strategy is formulated to help restore Afghanistan's licit agriculture economy, build Afghan institutional capacity, and disrupt the nexus among drugs, insurgents, and corruption.

In 2012, the United States signed agreements with the Afghan government laying the groundwork for a Kandahar Food Zone in 2013. Under the leadership of the Ministry of Counternarcotics, the Kandahar Food Zone was developed as a comprehensive, multi-pillar drug-control program that integrates elements of alternative development, law enforcement and eradication, public information and drug treatment. In July 2013, the United States awarded a $20 million, two-year program to develop the Alternative Livelihoods component of the Kandahar Food Zone. MCN has established a coordination mechanism to integrate alternative livelihoods activities with U.S.-funded Counter Narcotics Public Information, Drug Demand Reduction, and Governor-Led Eradication programs.

The estimated value of opium to the Afghan economy has remained relatively stable over the last decade. Yet Afghanistan's legal economy has grown steadily, and as a result, opiates now make up a much smaller fraction of Afghanistan's economy – from 60 percent of the GDP in 2003 to 10 percent in 2012.

D. Conclusion

For Afghanistan to enjoy future success in combating the narcotics trade it must continue to strengthen the capacity of the MCN and other ministries charged with conducting or supporting counternarcotics efforts, actively combat corruption at all levels of government, and further develop the ability of regular CNPA units to carry out operations. The Afghan government must also demonstrate the political will to challenge vested political and economic interests.

Farmers and those involved in processing and trafficking drugs must also have viable economic alternatives to involvement in the narcotics trade. Improvements in security and market access, as well as continued concentrated efforts to increase agricultural and other alternative livelihoods, will remain essential to undermining the drug economy and the insurgency in Afghanistan.

Albania

Albania is a source country for marijuana destined for European markets, as well as local consumption. In 2013, the volume of drug production, seizures and arrests continued at a sustained level, mainly relating to cannabis. Improved police training and techniques, including enhanced risk analysis at border crossing points and better use of donated technical searching equipment, led to an increase in drug seizures and arrests in 2013. Based on the volume of seizures, local marijuana production remained high for a third year in a row, though there are no formal estimates of cultivation totals. With the exception of cannabis, Albania is not a significant producer of illicit drugs, precursor chemicals, or synthetic drugs. The Government of Albania does not maintain drug-use prevalence statistics, but except for marijuana, usage does not appear to be common.

Despite the sustained high level of cannabis cultivation, Albania continued to achieve results against illegal drugs in 2013. According to Albanian State Police (ASP) statistics, the volume of drug seizures and arrests exceeded 2012 totals, which were records at the time. Cannabis seizures totaled almost 33 metric tons (MT), well above the 21.2 MT seized in 2012. The ASP also seized 47.3 kilograms (kg) of heroin and 16.1 kg of cocaine. The ASP, including border police, arrested 803 people for offenses linked to drug trafficking, exceeding the 2012 total number of arrests (729).

In 2013, the Serious Crimes Prosecution Office (SCPO) investigated 276 cases for trafficking of narcotics: of this total, 87 were cases that were carried over from previous years, with 189 new cases registered for the first time in 2013. In 2013, the SCPO sent 63 narcotics cases to court, and the Serious Crimes Court rendered 83 guilty verdicts, including cases that were resolved from previous years.

The Government of Albania continues to receive assistance from the United States and European Union countries to enhance its counternarcotics capacities. The country's partnerships with other international law enforcement agencies expanded in 2013, to 41 international joint operations through October, mostly in cooperation with Italian authorities. The United States continues to provide assistance for integrated border management and judicial sector assistance programs, as well as equipment. In terms of reducing demand for illegal drugs, with U.S. support, the ASP and the Albanian Education Ministry continued to co-sponsor a drug awareness/demand reduction project in 158 public elementary schools, reaching over 12,000 students.

Argentina

Argentina is a transit country for Andean-produced cocaine, and domestic cocaine production and consumption are small but growing problems. Marijuana is Argentina's most-used illegal drug, but cocaine is the leading illegal drug for which Argentines seek help at treatment centers, with cocaine base ("paco") a particular problem among the poor. Many Argentines believe drug-linked violent crime is increasing. Argentina's Ministry of Security (MOS) resumed limited cooperation with the United States in 2012, ending the hiatus following Argentina's 2011 confiscation of sensitive U.S. military cargo, and included information sharing and offers of trainings and seminars. The United States did not receive authorization to cooperate with provincial Argentine security forces.

The MOS continued to implement reforms designed to improve police performance in 2013. However, additional coordination among federal and provincial forces is needed. Argentina also continued to dedicate resources to Operation Northern Shield, which aims to deter illicit flights and drug trafficking, but has had only modest effect. Redeployment of police away from the northern border likely reduced barriers to traffickers. Judicial backlogs continue to complicate prosecutions.

Most cocaine transiting Argentina goes to Europe. Seizures of cocaine production facilities and widespread availability of "paco" suggest that domestic processing is growing, though it remains small. Argentina has not released annual cocaine seizure statistics since 2010. Incomplete data suggest seizures in 2013 surpassed totals for 2011 and 2012.

Argentine officials estimate annual prevalence of cocaine use at 0.9 percent of the population. Concern is growing about rising use of synthetic drugs and "paco" by Argentine youth. In December 2012, Argentina published an updated national strategy to treat drug addiction.

The Argentine government neither encourages nor facilitates illicit production or distribution of narcotics or laundering of proceeds. An independent judiciary and press pursue allegations of corrupt practices involving government authorities. During 2013, Argentine officials accused several members of the security forces of involvement in trafficking.

While Argentina worked to improve its drug control effort in 2013, implementation of operational reforms was gradual. More resources and improved capabilities will be required to adequately address the challenge. Constructive steps that Argentina could undertake include focusing its interdiction efforts on targeted investigations; enhancing cooperation with international partners; complementing radar deployments in the north with equipment and personnel to impede trafficking; improving coordination among federal and provincial entities; and boosting judicial efficiency in processing investigations and prosecutions.

Armenia

Armenia is not a major drug producing country, and domestic abuse of drugs is modest. Because Armenia is landlocked and the two longest of its four borders (with Turkey and Azerbaijan) are closed, the resulting limited transport options make the country less attractive for drug trafficking. With U.S. and European Union assistance, Armenia continues to develop and implement an integrated border management regime, improving its ability to detect illegal narcotics shipments. Drug addiction treatment resources have increased in recent years, and since 2009 prior use has been decriminalized for those who seek treatment.

The most common illicit drug in Armenia is marijuana, most of which is grown locally. Both cannabis and poppies grow in the wild, and the government sponsored eradication events in August and September.

Narcotic seizures increased overall in 2013, which police attribute to an increase in staff dedicated to counternarcotic efforts. According to local law enforcement, the overwhelming majority of illicit drug imports are opiates transiting Iran, with a recent increase in methamphetamine (also from Iran). Most drugs are smuggled in trucks driven across the Iranian border crossing at Meghri.

In addition to targeting Iranian-based trafficking networks, police arrested traffickers importing both cocaine and methadone from Russia, with cooperation from Russian law enforcement authorities. Precursor chemicals are strictly regulated, and legitimate commercial users must provide status reports on chemical supplies every three months to authorities.

Synthetic drugs are a growing challenge within Armenia. To combat the rising use of the cheap and easily fabricated (but disfiguring and deadly) synthetic drug known as “krokodil,” the sale of products containing more than 10 percent codeine were controlled beginning in mid-2012. Use of the synthetic cannabinoid known as “spice” is a growing concern. With an ever-changing formula (containing both herbs and the active ingredient lorazepam), “spice” has eluded a legal ban by remaining one step ahead of law enforcement authorities. Due to the skill of the chemists employed to create the smoked medium, police believe well-funded organized crime is responsible for its manufacture and distribution. Anti-depressant medications containing buprenorphine are also illegally smuggled into Armenia from France (where it is legal) via air couriers and mail.

Azerbaijan

Illicit narcotics trafficking through Azerbaijan remains a significant concern, exacerbated by the country's location along major drug trafficking routes from Afghanistan and Iran to Europe and Russia. Drug use and cultivation exist on a relatively small scale in Azerbaijan and are less significant problems.

Due to Azerbaijan's location along major drug smuggling corridors, up to 11 metric tons of narcotics are estimated to transit Azerbaijan every year, much of it entering through the southern border with Iran. Azerbaijan may be an increasingly favored transit country for drugs over neighboring countries such as Turkey, which has strengthened its border control procedures in recent years. Azerbaijan has also expressed concerns related to its inability to secure international borders in the occupied territories that surround Nagorno-Karabakh.

The most recent drug seizure and arrest statistics available are from 2012. According to Azerbaijan's Ministry of Internal Affairs (MIA), in the first half of 2012, MIA seized more than 317 kilograms (kg) of drugs during anti-smuggling operations. This was similar to reported seizures from 2011. The Ministry of National Security also reported seizing similar volumes – approximately 337 kg over the first nine months of 2012. Authorities brought 1,257 individuals to trial for crimes relating to drugs during the first six months of 2012. According to the ministry's statistics, 91.2 percent of these individuals were unemployed; 28.2 percent were previously convicted; 1.8 percent were women; and 0.2 percent were minors.

Drug treatment centers in Azerbaijan would benefit from increased support. Though the Government of Azerbaijan has expressed its desire to address drug addiction, it underestimates the true scope of the problem; government-sponsored programs which target drug abuse remain inadequate, hindering substantial progress.

The U.S. Drug Enforcement Administration's (DEA) provided training to and cooperated with Azeri counterparts on investigations, which helped Azerbaijan pursue international drug trafficking organizations in 2013. DEA has received tremendous cooperation from Azerbaijan and anticipates that this support will continue.

The Bahamas

A. Introduction

The Bahamas is not a significant drug producing country, but remains a transit point for illegal drugs bound for the United States and other international markets. The Bahamas' close proximity to the coast of Florida as well as its location on Caribbean transshipment routes makes it a natural conduit for drug smuggling. The Bahamas' 700 islands and cays, the vast majority of which are uninhabited, provide near-ideal conditions for smuggling. Smugglers readily blend in among numerous pleasure craft traveling throughout The Bahamas archipelago, which covers nearly 100,000-square nautical miles. Smuggling also occurs through commercial and private plane traffic, by means of remote airfields and airdrops, from South and Central America. Smuggling is enabled and accompanied by organized crime and gang activity.

The United States and The Bahamas enjoy a long-standing history of counternarcotics cooperation, including under Operation Bahamas, Turks and Caicos (OPBAT). OPBAT operations in 2013 resulted in the seizure of more cocaine than in the previous three years combined, a possible indicator that trafficking through the Caribbean is on the rise. U.S. and local law enforcement statistics indicate that, as previously predicted, drug traffickers have established new and re-established historic drug smuggling routes from drug source countries through The Bahamas to the United States as a result of sustained law enforcement pressure in Central America. Law enforcement data also suggests that smugglers occasionally traffic mixed loads of various forms of drugs through The Bahamas.

Bahamian government surveys suggest that demand for cocaine has diminished, though a domestic market does continue to exist. Experimental and chronic use of marijuana, including among adolescents, remains an area of concern. The Bahamas' National Anti-Drug Strategy places significant emphasis on drug abuse awareness, demand reduction, and treatment policies, though programs in these fields would be enhanced by additional resources.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Bahamian government and law enforcement authorities are committed to combating illicit trafficking, and the United States and The Bahamas have a strong counternarcotics relationship. The Bahamian government's 2012-2016 National Anti-Drug Strategy outlines the Bahamian government's framework for action to reduce drug demand and supply, strengthen anti-drug institutions, build international cooperation, and resource anti-drug efforts. Implementation of the strategy is ongoing.

Launched in 2012, the government's "Urban Renewal 2.0" program includes a community-based policing program that seeks to prevent crime, gang activity, and drug consumption through directed patrols, community partnerships, and after-school programming for youth.

Implementation of the government's "Swift Justice" program, which seeks to reduce processing time for legal matters, is ongoing. The Ministry of Legal Affairs announced in April that the program had already resulted in an increased conviction rate. In addition, processing times for bringing defendants to trial fell in 2013 to approximately 70 days from over 300 days in 2012. Three draft bills were brought before the Bahamian legislature in August to further help reduce the backlog of court cases -- the Supreme Court Amendment, the Evidence Amendment, and the Criminal Procedure Amendment. Effective implementation of these reforms would help improve the Bahamian judiciary's capacity to process drug crimes.

The United States and The Bahamas are bilateral parties to both a mutual legal assistance treaty and an extradition treaty. Joint activities between the U.S. Drug Enforcement Administration (DEA) and the Bahamian government have resulted in evidence from The Bahamas being used to prosecute traffickers in the United States. Though the United States and The Bahamas have a strong mutual assistance relationship, improved procedures to expedite extraditions would bring drug crime offenders more quickly to trial and serve as a more credible deterrent for traffickers. Currently, defendants can appeal a magistrate's decision and then continue appeals up to Committee of the Privy Council in London, a process that can add years to extradition proceedings. Two individuals were extradited to the United States in 2013. Some subjects of U.S. extradition requests reportedly continue illegal drug smuggling activities while on bail awaiting the resolution of their cases.

The United States signed a comprehensive maritime agreement with The Bahamas in 2004 that continues to enable cooperation in counternarcotics and migrant interdiction operations in and around Bahamian territorial waters, including through the use of shipriders from the Royal Bahamas Defense Force (RBDF).

2. Supply Reduction

Under OPBAT, U.S. law enforcement agencies integrate with the Royal Bahamas Police Force (RBPF) to gather intelligence, conduct investigations, and execute interdictions. In 2013, OPBAT operations in The Bahamas led to the seizure of 1.01 metric tons (MT) of cocaine; 27.92 MT of marijuana; 20,461 marijuana plants; 154 arrests, and $4,607,522 in currency. This represented a substantial increase in seized cocaine and currency over 2012, when 236 kg and $122,333 were seized, respectively, while arrests remained relatively stable (201 in 2012) and the volume of marijuana seizures dropped significantly (162.3 MT in 2012). These operations are supported by marine, technical, and other resources provided through U.S. assistance programs. With a small population base (353,000 according to the 2010 census) and significant territory to cover, pooling U.S. and local resources and knowledge are essential to efficient deterrence and interdiction. The RBDF and law enforcement personnel in the Turks and Caicos Islands also participate in counternarcotics operations.

Smugglers exploit the wide distribution of numerous islands and the high number of recreational vessels flowing through The Bahamas. Large loads are split-up into smaller loads before entering the southern Bahamas through the customs station in Great Inagua, which is strategically located between the Turks and Caicos Islands, Haiti, the Dominican Republic, and Jamaica. Traffickers move cocaine through The Bahamas via "go fast" boats, small commercial

freighters, maritime shipping containers, and small aircraft. Small sport fishing vessels and pleasure craft move cocaine from The Bahamas to Florida by blending in with legitimate traffic that transit these areas. Larger "go fast" and sport fishing vessels transport marijuana from Jamaica through The Bahamas into Florida.

Haitian and Haitian-Bahamian drug trafficking organizations -- increasingly networked between Haiti and the significant Haitian diaspora in The Bahamas -- continue to play a major role in the movement of cocaine. Investigation of these organizations is hindered by a lack of appropriately vetted and assigned Creole speakers within the RBPF Drug Enforcement Unit.

Investigations reveal that Bahamian drug trafficking organizations use the Turks and Caicos Islands as a transshipment point. Strong familial connections between the Turks and Caicos Islands and The Bahamas, coupled with direct flights between Haiti and the Turks and Caicos Islands, compel many Bahamian smugglers to travel to Haiti via the Turks and Caicos Islands with large amounts of cash for future smuggling ventures. The Turks and Caicos Islands represent a regional vulnerability due to a lack of sufficient law enforcement resources.

Aviation routes are a cause of concern. Small, privately owned and operated planes ferry loads of cocaine from and between significant source countries in South America into the Caribbean. Law enforcement information suggests that drug trafficking organizations utilize airdrops and remote airfields to deliver large cocaine shipments to the Turks and Caicos Islands and to The Bahamas from Venezuela and Colombia. There was an increase in cocaine and marijuana washing ashore on Florida's coastline during the year, which indicates a parallel growth in the use of airdrops by traffickers.

Customs and Border Protection officers working at pre-clearance facilities at the Nassau and Freeport international airports have interdicted cocaine, marijuana, ecstasy, and currency. In an effort to attract tourism from its Spanish-speaking neighbors, in 2011 The Bahamas concluded an agreement to allow Panama-based Copa Airlines to begin daily flights between Nassau and Panama. The flights have led to an increase in cocaine seizures at the Nassau international airport.

Bahamian law enforcement agencies leverage their small fleet of vessels by prepositioning them in strategic locations on the archipelago. Effective use of this limited number of vessels over a vast area of coverage depends on effective use of quality intelligence and aviation support during critical interdiction missions. Additionally, the RBDF operates a fleet of 14 vessels and various small boats which conduct regular patrols.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The government determined in its National Anti-Drug Strategy that cocaine dependency in The Bahamas is predominantly limited to those who became addicts during the 1980s and 1990s. The government further determined that experimentation and use of marijuana is increasing among school-aged groups. However, current, comprehensive drug consumption and use data is not available. Intake surveys and testing found that many inmates at Her Majesty's Prison at Fox

Hill (Nassau), the only prison in The Bahamas, tested positive for drugs and some of these inmates maintain access to drugs during their incarceration.

The government's anti-drug strategy employs a multi-tiered approach, incorporating civil society organizations that work with youth, substance abusers, and ex-convicts. Its main institutional bodies are the National Anti-Drug Secretariat, The Bahamas National Drug Council, and The Sandilands Rehabilitation Center. The United States partners with Bahamas National Drug Council on media campaigns and school programs targeting at-risk youth.

The Sandilands Rehabilitation Center offers residential substance abuse treatment programs, drop-in treatment programs, substance abuse prevention programs, and relapse prevention programs. Health care professionals report that women and residents of the outer islands (islands in the archipelago outside of New Providence) are under-represented in the treatment population. Additional resources would improve outreach and encourage program retention.

Her Majesty's Prison has a small residential drug treatment program, which can accommodate ten inmates at a time. The facility has requested support from international donors to expand program participation to 100 inmates.

4. Corruption

The government neither encourages nor facilitates illegal activity associated with drug trafficking. Two low-level government officials were arrested for drug-related activity in 2013.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The Bahamas is one of the most active and strategic contributors to the Caribbean Basin Security Initiative (CBSI). To support the development of regional public security capacities, the United States funds RBDF participation in U.S. foreign security assistance training programs as well as maritime training programs on topics including maritime law enforcement, small boat operations, port security, engineering, and maintenance. To improve local capacities in the region, the U.S. Department of Defense and United States Coast Guard (USCG) provide professional exchange opportunities, including professional exchanges between the RBDF and the Rhode Island National Guard, and subject matter expert exchanges in conjunction with USCG cutter visits to The Bahamas and Turks and Caicos Islands.

The United States has delivered training and equipment needed by Bahamian government counterparts to combat organized and networked crime and improve civilian security in The Bahamas. For example, the United States donated 12 new computers to the Bahamas Customs Department in 2013 that will enable The Bahamas to better participate in the World Customs Organization's Cargo Targeting System and identify risk factors for illegal contraband. In addition, seven Bahamian officials from Her Majesty's Prison and the Ministries of Public Works, National Security, and Foreign Affairs and Immigration participated in a U.S.-funded study tour in Nebraska to examine security infrastructure. The consultative opportunity provided the government with best practices in facility operations, programs, and physical plant maintenance, which will inform pending corrections reform legislation. The United States also

supported Bahamian participation in the International Drug Enforcement Conference and other regional counterdrug training opportunities.

U.S. assistance for demand reduction has supported the Bahamas National Drug Council, the Ministry of Education, and nongovernmental organizations, and has provided scholarships to at-risk youth to participate in summer and after-school educational programs.

D. Conclusion

The United States and The Bahamas enjoy a long-standing cooperative relationship against drug trafficking and transnational organized crime. The Caribbean Basin Security Initiative framework will continue to bolster Bahamian drug-control institutions and enhance U.S. and Bahamian law enforcement relationships. This is particularly important as trafficking through the region rises.

Challenges continue to include delays in extradition requests and the lack of Creole speakers in key Bahamian law enforcement units. The United States will continue to assist Bahamian efforts to expand the participation of women and residents of the outer islands in drug prevention and treatment programs.

Belize

A. Introduction

Belize is a transshipment point for cocaine and precursor chemicals used in the production of illicit drugs. Belize is susceptible to the transshipment of illegal drugs due to its position along the Central American isthmus between the United States and drug producing countries in South America. Large stretches of unpopulated jungles on its borders with Guatemala and a relatively unpatrolled coastline that includes hundreds of small islands and atolls makes it difficult to conduct interdictions. Remote jungles provide a hospitable environment for the cultivation of cannabis. Belize is bordered by countries where the drug trade is controlled by well-organized and extremely violent drug cartels.

Belize society generally tolerates cannabis use, though the police enforce the laws criminalizing it. The National Drug Abuse Control Council (NDACC) reported an increase in the use of marijuana in 2013, while "crack" cocaine remained the second most abused drug. Synthetic drugs are not widely used or manufactured in Belize, but are trafficked through the country, along with chemical precursors to manufacture synthetic drugs.

Despite enhanced efforts by the Belize Coast Guard (BCG) and the Anti-Drug Unit (ADU) to monitor coastal waters, both organizations continued to be hampered by limited funds, shortfalls in equipment, and lack of personnel. Belize's counternarcotics efforts are hampered by corruption, deficiencies in intelligence gathering and analysis, an antiquated judicial sector, and a lack of political will.

B. Drug Control Accomplishment, Policies and Trends

1. Institutional Development

In 2011, Belize passed the Interception of Communications Act to allow judicially-authorized wiretaps of telephones and other forms of communication, but the Government of Belize has not developed the capacity to implement this law.

The Government of Belize implemented some successful initiatives to improve citizen security in 2013, often with U.S. assistance. Through September, the murder rate in Belize decreased by 24 percent from 2012, with decrease of 11 percent in the overall major crime rate.

Since December 2012, the United States has assisted the Government of Belize (GOB) in establishing a Mobile Interdiction Team (MIT). The team includes members of the country's Immigration and Nationality Department, Customs and Excise Department, and Police Department. The MIT's mission is to interdict narcotics at ports of entry along Belize's roads, highways and border crossings throughout the border regions. The MIT made a significant impact in curbing the illegal smuggling operations of transnational criminal organizations in 2013.

The Government of Belize readily assists in the capture and repatriation of U.S. citizen fugitives. Six fugitives were repatriated back to the United States via expulsion orders in 2013. Although the United States and Belize have an extradition treaty, Belize's response to formal U.S. extradition requests are usually slow, due in part to limited resources in its criminal justice system.

Belize is one of six countries (along with Costa Rica, the Dominican Republic, France, Guatemala and the United States) that ratified the Caribbean Regional Maritime Counterdrug Agreement, which is now in force. In 2013, the United States provided months of training to the Belize Coast Guard, helping to establish the first Sea, Air, and Land Team (SEAL) in the country's history.

2. Supply Reduction

Belize does not produce cocaine, heroin, or precursor chemicals, but it continues to be used as a transshipment point for these substances. Belize coastal areas are frequently exploited by narcotics traffickers originating from South American source countries. Unfortunately, the Belize security organizations have had only minimal success in limiting these criminal opportunities. The BCG continues to receive assistance from the United States, but is unable to utilize its assets on a regular basis due to insufficient resources to support operations.

In April, the Belize Defence Force, the Police Anti-Drug Unit, and the Mobile Interdiction Team, undertook a successful marijuana eradication mission, with U.S. assistance. Using U.S.-provided helicopters, Belizean authorities destroyed 16 fields, 61,000 plants, 150 kilograms (kg) of marijuana, and 10 kg of marijuana seeds. Conservative estimates put the total value of the drugs destroyed during this operation at $12.5 million within Belize, rising to perhaps $61 million at U.S. street value. This two-day operation successfully eradicated more marijuana than had been destroyed over the previous two years combined.

Through the first 10 months of 2013, Belize authorities seized over 115 metric tons of marijuana, over three kg of cocaine, and four kg of crystal methamphetamine.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

NDACC is the central coordinating authority responsible for the activities of demand reduction, supply reduction, and other control measures. The council has 21 regular employees and a budget of approximately $325,000, which is an increase of 17 percent from 2012. However, these funds are mostly limited to administrative expenses and statistics on the actual number of referrals and the number of patients assisted are limited.

According to NDACC, marijuana and "crack" cocaine are the most-abused illicit drugs in Belize. Approximately 134 people sought assistance and referrals from NDACC between January and October in 2013.

NDACC has 11 drug educators and six outreach case workers countrywide who conduct demand-reduction education programs in schools as well as community empowerment/public education campaigns during community activities.

The Ministry of National Security appointed an eight-member committee to explore the possibility of decriminalizing marijuana in small quantities. Currently, any amount of marijuana under 60 grams is considered possession and carries a fine of up to $25,000 and/or up to three years imprisonment. The committee was tasked to explore the possibility of instituting alternative or reduced penalties for certain amounts of marijuana, in consultation with the public, to reduce stress on the courts and prison system. The committee is in the final stages of consulting with relevant organizations in Belize, and is scheduled to present a final written report to the government in early 2014.

Belize has three operational drug rehabilitation centers. The primary facility is operated at the Belize Central Prison and run by the non-governmental Kolbe Foundation, which also manages the prison. In operation since 2006, this residence program is open to both inmates and members of the public seeking assistance to overcome addiction. A total of 218 persons were scheduled to graduate from the program in 2013. A religious organization and a foreign business run the other two rehabilitation centers, the latter specifically for wealthy clients.

The United States provides assistance to support demand reduction efforts throughout Belize. One such beneficiary is the Belmopan Active Youth organization, which received nearly $100,000 for programs to promote drug prevention, skills training, and employment for at-risk youth.

4. Corruption

As a matter of policy, the Belizean government does not encourage or facilitate illicit drug production or distribution. However, insufficient resources, inadequate compensation for public officials, weak law enforcement institutions, and an ineffective judicial system collectively provide a facilitating environment for illegal activities to continue at various levels within the government. Belize also lacks laws that specifically address narcotics-related corruption. The Prevention of Corruption Act -- passed in 2000 -- includes measures to combat the misuse of public funds while holding public office and also provides a code of conduct for civil servants. The Government of Belize did not charge anyone under this act during 2013.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports citizen security, law enforcement, and rule-of-law programs in Belize, mainly through the Central America Regional Security Initiative (CARSI). These programs aim to expand Belizean capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, while strengthening Belize's justice sector.

Through CARSI, the United States trains and equips Belize's police to perform anti-gang law enforcement. The United States also supports community policing in Belize with equipment, vehicles, training, communications, and social and economic programs.

The United States donated equipment, training and technical assistance to bolster Belize's efforts to combat narcotics trafficking in 2013. Through CARSI, the United States works with Belize to disrupt and decrease the flow of narcotics, weapons, and illicit proceeds generated by sales of illegal drugs, and to combat gangs and criminal organizations. The United States provided funding to the International Organization of Migration to implement an interconnected Personal Identification & Registration System (PIRS) at all Immigration Offices and land, sea and air border posts throughout Belize. The project included the installation of a computerized information management system designed to detect and register all entries and exits of persons, and has strengthened the capacity of immigration services to more efficiently manage the nation's borders.

Other CARSI-funded projects, including the establishment of the MIT and the provision of equipment and training to police, have resulted in improvements to law enforcement efforts around the country. The 24 percent decrease in the murder rate over the first 10 months of 2013 is likely due in part to improved Belizean law enforcement capacities supported by U.S. assistance.

Belize has a maritime counternarcotics bilateral agreement with the United States and regularly participates in the U.S.-sponsored Multilateral Counterdrug Summit. The goal of these summits, which includes 12 participants from Central and South America, is to identify and implement cooperative measures to combat maritime drug trafficking and improve prosecution of maritime trafficking cases.

D. Conclusion

Belize faces a challenging struggle against the threats of illegal drugs. Drug trafficking and drug use appear to be rising, and will continue if left unaddressed. The United States will continue to assist Belize in the battle against criminal organizations, and encourages Belize to strengthen its public security and law enforcement institutions through more effective anti-corruption legislation, comprehensive background checks and vetting of new and existing personnel, better training, and continuing education programs.

Bolivia

A. Introduction

Bolivia continues to be one of the three largest cocaine producing countries in the world and a significant transit zone for Peruvian cocaine. Considerable amounts of Peruvian-origin cocaine were intercepted in Bolivia in 2013. Most Bolivian cocaine flows to other Latin American countries, especially Brazil, for domestic consumption or onward transit to West Africa and Europe. The United States estimates that approximately one percent of cocaine seized and tested in the United States originates in Bolivia.

In September 2013, President Obama determined that Bolivia “failed demonstrably” to make sufficient efforts to meet its obligations under international counternarcotics agreements. This Presidential determination was based, in part, on insufficient law enforcement efforts to disrupt and dismantle drug trafficking organizations and inadequate controls to prevent the diversion of "legal" coca production to illicit cocaine production. The United States estimates that in 2012, the most recent year for which statistics are available, potential cocaine production in Bolivia decreased 18 percent from 2011 to 155 metric tons (MT), although coca cultivation remained virtually the same, decreasing from 25,500 to 25,000 hectares (ha) over the same period.

The National Drug Control Council (CONALTID), chaired by the Ministry of Government, is the central counternarcotics policy-making body in Bolivia. The Vice Ministry for Social Defense (VMSD) is the body with the mandate to combat drug trafficking, regulate coca production, advance coca eradication and drug prevention, and execute rehabilitation programs. The Special Counter-Narcotics Police Force (FELCN) is comprised of approximately 1,600 personnel and reports to the VMSD. The Joint Eradication Task Force conducts manual coca eradication with approximately 2,300 personnel.

Bolivian President Evo Morales, who remains the president of the coca growers’ federation in the Chapare region (one of two major coca growing regions), maintains a "social control" policy for illicit coca eradication in which the government usually negotiates with coca growers to obtain their consent for eradication. Bolivia continues coca eradication efforts, anticipating the eradication of over 10,000 ha for the third consecutive year in spite of some resistance from some coca growers in the Chapare region and strong resistance in Apolo, an area of the Yungas region. However, illegal cultivation for drug production remains high, and the Bolivian government has inadequate controls to prevent the diversion of "legal" coca to illicit cocaine production.

Bolivia’s ability to identify, investigate, and dismantle drug trafficking organizations remains diminished following the 2008 expulsion of the U.S. Drug Enforcement Administration, which provided assistance to Bolivian counterparts. The FELCN does not have the ability to pay informants, for example. Colombian, Brazilian, Peruvian and other foreign nationals engage in financing, producing and exporting drugs and laundering drug proceeds within Bolivia. Bolivia denies that foreign drug cartels operate in Bolivia, but acknowledges that cartel emissaries are present.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

For several years, Morales administration officials have called for new legislation to increase the ceiling for licit coca cultivation from 12,000 to 20,000 ha. Movement on such legislation was delayed pending the release of a study funded by the European Union (EU) to estimate the number of hectares required for traditional coca consumption. The study, completed by the EU in 2010, has remained with the Bolivian government for over three years for review and revision, despite international requests that it be published immediately. On November 19, the Morales government released key findings of the study, which were being reviewed by the EU at the close of 2013.

The Bolivian government, through the Executing Unit for the Fight Against Narcotics, budgeted $26.9 million in 2013 for counternarcotics operations. Since 2011, the Bolivian government has worked with the U.S. government to take over operational and financial responsibilities for U.S.-supported programs. This process was completed in September 2013.

FELCN's operations continue to focus on interdiction, money laundering cases, and leads from law enforcement counterparts in neighboring countries. In 2013, Bolivia continued to seek counternarcotics support from other partners, particularly Brazil, the EU, and Peru.

The United States, Bolivia, and Brazil began a trilateral pilot project in January 2012 to enable Bolivia to eradicate illegal coca more efficiently, detect the re-planting of eradicated coca, and improve the credibility of Bolivia's eradication results through satellite imagery. The United States provided computer and digital measuring equipment as well as training to Bolivian personnel.

Bolivia's efforts in 2011 to amend the UN 1961 Single Convention on Narcotic Drugs led to its withdrawal from the Convention effective January 1, 2012. In December 2011, Bolivia requested to re-accede to the Convention with a proposed reservation for coca chewing. The United States formally objected to the Bolivian reservation in July 2012, noting that it could lead to a greater supply of coca, thereby fueling narcotics trafficking and related criminal activity. On January 10, 2013, Bolivia re-acceded to the convention with the reservation, as an insufficient number of state parties to the convention objected to block the measure.

The United States and Bolivia are parties to an extradition treaty that entered into force in 1995 that permits the extradition of nationals for the most serious offenses, including drug trafficking. In practice, however, the treaty is not fully utilized. While Bolivia does not have a mutual legal assistance treaty with the United States, various multilateral conventions to which both countries are signatories are used for requesting mutual legal assistance.

2. Supply Reduction

The 2012 U.S. government coca cultivation estimate for Bolivia of 25,000 ha was two percent lower than the 2011 estimate of 25,500 ha. UNODC estimated 25,300 ha of cultivation for 2012, a seven percent decrease from 2011. Bolivia has declared its intention to reduce net coca cultivation to 20,000 ha by 2015, as published in the 2011 – 2015 Strategy to Combat Drug Trafficking and Reduction of Excess Cultivation of Coca Leaf.

The 2011 - 2015 Strategy proposes stabilizing coca production at 12,000 ha in the Yungas region, 7,000 ha in the Chapare region, and 1,000 ha in the Caranavi region; it also stipulates the publication of maps with explicitly defined borders for areas of legal cultivation. UNODC officials regularly state that 95 percent of all Chapare coca is not used for traditional consumption.

The FELCN reportedly achieved some successes in 2013, including the destruction of various cocaine labs in the Yapacani region. The FELCN reported destroying 67 cocaine hydrochloride processing labs and 5,930 rustic cocaine labs, an 81 percent increase and 34 percent increase from the same period in 2012, respectively. According to the Bolivian government, in 2013 the FELCN seized 20.4 MT of cocaine base and 1.58 MT of cocaine hydrochloride, representing a 36 percent decrease in the amount of cocaine base seized and a 62 percent decrease in the amount of cocaine hydrochloride seized in 2012.

In 2013, the FELCN arrested 4,580 individuals on narcotics-related offenses. It is unknown if any high-level leaders of trafficking organizations were arrested. Prosecutors reported 260 drug convictions between January and July 2013. Most of these convictions likely resulted from arrests made in previous years.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The last U.S.-sponsored study on drug use within Bolivia, entitled "Drug Use in Bolivia 1992-2010," showed a steady increase in drug use throughout the country. A 2011 study on student drug use also showed increased consumption of marijuana, cocaine, and cocaine base.

During 2012 and 2013 the United States sponsored a UNODC-implemented school-based drug abuse prevention program targeting 100,000 students. The United States also funded four drug-abuse prevention and rehabilitation projects as well as a drug education and rehabilitation program with a Bolivian youth soccer academy. UNODC continues to implement these programs using funds previously provided by the United States.

There are approximately 80 drug treatment and rehabilitation centers in Bolivia, the majority of which are private institutions funded primarily by religious organizations from the United States and Europe. The national government does not allocate funds for these types of programs. No impact evaluations have been performed in this area. Forty percent of drug treatment and rehabilitation centers in Bolivia provide outpatient services based on counseling and education.

4. Corruption

The Ministry of Anticorruption and Transparency and the Prosecutor's Office are responsible for preventing and combating corruption. Corruption accusations were frequent and often unaddressed by an already strained judiciary in 2013. As a matter of policy, Bolivia does not encourage or facilitate illegal activity associated with drug trafficking. There were arrests and investigations of corrupt officials in 2013, but most were not related to corruption associated with drug trafficking. In October, Luis Cutipa, Director for the government institution in charge of coca leaf and its industrialization, a subordinate unit under the Vice Ministry for Coca and Integral Development, was accused of overpricing commercialization licenses to sell coca leaf and of diverting tons of dried coca for illicit use. He left his position, but was not formally charged.

FELCN is the only police unit with a polygraph program. In 2013, the program continued administering scheduled exams as well as exams based on intelligence information. All FELCN members took the polygraph test and those who did not pass were transferred out of the program.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

Since 2011, the United States has worked to transfer operational and financial responsibilities for U.S.-supported counternarcotics programs to the Bolivian government, a process completed in 2013.

The United States supports initiatives to promote greater cooperation between Bolivian law enforcement agencies and their international counterparts to advance investigations of drug trafficking and other transnational crimes, and to participate in international law enforcement information-sharing networks. The United States has worked with the Bolivian government to increase the effectiveness of Bolivia's counternarcotics laws to combat money laundering, precursor chemicals, and asset forfeiture, and continues to encourage the Bolivian police to improve internal anti-corruption efforts.

Up until August 2013, the United States provided Bolivian law enforcement police officers, prosecutors, judges, other governmental officials and civilians with training. Training was provided to 1,887 individuals in 2013 through 38 training courses, seminars and conferences, including sending Bolivian police officers and officials for training in Peru, El Salvador, Colombia and the United States. The number of police officers participating in this training effort in 2013 decreased from prior years, in part due to a decision within the Bolivian police not to participate in U.S. training programs.

D. Conclusion

Although Bolivia's eradication program is meeting its stated targets, the country is still the third largest producer of coca leaf. Bolivia's policy to consider 20,000 ha of coca cultivation as licit and its withdrawal from the 1961 U.N. Single Convention on Narcotic Drugs (followed by its re-accession early in 2013) undermined Bolivia's efforts to meet its international drug control obligations. The EU study released on November 19 states that 14,705 ha of coca are needed for

licit consumption in Bolivia, over 10,000 ha less than what the U.S. government and UNODC estimate is being cultivated.

Bolivia should strengthen efforts to tighten controls over the coca leaf trade in order to stem diversion to cocaine processing in line with international commitments, achieve further net reductions in coca cultivation and enhance law enforcement efforts to investigate and prosecute drug traffickers. Enacting new asset forfeiture legislation and other counternarcotics measures would provide Bolivian law enforcement agencies with the necessary tools to do so.

Bosnia and Herzegovina

Bosnia and Herzegovina is not a major narcotics cultivator, producer or consumer, nor is it a producer of precursor chemicals. It is considered primarily a transit country due to its strategic position between drug production and processing centers in Southwest Asia and markets in Western Europe. It also shares borders with Montenegro and Croatia, where narcotics originating from South America transit to Bosnia and Herzegovina for eventual distribution throughout Europe. The capacities of the country's law enforcement and security institutions remain limited, particularly at the state-level.

Through October 2013, Bosnian and Herzegovinian police agencies report seizing six kilograms (kg) of heroin; 351 grams of cocaine; 199 kg of marijuana; 5kg of hashish; 932 cannabis plants; 1,535 cannabis seeds; 353 ecstasy tablets; 16 kg of amphetamine-type stimulants; and 157 tablets of medicinal drugs. Police from the Republika Srpska reported a 33 percent increase in arrests and drug seizures, with a sharp rise in the confiscation of hashish as well as cannabis plants. Officials from the Republika Srpska claimed to have spent a concerted effort in 2013 to identify new networks of drug production and distribution. Bosnian and Herzegovinian police cooperate internationally, and in October, Bosnian and Herzegovinian authorities conducted raids and arrested five men as part of a joint international operation with Italy, Croatia, Macedonia, Montenegro and Albania. Despite these positive steps, however, there have been few arrests of top-tier leaders of trafficking organizations, and the perception exists among some local non-governmental organizations that this could be due to their financial clout and political ties.

Bosnian and Herzegovinian state-level law enforcement agencies – the Border Police, Indirect Taxation Authority (customs service), and the State Investigative and Protection Agency – face challenges with funding and staffing. However, they continue to work closely with the United States to develop their capacity for strategic planning and resource management in order to overcome some of these challenges and fight local and international narcotics trafficking.

Bosnia and Herzegovina also cooperates with the European Union (EU), particularly in an ongoing effort to create a Drugs Office to coordinate narcotics-related issues and present a national focal point for information-sharing with relevant international bodies.

Brazil

A. Introduction

Brazil is a major transit and destination country for cocaine. Its borders with Colombia, Peru, Bolivia, and Paraguay are porous and over three times the length of the border between the United States and Mexico. The majority of cocaine transiting Brazil is destined for European markets, including via West Africa. The Brazilian drug trade is controlled by large, violent, and well-organized drug trafficking organizations operating throughout the country. Brazil suffers from a substantial and growing domestic drug consumption problem. It is the world's second largest consumer of cocaine hydrochloride and likely the largest consumer of cocaine-base products. The Government of Brazil realizes the gravity of the narcotics issue and is committed to combating drug trafficking, but lacks the capabilities needed to stem the flow of illegal narcotics across its borders.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

The Government of Brazil's lead agency for combating narcotics trafficking is the Federal Police (DPF). In 2013, the DPF announced it would be increasing its workforce by 1,200 to include 600 new agents, 150 new supervisors, and 450 support personnel. The National Secretariat for Drug Policy (SENAD) is the nation's primary drug policy development entity. SENAD received new leadership in 2013 and developed a stronger focus on drug treatment.

On June 3, in recognition of the need for federal partnership with state police, President Dilma Rousseff announced a new plan to provide mobile scanning devices to state police for drug interdiction as well as a $15 million plan to install surveillance cameras in border states to combat narcotics and other forms of illegal trafficking. On August 2, Brazil enacted Law No. 12.850 to enhance federal efforts against organized crime. The new law calls for greater cooperation between federal, state, and municipal police forces, and authorizes methods of evidence collection such as wiretaps and undercover operations.

Brazil maintains bilateral narcotics control agreements with the United States and every country in South America in addition to formal partnerships with the UN Office on Drugs and Crime (UNODC), the Organization of American States' Inter-American Drug Abuse Commission, and INTERPOL. Brazil also has extradition and mutual legal assistance treaties with the United States that are utilized regularly to the benefit of both countries, though Brazil does not extradite its nationals.

2. Supply Reduction

Brazil's Strategic Border Plan is now a permanent operational program confronting illegal drug trafficking and other forms of transnational crime. During 2013, the DPF created 19 new border installations to support counternarcotics operations. U.S. assistance in the form of computer and

software donations contributed to this new capability. These installations contributed to the success of Operations Agata VII and Trapézio III. Concluded on June 6, Operation Agata VII resulted in the seizure of 25.3 metric tons (MT) of marijuana and 657 kilograms (kg) of cocaine. Operation Trapézio III, a joint operation between the security forces of Brazil and Peru, targeted cocaine traffickers operating in the tri-border region of Brazil, Colombia, and Peru, and resulted in the destruction of 28 clandestine labs and the seizure of 29,000 liters of gasoline, 54 MT of precursor chemicals, and 17 MT of cocaine sulfate.

Brazil remains a major transit route for cocaine emanating from the source countries of Bolivia, Colombia, and Peru. Cocaine continues to be smuggled across land borders via small aircraft and trucks as well as boats utilizing the vast Amazon River system. In 2013, the volume of Peruvian and Bolivian cocaine trafficked by aircraft into Brazil increased notably. The majority of cocaine entering Brazil is destined for the domestic market and Europe through West Africa via international air shipment and containerized cargo ships. In 2013, the DPF, working with the U.S. Drug Enforcement Administration, seized 500 kg of Bolivian cocaine in Belém. The cocaine was hidden in the gas tanks of a truck convoy that originated in the state of Mato Grosso do Sul and transited through the state of São Paulo state before reaching Belém. This may mark the emergence of a new trafficking route, as the majority of cocaine reaching Belém traditionally originates in Colombia and Peru and is smuggled via riverboat for later transshipment to West Africa and Europe.

Brazil also performs marijuana eradication operations in the states of Bahia and Pernambuco, in addition to joint marijuana eradication operations with Paraguay. Synthetic drugs, although present and circulating, are not considered a priority by the Government of Brazil in the face of its overwhelming crack cocaine problem.

In 2013, the DPF reported seizures of 35.7 MT of cocaine and 220.8 MT of marijuana (seized or eradicated). During the year, there were over 11,700 arrests on drug related charges.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Brazilian federal and state authorities actively promoted drug abuse awareness in 2013 through various media and outreach campaigns. These efforts include the PROERD program, Brazil's version of the Drug Abuse Resistance Education (DARE) program, which is implemented in schools by state police forces. In 2013, the federal government's signature program, "Crack, It's Possible to Win," provided 693 new beds for drug treatment in government hospitals, 56 mobile treatment units, and 6,800 beds located in therapeutic communities. SENAD is also promoting distance learning and increased training for professionals working in drug treatment and demand reduction, with a stated goal of training 279,000 professionals in 2013.

In September, SENAD released the results of a landmark nationwide study of drug and alcohol use conducted pursuant to the national Integrated Plan to Confront Crack and Other Drugs. The study revealed an estimated 370,000 users of cocaine-base products in Brazilian state capital cities but did not provide an estimate of users nationwide. Many Brazilian drug experts criticized the study for underestimating the size of the population addicted to cocaine-base products. According to the Federal University of São Paulo, a National Drug and Alcohol

Survey in 2012 indicated that 62 percent of marijuana users in the country had their first contact with the drug before turning 18, compared to 40 percent in 2006. Despite the emphasis on drug abuse awareness, demand reduction, and treatment, Brazil's programs are not yet commensurate with the size of the addict population.

4. Corruption

As a matter of government policy, Brazil does not encourage or facilitate illegal activity associated with drug trafficking and there has been no evidence to suggest that senior government officials are engaged in such activity.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

A memorandum of understanding signed in 2008 between the United States and Brazil on Narcotics Control and Law Enforcement established projects designed to enhance the capacity of Brazilian federal and state agencies to address illicit narcotics trafficking and provide drug demand reduction services. In 2013, the United States provided support to the DPF canine program and the DPF Special Investigation Units which produced tactical information used in counternarcotics operations. The United States also provided support to drug demand reduction non-governmental organizations working with addicts and the families of addicts nationwide, as well as community coalitions in São Paulo state designed to create drug free communities. Cooperation in both supply reduction and demand reduction has been positive, as evidenced by the results of Operations Agata, Trapézio, and Sentinela and the desire to expand the São Paulo community coalition project to additional states.

In cooperation with OAS-CICAD and international medical universities, the United States is also working with Brazil on the development of drug prevention and treatment protocols for children addicted to crack cocaine.

D. Conclusion

Brazil is committed to combating narcotics trafficking and addressing its burgeoning domestic drug consumption problem. It is increasingly engaging its neighbors, especially Peru, and would benefit from expanded cooperation with Bolivia and Colombia. In addition, using the newly enacted Law No.12.850 and increased undercover operations to directly confront its domestic drug trafficking organizations would clearly demonstrate government resolve to combat illegal drugs and promote the rule of law.

Bulgaria

Bulgaria is strategically situated along the Balkan transit route for illegal drugs and other contraband trafficked from Southwest Asia into Western Europe. Transnational drug trafficking organizations continue to traffic cocaine, heroin and synthetic drugs through Bulgaria into consumer countries in Western Europe. In 2013, drug trafficking organizations with ties to Africa have increasingly partnered with Bulgarian organized crime networks to transport cocaine and heroin into Europe from South America. Domestic production of illegal drugs is confined primarily to cannabis cultivation -- which is mainly for local consumption -- and synthetic drugs, which are manufactured at small laboratories for both personal use and local sales.

In 2013, Bulgaria's General Directorate for Combating Organized Crime (GDBOP) transferred from the Ministry of Interior to the State Agency for National Security. This institutional restructuring represented a significant shift in responsibility for counternarcotics enforcement, and led to several months of inactivity and generally slowed investigative work. Responsibility for investigating street drug distribution remains within the authority of local police, under the Ministry of Interior.

The Customs Agency, within the Finance Ministry, has authority to investigate drug trafficking along Bulgaria's borders. In recent years, however, it has increasingly directed its resources towards taxable contraband (i.e. cigarettes) over narcotics. This resulted in relatively low amounts of heroin seized along Bulgaria's borders in early 2013. However, in August, Turkish authorities captured over 700 kilograms (kg) of heroin bound for Bulgaria and in October, in a joint operation with GDBOP, Customs captured approximately 74 kg of heroin. Authorities also made several seizures of new psychoactive substances in 2013, including more than 80 kg in a van at the Danube Bridge border checkpoint of Ruse.

There has not been significant new research into drug addiction within Bulgaria. In 2012, the Bulgarian Institute for Addictions estimated that the country had approximately 300,000 drug addicts, a number that has not fluctuated much in recent years. Marijuana is the most widely used drug, followed by synthetic drugs and heroin.

Bulgarian law enforcement agencies continue to maintain close collaboration with the U.S. Drug Enforcement Administration on counternarcotics investigations.

Burma

A. Introduction

Burma continues to be a major source of opium and exporter of heroin, second only to Afghanistan. Since the mid-1990s, Burma has also become a regional source for amphetamine-type stimulants (ATS). Production sites for heroin and methamphetamine are often co-located and are primarily situated along Burma's eastern borders in areas controlled by ethnic armed groups beyond the Government of Burma's immediate control. The 2013 joint Burma-UN Office of Drugs and Crime (UNODC) illicit crop survey reported that for the seventh straight year, opium poppy cultivation increased. UNODC estimated that the total area under opium poppy cultivation was 57,814 hectares (ha), an increase of 13 percent compared to 2012 (51,000 ha). Opium production is now at its highest level since 2003. In addition, UNODC estimated that during 2013 the potential production of opium increased by 26 percent to 870 metric tons (MT). Methamphetamine production in Burma is also a major concern. While there is no reliable methodology to estimate methamphetamine production, information derived from local and regional seizures indicates that methamphetamine production and trafficking is increasing. Former Secretary of State Clinton's visit to Burma in December 2011 secured the resumption of counternarcotics cooperation between the United States and Burma, and in March 2013, the U.S. and Burmese governments completed the first joint opium yield survey since 2004.

The Central Committee for Drug Abuse Control (CCDAC) continues to make efforts to enforce Burma's narcotics laws. In 2013, the CCDAC was in the process of restructuring and expanding its counternarcotics task force, pledging to fight both drug production and drug use. Despite these efforts, police officers still lack adequate training and funding. In addition, the Government of Burma faces the special challenge of having vast swaths of its territory, particularly in drug producing areas, controlled by non-state armed groups. Counternarcotics efforts are also hampered by extremely porous borders with India, China, Bangladesh, and Thailand that continue to be exploited by traffickers. The Government of Burma considers drug enforcement secondary to national stability and is willing to allow narcotics trafficking in border areas in exchange for cooperation from ethnic armed groups and militias. Furthermore, ongoing conflict with ethnic armed groups such as the Kachin Independence Army, Shan State Army-North, Shan State Army-South, and United Wa State Army extends the amount of territory beyond Burmese government control.

Burma is not currently a significant source or transit country for drugs entering the United States. However, Burma remains a major regional source of opium, heroin, and methamphetamine, particularly for neighboring Thailand, Laos and China. The overall level of drug abuse is low in Burma compared with neighboring countries, in part because most Burmese are too poor to support a drug habit.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Burma is not on track to reach its goal to eradicate all narcotics production and trafficking by the year 2014. As a result, the Burmese government has extended the 15-year counternarcotics plan for another five years until 2019. In pursuit of this goal, the CCDAC, chaired by the Minister of Home Affairs, directs all drug-enforcement efforts in Burma. This includes the drug enforcement efforts of 26 police counternarcotics task forces located in major cities and along key trafficking routes. In 2013, the CCDAC announced it would restructure and increase the number of its counternarcotics task forces to 50, expanding its presence in Rangoon and Mandalay regions and Rakhine and Shan states. However, it is too early to determine whether these institutional changes will translate into narcotics reduction.

Burma cooperated with its neighbors on drug control with varying levels of interaction in 2013. This ranged from regular engagement with China and Thailand, to infrequent contact with India and Bangladesh.

2. Supply Reduction

Aggressive domestic efforts over the past 15 years, accompanied by some international assistance, had yielded a generally downward trend in Burma's poppy cultivation from a 1996 U.S. government estimated apex of 163,000 ha. However, Burmese farmers have increased opium poppy cultivation each year since 2006. The 2013 joint UNODC-GOB survey estimated 57,814 ha were devoted to opium poppy cultivation, representing a 13 percent increase from 2012 levels (51,000 ha).

According to Burmese statistics, law enforcement officers destroyed 12,288 ha of opium poppies in 2013 compared to 23,584 ha in 2012 and 7,058 ha in 2011. Such government statistics cannot be independently verified. Furthermore, U.S. and UNODC reporting often reflect the fact that eradication occurs after the poppies have been harvested.

The Government of Burma continues to provide insufficient suitable alternative development opportunities targeted at opium cultivators. In 2011, the CCDAC outlined an alternative development plan expected to cost approximately $500 million over three years. Despite Burmese appeals for aid from the international community, no international donors pledged to support the plan during 2012 or 2013.

While there is no reliable method to determine production levels, information derived from seizure data indicates an increase in the production, consumption, and export of amphetamine-type stimulants (ATS) since 1996. A 2011 UNODC survey reported that South-East Asia has experienced significant increases in the seizures of methamphetamine pills originating from Burma. According to UNODC, ATS is manufactured in Shan State and trafficked along routes to Thailand, China, Laos, and Bangladesh.

Though under-resourced and hampered by political constraints, the CCDAC continued drug interdiction efforts during 2013. Between January and September, Burmese police seized over 6.42 million ATS tablets (642 kilograms, or kg) and 131.47 kg of crystal methamphetamine. During the same period, Burmese authorities seized approximately 1.8 MT of high-quality

opium, approximately 58.21 kg of low-quality opium, and nearly 1.57 MT of opium oil. Heroin seizures totaled 53.64 kg.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Drug abuse is relatively low in Burma compared with neighboring countries, in part because most Burmese are too poor to support a drug habit. Traditionally, farmers have used opium as a painkiller and an antidepressant in the absence of adequate healthcare. There has been a shift in Burma away from opium smoking toward injecting heroin, which has contributed to Burma having one of the highest rates in the world of HIV infection attributable to intravenous drug use. Though overall levels of drug abuse are low, increasing incidences of injecting drugs and amphetamine use are a cause for concern.
The Government of Burma maintains that there are only about 65,000 registered addicts in Burma. This number is unconfirmed, and other surveys conducted by UNODC and non-governmental organizations (NGOs) suggest that the user population could be as high as 300,000. NGOs and community leaders report increasing use of heroin and synthetic drugs, particularly among marginalized youth in urban areas and by workers in mining communities in ethnic minority regions.

Burmese demand-reduction programs require addicts to register with the Government of Burma. Addicts can be imprisoned for three to five years if they fail to register and accept treatment. Demand-reduction programs and facilities are limited.

4. Corruption

Burma ratified the UN Convention on Corruption in 2012, and passed a corruption law in July 2013 that is still waiting ratification. Many inside Burma assume some senior government officials benefit financially from narcotics trafficking, but these assumptions have never been confirmed through high-level arrests, convictions, or other public revelations. Credible reports from NGOs and media claim that mid-level military officers and government officials are engaged in drug-related corruption, though no military officer above the rank of colonel has ever been charged with drug-related corruption. The Government of Burma does not, as a matter of policy, encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

President Obama signed a national interest waiver in 2013 allowing the United States to provide counternarcotics assistance and engage the Burmese police directly. The U.S. government is now able to engage proactively on counternarcotics activities and further build on the relationship maintained by the U.S. DEA country office at U.S. Embassy Rangoon. Through this channel, the DEA continues to share drug-related intelligence with the Government of Burma and conducts joint drug-enforcement investigations with Burmese counternarcotics authorities. In 2013, the United States and Burma also completed the first joint opium yield survey since 2004, visiting 12 sites with the assistance of the CCDAC, the Ministry of Agriculture and Irrigation, and the Burmese Army and Air Force. Forty-two Burmese counternarcotics police

officials also participated in four different courses at the U.S. International Law Enforcement Academy (ILEA) in Bangkok focused on tactical planning, airport interdiction, drug unit commanders, and training of trainers.

D. Conclusion

Politics, as well as economics, drives opium production in Burma, as much of the territory under cultivation in Burma remains outside of government control. Burma continues to pursue political reform and has expressed a willingness to reengage with the United States on a broad range of issues, including counternarcotics. However, Burma's economic situation remains relatively unaffected by the political changes underway. While economic development is necessary to provide an alternative to drug production, such development, particularly in ethnic areas, has not materialized and may not be wanted by local ethnic groups until ceasefire agreements have been negotiated and peace is solidified. The economic reality coupled with the Burmese government's own lack of resources significantly reduces the efficacy of the country's counternarcotics efforts. While the Government of Burma has signed cease fire agreements with 14 of 17 ethnic armed groups, the parties are still working towards a comprehensive political solution, the brokered peace remains fragile, and some of the ethnic groups continue to engage in narcotics production and trafficking.

Senior U.S. government officials traveled to Burma in 2013 to demonstrate U.S. support for additional counternarcotics cooperation with the country. While U.S. government programming in 2013 focused on training outside Burma, assistance in 2014 will focus on expanding training to a wider array of law enforcement activities, including training inside Burma. Moving forward, any U.S. assistance must be appropriately sequenced with Burmese government efforts to reach a political solution to the conflict with its ethnic minorities, address official corruption, and dedicate more resources to existing counternarcotics enforcement efforts. Only genuine and sustained efforts will reverse the disappointing trends seen over the past seven years and begin to reduce narcotics production.

Cambodia

Cambodia has a significant and growing problem with drug consumption, trafficking, and production. Criminal networks also use Cambodia to illegally produce and export natural safrole oil, which can be used as a precursor for MDMA (ecstasy). Additionally, there are indications of drug trafficking from Laos into Cambodia en route to other markets in Southeast Asia.

Amphetamine-type stimulants (ATS) are the most prevalent drug in Cambodia, and both ATS tablets and crystalline methamphetamine are widely available. Heroin addiction remains limited to a small number of users concentrated in Phnom Penh. Cocaine, ketamine, and opium are also available. It is a common practice among the homeless, particularly minors, to sniff glue or similar inhalant products. The availability and quality of drug treatment centers remains inadequate to cope with demand. Government rehabilitation centers lack trained professionals and resources and provide low quality care. To support demand reduction efforts, the United States provides funding to the UN Office on Drugs and Crime (UNODC) and the World Health Organization to develop treatment services for local communities, while concurrently working to integrate these services into Cambodia's public health system. In conjunction with this effort, UNODC and WHO are also working to share evidence-based practices and the latest research on treatment of substance abuse with Cambodia's government and treatment professionals.

The volume of seizures increased considerably during the first nine months of 2013 when compared to 2012, according to statistics from the Cambodian Anti-Drugs Department. The arrests of inbound couriers into both Phnom Penh and Siem Reap international airports have led to significant seizures of cocaine and methamphetamine. Specifically, Cambodian customs officials working with the Cambodian Anti-Drugs Department intercepted ten foreign nationals who were transporting cocaine and methamphetamine through Cambodia to Thailand. While these arrested couriers included Indian, Vietnamese, Romanian, Peruvian, Nigerian, and Thai nationals, most were coordinated by drug syndicates operated by West Africans.

In an effort to further the investigations related to the inbound couriers, the Cambodian Anti-Drugs Department successfully conducted several follow-up investigations that resulted in the arrests of both Thai and Cambodian nationals.

The Royal Government of Cambodia conducted joint operations with the U.S. Drug Enforcement Administration to enforce the recently amended drug laws. Counternarcotics authorities also cooperated closely with other regional counterparts to improve Cambodian law enforcement's capacity to disrupt and reduce international narcotics trafficking.

Canada

A. Introduction

In 2013, the Canadian government continued its robust efforts in combating the production, distribution, and consumption of illicit drugs. Canada is a substantial producer of ecstasy (MDMA) for domestic use and is the primary supplier of ecstasy to the United States. As part of its five-year National Anti-Drug Strategy, Canada has rolled out new initiatives specifically intended to fight the trafficking of marijuana and synthetic drugs. Canada and the United States cooperate in counternarcotics efforts by sharing information and conducting joint operations.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

In its Throne Speech on October 16, the government committed to expanding its national anti-drug strategy to address prescription drug abuse and to close loopholes that allow narcotics to be given to addicts in drug treatment. The Minister of Health commented to the press that the strategy could pave the way for a ban on generic oxycodone in Canada.

On October 16, the Government of Canada re-introduced the "Respect for Communities Act" to tighten federal site inspection powers and impose stricter criteria for supervised drug consumption sites that would allow for the use of what would otherwise be illegal drugs. Applications would require documentation outlining the views of local law enforcement, municipal leaders, public health officials, local community groups, and provincial or territorial ministers of health, as well as data indicating the proposed site's expected impact on crime rates, public health justification, and evidence of adequate resources to sustain the site's operations.

On October 22, a Liberal opposition party member introduced a bill (S-203) which would amend the Criminal Code to authorize courts to delay sentencing for drug possession enabling offenders to attend treatment programs. If offenders successfully complete treatment programs, courts would not be required to impose the minimum punishment.

In August, the Canadian Association of Chiefs of Police passed a resolution that called for changes to the federal Contraventions Act so that police can fine, rather than criminally charge, individuals in possession of small amounts of cannabis. The Association argued that its proposal would allow for better allocation of police resources. The proposal would not take any existing laws off the books, but would create a new ticketing authority. Prime Minister Harper has said the federal government will consider the proposal very carefully.

In June, Canada signed implementing agreements with the United States enabling a permanent bilateral ship rider agreement to combat transnational maritime criminal activity in undisputed areas of the sea and in internal waters along the international boundary between the two countries. Also in June, Vancouver/Blaine and Windsor/Detroit became the first two locations for regularized, integrated cross-border maritime law enforcement operations. Two additional

regularized locations will be established in 2015-16. In addition to these regularized locations, remote CG Stations and Royal Canadian Mounted Police (RCMP) detachments are also participating in ship rider operations with random surges to patrol and secure the shared maritime border.

Canada's "Marihuana Grow Initiative (MGI)," launched by the RCMP in September 2011, continued to focus on three primary goals of raising awareness, deterrence and enforcement, and featured collaboration among government agencies, businesses and communities. In 2012, the RCMP launched an online pilot course entitled "Introduction to Marihuana Grow Operations" designed to strengthen the RCMP's capacity to investigate illegal marijuana cultivation. To date over 1,000 RCMP employees have taken the course.

Canada is party to the Inter-American Convention on Mutual Legal Assistance in Criminal Matters, the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials, and the Inter-American Convention against Corruption.

2. Supply Reduction

Canada is the primary foreign source country of ecstasy to the United States with production occurring in British Columbia and Ontario, and to a lesser extent in Quebec. Canadian-origin ecstasy is also trafficked to Japan, Australia, and New Zealand. Precursor chemicals for the production of ecstasy are smuggled into Canada from source countries including China and India.

Cultivation of cannabis is extensive in Canada, mostly in the form of high-potency, indoor-grown marijuana destined for both domestic consumption and export to the United States. Significant cultivation has been identified primarily in British Columbia, Ontario, and Quebec. Most exported Canadian marijuana is destined for the United States.

As of June 2012 (the most recent statistics available), the MGI centralized database listed 191 marijuana cultivation operations or clandestine labs dismantled by the RCMP since 2011. A clear majority of these operations were in British Columbia.

Although most cocaine destined for Canada originates in South America, the United States is the predominant transit point for cocaine smuggled into Canada. Recent smuggling patterns continue to suggest, however, that traffickers may be increasing their efforts to ship cocaine directly to Canada via air, parcel, and maritime conveyances.

Canadians are among the heaviest consumers of pharmaceutical opiates globally, according to Canadian government reports, but organized crime involvement in this market remains small when compared with other drugs. The most commonly trafficked pharmaceuticals are diazepam, clonazepam, lorazepam, methylphenidate, pentazocine, oxycodone, and steroids.

Domestic production of methamphetamine remains steady, and it continues to be exported to the United States and other countries. Methamphetamine is also used as a compound in Canadian-produced ecstasy.

No overall drug seizure statistics were available at the time of this report from the Canadian government for 2013.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to a Canadian government study, the prevalence of past-year cannabis use among Canadians (15 years and older) decreased from 14.1 percent in 2004 to 9.1 percent in 2011, the most recent year for which data is available. The prevalence of past-year cocaine or crack use decreased from 1.9 percent in 2004 to 0.9 percent in 2011 while ecstasy (0.7 percent), speed (0.5 percent), and hallucinogen (0.6 percent) use was comparable, if slightly lower, than the rates of use reported in 2004.

In 2011, the prevalence of past-year cannabis use by youth was 21.6 percent, three times higher than that of adults (6.7 percent), but representing a decline when compared to the prevalence of past-year use by youth in 2010 at 25.1 percent. The same study reported that, among youth, past-year use of at least one of six illicit drugs (cannabis, cocaine or "crack," speed, ecstasy, hallucinogens, and heroin) decreased to 9.4 percent from 11.0 percent in 2010. A significant decline was seen in psychoactive pharmaceutical use between 2011 (22.9 percent) and 2010 (26.0 percent), which was driven by a significant decrease in the use of opioid pain relievers to 16.7 percent in 2011 from 20.6 percent in 2010. There were no significant changes in the rates of past-year use of stimulants or sedatives.

Canada has six drug treatment courts in operation, in Toronto, Vancouver, Edmonton, Winnipeg, Ottawa, and Regina.

4. Corruption

The Government of Canada has strong anti-corruption laws and policies and holds its officials, including law enforcement personnel, to a high standard of conduct. The Canadian government pursues malfeasant civil servants and subjects them to prosecution. No senior government officials are known to engage in, encourage, or facilitate illegal activity associated with drug trafficking. Corruption among law enforcement officials is rare.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States and Canada exchange forfeited assets through a bilateral asset-sharing agreement and exchange information to prevent, investigate, and prosecute any offense against U.S. or Canadian customs laws through a customs mutual assistance agreement. Judicial assistance and extradition matters between the United States and Canada operate under a mutual legal assistance treaty, an extradition treaty, and related law-enforcement protocols, including the long-standing memorandum of understanding between the U.S. Drug Enforcement

Administration (DEA) and RCMP which established a formal mechanism by which their representatives can work directly with each other on U.S.-Canada drug-related matters.

The United States and Canada pursue joint operations against suspected drug transshipments and have an agreement in place (known as "ship rider" agreements) that enables Coast Guard (USCG) personnel to embark from Canadian aircraft and ships. In 2013, seven two-day surge operations were completed in conjunction with regularized operations, and included more than 60 patrols and 125 boardings. Over the course of 2013, the ship rider program completed more than 500 successful joint boardings and accumulated over 3,000 hours patrolling the shared maritime border between Canada and the United States. Additionally, Canada continues to participate in the North American Maritime Security Initiative (NAMSI) with Mexico and the United States, which serves as a forum to review cases and identify areas where the maritime forces of the three countries may be able to improve cooperation.

Canada and the United States continue to exercise a memorandum of understanding regarding the deployment of U.S. Coast Guard law enforcement detachments on Canadian Navy ships in the Caribbean Sea and Eastern Pacific Ocean. These deployments contributed to the removal of 2.1 metric tons of cocaine in 2013.

Canada and the United States focus their bilateral cooperation through the Cross-Border Crime Forum and other fora. Canada and the United States also cooperate through the Integrated Border Enforcement Teams (IBET) and Border Enforcement Security Taskforces (BEST) on integrated cross border law enforcement. IBETs operate in 24 locations along the border, including four locations where Canadian and American intelligence analysts are co-located. The BEST is an investigative taskforce model that incorporates personnel from numerous U.S. and Canadian federal, state, provincial, local, and tribal agencies.

The DEA, CBP, HSI, USCG, and representatives from U.S. state, local, and tribal entities interact with CBSA, Ontario Provincial Police, Toronto Police Service and the RCMP, as well as other Canadian law enforcement authorities to pursue shared objectives in combating illegal drugs.

D. Conclusion

The United States cooperates extensively with Canada on bilateral law enforcement matters and acknowledges the strong and consistent anti-drug message from Canada's federal government.

The United States will continue to work with Canada to stem the flow of narcotics across our shared-border, and enhance regulatory frameworks to prevent access to precursor chemicals and lab equipment for criminal use.

Cabo Verde

Cabo Verde's geographically strategic location along busy maritime commercial routes and vast unmonitored maritime area attracts transnational criminal networks, including drug traffickers transporting cocaine from South America. Traffickers operating out of Guinea Bissau—a key transshipment point for South American cocaine ultimately bound for Europe—are of particular concern. The UN Office on Drugs and Crime reports that marijuana, cocaine, hashish, heroin and methamphetamines are the most commonly used drugs in Cape Verde. Drug users, mainly youth, are largely from urban centers. There have been no reports of trafficking in precursor chemicals to date. The national plan to Combat Drugs and Crime (2012-2016) focuses on enhancing the capacity of law enforcement institutions to guarantee peace and security.

To reduce drug trafficking through Cabo Verde, the government continued to upgrade the National Police Training Center in 2013. Other initiatives include continuing efforts to develop higher education institutions in the justice sector and increase competency on criminal investigation, drug interdiction, and intelligence among law enforcement professionals. A new legal framework to combat money laundering was established in 2009, and as part of the Anti-Trafficking Project, the government improved monitoring of containers arriving or transiting through its ports, and increased information sharing between domestic airports, and with international airports. Demand reduction efforts include treatment and rehabilitation programs, and awareness campaigns targeting youth.

Beyond some nepotism, corruption is relatively low. The government ratified the UN Convention against Corruption in 2008 and implemented the National Anti-Corruption Plan in 2012.

The United States supports Cabo Verde in its fight against crime and drugs by providing training for Cape Verdean security forces and through sharing law enforcement information. In 2010, the United States helped to establish the Center for Maritime Security Operations (COSMAR) in Praia, which has improved cooperation among Cabo Verdean law enforcement agencies. The United States has also supported social reintegration and drug dependency reduction programs, the development of anti-drug community coalitions in Praia to reduce demand for illegal drugs, and assisted the Cabo Verdean Financial Information Unit in building its capacity to fight money laundering.

In coordination with our international partners, the United States will continue to work with Cabo Verde to further strengthen its law enforcement and judicial institutions to improve monitoring of their international waters and combat transnational crimes such as drug-trafficking.

Chile

Chile is a transit country for Andean cocaine destined primarily for Europe. Long, porous borders with Argentina, Peru and Bolivia present special challenges to its efforts to combat drug trafficking. Restrictions on inspecting Bolivian-originated shipments (pursuant to a Bolivia-Chile treaty) impede efforts to interdict shipments of illegal narcotics. Chile is not a major producer of organic or synthetic drugs.

Drug control is a high priority for the Government of Chile.

Between January and August 2013, Chilean authorities seized 10.65 metric tons (MT) of cocaine (consisting of 8.47 MT of cocaine base and 2.17 MT of cocaine HCL), compared to 12.83 MT of cocaine confiscated during all of 2012. During the first eight months of 2013, Chile's northern border areas of Arica, Parinacota, Antofagasta, and Tarapacá accounted for 68.3 percent of all cocaine seizures. During the same period, Chilean authorities confiscated 14.49 MT of processed marijuana.

Among Chile's major counternarcotics accomplishments, in August the National Investigative Police seized 520 kilograms (kg) of cocaine base, 70 kg of sulfuric acid, and 20 kg of sodium hydroxide from the largest cocaine conversion laboratory raided in Chile's history. Also in August, the Chilean National Uniformed Police seized 100 kg of cocaine base and arrested two Bolivian nationals for trafficking. Authorities utilized x-ray scanner technology to find the drugs in a truck. Chile has invested heavily in counternarcotics efforts in the north of the country through its Northern Border Plan, a four-year initiative begun in 2011 and overseen by the Ministry of Interior. The program focuses on combatting drug and contraband smuggling along roughly 590 miles of shared border with Peru and Bolivia. The government plans to have invested some $70 million in the program by the time of its scheduled completion in 2014.

The National Service for Drug and Alcohol Prevention and Rehabilitation (the Service), a part of the Ministry of Interior, continued effective demand reduction and drug treatment programs in 2013. In 2012, the most recent year for which statistics are available, the Service reported reaching over 84,000 students and almost 39,000 workers through its drug and alcohol prevention programs in schools and the work place. In coordination with the prisons systems, the Service also provided drug rehabilitation services to 1,367 people in 2012. Statistics from the Service indicate that marijuana use among the general population increased from 4.6 percent prevalence in 2010 to 7.1 percent prevalence in 2012 for marijuana use among the general population. Chilean authorities reported cocaine use at 0.9 percent prevalence in 2012.

The United States partners with Chile to strengthen the capacity of Chilean institutions to confront drug trafficking. Most U.S. engagement supports law enforcement training and technical capacity-building. The United States has been active with Chile in the areas of container inspection, advanced drug interdiction techniques and fighting synthetic drugs. Chile also coordinates assistance, dialogue and information sharing on counternarcotics with other countries in South and Central America, as well as Europe.

China

A. Introduction

China is a significant destination and transit country for drugs such as heroin and cocaine, as well as a major producer of drug precursor chemicals. Domestic abuse of heroin and cocaine continues to rise, and the consumption of synthetic drugs such as methamphetamine, ketamine, and MDMA (ecstasy) among the affluent and the middle class is emerging as a public health threat. Chinese organized crime groups based in southeast China control most large-scale drug and precursor chemical criminal activities in China. There are also a growing number of transnational criminal organizations from Colombia, West Africa, Iran, and Pakistan operating in China.

Heroin flowing into China from Burma, Laos, Afghanistan, Pakistan, and Tajikistan transits the country in containerized cargo or fishing vessels to lucrative markets in other parts of Asia and Australia. Most synthetic drugs used in China originate from Southeast Asia, Latin America, and Europe. Methamphetamine also enters China from Burma and North Korea.

China is a major producer and exporter of precursor chemicals for legitimate industrial use. Many large chemical factories are located near coastal cities with modern port facilities, increasing the opportunity for criminal syndicates to divert legal shipments to illegal use. Most precursor chemicals seized in Mexico and Central America destined for illegal production of methamphetamine were legally exported from China and diverted en route. Actions taken by China in 2013 seem to have curbed the overt shipment of these chemicals to Mexico and Central America, forcing the traffickers to resort to other means, such as mislabeling and concealment, to obtain their chemicals.

China is also a significant producer and exporter of new psychoactive substances (NPS), including synthetic cannabinoids (known by such names as “K2” and “spice”) and synthetic cathinones (stimulants sometimes called “bath salts”).

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

China’s drug control strategy, implemented by the National Narcotics Control Commission (NNCC), focuses on prevention, education, illicit crop eradication, interdiction, rehabilitation, commercial regulation, and law enforcement. The Ministry of Public Security’s Narcotics Control Bureau is the primary national drug enforcement entity and works in conjunction with provincial public security bureau offices. The Anti-Smuggling Bureau within the General Administration of Customs is responsible for the enforcement of China’s drug control laws at seaports, airports, and land border check points. China maintains bilateral counternarcotics agreements with various countries and international organizations, including the UN Office on Drugs and Crime, and participates in a variety of international drug conferences and bilateral

meetings, including the annual International Drug Enforcement Conference hosted by the U.S. Drug Enforcement Administration (DEA).

2. Supply Reduction

According to information provided by the China's Ministry of Public Security, Chinese law enforcement authorities investigated 150,000 drug related cases in 2013 (122,000 cases in 2012) and made 168,000 drug related arrests (133,000 arrests in 2012). Chinese authorities also reported seizing 8.5 metric tons (MT) of heroin (from 7.3 MT in 2012); 4.4 MT of cannabis (4.5 MT in 2012); 9.6 MT of ketamine (4.7 MT in 2012); 19.5 MT of methamphetamine (16.2 MT in 2012); and 1.4 MT of opium (844.7 kilograms in 2012). In addition, 5,740 MT of precursor chemicals were seized (from 5,824.2 MT in 2012). According to the UN Office on Drugs and Crime, an estimated 90 percent of the methamphetamine pills seized in 2012 originated from Burma.

According to Chinese law enforcement officials, China's consumption of opiates appears to be slightly decreasing. However, the use of synthetic drugs, primarily amphetamine-type stimulants (ATS) and ketamine, continues to grow among China's urban youth along the east coast of China. China's growing upper and middle class with greater disposable income have also increased the domestic demand for cocaine. Marijuana use may be gradually increasing but is not considered to be a major drug threat in China.

In compliance with the 1988 UN Convention, China makes use of the International Narcotic Control Board's Pre-Export Notification System (PENS) as a tool and resource in preventing diversion of precursor chemicals.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The NNCC has an outreach program to raise awareness of the negative health effects of drug abuse and to promote drug prevention. By the end of 2012, the number of registered drug users in China reached 2.098 million, including 1.272 million users of opiates, or 60.6 percent of all registered drug users. The number of registered synthetic drug users reached 798,000, or 38 percent of all registered drug users. Of this number, 305,000 were classified as new drug users.

Centers for mandatory detoxification are managed jointly by the Ministry of Public Health and the Ministry of Justice to support HIV-positive patients in an effort to prevent the spread of HIV/AIDS. Community-based drug rehabilitation programs developed in Yunnan province to treat drug addiction and help former addicts reintegrate into society were replicated nationwide.

4. Corruption

The Ministry of Public Security takes allegations of drug-related corruption seriously, launching investigations when it deems appropriate. Despite efforts to stem drug-related corruption, financial corruption among provincial, prefectural, county, and district government officials continues to be a concern. To date, no senior Chinese official at the central government level is known to have facilitated the illicit production or distribution of drugs. Similarly, no senior

Chinese official from the central government is known to have laundered proceeds from drug-related activities.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States and China are parties to a mutual legal assistance agreement. Under the framework of the U.S.-China Joint Liaison Group on law enforcement cooperation, the bilateral Counternarcotics Working Group meets to exchange views and information on trends in drug abuse and trafficking; discuss pertinent laws, regulations, policies and procedures in the respective countries; seek progress and address challenges in precursor chemical control; and find mechanisms to cooperate on investigations and cases of mutual interest. DEA and the Narcotics Control Bureau of China are parties to a memorandum of understanding that established the Bilateral Drug Intelligence Working Group, which brings legal and law enforcement experts together to share information and discuss cooperation. In September 2012, the White House Office of National Drug Control Policy (ONDCP) and NNCC renewed a Memorandum of Intent to enhance law enforcement cooperation, facilitate exchanges of information on development of drug control policies and promote education on drug treatment, rehabilitation and prevention. In the multilateral context, China volunteered to lead the North Pacific Coast Guard Forum's informal working group that targets maritime trafficking.

D. Conclusion

Trafficking of illegal narcotics, diversion of drug precursor chemicals, and other drug-related crime remain serious problems in China. Central government authorities continue to take steps to integrate China into regional and global counternarcotics efforts, and some progress has been seen over the years in addressing China's domestic heroin problem through enforcement and rehabilitation. In addition, China is drafting legislation to address the export of large quantities of precursor chemicals to Mexico and Central America used in the production of methamphetamine for U.S. consumption. Chinese officials have been receptive to ideas as they seek ways to reduce the production of NPS within the country. However, China's collaborative law enforcement efforts are hindered by cumbersome internal approval processes that often limit direct access by U.S. law enforcement officials to local counterparts at provincial Public Security Bureaus.

Colombia

A. Introduction

Colombia is a major source country for cocaine, heroin and marijuana.. However, the Government of Colombia continues to make significant progress in its fight against the production and trafficking of illicit drugs. Due to sustained aerial and manual eradication operations and aggressive enforcement activity, potential pure cocaine production declined eight percent, from 190 metric tons (MT) in 2011 to 175 MT in 2012, the most recent year for which figures are available. Although figures are not yet available for 2013, the United States estimated that the area devoted to coca cultivation in 2012 was down an additional six percent compared to 2011, from 83,000 hectares (ha) to 78,000 ha. This represents a 53 percent decline in coca cultivation since 2007.

According to the U.S. Department of Justice's 2012 Cocaine Signature Program, 95.5 percent of the cocaine in their sampling system seized in the United States originates in Colombia.

In 2013, the Government of Colombia continued aggressive interdiction and eradication programs, and maintained a strong extradition record for persons charged with narcotics trafficking in the United States. Colombia extradited 132 fugitives to the United States in 2013, the majority of whom were wanted for drug crimes. Colombian authorities reported seizing over 211.8 MT of cocaine and cocaine base (both national seizures and seizures outside Colombia made with Colombian intelligence), and eliminated hundreds of tons of additional potential cocaine through the combined aerial and manual eradication of 69,171 ha of coca.

Colombian efforts against narcotics trafficking by the Revolutionary Armed Forces of Colombia (FARC) and National Liberation Army (ELN) continue unabated. Colombia continues to confront criminal organizations known as "criminal bands," or BACRIMs, and achieved numerous successes against BACRIM leadership in 2013. The BACRIMs are active throughout much of the country, competing and sometimes cooperating with the FARC and other illegal armed groups in the drug trade, and are extending their reach internationally.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Over the past 10 years, Colombia has developed a strong institutional capacity to combat drug trafficking, which is often controlled and financed by the FARC and ELN (both designated Foreign Terrorist Organizations), as well as the BACRIMs and other narcotics trafficking organizations. These groups all use drug cultivation and trafficking proceeds to expand their influence and control and fund attacks on security forces and civilian infrastructure.

The Colombian government launched the National Plan for Consolidation and Territorial Reconstruction (PNCRT) in 2009 to focus coordinated government efforts on selected areas where violence and drug trafficking converged. The U.S. Embassy's Colombia Strategic

Development Initiative (CSDI) coordinates U.S. support to consolidation efforts in targeted regions. By Colombia's own standards, consolidation efforts in 2013 were not fully successful. Evidence suggests that some advances are being made, with improvements in citizen security and human rights, increased citizen reliance on licit activities, greater citizen confidence in the government, and more effective use of donor contributions. However, the PNCRT as a whole has developed slowly and with relatively little measurable progress. Impediments include a lack of political support for the plan, disorganization at the top levels of government, government inability to execute national budgets flexibly and efficiently in remote territory, widely perceived politicization of the PNCRT's administrative entity, and an over-reliance on national instead of local-level programs.

According to the Office of the Prosecutor General, judicial impunity reportedly declined in 2013, though serious challenges remain to achieving an efficient and fully-resourced criminal justice system. Nevertheless, Colombia enjoys a far more transparent accusatory system of justice than that of its previous inquisitorial system, where written documents, and not live witnesses or evidence, were determinative of case outcomes. Currently, most cases are resolved through plea agreements and an increasing number, through trials. The Colombian Minister of Defense has participated in a tripartite group with the DEA and the Mexican Attorney General to discuss counternarcotics and other issues of mutual interest, and the group is expected to meet again in 2014.

The 1997 U.S.-Colombian maritime bilateral agreement facilitates timely permission to board Colombian-flagged vessels in international waters and is the foundation for productive counternarcotics cooperation between the Colombian Navy (COLNAV) and the U.S. Coast Guard (USCG). Colombia's 1999 customs mutual assistance agreement with the United States provides for the exchange of information to prevent and investigate customs violations in both countries and led the U.S. Immigration and Customs Enforcement agency to create a Colombian-based Trade Transparency Unit. The Bilateral Narcotics Control Program – a 2004 agreement – provides the general framework for specific counternarcotics project collaborations with various Colombian implementing agencies. This agreement is amended annually and is a key vehicle for the delivery of U.S. counternarcotics assistance.
The extradition relationship between Colombia and the United States is robust and extremely productive. Since December 17, 1997, Colombia has extradited over 1,600 individuals to the United States.

2. Supply Reduction

Coca fields continue to be less productive than when eradication operations began in the late 1990s. Nevertheless, illicit cultivation continues and is increasing in Colombia's national parks, indigenous reserves, and along its border with Ecuador where Colombian governmental policy currently prohibits aerial eradication.

Colombia's aerial eradication program goal in 2013 was 100,000 ha. Colombia aerially eradicated 47,051 ha of coca in 2013. Its manual eradication goal for 2013 was 38,500 ha, and Colombia manually eradicated 22,120 ha in 2013. National level protests blocking access roads and inhibiting movement were a major hindrance to manual eradication's ability to operate in

major coca growing regions, and also bedeviled aerial eradication operations. Additionally, security concerns and the extreme danger associated with operating manual eradication in the border area prevented the Colombian government from achieving its original annual goal.

Colombian police forces reported seizures of 147.3 MT of cocaine and cocaine base (105.8 MT in national seizures and 41.4 MT of seizures made outside Colombia with Colombian intelligence); 347.3 MT of marijuana; 379 kilograms (kg) of heroin; and 906 kg of liquid and 7.3 MT of solid precursor chemicals. In addition, Colombian authorities destroyed 208 cocaine hydrochloride (HCl) labs, one heroin lab, and three potassium permanganate labs.

In 2013, the COLNAV seized 62.9 MT of cocaine (COLNAV did not provide the distribution between unilateral seizures and those made in partnership with the USCG and other countries) and 5.8 MT of marijuana. The COLNAV also seized one self-propelled semi-submersible.

The movement of drugs via Colombia's numerous rivers, coastal ports and airports remains a concern. Cocaine seizures in Colombia's ports have increased, which may be the result of improvements in intelligence efforts, and better controls mainly at ports of Cartagena and Santa Marta. In 2013, the Colombian National Police's (CNP) Antinarcotics Directorate (DIRAN) seized 9 MT of cocaine, 3.5 kg of heroin and 100.1 kg of marijuana in seaports across the country. DIRAN units at Colombia's international airports also confiscated 723.8 kg of cocaine, 49.5 kg of heroin, and 131.1 kg of marijuana. DIRAN arrested 352 people on drug-related charges at air and sea ports.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Research on drug use continues to be a priority for Colombia's National Drug Demand Reduction Policy. According to the 2011 consumption study in schools, the most recent study available, substance abuse among school age children is an increasing problem and showed an increase in marijuana and cocaine abuse over previous years. According to the Organization of American States, drug use in Colombia in grades eight, ten and eleven is at higher rates than in the United States. Colombia's Drug Demand Prevention policy is focused on prevention, mitigation, and rehabilitation.

Prevention includes programs to reduce risk and vulnerability to drug use in schools, communities, and prisons. Government of Colombia priority prevention programs include a Lions Club Life Skills program, a Healthy Schools program, Strong Families, and DARE (Education for Durability and Drug Abuse and Violence). These programs involve the Ministries of Social Protection, Education, Health and Justice with support from the United States and the United Nations Office on Drugs and Crime. Since 1997, DIRAN has utilized the DARE program to engage with children, youth, teachers and parents. The United States is currently working with the DIRAN to roll out a new "Life Skills" school based program. The Ministry of Health and Social Protection has also created an online resource called "A Choice Online" that provides drug information and live chats with experts in drug and mental health to assist current users with treatment and education.

The Government of Colombia has centers in 23 departments focused on rehabilitating homeless users by offering attention and medical aid. The Ministry of Health has increased services through the formation of 1,429 professionals in treatment and social rehabilitation centers and the construction of technical guidelines for the handling of abuse disorders and dependence and assisting those who have become drug free to stay drug free.

Despite the difficulties currently facing the Social Security Health System of Colombia, significant progress has been made in addressing drug use. Current Colombian law recognizes consumption as a health condition and the use of addictive psychoactive substances as a matter of public health.

4. Corruption

As a matter of public policy, Colombia neither encourages nor facilitates illicit production or distribution of drugs or the laundering of proceeds. However, narcotics-related corruption of some government officials and public security forces still exists. For example, in July 2013, eight police officers were arrested in Cauca Department after accepting bribes to allow narcotics to transit through their area of responsibility.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States provides a range of counternarcotics assistance to the CNP and Colombian military, as well as to judicial institutions that investigate and prosecute drug traffickers. The United States also supports programs designed to develop rural policing capabilities.

The United States supports the efforts of the PNCRT to move communities out of coca-based economies by dramatically expanding the presence of the state. In transition zones where the Colombian government has only recently established minimum security, the United States works with Colombia to meet urgent needs and provide longer-term assistance to ensure a permanent institutional presence at the local level.

The United States and Colombia continue to work closely to transfer operational and financial responsibility ("nationalization") for selected counternarcotics programs from the United States to Colombia. For example, since 2007, Colombia has successfully nationalized 110 fixed and rotary-wing aircraft, aviation fuel, and the purchase of the herbicide used in the aerial eradication program. Several programs, including the Air Bridge Denial program and the Plan Colombia Helicopter program, have been nationalized in their entirety. Reflecting its increasing capability, Colombia took an important and active role in training thousands of police and justice officials from the region, including officials from Haiti, Mexico, Ecuador, Costa Rica, Panama, Honduras, Guatemala, Bolivia, Paraguay, and the Dominican Republic. Colombia also participated in both sessions of the semi-annual Multilateral Maritime Counterdrug Summit, which included participants from 12 Central and South American Countries to develop improved legal and operational strategies against drug trafficking organizations.

At the April 2012 Summit of the Americas, President Obama and President Juan Manuel Santos announced plans to formalize coordination of Colombian and U.S. security cooperation activities

in third-party countries. Through the U.S.-Colombia Action Plan on Regional Security Cooperation, this security assistance included 39 capacity-building activities in four Central American countries focused on areas such as asset forfeiture, investigations, polygraphs, and interdiction. The United States and Colombia announced the Action Plan for 2014, which will increase assistance through 152 capacity-building activities in six countries in Central America and the Caribbean. These efforts draw on Colombia's established and expanding expertise and capacity for countering transnational organized crime and drug trafficking.

D. Conclusion

Colombia continues to make advances in combating the drug trade. These efforts have kept several hundred metric tons of drugs each year from reaching the United States and other markets, and have helped stabilize Colombia. Colombia is now a partner in exporting security expertise and training internationally. Although these advances are significant, the progress is not irreversible and continued U.S. support to Colombia is needed. To lock in the gains made over the past decade, the Colombian government should devote additional resources to the PNCRT to improve security, increase public service provision, build infrastructure, and generate additional economic opportunities in regions historically influenced by terrorist and criminal elements. Encouragingly, the Santos Administration is undertaking significant efforts in land reform and victim restitution. Formal peace negotiations between the Colombian government and the FARC, announced in October 2012, include illicit narcotics as one of five agenda items. These negotiations will have wide-ranging political and security implications for Colombia.

Costa Rica

A. Introduction

Drug traffickers take advantage of Costa Rica's strategic location, porous borders, and thinly patrolled waters to exploit the country as a major transit route for illicit drugs. According to U.S. government estimates, approximately 86 percent of the cocaine trafficked to the United States in the first half of 2013 first transited through the Mexico/Central America corridor. The Costa Rican government continues to express great concern over the increased presence of illegal drugs and related crimes, including street crime and the growing influence of Mexican and South American drug trafficking organizations.

Costa Rica has the lowest homicide rate in Central America, so far avoiding the levels of violence experienced by some other countries in the region. Homicides dropped in 2012 but essentially held steady in 2013; authorities blamed drug violence. Assaults increased nearly 19 percent, while robberies dipped slightly. In a country proud of its pacifist tradition and lack of a standing military, concerns about crime—and the recognition that it is a regional problem—have helped to justify security investments.

The Costa Rican government has increased its spending on law enforcement agencies over the past several years. To help pay for these increases it enacted a new tax on corporate entities in 2012. In 2013, this new tax raised $66 million, representing an 18 percent boost to the Ministry of Public Security (MPS) budget. The establishment of a new Border Police force and improvements to its Coast Guard are tangible examples of Costa Rica's commitment to disrupting the flow of illicit drugs through the country.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

In 2010, Costa Rican President Laura Chinchilla Miranda announced plans to increase the size of the country's police force by 4,000 officers in four years. After three years, and taking attrition into account, there had been a net increase of approximately 1,570 officers. While short of its personnel goals, the Costa Rican government has been making capital improvements in equipment and vehicles— including boats for the Coast Guard, patrol trucks for the Border Police, and two new helicopters for the Air Surveillance Service—which should enhance its capacity to interdict illegal drugs.

In September 2013, 191 Border Police officers graduated from a training program developed with U.S. support, bringing the total number of Border Police officers to more than 200. Most of those officers were assigned to the north of the country, where Costa Rica was preoccupied with growing tensions with Nicaragua over the disputed Isla Calero area. Almost immediately the new force disrupted organized criminal activity near the border, arresting two armed men and discovering an outpost with a helicopter pad and heavy weapons, including a rocket launcher. The government is planning to improve its northern border control infrastructure and buy boats

for river operations in 2014. The new Border Police is in position to become a more effective tool for land interdiction.

The Costa Rican Coast Guard added patrol boats and associated equipment in 2013, including Global Positioning System (GPS) technology and night vision equipment to make night patrols more feasible. The Coast Guard force also added a seventh station on the Pacific coast. The Coast Guard did not expand in size similarly to the country's other law enforcement forces, and it is generally undermanned and undertrained in areas such as vessel maintenance and maritime procedures. Despite these challenges, the Coast Guard remains an effective regional partner for maritime interdiction within Costa Rican waters.

In late 2013, the National Assembly considered a proposal to restructure the Judicial Investigative Police (OIJ). Supporters claimed the proposal would streamline the agency and allow it to combat organized crime more effectively. Separately, the MPS proposed granting its own uniformed police investigative power over smaller crimes, which could free up OIJ resources to deal with more complex cases involving trafficking, money laundering and corruption. If passed, this potential reform could increase the government's ability to prosecute drug traffickers.

2. Supply Reduction

In 2013, Costa Rican law enforcement seized 19.67 metric tons (MT) of cocaine, an increase from 14.73 seized in 2012. U.S. law enforcement officials who assisted these interdiction efforts credited greater coordination with Costa Rican counterparts, better intelligence, and Costa Rica's improved ability to act on shared intelligence.

Costa Rica is a leading eradicator of marijuana, seizing or destroying more than 1,390 metric tons in 2013, an increase of nearly 50 percent over the previous year. Locally grown marijuana is primarily for domestic use, with a small fraction exported. Seizures of marijuana from Jamaica and Colombia are also fairly common, most of it intended for the domestic market. Drug control agencies believe that "crack" cocaine use is rising in Costa Rica, based on an increase in related incidents and addiction cases.

Synthetic drugs, for the most part, have not attracted much attention from authorities or the press. Costa Rican drug police claimed to have seen very few synthetic drugs in 2013. The government's National Plan on Drugs, Money Laundering and the Financing of Terrorism, issued for the years 2013-2017, noted the pronounced international growth in the production and trafficking of synthetic drugs and chemical precursors—but it also noted that Costa Rica has yet to see increased volumes of these substances.

In August, authorities busted an operation that was sending cocaine to Europe through the post office in exchange for other drugs; MDMA (ecstasy) seizures during the year-long investigation totaled 11,109 tablets, according to press accounts.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The production, trafficking and sale of illicit drugs remain serious criminal offenses in Costa Rica, even if laws against personal consumption are rarely enforced. In February, the judiciary began a pilot program allowing those who commit minor crimes under the influence of drugs to opt for rehabilitation instead of prison. Costa Rica's security minister stated in May that the country should move away from punishing addicts and toward treatment, viewing drug consumption as a public health problem.

The Costa Rican Drug Institute is the government agency that oversees drug prevention programs, including publicity campaigns and materials for schools. The Institute on Alcohol and Drug Abuse also offers treatment and prevention programs, including training for companies that seek to create their own prevention plans. The United States also supports demand reduction by providing training to develop anti-drug community coalitions.

The uniformed police implement the Drug Abuse Resistance and Education (DARE) program in Costa Rican schools, reaching more than 226,000 students over the past two years. In August, with U.S. technical support, the police also launched a pilot version of the Gang Resistance Education and Training (GREAT) program in two schools. If the results are positive, Costa Rica may opt to expand the program nationwide.

4. Corruption

The growing presence of transnational criminal organizations has made corruption a greater concern in Costa Rica. Fairly or not, many Costa Ricans perceive their police, judges and the government in general to be widely susceptible to corruption. According to a poll taken in September 2013, government corruption has become the problem that most worries Costa Ricans—more so than unemployment, high cost of living, drug trafficking, and citizen insecurity.

As a matter of policy, the Government of Costa Rica does not encourage or facilitate illegal activity associated with drug trafficking. The government generally implements a 2006 law that penalizes official corruption. However, there are relatively frequent reports of low- and mid-level corruption, such as a Coast Guard captain arrested in August on suspicion of providing boat fuel to drug traffickers. Municipal governments are also especially prone to corruption.

In 2013, allegations of corruption derailed a major road project. In May, President Chinchilla admitted to taking free trips on a private jet from a man who falsely identified himself, and according to judicial investigators, allegedly had ties to a convicted drug trafficker.

During a recent 15-month period, approximately one in 12 uniformed police officers received suspensions for reasons that varied from misuse of resources to domestic violence. Public faith in police is low; nearly 40 percent of Costa Ricans said in a recent poll that they would not call the police in the event of a crime. The Ministry of Public Security has been restructuring its Internal Affairs unit, increasing efficiency by digitizing its files and using software to process complaints. Meaningful reforms that would strengthen the unit to better address corruption—such as merging it with related offices to streamline operations, and making it a directorate that answers directly to the minister—are mired in legislative inaction.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports citizen security, law enforcement, and rule-of-law programs in Costa Rica, mainly through the Central America Regional Security Initiative (CARSI). These programs aim to expand Costa Rican capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, while strengthening Costa Rica's justice sector.

Through CARSI, the United States trains and equips Costa Rica's police to perform anti-gang law enforcement. The United States also supports community policing in Costa Rica with equipment, vehicles, training, communications, and social and economic programs.

Costa Rica actively shares the U.S. priorities of disrupting the flow of illicit drugs and dismantling organized crime. Likewise, the United States supports Costa Rican efforts to investigate and prosecute crimes more effectively, to make its borders more secure, and to increase the safety of its citizens.

The United States actively supports the further professionalization of Costa Rican police, including updating the police academy curriculum. The Ministry of Public Security continues to implement the COMPSTAT crime-tracking system. While implementation of the technology is only in the early stages, it has already helped police identify problematic neighborhoods in San José. On the judicial side, the United States supports a range of training programs for Costa Rican investigators, prosecutors and judges, on topics ranging from money laundering to wiretaps. The United States also has donated software and computers to speed up backlogged case management in several key offices.

Costa Rica has a maritime counternarcotics bilateral agreement with the United States and supports Operation Martillo, the international naval effort to target traffickers in the Central American corridor. This support is constrained by the country's lack of offshore maritime assets and its reluctance to allow other countries' naval vessels access to Costa Rican ports. Port calls by military ships are subject to legislative approval, and they are typically controversial. Encouragingly, there are signs that the growing narco-trafficking threat has made Costa Rica more amenable to granting permission. In 2013, Costa Rica's Minister of Public Security spoke often and effectively to the news media about the need to grant blanket waivers for U.S. Navy and Coast Guard vessels to better address the regional drug trafficking problem.

Costa Rica's Coast Guard fulfills some of the roles that a navy would, albeit with less equipment, personnel and training. The United States continues to support Costa Rican efforts to strengthen its Coast Guard, providing needed equipment, training, and professionalization expertise. The small force is a willing partner with still greater potential for marine interdiction of illicit drugs.

The United States also helped to develop the training curriculum for the new Border Police in 2013, and the U.S. Army Corps of Engineers built a key checkpoint in the south, 22 miles north of Panama. The checkpoint is in a strategic location for monitoring traffic from Panama as well as the Costa Rican port of Golfito, a frequent landing spot for drug traffickers. Unfortunately, bureaucratic delays prevented the checkpoint from being fully operational in 2013.

D. Conclusion

Costa Rica is strengthening its ability to combat drug trafficking, investing in key security forces for interdiction, and improving its capacity to prosecute organized crime. Yet a bloated and complex bureaucracy slows these efforts, soaking up resources, and corruption remains a persistent issue. Meanwhile cocaine enters the country at a pace difficult to estimate, organized criminal elements wield growing influence, and citizens suffer the consequences. In light of this situation, Costa Rica should continue to allocate more resources to security, leveraging those resources by: 1) restructuring and professionalizing its police and judicial institutions; 2) promoting the use of advanced investigative techniques aimed at organized crime; and 3) enacting additional laws that specifically target organized crime and its proceeds. Costa Rica's law enforcement agencies need better institutions for addressing corruption. The government should continue to invest in marine interdiction and border security, as both the Coast Guard and Border Police have the potential to become more effective forces for public safety and against drug traffickers. Finally, Costa Rica should continue to strengthen its cooperation with regional partners, sharing experiences and forming a united front against an international threat.

Croatia

Croatia remains a narcotics transit point for illegal drugs trafficked across traditional Balkan smuggling routes between drug production centers in Asia and markets in Western Europe. Heroin and high-quality marijuana are trafficked to points west, while precursor chemicals and synthetic drugs originating in Europe are smuggled eastward. According to the Croatian Ministry of Interior, however, the overall volume of drugs trafficked along these routes declined in 2013. The availability of illicit drugs within Croatia has increased in recent years, partly resulting from liberalized customs controls and the increased movement of goods and people through the country due to European Union (EU) integration.

In early 2013, the Croatian government changed the Croatian Penal Code to reclassify possession of drugs for personal use as a misdemeanor offense. Over the first eight months of 2013, Croatian authorities reported 4,401 drug seizure events, a 9.3 percent decrease from over the same period in 2012. These amounts included 5.89 kilograms (kg) of heroin; 6.76 kg of cocaine; 906.7 kg of marijuana; 3.77 kg of hashish; 12.78 kg of amphetamine-type stimulants (ATS); 1,001 ecstasy tablets; 113 doses of LSD; and 1,051 methadone tablets. Also during this period, police reported 5,299 drug-related criminal offenses, a nominal increase from over the same period in 2012. Seizures for heroin and hashish were down considerably from 2012 levels, while marijuana, cocaine and ATS seizures remained stable.

Although the Croatian government does not facilitate the illicit production or distribution of narcotics or launder proceeds from illegal transactions, corruption in general terms remains a concern. Croatia has a well-developed institutional framework to implement preventive and educational programs. Treatment efforts include early detection, rehabilitation and social reintegration.

In 2013, the Croatian police continued to effectively collaborate with regional neighbors and law enforcement agencies in the United States, South America and the European Union. Croatia conducts joint international investigations and shares intelligence, which resulted in many of the narcotics-related seizures and arrests reported in 2013. The United States continues to provide technical assistance to police, customs, and the judiciary to further improve domestic capacity to prosecute narcotics-related crimes, corruption and organized crime. Negotiations continue in an effort to update the 1902 extradition treaty between the United States and Croatia (as a successor state to the Kingdom of Serbia).

Cuba

A. Introduction

Despite its location between some of the largest exporters of illegal drugs in the hemisphere and the U.S. market, Cuba is not a major consumer, producer, or transit point of illicit narcotics. Cuba's intensive security presence and bilateral interdiction efforts have effectively reduced the available supply of narcotics on the island and prevented traffickers from establishing a foothold. The Cuban Border Guard (TGF) maintains an active presence along Cuba's coastal perimeter and conducts maritime counternarcotics operations and patrols. As such, traffickers typically attempt to avoid Cuban and U.S. counternarcotics patrol vessels and aircraft by skirting Cuba's territorial waters.

Cuba's domestic drug production and consumption remain low due to active policing, harsh sentencing, very low consumer disposable income and limited opportunities to produce illegal drugs, either synthetic or organic. Cuba's counternarcotics efforts have prevented illegal narcotics trafficking from having a significant impact on the island.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Cuba continued "Operation Aché," a Ministry of Interior-led multi-agency counternarcotics strategy that aims to reduce supply through coastal observation, detection and interdiction, and reduce demand through education and legislation. The government's extensive domestic security apparatus and tough sentencing guidelines have kept Cuba from becoming a major drug consumer. The government did not publicize information regarding new counternarcotics policy initiatives or related budget increases supporting such measures in 2013.

Cuba continues to demonstrate a commitment to counternarcotics cooperation with partner nations. The government reports 35 bilateral agreements for counterdrug cooperation and 27 policing cooperation agreements. Cuba regularly participates in international counternarcotics conferences, such as the UN Heads of National Drug Law Enforcement Agencies, and submits quarterly statistics on drug interdictions and seizures to the International Narcotics Control Board.

The 1905 extradition treaty between the United States and Cuba and an extradition agreement from 1926 remain in effect. In 2013, these agreements were not employed to hand over fugitives. However, Cuba demonstrates increasing willingness to apprehend and turnover U.S. fugitives and to assist in U.S. judicial proceedings by providing documentation, witnesses and background for cases in U.S. state and federal Courts. For example, in a recent kidnapping case, the Cuban government quickly apprehended and expelled two suspected kidnappers who had fled from Florida into Cuba with their non-custodial children.

2. Supply Reduction

Major transshipment trends did not change from 2012. In 2012, the most recent year for which most statistics are available, the Cuban government reported interdicting a total of 3.05 metric tons of illegal narcotics, 97 percent of which washed-up on Cuba's shores. In 2013, customs reported disrupting 43 smuggling operations, seizing a total of 30.45 kilograms of narcotics. Authorities sanctioned 628 individuals on drug-related charges, 273 of whom received jail sentences ranging from six to 10 years.

There were no significant changes in Cuba's overall counternarcotics strategy or operations in 2013. Domestic production and consumption remained very limited, and Cuba concentrated supply reduction efforts by preventing smuggling through territorial waters, rapidly collecting wash-ups, and preventing visitors from bringing smaller amounts of narcotics into the country. Military and Ministry of Interior radar systems, coupled with coastal vessel surveillance, make up an effective network for detecting illegal incursions of territorial air and sea. Cuba continues to share vessel information with neighboring countries, including the United States, and has had increasing success in interdicting "go-fast" vessels unilaterally and in coordination with other nations. In 2013, Cuba reported 27 real-time reports of "go-fast" trafficking events to the U.S. Coast Guard (USCG). TGF's email and phone notifications of maritime smuggling incidents to the United States have increased in timeliness, quantity and quality, and have occasionally included photographs of suspect vessels.

Overseas arrivals continue to bring in small quantities of illegal drugs mostly for personal use. Cuban customs conducts thorough entry searches using x-rays and counternarcotics detection canines at major airports. Officials detained 69 individuals in 2012 for attempting to smuggle in small quantities of narcotics totaling 42 kg.

To combat the limited domestic production of marijuana, Cuba launched "Operation Popular Shield" in 2003 to prevent development, distribution and consumption of drugs. Under this biannual initiative, Cuban authorities conduct regular and surprise inspections of farms and arable land to detect and eradicate small patches of cultivation.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The combination of extensive policing, low incomes, low supply, strict drug laws, and long prison sentences has resulted in low illicit drug use in Cuba. There are nationwide campaigns aimed at preventing abuse, and the quantity of existing programs for the general population appears adequate given the relatively low estimated numbers of addicts. The National Drug Commission, headed by the Minister of Justice, with representatives from the Attorney General's office and National Sports Institute, remains responsible for drug abuse prevention, rehabilitation and policy.

The Ministry of Health reports operating drug clinics that offer emergency care, psychological evaluation, and counseling to treat individuals with drug dependencies. There are no programs specializing in drug addiction for women and children. The government runs three substance abuse clinics that cater to foreigners, and the Catholic Church runs a center to treat addiction in Havana.

The government broadcasts anti-drug messages on state run media and operates an anonymous 24-hour anti-drug helpline. The educational curriculum includes warnings on the dangers of drug abuse.

4. Corruption

Cuba has strong policies against illicit production or distribution of controlled substances and laundering of proceeds from narcotics transactions. Cuba professes zero tolerance for narcotics-related corruption by government officials and reported no such occurrences in 2013. As policy, Cuba neither encourages nor facilitates illegal activity associated with drug trafficking.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In 2013, Cuba maintained cooperation with U.S. counternarcotics efforts. The U.S. Interests Section has a USCG Drug Interdiction Specialist to coordinate counternarcotics efforts with Cuban law enforcement. The United States does not provide counternarcotics funding or assistance to Cuba.

On a case-by-case basis, the USCG and Cuban authorities share tactical information related to vessels transiting Cuban territorial waters suspected of trafficking and coordinate responses, as well as information on drugs interdicted within Cuban territory. Cuba also shares real-time tactical information with the Bahamas, Mexico and Jamaica. Bilateral cooperation in 2013 led to multiple interdictions.

Law enforcement communication gradually increased in frequency and transparency over the course of 2013, especially concerning efforts to target drug trafficking at sea. In December 2013, the U.S. and Cuba held a “professional exchange between experts” on maritime drug interdiction that included tours of facilities, unit capabilities, and possible future joint coordination. This exchange resulted in increased point-to-point command center communications and additional real-time information sharing.

In 2011, the Cuban government presented the United States with a draft bilateral accord for counternarcotics cooperation, which is currently under review. Structured appropriately, such an accord could advance the counternarcotics efforts undertaken by both countries.

D. Conclusion

Cuba dedicates significant resources to prevent illegal drugs and their use from spreading. The technical skill of Cuba’s security services provide an advantage against traffickers who attempt to gain access to the island. Greater communication and cooperation between the United States, international partners, and Cuba, particularly in terms of real-time information-sharing and improved tactics, techniques, and procedures, would likely lead to increased interdictions and disruptions of illegal trafficking.

Democratic People's Republic of Korea
(DPRK or North Korea)

Virtually no information was made available in 2013 by the North Korean government or its state-run press regarding illegal drugs within the country. In the absence of official documentation, information provided by DPRK refugees, defectors, and travelers to the country indicate that drug use within North Korea may have increased in recent years. The most widely used illicit drug appears to be methamphetamine, which is manufactured within the DPRK for domestic consumption and sales abroad.

According to unconfirmed reports, drug use is common in the northern areas of North Korea bordering China, facilitated by criminal smuggling networks operating across the DPRK-China border. Methamphetamine use has apparently spread across multiple strata of society, including women and youth. Most methamphetamine is snorted rather than smoked or injected, and in the absence of available medicines or effective public education, some North Koreans use the drug for medicinal purposes. No information exists to determine whether demand reduction or treatment services are provided by the state, and little information exists to document the abuse of other illegal drugs.

There is insufficient information to determine whether DPRK state entities are currently involved in the production or trafficking of methamphetamine or other illicit drugs. Starting in the 1970s and most recently in 2004, numerous law enforcement incidents implicated DPRK state involvement in illicit drug sales. The absence of recent incidents could indicate reduced state involvement in drug crimes, or, alternatively, that the DPRK regime has become more adept at concealing state-sponsored trafficking. Poppy was cultivated within North Korea for medicinal use and possibly illicit export as recently as the early 2000s, but according to the best available information, these plantations have diminished or disappeared over the past decade.

In 2013, some limited drug trafficking activities were detected in countries neighboring North Korea with links to DPRK nationals, working in cooperation with local criminals. The DPRK government may have taken some steps to clamp down on drug trafficking within the country in 2013, including a series of arrests and public trials reported by defectors and other sources. There is no evidence that such trafficking was directed or controlled by DPRK state entities, and little if any effective cross-border law enforcement cooperation takes place between North Korea and its neighbors, frustrating attempts to trace drug production and trafficking routes in the region.

Dominican Republic

A. Introduction

The Dominican Republic is an important transit country for illicit drugs from South America destined for North America and Europe. The U.S. government estimates that approximately six percent of the cocaine transiting to North America and Europe transships through Hispaniola, much of it through the Dominican Republic. U.S. and Dominican analysts assess that maritime routes are the primary method of smuggling drugs into and out of the country and recent maritime interdiction operations validate this assessment. Drug trafficking organizations are using "go-fast" boats and commercial containers to smuggle drugs into and out of the Dominican Republic. The country is also experiencing an increase in narcotics-related violence, partially attributable to the practice of drug trafficking organizations paying local partners in narcotics rather than cash.

In order to combat the influence of drug traffickers, the Dominican Republic continued its cooperation with the U.S. government in 2013 to interdict illicit drugs and extradite criminals charged with narcotics-related crimes. The United States works actively with the Dominican Republic to plan and conduct international operations to seize illicit drugs and dismantle criminal organizations; however, corruption continues to hamper these efforts. The Dominican government conducts outreach efforts to warn youth about the dangers of drugs.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Cooperation remains strong between the Dominican government and the U.S. government in working to combat narcotics trafficking and related transnational crime. The U.S. government's primary partners are the National Directorate for the Control of Drugs (DNCD); the Dominican National Police (DNP); the National Council on Drugs (CND); the Office of the Attorney General; and the Dominican Armed Forces. The DNCD and DNP continued to enhance their joint cooperation in 2013 with a focus on drug seizures. Dominican law enforcement and military units coordinated effectively, generating increased drug seizures, but there is room for improvement. The Dominican Specialized Corps for Port Security, working in conjunction with U.S. authorities and private port operators, initiated efforts to improve security at several ports. The participation of the Dominican government in the Cooperating Nations Information Exchange System and the Caribbean Basin Security Initiative (CBSI) and the Central America Integration System (SICA), enhanced relations with the United States and regional Caribbean partners. Dominican authorities continued joint efforts with the Haitian National Police to combat drug trafficking by increasing law enforcement cooperation and providing training.

The Dominican Republic is a party to the Inter-American Convention against Corruption. In 1985, the United States and the Dominican Republic signed an agreement on international narcotics control cooperation. The Dominican Republic signed and ratified the Caribbean Regional Maritime Agreement and has a maritime counter-drug agreement with the United

States that entered into force in 1995. The United States-Dominican Extradition Treaty dates from 1909. In 2005, the Dominican Republic included judicial review in extradition matters to increase transparency. In 2012, the United States and the Dominican Republic entered into a Permanent Forfeited Asset-Sharing Agreement.

The United States continues to receive excellent cooperation from the DNCD's Fugitive Surveillance/Apprehension Unit and other Dominican authorities. The Dominican Republic continues to be the fourth most active extradition partner to the United States. Although there is no formal bilateral mutual legal assistance treaty between the Dominican Republic and the United States, requests for judicial cooperation are made through formal and informal channels related to the multilateral law enforcement cooperation treaties and conventions to which the United States and the Dominican Republic are parties. The Dominican Republic processes U.S. requests for legal and judicial assistance in a timely manner.

2. Supply Reduction

Narcotics are seized throughout the country, but the majority of seizures are made through operations targeting vessels from South America. In 2013, Dominican authorities seized approximately 8.6 metric tons (MT) of cocaine, 54 kilograms (kg) of heroin, and 1.3 MT of marijuana. Following the significant increase in cocaine seizures in 2012, cocaine seizures remained steady in 2013. Marijuana is cultivated in the Dominican Republic for local consumption, and seizures are concentrated in the northwest and southwest provinces bordering Haiti.

Following successful air interdiction efforts by Dominican authorities and the dismantling of two major drug trafficking organizations in 2010, drug flights from South America to the Dominican Republic have all but disappeared and there have been no reported drug flights since then. However, illicit drugs remain available for local consumption and are transshipped to the United States and Europe, primarily through maritime routes. The DNCD and Dominican military officials cooperated with the United States and international partners in planning and conducting operations to interdict "go-fast" vessels attempting to deliver illicit narcotics to remote areas of the southern coast, as well as to interdict drugs exiting the Dominican Republic en route to the United States and other international destinations. One Dominican port, Caucedo, is certified under the Container Security Initiative (CSI), a U.S. initiative to help increase security for maritime containerized cargo shipped to the United States. However, the other 15 Dominican ports, including Rio Haina, the other major Dominican port handling container traffic destined for the United States, are not CSI certified. The DNCD is attempting to increase efforts to combat contraband at the ports.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Local drug use is concentrated in tourist and major metropolitan areas, although drug use and associated violence in the larger provincial towns is not uncommon. The CND continued effective demand reduction efforts in 2013 with a wide range of sporting, cultural, and educational events and seminars designed to warn Dominican youth of the negative effects of drug use. Additionally, the CND placed numerous billboards and multimedia advertisements

throughout the country warning youth against the use of illicit drugs. The CND and Ministry of Education developed the Strategic National University Plan on the Prevention and Use of Drugs, which the Organization of American States' Inter-American Drug Abuse Control Commission noted could be used by other nations as a model program. DNP continues to promote community-based policing as an effective way to deal with crime in local neighborhoods. Community policing events were well received and demonstrated a public desire for expansion of this program, prompting the DNP to develop a strategy to expand community based policing efforts.

4. Corruption

As a matter of policy, the Dominican government does not encourage or facilitate the illicit production, processing, or distribution of narcotics, psychotropic drugs and other controlled substances, or condone money laundering activities; however, corruption remains endemic at all levels of Dominican society. The government does not implement anti-corruption laws effectively, and officials frequently engage in corrupt practices with impunity. Dominican law enforcement, military, and government officials are often accused of a range of corrupt activities including narcotics trafficking, money laundering, extrajudicial killing, and other crimes.

The Dominican government pursued efforts to reduce corruption in several areas, including continued focus on developing internal affairs units, and changing the venue of judicial proceedings when necessary. In 2012, the DNCD created a polygraph team to vet DNCD personnel working in sensitive positions and dismissed those who failed the test. Over the first 10 months of 2013, the DNCD had removed 186 members for criminal activity, improper behavior, and violations of the Code of Conduct as a result of polygraph examinations and internal affairs investigations. Over the first 10 months of 2013, the DNP Internal Affairs Directorate conducted 1,192 investigations of alleged police misconduct related to the excessive use of force, death threats, and police corruption that led to the dismissal of 149 officers and sanctions for 420 other officers. In addition, 559 cases were referred to the Ministry of Justice for prosecution.

Recognizing that corruption in the Dominican Republic adversely affects programs ranging from promoting economic growth to combating drug and other forms of illicit trafficking, the Dominican government asked multilateral organizations, the United States, and other donor nations to help address the issue, creating the Participatory Anticorruption Initiative (IPAC). The government has implemented many of the IPAC's 30 recommendations, and several became part of the Dominican Republic National Action Plan for the Open Government Partnership (OGP), presented in April 2012 at the OGP High-Level Summit in Brazil.

C. National Goals, Bilateral Cooperation, and U. S. Policy Initiatives

The United States supports a wide range of efforts designed to address crime and violence affecting Dominican citizens, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote social justice. With CBSI funds, the United States government implements programs designed

to enhance existing Dominican law enforcement capabilities by improving technical and professional abilities to conduct investigations, to enable effective prosecution, and to coordinate and participate in counternarcotics efforts with the United States and neighboring countries' law enforcement agencies. The United States is also working with Dominican officials to develop an effective anti-money laundering agency. The U.S. law enforcement community has strong relationships with its Dominican colleagues, as evidenced by the extradition or deportation of 31 fugitives to the United States in 2012, and 29 through the first 10 months of 2013.

The United States provided equipment and training to increase the capabilities of various Dominican law enforcement entities including support for the DNCD drug-detection canine units, and other specialized DNCD investigative and reactive units. The United States also enhanced DNCD's computer training, database expansion, and systems maintenance support. The United States is also supporting an initiative to increase security at the ports of Haina and Caucedo, the two busiest Dominican ports, and in 2013 provided training in maritime law enforcement, search and rescue, port security, crisis management and professional development for the Dominican Navy's officer and enlisted corps. In addition, the U.S. Southern Command provides tactical training, equipment, and other assistance to both the DNCD and Dominican military involved in illicit trafficking interdiction.

The United States continues to assist the DNP with its transformation into a professional, civilian-oriented organization by providing training at the entry and officer levels. In 2013, the Dominican Republic joined a U.S.-supported regional security plan whereby the Colombian National Police provides training and advice to police forces in other countries in the region. This trilateral initiative is expected to train 1,000 DNP officers per year at all levels – from basic handcuffing techniques to advanced investigation techniques and strategic planning. In addition, the Dominican government has two Police Organic Law proposals pending that, if passed, would bring about significant institutional changes to the DNP. The Dominican Republic continues to work towards passing legislative proposals related to illegal enrichment and anti-corruption by public officials. Efforts to strengthen the infrastructure of the Financial Analysis Unit remain ongoing.

The United States continues to support the Dominican Republic's efforts to establish a transparent and effective justice sector. U.S. assistance promotes justice sector reforms by strengthening Dominican government capacity to manage and prosecute complex money laundering, fraud, public corruption and illicit trafficking cases, as well as to establish internal controls to prevent corruption. The United States works with the Offices of the Attorney General, Prosecutorial Training School, Judiciary, Public Ministry, Public Defense, Supreme Court of Justice, and Constitutional Tribunal. In partnership with the Dominican government, U.S. assistance improves service delivery at the district level by strengthening coordination between prosecutors, judges, public defenders and the DNP in processing cases and resolving obstacles to effective caseload management. As part of CBSI, U.S. assistance also strengthens Dominican civil society coalitions for citizen security and criminal justice reform, and provides technical assistance for the development and passage of a new organic law on police reform.

U.S. assistance also helps to strengthen leadership, strategic planning, and human resources management capacity within the DNP. The United States supports the advancement of

operational reforms established under the IPAC, which serves as the overall donor framework for anticorruption programming in the Dominican Republic. IPAC works to strengthen transparency and reduce corruption in key areas of public service delivery such as national budget execution, procurement and audit, education, health, water, and energy. The Dominican Republic's participation in the Open Government Partnership also serves to reinforce these efforts under IPAC.

D. Conclusion

Combating pervasive corruption, restoring public confidence in law enforcement entities and the judiciary, addressing maritime illicit narcotics smuggling, and combating rising levels of narcotics-fueled violence remain among the challenges facing the Dominican Republic. The Dominican Republic's highly successful aerial interdiction efforts since 2010 demonstrate that Dominican institutions have the capacity and will to stem the flow of drugs into the country. Similar maritime interdiction efforts will be necessary to effectively combat increasing narcotics trafficking by sea. The Dominican government must continue to improve its efforts to build a coherent, multifaceted counternarcotics program. Key to that effort will be increased domestic cooperation between the DNP, DNCD, and military units combined with greater cooperation with law enforcement agencies in other countries in the region.

Dutch Caribbean

A. Introduction

The Dutch Caribbean (formerly the Netherlands Antilles) consists of the islands of Aruba, Curacao, and St. Maarten, and three smaller islands: Bonaire, St. Eustatius, and Saba (known as the BES islands). In 2010, the Netherlands Antilles ceased to exist as a political entity when Curacao and St. Maarten acquired the same semi-autonomous status within the Kingdom of the Netherlands as Aruba. The BES islands became part of the Netherlands, similar to Dutch municipalities.

Aruba, Bonaire, and Curacao (the ABC Islands), located off the north coasts of Colombia and Venezuela, continue to serve as northbound transshipment points for cocaine originating from those countries. Cocaine shipments to Aruba, Bonaire, and Curacao primarily originate from the Guajira Peninsula in Colombia, and from the area of Maracaibo, Venezuela. Cocaine is transported primarily via fishing boats and inter-coastal freighters for transshipment to the United States, and Europe via the Netherlands. St. Maarten, which is located in the Eastern Caribbean, is a transshipment hub for cocaine and heroin destined for Puerto Rico and the U.S. Virgin Islands, as well as Europe. It is home to one of the largest harbors in the Caribbean.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Aruba, Curacao, and St. Maarten have a high degree of autonomy over their internal affairs, with the right to exercise independent decision-making in a number of counternarcotics areas. The Kingdom of the Netherlands is responsible for the islands' defense and foreign affairs, and assists the Governments of Aruba, Curacao, St. Maarten, and the BES islands in their efforts to combat narcotics trafficking through its support for the RST (Dutch acronym for "Special Police Task Force"). The RST maintains its headquarters in Curacao and has its largest presence there.

In 2012, both Curacao and St. Maarten adopted the BOP (Dutch acronym for "law on special investigative techniques"), which governs the use of techniques such as electronic surveillance and the infiltration of criminal organizations by the police. The BOP was already in effect in Aruba. Although the BOP law has been authorized, it is rarely utilized to infiltrate criminal organizations.

The Kingdom of the Netherlands extends the applicability of the UN drug control conventions to the former Netherlands Antilles and Aruba. Also by extension, the Caribbean Regional Maritime Agreement signed by the Netherlands in 2010 applies to the former Netherlands Antilles and Aruba. Additionally, the former Netherlands Antilles and Aruba adopted the Agreement Regarding Mutual Cooperation in the Tracing, Freezing, Seizure and Forfeiture of the Proceeds and Instrumentalities of Crime and the Sharing of Forfeited Assets, which was signed by the Kingdom of the Netherlands in 1994.

Aruba

Aruba's police force, the Korps Politie Aruba (KPA), continues to evolve into a regional leader in the fight against narcotics trafficking and international criminal organizations. The KPA is at the forefront in collecting and sharing intelligence with regional law enforcement partners. Despite systemic problems of prison overcrowding, a lack of resources, and some corruption issues within law enforcement in Aruba, the KPA continues to investigate trafficking organizations effectively. The Organized Crime Unit of the KPA conducted several successful investigations in 2013, which led to multi-kilogram (kg) cocaine seizures and the arrest of multiple subjects.

Curacao

Curacao has vastly improved its effectiveness and efficiency in addressing endemic drug-related crime, violence, and corruption. In August 2013, the Korps Politie Curacao (KPC) appointed a new chief of police. This appointment has contributed greatly to the leadership and stability of the KPC, which in turn has led to the successes achieved by its counternarcotics section. The price per kilogram of cocaine on the local black market has increased due to greater success in seizing narcotics in Curacao.

St. Maarten

St. Maarten is co-located on a single island with French St. Martin. This division provides unique challenges for law enforcement investigations. Colombian and Dominican-based drug-trafficking organizations have expanded their base of operations into St. Maarten, believing that law enforcement is less prevalent than in neighboring territories. However, regional law enforcement agencies have increased cooperation. In 2013, authorities successfully investigated several drug trafficking groups involved in moving multi-hundred kilograms quantities of cocaine from St. Maarten to the United States and Europe. These investigations included unprecedented cooperation between the Korps Politie St. Maarten (KPSM) and the RST, as well as with French, Dutch, British and U.S. authorities.

Bonaire, St. Eustatius, Saba

The National Office for the Caribbean in the Netherlands assumes the responsibilities of law enforcement, security, and other administrative functions on behalf of the Government of the Netherlands for Bonaire, St. Eustatius, and Saba islands.

2. Supply Reduction

In 2013, the Dutch Caribbean experienced solid success in the counter-narcotics arena. Increased intelligence sharing and cooperation between law enforcement organizations in the region led to marked improvement over past years in seizing drug shipments, making arrests, and passing investigative leads to other countries. Cooperation between the U.S. Coast Guard (USCG) and the Dutch Caribbean Coast Guard and Royal Netherlands Navy is excellent, and

USCG assets assisted Dutch authorities in seizing over 5.54 metric tons (MT) of cocaine and over 1.64 MT of marijuana.

On March 4, the Dutch Caribbean Coast Guard intercepted a "go-fast" boat 400 miles south of St. Maarten carrying over 1.45 MT of cocaine. It was the largest seizure in the Dutch Caribbean Coast Guard's history. Three suspected traffickers – two from the Dominican Republic and one from Venezuela – were arrested.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Non-governmental organizations on Curacao and Aruba and the Turning Point Foundation on St. Maarten organized awareness campaigns during the year targeting the islands' youth to increase their knowledge of the negative consequences of drug use. The campaigns utilized including television commercials and interviews, as well as social media. On St. Maarten, the Turning Point Foundation, along with the Red Cross and 14 other organizations, organized a drug-awareness march to bring attention to the fight against substance abuse in the community. The United States continues to support demand reduction programs with the International School of Curacao and the Curacao Baseball City Foundation.

4. Corruption

As a matter of policy, the Dutch Caribbean does not encourage or facilitate illegal activity associated with drug trafficking. However, corruption of public officials, particularly among members of the Dutch Caribbean Coast Guard, continues to be a major concern, and efforts to address the problem are lacking. Background checks of law enforcement officials who hold sensitive positions are not routinely conducted, nor have public integrity standards been adopted in many government agencies.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The U.S. Drug Enforcement Administration (DEA) works with their island counterparts to advance joint investigations, both within the Dutch Caribbean and the United States.

The Kingdom of the Netherlands maintains support for counternarcotics efforts by continuing to support U.S. Forward Operating Locations in Curacao and Aruba. U.S. military aircraft conduct counternarcotics detection and monitoring flights over both source and transit zones around the region. The United States and the Netherlands have a memorandum of understanding allowing the U.S. Coast Guard to assist in counternarcotics operations from the platforms of Dutch naval vessels in the region (including the Dutch Caribbean Coast Guard). In addition, the Dutch Navy regularly conducts counter narcotics operations in the region and fully cooperates with the Joint Interagency Task Force South.

D. Conclusion

The extent of regional cooperation and intelligence sharing against drug trafficking varies across the Dutch Caribbean. The United States will encourage further progress in these areas, and

continue to cooperate with law enforcement authorities in the region to interdict drug shipments and dismantle trafficking organizations.

Eastern Caribbean

A. Introduction

The seven independent countries of Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines are collectively referred to as the Eastern Caribbean (EC).

The region hosts abundant transshipment points for illicit narcotics primarily from Colombia and Venezuela destined for North American, European and domestic Caribbean markets. Local and international law enforcement believe traffickers increasingly make use of yachts for drug transit, though "go-fast" boats, fishing trawlers, and cargo ships continue to be used. Drug transshipment through the Eastern Caribbean increased in 2013. Drug related violent crime remained high, but homicides decreased from 2012 and 2011. Many of the homicides resulted from turf wars between organized criminal groups fighting to control drug distribution. Marijuana remains a staple crop, but little is exported outside the region.

Four years of declining macroeconomic growth has left EC law enforcement capacity increasingly beleaguered, even when compared with the bleak situation described in past reports. EC governments have made some improvements to still largely antiquated criminal codes. Political leaders, however, have largely failed to address public concerns of official corruption. In 2013, regional political leaders approved a comprehensive strategic law enforcement plan under the aegis of the Caribbean Community and Common Market (CARICOM). National strategic law enforcement plans, including comprehensive vetting programs, remain largely unaddressed, however, creating a serious vulnerability to narcotics corruption.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

All EC countries are a party to the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials. All have an extradition treaty and a mutual legal assistance treaty in force with the United States. Several have also become signatories to a number of Inter-American Conventions such as the Convention Against Corruption, the Convention on Extradition, the Convention on Mutual Assistance in Criminal Matters, and the Convention Against Terrorism.

EC countries lack sufficient resources to implement robust counternarcotics maritime patrol programs or systematic counternarcotics operations. In 2013, the international organization known as the Regional Security System (RSS), to which all seven EC countries are signatories, began a project to refurbish its two C-26A aircraft to improve regional counternarcotics operations and domain awareness. This project is funded by the United States as part of the Caribbean Basin Security Initiative (CBSI). EC nations effectively used 12 CBSI-funded patrol boats during 2013.

Dominica passed several new laws in 2013 that will assist in prosecuting narcotics cases and transnational organized crime, including the region's first comprehensive civil asset forfeiture law. The law established a dedicated forfeiture fund, requiring that forfeited funds be channeled to support police, prosecutors, RSS contributions, victim restitution, and drug abuse prevention and treatment. Using the new forfeiture law, Dominica made its first civil cash seizure in September when two Venezuelan nationals were arrested with $17,433 in their possession as they attempted to depart the island. The pair did not contest the seizure, and a judge ordered the forfeiture shortly thereafter.

The Government of St. Vincent and the Grenadines passed a similarly comprehensive civil forfeiture law into effect in December. In Antigua and Barbuda, a draft civil asset forfeiture bills was introduced in the legislature and awaited a vote at the conclusion of 2013.

In St. Vincent, the first video interview of a suspect in a major felony case was introduced into evidence in court on July 28. Over 200 interviews have been conducted using the video interview equipment provided through CBSI. A U.S.-funded mentor helped St. Vincent upgrade its criminal code to require video interviews with suspects in all major felony investigations.

2. Supply Reduction

South American drug cartels use the region's many uninhabited islands to move cocaine shipments up the island chain for onward transit to North America and Europe. Cannabis cultivation predominates in the mountainous regions of St. Vincent, Grenada, and Dominica. Barbados reported increased marijuana and cocaine shipments transiting from Trinidad and Tobago, though successful maritime interdictions reduced the number of drug landings. Antigua and Barbuda observed an increased flow of cannabis and cocaine from Jamaica via St. Martin. Barbados, Dominica, and Grenada all noted an increase in narcotics trafficking from St. Vincent and the Grenadines, and reported significant challenges to effective coordination with St. Vincent on joint counternarcotics operations.

In 2013, total drug seizures in the Eastern Caribbean totaled 3.44 metric tons (MT) of cocaine and 131.3 MT of marijuana, according to U.S. Drug Enforcement Administration statistics. Between October 1, 2012 and September 30, 2013, there were 1,654 drug-related arrests, 732 drug-related prosecutions, and 1,794 convictions, according to EC governments.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Marijuana and cocaine are the most widely-used drugs in the region. Barbados has drug demand reduction programs, and St. Kitts and Nevis has several successful programs. Grenada operates several demand reduction programs through its Drug Control Secretariat. Dominica's National Drug Master Plan for 2013-2017 includes provision for demand reduction and treatment, and is pending government ratification. Barbados, Grenada, and St. Lucia have drug rehabilitation clinics, and Barbados has one that specifically serves youth.

4. Corruption

As a matter of policy, the Eastern Caribbean's governments do not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior government officials in the Eastern Caribbean were prosecuted for engaging in or facilitating the illicit production or distribution of controlled drugs or laundering of proceeds from illegal drug transactions. Nonetheless, U.S. analysts believe drug trafficking organizations elude law enforcement through bribery, influence, or coercion. All EC countries have made use of the RSS polygraph vetting program, funded under CBSI, though the program does not provide complete coverage for all law enforcement personnel.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports a wide range of efforts designed to address crime and violence affecting Eastern Caribbean citizens, primarily through CBSI. CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote social justice. The EC and RSS participate fully in CBSI.

All EC countries have bilateral maritime counternarcotics agreements with the United States that include provisions such as use of shipriders, pursuit, entry into territorial seas, and ship boarding authorization. In addition, the RSS is a treaty-based organization that creates a regional collective security mechanism.

CBSI programs strengthen the capacity of law enforcement institutions to detect, interdict, prosecute, convict, and incarcerate regional criminals. CBSI programs support information sharing networks, joint interagency operations, and regional training initiatives to promote interoperability. Antigua and Barbuda, Dominica, St. Lucia, and St. Vincent and the Grenadines are now signatories to the United States' Cooperative Sensor and Information Integration initiative, which promotes enhanced regional capacities to detect and interdict drug shipments.

D. Conclusion

The United States encourages the seven nations of the Eastern Caribbean to embrace CBSI partnership and to fulfill their monetary commitments to sustain the RSS. The United States also encourages the region's governments to study Jamaica's example in instituting new laws and policies to build robust anti-corruption programs that provide greater accountability to the public. The United States further encourages the seven nations to pass legislation to modernize their criminal codes—making use of regional best practices in fighting transnational organized crime—and lauds Dominica and St. Lucia in their progress in this area. The United States draws special attention to the need to implement civil forfeiture provisions to turn the proceeds of crime into a weapon against traffickers and applauds Dominica and St. Vincent and the Grenadines for enacting such legislation.

Ecuador

A. Introduction

Situated between two of the world's largest cocaine producing countries, Ecuador is a major transit country for illegal narcotics. Cocaine and heroin from Colombia and Peru are trafficked through sparsely populated, porous land borders and via maritime routes through Ecuador for international distribution to the United States and Europe. Ecuador is also a major transit country for chemical precursors to process illegal narcotics and is vulnerable to transnational organized crime due to weak public institutions, porous borders, and corruption. The Ecuadorian National Police (ENP), military forces, and the judiciary lack sufficient resources to confront the transnational criminal challenges they face. Elements of the Ecuadorian government remain committed to reducing the supply of drugs, although the country's top leadership places more importance on demand reduction and addressing the public health aspect of the issue. Domestic drug consumption is on the rise and public treatment facilities are insufficient to treat the estimated 15,000 to 20,000 addicts nationwide.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Ecuadorian government is cognizant of the detrimental effects of narcotics trafficking, and the upsurge in transnational organized crime throughout the country. In July, a joint Ecuador-U.S. law enforcement operation led to the arrest of Telmo Castro Donoso a U.S. Drug Enforcement Administration-designated Consolidated Priority Organization Target. Castro, a former Ecuadorian army officer, was a main facilitator of cocaine shipments for the Sinaloa Cartel and was arrested when authorities disrupted a planned shipment of 500 kilograms (kg) of cocaine at a clandestine airstrip.

In 2013, U.S. funding provided logistical and operational support for Ecuadorian counternarcotics operations, construction and maintenance at police and military facilities, equipment, and training for police and military personnel. Ecuador's 2008 Constitution categorizes drug abuse as a public health problem and mandated the government to address this situation. On December 17, the Ecuadorian National Assembly passed a new Ecuadorian criminal code which may be modified by President Correa and subsequently re-approved by the National Assembly. The new code will increase the penalties for most crimes and strengthen Ecuador's anti-money laundering legislation. As drafted at the end of 2013, the new criminal code will also decriminalize the possession of certain quantities of certain drugs. The exact drugs and quantities, however, were not codified in 2013.

In 2013, Ecuador expanded the role of the Transitional Judicial Council and transformed the body into a permanent Council. The Judicial Council was expanded from three members to five and continues its mandate to increase access to the justice sector and continues to hire new judges. Also in 2013, the Ecuadorian government announced a plan to increase the police force to 45,000 by 2015.

The Government of Ecuador has signed bilateral counternarcotics agreements with many countries in the region including the United States. The United States and Ecuador have agreements on measures to prevent the diversion of chemical substances, on the sharing of information for currency transactions over $10,000, migrant smuggling and human trafficking, and a customs mutual assistance agreement. The United States Coast Guard and Ecuadorian maritime authorities also exercise Maritime Operational Procedures that facilitate the boarding of Ecuadorian-flagged vessels in international waters.

The United States and Ecuador are parties to an extradition treaty which entered into force in 1873 and a supplementary treaty which entered into force in 1941. However, Ecuador's constitution prohibits the extradition of Ecuadorian citizens, and the United States and Ecuador do not have a significant extradition relationship. The U.S. and Ecuador do not have a mutual legal assistance treaty, but assistance is provided under the Inter-American Convention on Mutual Assistance in Criminal Matters.

2. Supply Reduction

Ecuador remains a major transit country for cocaine shipments via aerial, terrestrial, and maritime routes, and heroin shipments via air and mail. Drug traffickers use various methods to transport shipments, including containerized cargo ships, small fishing boats, self-propelled semi-submersible and fully-submersible submarines, "go-fast" boats, non-commercial aircraft, human couriers, and mail. Mexican, Colombian, Nigerian, Russian, Italian, and Chinese transnational criminal organizations including Los Zetas, the Sinaloa and Gulf cartels, and the Revolutionary Armed Forces of Colombia (FARC), are actively operating in Ecuador. Mexican cartels increasingly use small, private aircraft and clandestine runways to transport money into Ecuador and cocaine to Mexico and Central America.

In 2013, Ecuador's counternarcotics activities focused on the interdiction of land-based cocaine, concentrating primarily on containerized cargo in the sea ports and the littorals. Official police statistics indicated an increase in cocaine seizures in 2013 compared with 2012. Cocaine seizures (including cocaine base) in 2013 totaled 42.5 MT compared to 21.4 MT in 2012. Additionally, police seized 123 kilograms (kg) of heroin compared with 185 kg in 2012, and seized 8.3 MT of marijuana compared with 10.7 MT in 2012.

Maritime seizures remained low in part due to the Ecuadorian Navy's lack of resources. Nonetheless, U.S. cooperation with the Ecuadorian Coast Guard resulted in two operations in 2013 that seized cocaine within Ecuador's Exclusive Economic Zone (EEZ).

Additionally, in October, the ENP, with support from the U.S. government, seized a submersible vessel along the northern border. Ecuador continued to abide by their commitments under the UN Convention on the Law of the Sea and U.S. Navy and U.S. Coast Guard assets continued to conduct counternarcotics patrols and boarding operations within Ecuador's EEZ.

Drug traffickers continued to use containerized cargo and shipping containers to smuggle drugs out of Ecuador, and did so at an increased rate. Drug traffickers often conceal drugs in a variety

of licit cargo. The Port of Guayaquil has been identified as a major South American transshipment hub for cocaine concealed in containerized cargo to Europe. In August, ENP officials seized over eight MT of cocaine concealed in two separate containerized cargo shipments destined for Europe. Additionally, traffickers continued to smuggle heavily subsidized petroleum ether (also known as white gas), gasoline, and other precursor chemicals in large quantities from Ecuador to Colombia and Peru for cocaine processing.

The 2013 UN Office on Drugs and Crime (UNODC) World Drug Report found no significant coca crop cultivation in Ecuador. Small scale cultivation of coca or poppy exists in Ecuador, primarily along the northern border. The police or military immediately eradicate coca or poppy plants when discovered. In 2013, the government eradicated 15,748 coca plants, 562,146 poppy plants, and 3,695 cannabis plants.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Ecuador has a growing problem with domestic drug abuse. According to UNODC data, the average age of first-time drug users in Quito and Guayaquil dropped from 14.5 in 1998 to 13.7 in 2010. Local data regarding trends in drug abuse is limited. All drug offenders are entitled to drug treatment under the Ecuadorian constitution, but there is a lack of adequate resources and facilities to treat addicts. There are 19 publicly funded out-patient drug treatment facilities and no public in-patient drug treatment facilities in Ecuador. The Ministry of Health has plans to construct three public, in-patient drug treatment facilities. Other drug treatment options, such as the 198 private facilities that provide drug treatment alternatives, are often cost-prohibitive for addicts and users.

Coordination of abuse-prevention programs is the responsibility of Ecuador's National Drug Control Council, known by its Spanish acronym, CONSEP. CONSEP leads a multi-agency national prevention campaign in schools. The campaign consists of nationwide workshops focused on the school-aged population and community outreach. Additionally, CONSEP has developed the 2013-2017 National Drug Prevention Plan, which is currently awaiting approval from the Executive Branch.

UNODC conducts demand reduction and drug prevention programs in Ecuador, with funding from the United States and other international donors.

4. Corruption

As a matter of policy, the Ecuadorian government does not encourage or facilitate the illicit production or distribution of narcotic or other controlled substances, or the laundering of proceeds from illegal drug transactions. Ecuador passed an anti-drug law in 1990 (Law 108) that prescribes prosecution of any government official who deliberately impedes prosecution of anyone charged under that law. As such, some aspects of official corruption are criminalized, but there is no comprehensive anti-corruption law. Narcotics-related corruption remains a problem within the public security forces. In 2013, the ex-police commander of Esmeraldas province was sentenced to six years in prison for providing material support to the Sinaloa Cartel and attempting to transport 1.5 MT of cocaine from Ecuador to Mexico.

Several government entities are responsible for receiving and investigating corruption complaints, but resource constraints and political pressure generally lead to a lack of prosecution. A 2010 poll in Quito and Guayaquil indicated that 73 percent of the population perceived public sector corruption to be "somewhat widespread," and 21 percent of the respondents reported paying a bribe in the last 12 months. In 2013, Ecuador continued an anti-corruption initiative that includes polygraph examinations for the police force, authorization for commanders to permanently dismiss officers for corruption, and an augmentation of the internal affairs bureau. The ENP continues to polygraph investigative and specialized units, and has started to polygraph all members in the Judicial Police.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The primary focus of U.S. government technical assistance and training is to enhance the professional capabilities and resources of Ecuador's police, military, and judicial agencies, enabling them to more effectively combat transnational criminal organizations involved in narcotics trafficking and money laundering.

Factors such as widespread poverty, rural isolation, and a proximity to FARC-controlled Colombian territory fueled instability and insecurity in Ecuador's northern region. The United States continued to support programs that improve good governance and create opportunities for licit activities in areas along the northern border. In 2013, the United States financed the studies and final designs of 15 water and sanitation projects to provide more secure water services. The United States also strengthened 20 local governments to enhance service delivery and citizen participation, supported $396,000 in loans to give new economic opportunities to 143 youth entrepreneurs, and trained 2,000 youth in conflict prevention and mitigation skills, providing the skills to resolve peacefully land tenure disputes and conflicts in schools and communities. The United States also supported Ecuador's police and military presence in a variety of strategic locations throughout the country.

The National Antinarcotics Police (DNA) is the primary recipient of U.S. counternarcotics assistance, including training, logistical and operational support. In 2013, the United States continued to provide support to the military to facilitate its mobility and communications capacity, helping to improve security and the interdiction of illicit goods along the northern border. The United States also sponsored joint training for police and military personnel focusing on maritime interdiction and port management.

Ecuador regularly participates in the U.S.-sponsored Multilateral Counterdrug Summit. The goal of these summits, which include participants from 12 Central and South American countries, is to identify and implement cooperative measures to combat maritime drug trafficking and improve prosecution of maritime trafficking cases.

The United States also supports prevention programs in coordination with the Ministry of Education, CONSEP, and other governmental entities that address drug abuse awareness.

D. Conclusion

The United States supports Ecuador's counternarcotics efforts and strongly encourages Ecuador to place a higher priority on the interdiction of illicit drugs and the diversion of chemical precursors, to sustain needed increases in seizures. As traffickers continue to take advantage of Ecuador's vast maritime territory, increased port security and maritime patrols are necessary.

The administration of President Rafael Correa has plans to augment the capacity of the police and military through the acquisition of interdiction equipment. The government recently announced plans to invest $70 million on port security upgrades including the planned purchase of container scanners for the main international ports in Ecuador.

Additionally, Ecuador is making efforts to improve cross border counternarcotics cooperation with Colombia and Peru. Ecuador and Colombia successfully coordinated counternarcotics operations in 2013 and Ecuador has increased maritime information sharing with both Colombia and Peru. The United States will continue to work with Ecuadorian police and security officials to increase its interdiction capacity at sea and in port facilities.

The passage of the new Criminal Code provides new tools to law enforcement personnel to conduct surveillance and operations, but lack of regimented investigative training hinders the ability to successfully prosecute transnational crime. Ecuador needs to provide sufficient resources to implement the changes in their Criminal Code and strengthen interdictions, investigations and prosecution of transnational crime.

Egypt

While Egypt is not a major producer or supplier of narcotics or precursor chemicals, there is significant consumption of hashish and the opioid painkiller tramadol in the country. It also serves as a transit point for transnational shipments of narcotics from Africa to Europe due to its sparsely guarded borders with Libya and Sudan, and the high quantity of shipping through the Suez Canal. It is also considered a destination market for hashish, primarily from Morocco and Afghanistan.

The Anti-Narcotics General Administration (ANGA), an agency within the Ministry of the Interior, oversees national counternarcotics operations and cooperates with the U.S. Drug Enforcement Administration (DEA) to identify, detect, disrupt and dismantle national and international drug trafficking organizations operating in Egypt. ANGA works on a limited budget but updates its operating equipment on a systematic basis. ANGA's communication system is capable and is routinely enhanced and serviced. Cooperation between ANGA and the Egyptian Armed Forces' Special Forces and Border Guard units is good.

Prior to the 2011 revolution, ANGA conducted scheduled and routine eradication campaigns targeting cannabis and poppy cultivation sites; however, since then, it has not conducted any enforcement efforts other than vehicle inspections at Suez Canal crossings from the Sinai peninsula. Large-scale seizures and arrests related to cocaine, heroin and methamphetamine are rare, but in 2013, there were large seizures of marijuana and psychotropic pills. These include a March 2013 seizure of approximately 27 million tablets of tramadol at the Port of Alexandria; an April 2013 seizure of approximately four metric tons of marijuana from a truck transiting the Suez Canal; and an August 2013 seizure of 99,000 tablets of tramadol from a vehicle in a Cairo suburb, 6th October City.

Egypt oversees the import and export of all internationally-recognized precursor chemicals through a committee composed of the Ministry of Interior (ANGA), Ministry of Finance (Customs) and Ministry of Health (Pharmaceutical). This committee approves and denies requests to import/export chemicals. Over the past few years, there has been a spike in the importation of ephedrine, a precursor for methamphetamine, for use in the legitimate production of cold and flu medicine, a domestic industry developed since 2010. The Egyptian government claims that there is no evidence indicating large scale diversions of ephedrine or other precursor chemicals and it has not made any seizures.

The Government of Egypt does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal transactions. Egypt has strict laws and penalties for officials convicted of involvement in narcotics trafficking activities.

El Salvador

A. Introduction

El Salvador is a major transit country for illegal drugs headed to the United States from source countries in South America. The United States government estimated that approximately 86 percent of the cocaine trafficked to the United States in the first half of 2013 first transited through the Mexico/Central America corridor. Salvadoran criminal networks provide protection for drug shipments, weapons, and human trafficking transiting the country. Traffickers in El Salvador use "go-fast" boats and commercial vessels to smuggle illegal drugs along the country's coastline. The Pan-American Highway is the primary land route, with traffickers using buses and tractor-trailers to smuggle shipments. El Salvador was identified as a major transit country for the third year in a row in the President's 2013 report to Congress on Major Illicit Drug Producing and Drug Transit Countries.

The government of President Mauricio Funes continued to partner with the United States on counternarcotics activities in 2013. The U.S.-El Salvador Partnership for Growth (PFG) agreement includes various programs to enhance law enforcement, promote judicial reform, reduce prison overcrowding, and divert at-risk youth from criminal activity. Despite this commitment to shared counternarcotics objectives, Salvadoran law enforcement agencies lack sufficient personnel, training, and equipment to effectively manage the country's borders and interdict drug trafficking. There is a shortage of accurate information on the severity of drug trafficking and use in the country.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

The Anti-Narcotics Division (DAN) of the National Civilian Police (PNC) is the primary agency responsible for combating drug-related crimes. The vetted counternarcotics unit (GEAN) within the DAN is responsible for conducting sensitive counternarcotics investigations, but few operational results have been achieved since 2012. GEAN has historically suffered from retention issues, staffing shortages and leadership problems. The GEAN was re-organized in August 2013. New GEAN members were polygraphed, and the GEAN now reports directly to the PNC Director.

The Government of El Salvador advanced an ambitious series of reforms within its correctional institutions in 2013. El Salvador's Central National Prison Directory (DGCP) opened two pilot programs to reduce overcrowding in prisons and pre-trial detention cells ("bartolinas"), estimated at 330 percent of their designed capacity. The DGCP reports nearly 40 percent of incarcerated inmates are involved with or connected to gangs. With U.S. assistance, the DGCP and PNC have remodeled the first bartolina in Santa Ana, and expanded the space to provide more humane and secure facilities. The United States helped the DGCP expand the "Yo Cambio" program, under which inmates are given a two-day sentence reduction for each full day of labor performed on community service projects along with $50 a month from the Government of El

Salvador. Bartolina projects doubled the size of the "Yo Cambio" program in 2013, with plans for further expansion by early 2014. Three new bartolina reconstruction projects were underway at the end of 2013. The United States is also assisting the Government of El Salvador in developing a new classification system to reduce prison overcrowding.

The United States has collaborated with El Salvador since 2010 to establish a National Electronic Monitoring Center (NEMC), which began operations in June 2012. The center allows Salvadoran law enforcement with judicial warrants to intercept electronic communications in furtherance of investigations of drug trafficking transnational criminal organizations. NEMC operations in 2013 resulted in 82 arrests from10 separate investigations, including 32 members of the Texis Cartel drug trafficking organization.

El Salvador is party to the Central American Convention for the Prevention of Money Laundering Related to Drug-Trafficking and Similar Crimes, the Inter-American Convention against Corruption, the Inter-American Convention on Extradition, and the Inter-American Convention on Mutual Assistance in Criminal Matters.

Under the Partnership for Growth bilateral assistance initiative between the United States and El Salvador, the two countries consult regularly to promote extraditions as a tool for combating crime. The Salvadoran Supreme Court has responded to U.S. extradition requests for issuing provisional arrest warrants.

El Salvador signed an agreement of cooperation with the United States in 2000, permitting access to and use of facilities at the international airport of El Salvador for aerial counternarcotics activities. The agreement was renewed in 2009 for an additional five years.

A Joint Interagency Task Force "Grupo Conjunto Cuscatlán" (GCC) was established in 2012 to better integrate the PNC, customs and port authorities, and local military in efforts to combat transnational organized crime. The goal is to improve interagency cooperation and provide a quick reaction team to combat criminal activity on the coast.

2. Supply Reduction

Through the first ten months of 2013, Salvadoran authorities seized 664 kilograms (kg) of cocaine, approximately double what was seized over the same period in 2012. Additional seizures included 2 kg of heroin; 908.4 kg of marijuana; 23 vehicles; $2,213,210.00; $500,324.00 in assets; and 88 defendants arrested. In July, 460 kg of cocaine were seized from a tractor-trailer that entered El Salvador from Costa Rica destined for further transshipment. Authorities seized approximately $2.5 million in assets related to illicit activities, including drug trafficking.

Salvadoran authorities continued investigating the fraudulent importation of precursor chemicals used to manufacture synthetic drugs. The efforts of the Attorney General's office enabled the destruction or proper disposition of nearly 80 percent of a large stockpile of precursor chemicals seized in the port of Acajutla in 2011. The Attorney General's office continues to seek solutions

for proper destruction of remaining chemicals, which represent a biological and potential explosive threat.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Drug use among Salvadorans is a growing concern, particularly among youth. The government has not kept reliable statistics for illegal consumption since 2012. The United Nations Office on Drugs and Crime reports the use of cocaine in Central America has increased from 0.4 to 0.5 percent for the 15-64 age group since 2012.

The PNC operates the Gang Resistance Education and Training (GREAT) program in targeted schools. In 2013, the United States trained and certified 18 PNC officers as full-time GREAT instructors, enabling 9,000 at-risk youth to complete the gang resistance curriculum. The El Salvador-based training program has certified over 300 regional officers and trained more than 30,000 at-risk youth in Central America. U.S. experts also trained over 600 officers in Santa Ana in investigative techniques, collection and analysis, and community policing as part of model precinct initiatives.

In cooperation with the Organization of American States' Inter-American Drug Abuse Control Commission, the United States provides drug demand reduction assistance through treatment and prevention trainings for service professionals. These trainings include specialized approaches to reach at-risk youth and people with substance use disorders.

4. Corruption

As a matter of policy, the Government of El Salvador does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption within the Salvadoran political system remains a serious problem. The United States initiated two large sessions of polygraph examinations in 2013, administered by U.S.-trained Colombian polygraphists. The United States completed 220 exams in August and November that focused on vetted units, DGCP prison wardens, NEMC agents, and the Attorney General's staff. The United States has scheduled additional polygraph exams in 2014 for the PNC canine unit to further reduce corruption in the PNC and strengthen border/port security.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports citizen security, law enforcement, and rule-of-law programs in El Salvador, mainly through the Central America Regional Security Initiative (CARSI). These programs aim to expand Salvadoran capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, while strengthening El Salvador's justice sector.

Through CARSI, the United States trains and equips Salvadoran police to perform anti-gang law enforcement. The United States also supports community policing in El Salvador with equipment, vehicles, training, communications, and social and economic programs.

The Government of El Salvador is committed to cooperating with the United States to combat organized criminal organizations and strengthen institutional capabilities to investigate, sanction, and prevent corruption. The government continued to provide prompt responses to U.S. requests regarding drug interdiction cases in 2013, despite limited supplies of fuel to conduct maritime patrols.

In 2013, U.S. assistance focused on enhancing the operational capacity of Salvadoran law enforcement agencies to interdict narcotics shipments and combat money laundering and public corruption. Assistance also promoted transparency, efficiency, and institutional respect for human and civil rights within law enforcement and the criminal justice system. The U.S. supported efforts to combat transnational criminal gangs, particularly Mara Salvatrucha (MS13) and 18th Street Gang, while developing and implementing holistic initiatives to disrupt criminal activity, including drug trafficking. In 2013, U.S. assistance included specialized training for 218 Central American officers in intelligence-led policing, and basic and advanced community policing. The GCC utilizes three helicopters and six boats donated by the United States, and the United States will continue to provide training and equipment and intelligence support.

In November, the Government of El Salvador approved an asset forfeiture law. The United States will coordinate with the Salvadoran government to promote the expansion of asset forfeiture operations in 2014. An anti-money laundering bill is also under consideration by El Salvador's Legislative Assembly. Passage of strong legislation will enhance El Salvador's capacity to sustain more robust law enforcement programs and significantly reduce the need for foreign assistance.

El Salvador regularly participates in the U.S.-sponsored Multilateral Counterdrug Summit. The goal of these summits, which includes 12 participants from Central and South America, is to identify and implement cooperative measures to combat maritime drug trafficking and improve prosecution of maritime trafficking cases.

D. Conclusion

El Salvador strengthened its capacity to combat illegal drug trafficking in 2013. The PNC's wiretapping unit is functional and showing positive results. El Salvador still faces formidable challenges, and must take steps to promote sustainable and effective law enforcement institutions.

The successes of 2013 can only be sustained if the government demonstrates continued leadership on crime prevention, security, and rule of law. Steps should include additional manpower, resources, and equipment to the PNC, and adequate pay to minimize the risk of corruption. The correctional institutions require management reform, and the security and justice sector officials must be held accountable for their performance. The government understands that promoting citizen security is essential for promoting the country's economic growth. El Salvador can also improve its interdiction operations, especially land interdiction of narcotics and cash transported along the Pan American highway.

French Caribbean

The islands of the French Caribbean serve as transshipment points for drug trafficking by air and sea between South and Central America to Europe and, to a lesser extent, the United States. The broad expanse of the Caribbean Sea and the proximity to other nations with relatively lax law enforcement and endemic corruption facilitate drug trafficking in the area.

The French Central Office for Combating Drug Trafficking (OCRTIS) is concerned with drugs originating in the Dominican Republic that transit French territories or departments in the Caribbean. Martinique and Guadeloupe are significant transshipment points for drugs moving through the region, primarily cocaine, cannabis products, and ecstasy. Over 50 percent of all of France's cocaine seizures are made on or off the coast of these two islands. Official statistics for 2013 were unavailable at the time of this report's publication, but multiple seizures of more than 100 kilograms of cocaine were made, involving organizations comprised of individuals from several different French Caribbean countries attempting to smuggle drugs to France and other European countries.

The French Navy plays a significant role in supporting drug interdiction efforts in the region. Naval assets, including two frigates based in Martinique, allow France to provide resources for the international drug enforcement community. A French Naval liaison officer is posted at the U.S. Joint Interagency Task Force South, and French law enforcement cooperate with the U.S. Drug Enforcement Administration and the British National Crime Agency on "Project Latitude," a joint maritime operation that identifies and tracks suspicious sailing vessels and yachts transiting through the Eastern Caribbean through multi-source intelligence.

French Guyana, the islands of Martinique, Guadeloupe, the French side of Saint Martin, and St. Barthélemy are all overseas departments of France and subject to French law. They all follow French policies and programs regarding drug addiction treatment and reduction in domestic demand. They are also subject to all international and bilateral conventions signed by France and participate in regional cooperation programs initiated and sponsored by the European Union. This includes being party to the Caribbean Regional Maritime Agreement signed by France in 2006. The departments' governments can request additional resources from the central government in their fight against illegal drug smuggling. The French Police, Gendarmerie, and Customs Service play major roles in narcotics law enforcement in France's overseas departments. The reinforcement of OCRTIS resources in the Caribbean continued in 2013 with the establishment in Fort-de-France, Martinique of an OCRTIS satellite office that focuses on financial assets of criminal networks involved in drug trafficking.

Georgia

A. Introduction

Georgia is a transit and destination country for illicit drugs produced in other countries. The most significant route runs from Afghanistan and Iran through Azerbaijan and Georgia, to destinations in Western Europe, Turkey, and Russia. International-bound trucks and cars sometimes carry narcotics on this route, transiting Georgia before traveling to Turkey or Russia, or moving to Ukraine, Moldova, or Bulgaria on Black Sea ferries. The Russian-occupied territories of South Ossetia and Abkhazia remain beyond the control of Georgian law enforcement.

Georgia also has a domestic drug problem. Domestically-manufactured amphetamine-type stimulants (ATS) known as "Jeff" and "Vint" and a locally-produced desomorphine opioid known as "krokodil" are gaining in popularity. Among other drugs, heroin, buprenorphine, methadone, and marijuana are available on the domestic market. There is domestic production and use of methamphetamine and pseudoephedrine derivatives and abuse of pharmaceutical drugs, especially in urban areas.

In 2013, drug seizures by Georgian law enforcement increased dramatically from previous years, demonstrating the high priority that the Georgian government places on narcotics interdiction. The United States also increased its counternarcotics assistance for law enforcement operations, training, and additional capacity-building measures, while also continuing to support drug demand reduction activities within Georgia.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In 2011, the government created a coordinating council facilitated by the Ministry of Justice to draft a national strategy and action plan to combat drug use, involving multiple government agencies, non-governmental organizations (NGOs), international organizations, experts, and scientists. The Georgian Government is currently finalizing the National Strategy and Action Plan for the Cabinet's and Prime Minister's review and approval in December 2013 or early 2014. Some amendments were made to the national law on narcotics in 2012 to meet certain international norms, but current national legislation still does not conform to the 1988 UN Drug Convention's requirements, particularly in the listing of drugs designated as illegal under Georgian law.

The Government of Georgia has signed counternarcotics agreements with the United States, with the Black Sea basin countries, the GUAM organization (Georgia, Ukraine, Azerbaijan, and Moldova), Turkey, Iran, Egypt, Kazakhstan, Uzbekistan, and several European countries.

2. Supply Reduction

In 2013, strengthened border security measures and a more proactive approach to investigations and inspection led to a dramatic increase in drug seizures. In July, Georgian police seized 116 kilograms of heroin from a truck that had crossed the border from Armenia — the largest drug seizure in Georgia since independence from the Soviet Union. Police also seized one kilogram of heroin from an individual who had crossed the land border from Turkey, and 123 pills of ecstasy from an individual at the Tbilisi central bus station. These seizures demonstrated the increasingly high priority placed on narcotics interdiction by the current Georgian government, which came to power after Parliamentary Elections in October 2012. Total drug seizures in previous recent years were nominal (seizures in 2011 and 2012 totaled less than a kilogram each of heroin, marijuana, and synthetic drugs).

Physicians and analysts have expressed concern over the increasing use of synthetic drugs such as "Jeff" and "Vint," which can be made at home from widely available over-the-counter medicines, cleaning solutions, and chemical solvents. "Krokodil" can also be made at home from similar precursors mixed with codeine, which is available with a prescription, but also commonly sold "under the table" by pharmacies without a prescription. The Government of Georgia has not yet developed a comprehensive mechanism for combating the steadily increasing use of homemade stimulants and opioids, which are injected, highly addictive, and carry severe health risks including brain and tissue damage.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Domestic drug abuse remains a problem for Georgia. Experts estimate that the intravenous drug using population in Georgia is approximately 45,000 (out of a total population of 4.5 million). According to the National Forensic Bureau, the number of all types of registered drug users is about 60,000, but this figure is regarded by experts as over-inclusive and includes one-time experimenters. Intravenous drug use is very low both among youth and female populations.

There is an acute lack of systemic drug prevention measures, even though treatment and social rehabilitation programs have become more active. The United States has supported development of a healthy lifestyle course discussing the harmful impact of drug use, which is now part of the National Education Plan of Georgia for high school students, and of curriculum on the study of addiction science, which is now being incorporated into master's level programs at three Georgian universities. The Georgian government has increased funding for drug treatment and prevention, although these services still remain limited. Some NGOs and faith-based groups also run detoxification, drug substitution therapy, "12 Step" programs, or walk-in and counseling centers for drug users. There is a continuing lack of trained human resources in this field, particularly in the area of psychosocial addiction treatment and rehabilitation programs.

4. Corruption

The Georgian government has made great strides in eliminating corruption from law enforcement agencies since the 2003 Rose Revolution and remains committed to this effort. The Georgian government continues to implement civil service, tax and law enforcement reforms aimed at deterring corruption and prosecuting it when detected. As a matter of policy, the Government of Georgia does not encourage or facilitate illicit drug production or distribution,

nor is it involved in laundering the proceeds of the sale of illicit drugs. However, allegations of some high-level corruption still surface and a small number of civil servants are prosecuted each year on corruption charges. There have been no serious corruption allegations against narcotics law enforcement units at the Ministry of Internal Affairs, and the Government of Georgia does not encourage or facilitate drug trafficking.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States provides direct counternarcotics assistance on demand reduction and treatment, and to enhance law enforcement's capacity to detect and interdict illegal narcotics. The U.S. Drug Enforcement Administration is also providing operational assistance to Georgian law enforcement in ongoing counternarcotics investigations. The United States is working to establish a canine drug detection program, and providing additional training for counter narcotics police units, investigators, prosecutors, forensic technicians, and revenue officers, including in basic narcotics investigations, airport interdiction, drug task forces, and the detection and collection of evidence from illegal and clandestine drug laboratories where synthetic drugs are made. The United States is also providing technical support and training to the Georgian government to establish a drug interdiction task force at the Tbilisi International Airport.

The United States is also providing training for prosecutors and investigators on how to handle complex organized crime and criminal enterprise investigations and prosecutions. The United States continues to help Georgian authorities improve the prosecution of narcotics crimes and money laundering, and to provide training and equipment for Georgia's forensic laboratories, including in the areas of drug screening, toxicology, and chemistry.

U.S. assistance in 2013 also supported Georgian efforts to make testing and treatment more accessible for methadone therapy participants, and to support counseling and referral centers for drug users.

U.S. training and equipment assistance programs for border police and customs officers continue to focus on port security, drug interdiction, and the identification and detention of violators and criminals at the border. U.S. assistance has helped to rebuild the Georgian Coast Guard's capacity for maritime law enforcement. Because Georgia's basic police force is increasingly being tasked with border security responsibilities, the United States has also been ensuring that police receive appropriate training and equipment to manage ports of entry.

D. Conclusion

The United States encourages Georgia to continue mounting a strong law enforcement response to drug trafficking and domestically-produced stimulants and opioids. At the same time, NGOs, addiction experts, faith-based groups, and other stakeholders should continue working to provide more effective treatment and advocacy to reduce drug demand. The United States will continue to provide training and technical support on narcotics control issues, and encourage inter-agency and government-to-civil society cooperation.

Germany

Germany is a consumer and transit country for illicit narcotics. The German government actively combats drug-related crimes, emphasizing prevention programs and assistance to victims of drug abuse. Germany continues to implement its 2012 National Strategy on Drug and Addiction Policy. Cannabis products remains the most commonly consumed illicit drug in Germany. Germany is a major manufacturer of legal pharmaceuticals, and consequently, a potential source of precursor chemicals used in the production of illicit narcotics. Germany, however, strictly and effectively controls precursor chemicals to prevent diversion towards illicit drug production.

Led by the National Drug Commissioner, the Federal Ministry of Health has the leading role in developing, coordinating, and implementing Germany's drug policies and programs and works closely with other government agencies including the Federal Ministry for Economic Cooperation and Development, the Federal Ministry of the Interior, the Federal Foreign Office and the Federal Ministry of Finance. German drug control policy stresses prevention through education. The Ministry, in close cooperation with other ministries and federal states, funds numerous research and prevention programs. Addiction therapy programs focus on drug-free treatment, psychological counseling, and substitution therapy. Since the mid-1980s, Germany considers substitution therapy an important pillar in the treatment of opiate abuse. Currently, around 76,400 patients are undergoing substitution therapy in Germany.

Approximately 600,000 individuals in Germany show risky consumption patterns of cannabis products, while 200,000 individuals show risky patterns with regard to other illegal drugs, according to Federal Health Ministry data. Combating the growing spread of new psychoactive substances, particularly via trafficking over the internet, remains a challenge for German law enforcement. The number of drug-related deaths in Germany continued to decrease in 2012 (the most recent year for which statistics are available), from 986 in 2011 to 944 people, mostly due to heroin in combination with other drugs. Over 19,559 users of "hard drugs" (classified as non-cannabis substances) were newly recorded in 2012, an 8.2 percent decrease from 2011.

Extradition and mutual legal assistance treaties are in force between the United States and Germany, as well as a customs mutual legal assistance agreement.

Germany participates actively in bilateral cooperative arrangements and in European and international counternarcotics fora. Counternarcotics enforcement remains a high priority for German federal and state-level law enforcement agencies. German law enforcement agencies work effectively with their U.S. law enforcement counterparts on narcotics-related cases. The United States anticipates that Germany and the United States will continue this level of cooperation on counternarcotics in the future.

Ghana

A. Introduction

Ghana continues to be a transshipment point for illegal drugs, particularly cocaine from South America and heroin from Afghanistan and Pakistan. Although Europe is the main destination, large amounts of drugs also transit to the United States through Accra's Kotoka International Airport (KIA). In a 2013 United Nations Office on Drugs and Crime (UNODC) ranking of countries most frequently cited as a source and transshipment point for illicit drugs seized between 2001 and 2012, Ghana came in 7th for cannabis products and 15th for cocaine.

Trafficking is also fueling increasing domestic drug consumption. Local use of cannabis products, heroin, and cocaine is increasing, as is the local cultivation of cannabis. Diversion of precursor chemicals is on the rise, primarily for the production of methamphetamine, and government regulation and oversight of precursor chemicals is lacking. The government hopes to pass legislation in 2014 that would criminalize the use and production of methamphetamine.

Corruption, insufficient resources, and porous borders seriously impede drug interdiction efforts. While law enforcement authorities continue to arrest low-level narcotics traffickers, they have had relatively little success pursuing top leaders of trafficking organizations. Cases involving narcotics and other serious crimes can sometimes take years to prosecute due to the lack of expertise of prosecutors and judges, over-stretched attorneys, and the failure of witnesses to appear in court. Many high-profile criminal cases are also inexplicably dismissed in court. It is also difficult to track arrests, prosecutions, and convictions in Ghana due to weak record-keeping by public institutions. Interagency coordination among law enforcement agencies remains a challenge.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Ghana made modest progress in 2013 in fighting narcotics trafficking and its associated profits. In June, the Narcotics Control Board (NACOB) received equipment worth approximately $20,000 from the French government to augment its operations. NACOB also completed a bill that, if passed by parliament, will allow the Board to generate its own revenue by using the seized proceeds of drug traffickers. The Ghana Police Service launched a Marine Police Unit in June that serves as a coast guard. In addition, as the host of this year's Inter-Governmental Action Group Against Money Laundering in West Africa (GIABA), President John Mahama announced the passage of legislation that clarifies Ghana's obligations under international anti-money-laundering agreements. The Financial Action Taskforce also removed Ghana from its "blacklist" for its efforts to comply with global anti-money laundering regulations. However, law enforcement institutions continue to face a number of obstacles, including limited capacity and budgets.

2. Supply Reduction

Cocaine and heroin are the main drugs trafficked through Ghana. Cocaine is sourced mainly from South America and is destined for Europe, while Afghan heroin comes mainly by way of Southwest Asia on its way to Europe and North America. Cannabis products are shipped primarily to Europe. Production and shipping of methamphetamine is in its nascent stages. Law enforcement officials report that traffickers are increasingly exploiting Ghana's relatively unguarded and porous maritime border, offloading large shipments at sea onto small fishing vessels which carry the drugs to shore undetected. Some illegal narcotics enter Ghana from other locations in West Africa. Narcotics are often repackaged in Ghana for reshipment, hidden in shipping containers or secreted in air cargo. Large shipments are also often broken up into small parcels and hidden on individuals traveling by passenger aircraft through KIA. While cases involving West African traffickers are the most common, Ghanaian officials continue to arrest other nationals for trafficking as well. NACOB reports that the method of transit for drugs is slowly shifting from air to land through Ghana's border with Togo.

To fight trafficking and reduce the availability of illegal drugs, in September Ghanaian law enforcement partnered with the European Union, UNODC, and the World Customs Organization to launch an airport communications project called "AIRCOP." The AIRCOP project is a joint airport interdiction task force made up of officials from NACOB, Customs, Immigration, Aviation Security, and the military and relies on Interpol's I 24/7 communication system to share profiles and other key information about inflight passengers and cargo. This information allows officials at KIA to pre-screen arriving passengers and, based on this information, select those requiring further scrutiny by security officials on landing.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Illicit drug use is growing in Ghana. Cannabis is the most abused illicit drug, but the use of hard drugs is on the rise. According to NACOB, it is difficult to track drug abuse because there has never been any baseline study of the drug environment in Ghana. Data from the Ghana Police Service indicate that cases involving cannabis are much more common than those involving cocaine or heroin. The most at-risk populations tend to be students and others between 15 and 35 years old.

NACOB has a small office that handles drug abuse awareness and demand reduction programs. It supports a coalition of roughly 15 civil society organizations and non-governmental organizations (NGOs) that work on youth education and demand reduction. Despite a very limited budget, this office has conducted several outreach programs at schools, churches, and rehabilitation centers around the country. It also frequently mounts harrowing photo exhibitions at public forums to portray the consequences of drug abuse. In August, the United States sponsored the Community Anti-Drug Coalitions of America (CADCA) to partner with the Philip Foundation, a local NGO, to launch a community-based campaign to fight drug abuse.

4. Corruption

As a matter of government policy, Ghana does not encourage or facilitate illegal activity associated with drug trafficking or the laundering of proceeds of illicit drug transactions.

However, corruption is widely perceived to be endemic in the Ghanaian police force, Judiciary and Attorney General's Department, as well as other government institutions. There has been public speculation that substantial amounts of drug money have been handed over to politicians in the form of campaign contributions, and that the bribery of public officials explains Ghana's lack of success in convicting top leaders of drug trafficking organizations. Though unconfirmed, these rumors reinforce the public's perception that some in government are complicit in the drug trade.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

U.S. and Ghanaian law enforcement enjoy excellent cooperation on counter-narcotics, and the United States continues to provide technical assistance to enhance capacities in several ministries and offices. Collaboration between NACOB and DEA led to the arrest of a notorious Nigerian drug trafficker and his accomplice in mid-February. The two had attempted to traffic an estimated $12 million worth of cocaine, but were intercepted at the Tema Port. A U.S.-funded prosecutorial reform project with Ghana's Attorney General's department was launched in September and will involve training state attorneys in order to increase conviction rates for drug trafficking and other related crimes. In addition, a U.S.-sponsored Regional Training Center, which began holding classes in January 2013, has already provided training to over 400 law enforcement stakeholders in the region on combating transnational organized crime. In June, Ghana hosted a U.S.-funded Trans-Atlantic Criminal Justice Workshop for the ECOWAS countries of Burkina Faso, Cote d'Ivoire, Ghana, Liberia and Sienna Leone.

The United States also provided support to the new Marine Police Unit which included the construction of a portion of the police academy and the provision of extensive training. The United States continues to provide technical assistance to the Financial Intelligence Center and other key stakeholders to assist in anti-money laundering efforts. The United States also provided maritime law enforcement training to the Ghana Navy, aiding in counternarcotics operations in Ghana's littoral waters.

D. Conclusion

Ghana's political leadership is committed to combating narcotics trafficking and maintaining cooperation with international partners on counter-narcotics. However, Ghana's law enforcement and judicial institutions face a number of challenges that hinder the country's ability to make greater strides against narco-trafficking on an operational level. Ghana should continue providing needed technical, human, and financial resources to law enforcement and judicial institutions, take steps to combat corruption, and improve coordination among law enforcement agencies. The Government of Ghana should also consider measures to criminalize the use and production of methamphetamine, and improve the regulation and oversight of precursor chemicals used to produce illegal narcotics.

Guatemala

A. Introduction

Guatemala continues to serve as a major transit country for illegal drugs. According to U.S. government estimates, approximately 86 percent of the cocaine trafficked to the United States in the first half of 2013 first transited through the Mexico/Central America corridor, with as much as 80 percent of that amount transiting Guatemala. President Otto Perez Molina continues to prioritize the fight against drug trafficking and violence, and Guatemala achieved some success in 2013 as reflected by increased volumes of drug seizures. Nevertheless, the Government of Guatemala's fight against narcotics trafficking is hampered by the country's weak public institutions, pervasive corruption, and lack of funding.

The country's geographic location, weak governmental institutions, and limited governmental and security presence impede effective law enforcement and judicial action against drug crimes. Transnational drug trafficking organizations are able to move drugs, precursor chemicals, and bulk cash through Guatemala with little difficulty, especially within the extensive under-governed borders areas. The cultivation of opium poppy continues and increasing amounts of marijuana are grown for domestic use.

Since taking office in January 2012, President Otto Perez Molina has raised the possibility of legalizing drugs currently scheduled for control by the UN drug control conventions in various international fora, including the Organization of American States and the United Nations. Notwithstanding his public call for "alternative approaches" in the fight against narcotics, Perez Molina has stated that Guatemala will not unilaterally move to legalize narcotics and his administration has continued to pursue criminal cases against drug trafficking.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

President Otto Pérez Molina has stated that his administration's highest priority is to achieve reductions in the country's high levels of violence and insecurity. However, the Guatemalan government's efforts are hampered by weak enforcement of its criminal laws, a largely ineffective police force, and an overburdened and inefficient judicial system that lacks the ability to deter narcotics trafficking, violent crimes or crime in general. Guatemala suffers from severe budget constraints, which are exacerbated by endemic corruption and low rates of tax-collection. Violent crime rose in 2013, reversing a trend of reduced violence in 2012. The number of homicides rose to 5,231, a one percent increase over 2012. The impunity rate for violent crimes remains high, at 70 percent according to a UN estimate, although this marks a decrease from a 2012 estimate of 98 percent.

To combat the rising crime rate, President Pérez Molina authorized increased collaboration between the Guatemalan National Civil Police (PNC) and the military in an attempt to improve civil order and security, especially in rural areas. Despite concerns in some sectors over the

perceived militarization of the fight against trafficking and violent crime, anecdotal evidence suggests this collaboration has support among the populace, and started to see some success in deterring crime by the end of 2013.

Guatemalan authorities are increasingly utilizing the 2010 Seized Assets Law. During fiscal year 2013, the Seized Asset Secretariat disbursed more than $2.45 million (seized mostly from assets derived from drug crimes) to various government institutions, including the Courts, Public Ministry, Ministry of Government, Ministry of Defense, and Solicitor General's Office. This marked an increase of $1.36 million from 2012.

Also during 2013, the United States assisted the PNC with the formation of a new land interdiction unit capable of conducting mobile check points to combat the vehicular transshipment of drugs and other illicit goods. The unit completed its basic training in October, and began conducting training missions the same month.

Guatemala is an active participant in multilateral efforts to combat narcotics trafficking, such as the U.S.-sponsored Multilateral Counterdrug Summit, which includes participants from source and transit countries in Central and South America. Guatemala is a party to the Central American Commission for the Eradication of Production, Traffic, Consumption and Illicit Use of Psychotropic Drugs and Substances, as well as the Central American Treaty on Joint Legal Assistance for Penal Issues. It is also a party to the Inter-American Convention against Corruption, and the Inter-American Convention on Mutual Assistance in Criminal Matters. A maritime counter narcotics agreement with the United States is fully implemented. Guatemala ratified the Inter-American Mutual Legal Assistance Convention, and is a party to the Organization of American States' Inter-American Drug Abuse Control Commission. Guatemala is one of six countries (along with Belize, Costa Rica, the Dominican Republic, France, and the United States) that ratified the Caribbean Regional Agreement on Maritime Counter Narcotics, which is now in force.

A 1903 extradition treaty between Guatemala and the United States is in effect and allows for the extradition of Guatemalan nationals. In 1940, a supplemental extradition treaty added narcotics offenses to the list of extraditable offenses. As a result of reform laws passed by the Guatemalan Congress in 2008, all U.S. requests for extradition in drug cases are consolidated and expedited in specialized courts located in Guatemala City and the Guatemalan government continues to work closely with the United States on extradition matters. During the first 10 months of 2013, eight Guatemalan citizens, four of whom were related to drug crimes, were extradited to the United States with minimal difficulties. Guatemala also arrested a number of high-profile drug traffickers in 2013 in collaboration with U.S. law enforcement authorities.

2. Supply Reduction

The PNC conducted three opium poppy eradication missions in the area of San Marcos, near the Mexican border. Through October, the Government reported eradicating 2,568 hectares of opium poppies and two million marijuana plants, a threefold increase over 2012.

During the first nine months of 2013, Guatemalan Police authorities reported the seizure of 2,146.4 kilograms (kg) of cocaine and 18.5 kg of heroin. In addition, a specialized counternarcotics Naval Unit belonging to the Ministry of Defense reported seizing 1,831 kg of cocaine, five vessels, and making 16 arrests. The total seizures represent a 330 percent increase over 2012. The police also located and dismantled four methamphetamine labs, each capable of producing 23 kg of methamphetamine per day.

The Guatemalan government's Inter Institutional Anti-Narcotics and Anti-Terrorist Unit, utilizing six U.S.-provided helicopters, responded to nine inbound flights suspected of drug-trafficking. Seven flights retreated to foreign air space and two were grounded but resulted in no arrest or seizures. The six UH-1H II helicopters were nationalized in September through a donation from the United States to the Guatemalan government.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Current information and data to accurately assess the breadth of illicit drug abuse in Guatemala is lacking. The most recent statistics are from a 2005 survey that estimated the prevalence of illicit drug use at 3.16 percent. Anecdotal evidence suggests that traffickers may be attempting to increase the domestic market by providing payment to local couriers in drugs rather than cash.

The Guatemalan government's Secretariat for the Commission against Addictions and Drug Trafficking (SECCATID) remained underfunded despite U.S. and other international donor support. With U.S. technical assistance, SECCATID revised and updated its National Policy against Drug Use and Drug Trafficking in order to more precisely define its strategic goals. Overall U.S. support to SECCATID is focused on institutional capacity building and evidence-based programs. The United States also supports drug treatment and prevention training in Guatemala, in cooperation with the Organization of American States' Inter-American Drug Abuse Control Commission.

The Ministry of Health's Technical Unit in charge of authorizing and monitoring Drug Treatment Centers conducted a nationwide assessment of 65 treatment centers with U.S. assistance. The assessment, conducted to determine compliance with minimum treatment standards and provide training to treatment center personnel, found the majority of treatment centers fell short of government requirements. There is only one government funded treatment center in operation in Guatemala, though many private centers exist.

The Government of Guatemala increased its public awareness efforts against illegal drugs in 2013. In conjunction with the PNC's eradication operations, Ministry of Health local authorities targeted community leaders and school children in their area of responsibility to raise awareness of the negative effects and health risks associated with the cultivation of poppy. Drug demand reduction programs in Salcajá, Quetzaltenango and Petén directed towards community and government leaders, educators, parents, and students were implemented under the auspices of local Ministry of Education authorities with U.S. support. The United States also assisted an awareness and information campaign, carried out by Azteca Foundation, targeting 24,000 middle and high school students annually.

4. Corruption

Guatemala continues to face significant challenges with corruption in its fight against narcotics trafficking. The Government of Guatemala does not, as a matter of policy, encourage or facilitate illicit production and distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. However, low salaries and a culture of impunity allow corruption to proliferate among law enforcement and judicial sector personnel.

The United States continues to focus its anti-corruption assistance efforts on developing and training specialized vetted units, particularly counternarcotics, money laundering and anti-gang forces. The United States also supports the Background Verification Unit from the PNC Academy as well as the Guatemalan Police Reform Commission in developing and implementing standards for the suitability of police applicants.

The mandate for the UN-backed International Commission against Impunity in Guatemala (CICIG), which was created in 2007 to investigate and dismantle criminal organizations operating within state institutions, was set to expire in September 2013. However, President Pérez Molina requested and was granted an extension of CICIG's mandate until September 2015. The United States has provided nearly $21 million to support CICIG's operation.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports citizen security, law enforcement, and rule-of-law programs in Guatemala, mainly through the Central America Regional Security Initiative (CARSI). These programs aim to expand Guatemalan capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, while strengthening Guatemala's justice sector.

Through CARSI, the United States trains and equips Guatemalan police to perform anti-gang law enforcement. The United States also supports community policing in Guatemala with equipment, vehicles, training, communications, and social and economic programs.

The United States continues to be a key provider of assistance aimed at improving the professional capabilities, equipment, and integrity of Guatemala's police, military, and judicial agencies to enable them to more effectively combat criminal organizations involved in narcotics trafficking and transnational crimes. The goal of all U.S. assistance efforts is to create effective structures and organizations that can be sustained by the Government of Guatemala. A major milestone in these efforts was the transfer of title and operational control of six UH-1H II helicopters, from the United States to the Ministry of Government in September 2013, effectively nationalizing the aviation interdiction program.

Also during 2013, the United States collaborated with the PNC in the formation of a 38 man land interdiction unit to conduct mobile check points and restrict the use of Guatemalan road system for transshipment of drugs and other illicit produces.

The United States continues to assist Guatemala with improving its law enforcement procedures and organization through training select personnel, donating essential equipment, and by providing adequate operational support. These efforts include support to the Police Reform Commission and Guatemalan police academies; supporting the advancement of professional responsibility policies and procedures within the PNC; supporting improvements to the criminal investigation capacity within the PNC; and assisting the Guatemalan government with the expansion of the PNC to 35,000 officers. These efforts aim to modernize the PNC force with an emphasis on technical competency, fostering a culture of law enforcement professionalism and enhanced standards, community oriented policing, administrative efficiency, and dedicated service to Guatemalan society.

U.S. support for rule-of-law activities is allowing Guatemala to continue to increase its capacity to prosecute narcotics traffickers, organized crime leaders, money launderers, and corrupt officials. Additional efforts include financial and technical support to three special prosecutorial units for criminal cases, and a special task force for investigation and preparation of high-impact narcotics cases. The seized asset law is an effective tool for depriving drug traffickers of illicit proceeds and provide needed resources to the law enforcement and justice sector.

D. Conclusion

The Guatemalan government is committed to cooperating with the United States and other international partners in regional counternarcotics efforts, as evidenced by the progress and successes seen in 2013. However, significant challenges remain. Public confidence in government institutions is still lacking, in large part due to alleged corruption, the continuing violence associated with drug trafficking organizations, gangs, and other forms of transnational crime.

The current administration came into office amid rising public insecurity with a mandate to take a more aggressive approach toward combatting this phenomenon. Although it achieved some positive results in its efforts to fight narcotic trafficking and other related transnational crimes in 2013, the Government of Guatemala's interdiction and enforcement efforts continue to suffer from a lack of capability, capacity, and resources. While Guatemalan government agencies are maturing and gaining some momentum in the fight against drugs trafficking, they will not succeed in building durable and effective counter-narcotic enforcement organizations until the Guatemalan government fully implements its laws, provides adequate financial support, reforms its law enforcement culture, and professionalizes its judicial processes.

Guinea

A. Introduction

Guinea is a growing transshipment point for cocaine originating from South America. Despite some genuine efforts by the Government of Guinea to combat the illicit narcotics trade, the issue remains a secondary priority. It remains to be seen if President Alpha Conde will be able to take efficacious action in combating the narcotics trade during his term of office. The Guinean government's political commitment to confronting the country's drug challenges has fluctuated greatly over the past two decades, alternating between periodic activism and indifference, depending upon the prevailing political climate and the agenda of presidents in power. In cases where government efforts have been earnest (and not for the benefit of manipulating international audiences), the country's under-resourced and inadequately trained police and military have struggled to enforce the country's drug laws, despite their best efforts.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Guinea's troubled counternarcotics programs have witnessed little improvement since President Alpha Conde's election in 2010. The government has instead prioritized a long list of economic and other problems over narcotics-related issues. Since assuming office, President Conde has revamped a pre-existing agency now referred to as the Office of the Secretariat-General to Fight Against Drug-Trafficking and Organized Crime and Repression of Financial and Economic Crime. This office falls directly under President Conde's control, but there is little tangible evidence of any recent progress made by that office to combat drug crimes, other than an occasional seizure of marijuana. In addition, there is a lack of clarity over questions of jurisdiction, as multiple agencies (such as Customs) are also involved in drug enforcement activities.

2. Supply Reduction

Cocaine is smuggled into Guinea via sea and air by Colombian drug trafficking organizations. Cocaine transiting Guinea is usually destined for European markets. Onward shipment to Europe occurs via overland routes, private aircraft, commercial air couriers, vessels and container cargo. There are credible allegations that Guinean military officials are facilitating drug trafficking through the country. Recent seizures statistics have not been shared by the Guinean government.

In 2009, under the leadership of then-military ruler Captain Moussa Dadis Camara, the government announced that its counternarcotics unit had discovered drug labs in and around the capital city of Conakry. However, investigation of one of those labs at Gbessia airport by U.S. Embassy personnel led to significant doubts about the authenticity of the government's claims. Since 2011, the U.S. Drug Enforcement Administration (DEA) has begun to reengage in Guinea.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Illicit drug use in Guinea is difficult to quantify. Local law enforcement and prosecution is lax, and there is no empirical data due to the absence of any rehabilitation clinics or other treatment options. General observation suggests growing illicit drug usage throughout the country. Marijuana is widely consumed, along with cocaine and heroin to a much lesser degree.

4. Corruption

Official corruption is endemic and generally accepted as a fact of life in Guinea. Widespread corruption in Guinea's prior governments likely played a role in the country's emergence as a transit center for narcotics. Guinea is not party to the UN Convention against Transnational Organized Crime, and has signed, but not yet ratified the UN Convention against Corruption. As a matter of policy, the government does not encourage or facilitate the illicit production or distribution of narcotics or launder proceeds from illegal drug transactions. There is no evidence that any current senior civilian government officials engage in, encourage, or facilitate the illicit production or distribution of drugs. However, allegations persist that elements of Guinea's military may be involved in facilitating drug trafficking through the country.

C. National goals, bilateral cooperation, and U.S. policy initiatives

The Guinean National Gendarmerie has enthusiastically participated in and benefitted from counternarcotics training offered by the United States and European Union. The Gendarmerie has successfully implemented new policies and practices in accordance with U.S. training, increasing its professionalism and capability. The Guinean military has also increased its professionalism, limiting itself to a supporting role without usurping civilian police authority.

The Guinean police and armed forces remain in need of additional reforms. Both forces require additional training in the use of force, as well as specialized training and organizational reform to achieve improvements in reducing corruption, which will have direct bearing on the Government of Guinea's effort to combat narcotics trafficking.

D. Conclusion

Recent measures of progress, including improvements in the performance of Guinean police and the current relative stability in Guinea, suggest that with future training opportunities and continued support from the international community, Guinea could eventually move forward to successfully address narcotics issues. However, the Government of Guinea should also take steps to investigate allegations of military involvement in the drug trade, and vigorously crack down on such corruption if verified.

Guinea-Bissau

A. Introduction

Guinea-Bissau is a transit hub for drug trafficking from South America to Europe. The country's lack of law enforcement capabilities; demonstrated susceptibility to corruption; porous borders; convenient location between Europe, South America, and neighboring West African transit points; and linguistic connections to Brazil, Portugal, and Cape Verde provide an opportune environment for traffickers. The complicity of government officials at all levels in this criminal activity inhibits a complete assessment and resolution of the problem. Guinea-Bissau's political systems remain susceptible to and under the influence of narcotics traffickers.

Following the death of former President Malam Bacai Sanha in January 2012, the Government of Guinea-Bissau planned to hold an election but was interrupted by a military coup on April 12, 2012. The Economic Community of West Africa States (ECOWAS) brokered an agreement for Manuel Serifo Nhamadjo, Interim President of the National Assembly and next in line of succession, to head the transitional government until a new president is elected. Elections are now scheduled for spring 2014. The United States and other donors reduced or suspended their assistance after the coup.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Developments

The Transitional Government of Guinea-Bissau is in the process of reforming the country's security services, including those responsible for counternarcotics enforcement, but without international support. The UN Office on Drugs and Crime (UNODC) and the UN Integrated Peace-Building Office in Guinea-Bissau reduced their Security Sector Reform programming before the April 2012 coup. Until the coup, the governments of Brazil, Angola, and Portugal provided military and police training; after the coup, each of these governments suspended this support indefinitely.

In 2011, the United States funded two positions dedicated to Guinea-Bissau. A Regional Law Enforcement Advisor developed a training strategy and coordinated U.S. assistance to Guinea Bissau's law enforcement agencies. This effort proved to be highly successful in developing relations between Guinea-Bissau's law enforcement authorities and U.S. law enforcement officials. A U.S.-funded Justice Sector Advisor assessed the needs of Guinea-Bissau's law enforcement and justice agencies and developed a training strategy. The Advisor worked with other donor governments and international organizations to coordinate assistance in an effort to eliminate duplication of effort. The U.S. government suspended all counternarcotics assistance as a result of the April 2012 coup.

Guinea-Bissau established a Transitional Government in May 2012. The Transitional Government appointed a new Justice Minister, Mamadou Saido Balde; a new Commissioner for

the Public Order Police (the national police), Armando Nhaga; and a new Attorney General, Abdou Mane, in 2012. Armando Namontche was named chief of the Judicial Police in 2013.

2. Supply Reduction

Inadequate resources and lack of professionalism among law enforcement and judicial authorities hampered efforts to seize drug shipments and investigate drug trafficking. Neither domestic nor international organizations collect data on the quantity of illegal drugs that pass through Guinea-Bissau. The borders are porous and poorly controlled. The Port of Bissau has no meaningful security and containers routinely enter and leave the country without inspection.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

UNODC reports drug abuse is a growing problem in Guinea-Bissau, but remains minimal. No systematic surveys have been conducted to determine the scope of the problem – all assessments are based on anecdotal evidence. There are no government-funded treatment centers in Guinea-Bissau. The few operational centers are privately funded.

4. Corruption

While as a matter of policy the government of Guinea-Bissau does not encourage or facilitate the illicit production or distribution of narcotics or launder proceeds from illegal drug transactions, corruption is endemic at all levels of government. Law enforcement and judicial officers are involved in drug trafficking, as are elements of the military. For example, members of the customs service take money to allow passengers and articles to pass through border posts without inspection. Police routinely accept bribes during traffic stops. Government salaries are inadequate, and officials routinely go for months without pay.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The U.S. Embassy in Bissau suspended operations in June 1998. The U.S. Ambassador to Senegal is accredited to Guinea-Bissau and one U.S. officer assigned to the Embassy in Dakar monitors events in Guinea-Bissau. A letter of agreement between the United States and Guinea-Bissau allowed the United States to assign a Justice Sector Advisor to Guinea-Bissau on a full-time basis, until restrictions imposed after the April 2012 coup superseded the agreement.

D. Conclusion

Guinea-Bissau is a narco-trafficking hub. Government officials at all levels are complicit. The U.S. government suspended all assistance after the April 2012 coup and the U.S. Embassy suspended operations there in June 1998.

Guyana

A. Introduction

Guyana is a transit country for cocaine destined for the United States, Canada, the Caribbean, Europe, and West Africa. Cocaine originating in Colombia is smuggled to Venezuela and onward to Guyana by sea or air. Smugglers also transit land borders with Brazil, Venezuela, and Suriname. Cocaine is often concealed in legitimate commodities and smuggled via commercial maritime vessels, air transport, human couriers, or various postal methods.

The influence of narcotics trafficking is evident in the country's political and criminal justice systems. Traffickers are attracted by the country's poorly monitored ports, remote airstrips, intricate river networks, porous land borders, and weak security sector capacity.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Government of Guyana has legislation in place that could enable a more-effective response to the threat of drug trafficking. The Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Act of 2009, the Interception of Communications Act of 2008, and the Criminal Law Procedure Act (revised in 1998) were designed to enhance the investigative capabilities of law enforcement authorities and prosecutors in obtaining convictions of drug traffickers. To date, however, the government has sought no prosecutions under these laws. The Caribbean Financial Action Task Force (CFATF) has informed Guyana that failure to demonstrate effective implementation of anti-money laundering mechanisms could lead to an international designation of Guyana as a country with significant financial sector risks. Such a designation would increase the costs of Guyana's international financial transactions and also impact insurance rates. Guyanese authorities have pledged to increase efforts to comply with international anti-money laundering standards and have presented amendments in Parliament to improve existing legislation. The United States supports the Government of Guyana's efforts in this area and has offered technical assistance.

The Government of Guyana is drafting anti-gang legislation and developing an Integrated Crime Information System to monitor trends in crime through a network linking the Ministry of Home Affairs to the public hospitals, prisons, and police stations. Some police stations in remote areas, however, continue to lack reliable telecommunication service. The government is also drafting a new Drug Strategy Plan (2012-2016), and the government's Inter-Agency Task Force on Narcotics and Illicit Weapons is reviewing an inception report.

Guyana is party to the Inter-American Convention on Mutual Assistance in Criminal Matters, and the Inter-American Convention Against Corruption. The 1931 Extradition Treaty between the United States and the United Kingdom is applicable to the United States and Guyana. In 2008, Guyana acceded to, and has filed information requests under, the Inter-American Convention on Mutual Assistance in Criminal Matters, to which the United States is also a party.

Guyana has bilateral counter-narcotics agreements with its neighbors and the United Kingdom. Guyana is also a member of the Organization of American States' Inter-American Drug Abuse Control Commission (OAS/CICAD). Guyana signed a maritime counternarcotics bilateral agreement with the United States in 2001, but has yet to take the necessary domestic action to bring the agreement into effect.

2. **Supply Reduction**

Guyana has a drug enforcement presence at its international airports, post offices, and, to a lesser extent, at port and land-border entry points. The four major agencies involved in anti-drug efforts are the Guyana Police Force (GPF), Guyana Customs and Revenue Authority (GRA), the Customs Anti-Narcotics Unit (CANU), and the Guyana Defense Force (GDF). The GDF supports law enforcement agencies with boats, aircraft and personnel, but has limited capacity and lacks law enforcement authority.

The Guyana Coast Guard (GCG), a GDF sub-component and U.S. partner in maritime interdiction, patrols Guyana's territorial waters and conducts humanitarian search and rescues. In 2012, through the Caribbean Basin Security Initiative (CBSI), the UN Office on Drugs and Crime's (UNODC) Container Control Program (CCP) established a multi-agency CCP Port Control Unit at the John Fernandes Wharf, one of Guyana's most active ports. However, the CCP unit has yet to make any successful seizures and UNODC is working with Guyanese authorities to improve the unit's effectiveness.

The GPF, CANU, and GRA reported drug related seizures and convictions for the first six months of 2013. Through June, the GPF reported seizing 418.09 kilograms (kg) of cocaine and 125.61 metric tons of cannabis. CANU reported seizing 55.39 kg of cocaine and 2.62 kg of cannabis. The GRA seized 359.8 kg of cocaine, but no cannabis. Guyanese authorities convicted 201 persons on drug related charges during the first six months of 2013. In September, the U.S. Drug Enforcement Administration (DEA) met with Guyanese counterparts to advance efforts to investigate and dismantle drug trafficking organizations. During their visit, DEA officials participated in a Guyana Police Force eradication of cannabis fields discovered in the interior, chopping down and destroying an estimated 124 MT of cannabis plants. The volume of cannabis reflects the increasing trend of farm-grown marijuana for local use and international export.

3. **Drug Abuse Awareness, Demand Reduction, and Treatment**

Guyana lacks a robust demand reduction strategy that adequately addresses drug rehabilitation. Marijuana is the most widely used drug in Guyana, followed by cocaine. The Guyana National Council for Drug Education, Rehabilitation and Treatment, within the Ministry of Health, is the single government body responsible for addressing demand reduction. Non-governmental organizations, such as the Salvation Army and the Phoenix Recovery Project, also offer rehabilitation services. The University of Guyana initiated a demand reduction curriculum through OAS/CICAD funding. As part of CBSI, the United States supports a "Skills and Knowledge for Youth Employment" project that provides vulnerable youth with alternatives to drug-related activities and provides skills for transitioning to the work force.

4. **Corruption**

As a matter of policy, the Government of Guyana does not encourage or facilitate the illicit production or distribution of narcotics or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.
Guyana is a party to the Inter-American Convention against Corruption, but has not fully implemented its provisions, such as the seizure of property obtained through corruption.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports a wide range of efforts designed to address crime and violence affecting Guyanese citizens, primarily through. CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote social justice. Efforts to increase law enforcement capabilities, protect borders and ports, strengthen workforce development, and promote anti-money laundering effectiveness directly address priority concerns shared by Guyana and the United States.

CBSI-funded programs support Guyana's maritime operations by providing interdiction assets, including riverine patrol boats delivered in December 2013 and relevant command and control systems, as well as associated logistical support and training. In 2013, the United States provided port and maritime training to Guyana's Coast Guard. Initiatives also target law enforcement professionalization, and more effective narcotics investigations. By strengthening Guyana's counternarcotics capabilities, the United States seeks to enhance interagency coordination and help gather better intelligence on drug trafficking routes.

D. Conclusion

The United States would welcome increased levels of cooperation with the Government of Guyana to advance mutual interests against the threat of international drug trafficking. Guyana has shown strong interest in furthering collaboration under CBSI. The United States looks forward to tangible progress on investigations, prosecutions, extraditions, security sector and port security capacity enhancement, the engagement of at-risk communities, and enforcement of laws against money laundering and financial crimes.

Haiti

A. Introduction

Haiti remains a transit point for cocaine originating in South America and marijuana originating in Jamaica, traversing the country's porous borders en route to the United States and other markets. This traffic takes advantage of Haiti's severely under-patrolled sea borders, particularly on the northern and southern coasts. Haiti is not a significant producer of illicit drugs for export, though there is cultivation of cannabis for local consumption. Haiti's primarily subsistence-level economy does not provide an environment conducive to high levels of domestic drug use.

The Haitian government took steps in 2013 to strengthen the Haitian National Police (HNP) and its counternarcotics unit (the "Brigade in the Fight Against Narcotics Trafficking," or BLTS) with additional manpower, and officials at the highest levels of government have repeatedly committed to fight drug trafficking. However, drug seizures in 2013 did not reflect significant confiscations when compared to the frequency of incoming drug shipments along the southern coast as estimated by international law enforcement authorities, and the government has been unable to secure borders adequately in order to cut this flow of illegal drugs. Principal land border crossings with the Dominican Republic are largely uncontrolled with only rare vehicle inspections, and the southern coastline remains virtually enforcement-free. The minimal interdiction capacity of the Haitian Coast Guard creates a low-risk environment for drug traffickers to operate. While domestic law enforcement's interdiction capacity has improved marginally, persistent blockages in the judicial system continue to impede successful prosecution of apprehended drug traffickers.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In March, the HNP began training for its 24th Promotion class of 1,065 cadets, the largest class ever held in the current HNP Academy. The December graduation of this class elevated the HNP's ranks to approximately 11,250 officers. According to the HNP's five-year development plan, passed in 2012, these large cadet classes must be in session nearly continuously in order to bring the HNP's ranks to the targeted level of 15,000 by the end of 2016 and a maximum strength of 20,000. This larger force will expand the HNP to locations it is not currently covering and permit the gradual drawdown and eventual withdrawal of the United Nations Stabilization Mission in Haiti (MINUSTAH) peacekeeping force.

The HNP's counternarcotics unit, BLTS, remains the exclusive domestic institution dedicated to interdicting drug traffic. In 2013 the unit's manpower dropped slightly from 137 to 123 officers, partially due to the cashiering of several officers suspected of corruption; under the HNP development plan, the eventual target strength is 200 officers. BLTS will receive as many as 80 new cadets from the 24th Promotion class and also recruit 20 mid-level supervisory officers from within existing HNP units, enabling more robust staffing of bases outside of Port-au-Prince, such as the new facility in La Pointe on the northern coast.

BLTS developed its internal capabilities during 2013 by sending six officers to staff each new outpost in Ouanaminthe (along the Dominican border) and Cap Haitien, expanded use of a 20-dog canine unit, and participated in multiple U.S.-funded training exercises within the United States. However, BLTS still lacks a permanent outpost in the south of Haiti, and therefore has minimal operational capacity in a region well known for trafficking. The BLTS faces an additional uphill battle in the south, as firsthand reporting indicates continued participation by some local police officers in the drug trade. Such allegations of officer misconduct are typically investigated by the HNP Inspector General's office. A new Chief Inspector General assumed duties in September 2013 and took initial actions to reenergize the office's oversight functions, but the HNP still faces difficulty in regulating its internal affairs, particularly in the more remote provinces.

The Haitian Coast Guard (HCG) is responsible for securing the country's maritime borders and has an effective strength of 134 officers, with operating bases in Cap Haitien (North region), Killick (Port-au-Prince), and Les Cayes (South). The force has a total of 20 maritime vessels, but only eight are currently operational. Operational capacity of the entire fleet remains extremely low due to insufficient funding, management deficiencies, and an inability to reliably refuel and maintain the vessels. In addition, the HCG has historically focused on search and rescue/repatriation missions rather than drug interdiction. These issues prevent the HCG from serving as an effective deterrent force to maritime drug trafficking.

Haiti maintains several core legal agreements in support of drug control goals, and often cooperates effectively with the United States on narcotics cases. A U.S.-Haiti bilateral letter of agreement signed in October 1997 concerning Cooperation to Suppress Illicit Maritime Drug Traffic allows U.S. law enforcement agencies to enter Haitian territorial waters and airspace when in pursuit of suspect vessels or aircraft, to board and search suspect vessels, to patrol Haitian airspace, and to carry members of the HCG as ship riders. Although there is no mutual legal assistance treaty between Haiti and the United States, the Haitian government has cooperated, through letters rogatory, on many cases within the limits of Haitian law. The bilateral extradition treaty entered into force in 1905 and though the Haitian Constitution prohibits extradition of Haitian nationals, the Government of Haiti has willingly surrendered Haitians and other nationals under indictment in the United States to U.S. law enforcement agencies.

2. Supply Reduction

BLTS executed several successful operations in 2013 yielding drug and cash asset seizures, as well as several significant arrests including high-priority U.S. Drug Enforcement Administration (DEA) targets. Nevertheless, overall results remained inconsistent. Cocaine seizures totaled only 26.5 kilograms (kg), with the largest seizure of eight kg in March. Marijuana seizures totaled 1.83 metric tons, the bulk of which came from an operation in June that yielded 530 kg and led to the arrest of six Jamaican nationals. Enforcement actions yielded a total of 204 arrests, $1.15 million in cash, nine firearms, and 15 vehicles. DEA works frequently with BLTS on major operations, and the agency's assistance in intelligence gathering, logistics, and operational planning helped facilitate most BLTS actions ending in seizure or arrest.

There is no significant presence or traffic of synthetic illegal drugs in Haiti.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Illicit drug abuse is uncommon in Haiti, as the population's minimal discretionary income mitigates against a widespread drug abuse problem. There are no Haitian government-sponsored drug demand reduction and treatment programs, nor are there any non-government organizations or international organizations providing such services directly. The United States also provides training to support the development of anti-drug community coalitions to reduce demand for illegal drugs.

4. Corruption

As a matter of policy, the Haitian government does not encourage or facilitate illegal activity associated with drug trafficking, or the laundering of proceeds from illicit drug transactions. Government officials have expressed their desire to combat drug trafficking and its negative impacts.

Effective government action to fight corruption, particularly related to narcotics, is constrained by two major factors. The first is an obstructive legal framework; Haiti has not specifically codified corruption as a crime, and while proposed legislation would criminalize and prescribe set penalties for acts including bribery and illegal procurement, the bill remains stalled in Parliament's lower house. Haiti does, however, have asset seizure laws that have enabled the financial intelligence unit (Central Unit of Financial Investigations, or UCREF) and the HNP's financial crimes unit (Financial and Economic Affairs Brigade, or BAFE) to collaborate to seize assets of drug traffickers convicted outside of Haiti. The Haitian constitution's granting of blanket immunity from prosecution to members of Parliament is also a point of concern for anti-corruption and counter-narcotics efforts.

The second constraining factor is systematically poor judicial performance, which impedes both narcotics and corruption investigations. This is due to a mix of factors, including an antiquated criminal procedure code, opaque court proceedings and record keeping, a historical lack of judicial oversight, and widespread judicial corruption. Successful convictions of drug traffickers are exceedingly rare, and there have been no major corruption-related convictions. The Haitian Unit for Combatting Corruption (ULCC) has advanced 27 corruption-related cases to the judiciary since its inception in 2005, without tangible results.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

U.S. drug control initiatives in Haiti focus on improving the capacity of the HNP, BLTS, and the Haitian Coast Guard to detect, investigate, and deter the flow of illegal drugs. A 2004 letter of agreement (as amended) between the United States and Haiti governs these activities, as well as a new agreement signed in September 2013. Core goals enshrined in the agreement are to create an overall counternarcotics capability in the Haitian government, and to interdict drug shipments and develop cases against traffickers and other criminal organizations. While the organizational

development of the BLTS, the increased number of counternarcotics operations, and the amount of seized cash assets from drug proceeds were all positive steps in 2013, the numbers of drug seizures and maritime interdictions remained stubbornly low. Additionally, the absence of narcotics cases ending in convictions underscored the ongoing under-performance of the judicial system.

U.S. assistance supports both general development of the HNP and targeted support to the BLTS via separate programs. Support to the HNP covers a broad range of activities, including infrastructure, equipment, and both in-country and overseas training. Improved overall operational capacity and professionalism of the HNP are necessary for effective counternarcotics activity in Haiti. With U.S.-funding, the New York City Police Department (NYPD) deploys rotating six-member teams of NYPD officers to Haiti to serve as technical advisors to the HNP, including on counternarcotics activities. This program has been highly effective and has helped improve the HNP's investigatory capabilities.

Specific support to the BLTS spans a similar range, including procurement of communications equipment, vehicles, non-lethal operational gear, and canine unit training. U.S. support also includes multiple training opportunities for BLTS officers, including through a cooperative agreement with the Miami-Dade Police Department to train a total of 75 BLTS agents on various aspects of counternarcotics operations. The United States also funds joint enforcement operations between DEA and the HNP/BLTS.

Finally, the United States also provides maintenance support for five boats originally purchased for the HCG by the Government of Canada. Additional funds support refurbishment and maintenance of three small vessels at the Cap Haitien base; law enforcement training; mobile training teams and professional development; vessel refurbishment and maintenance; electronic equipment; and HCG facility modernization.

D. Conclusion

The continued institutional development of both the HNP and the BLTS are positive trends that have helped to improve public security and have marginally increased Haiti's ability to interdict drug trafficking. Continued strong cooperation between Haitian and U.S. law enforcement has enabled the apprehension of individuals indicted in U.S. jurisdictions and their return for trial. However, the dysfunctional Haitian judicial system drastically limits domestic prosecution of drug cases, and thus reduces disincentives to trafficking operations. Drug seizures also remain low and Haiti's minimal capacity to police both its sea and land borders is a particular point of concern, as it further engenders a low-risk environment for traffickers.

Continued engagement from the United States, particularly in support of BLTS operations and general HNP development, will help Haitian law enforcement to capitalize on marginal gains in drug interdiction capacity. However, the benefits of such gains will be limited if the judicial system fails to convict traffickers. The judiciary still requires wholesale reform to address arcane procedures and internal corruption. Only the concurrent strengthening of the judiciary, law enforcement, and border security will enable Haiti to make real progress in fighting drug trafficking.

Honduras

A. Introduction

Honduras is a major transit country for cocaine, as well as for some chemical precursors for heroin and synthetic drugs. The United States estimated that approximately 86 percent of the cocaine trafficked to the United States in the first half of 2013 first transited through the Mexico/Central America corridor. The United States also estimated in 2012 that 75 percent of all cocaine smuggling flights departing South America first land in Honduras. The Caribbean coastal region of Honduras is a primary landing zone for drug-carrying flights and maritime traffic. The region is vulnerable to narcotics trafficking due to its remoteness, limited infrastructure, lack of government presence, and weak law enforcement institutions. Drug transshipment to points north from the Caribbean coastal region is facilitated by subsequent flights north as well as by maritime and riverine traffic and land movement on the Pan American Highway.

Honduras suffered from violence and a high homicide rate in 2013. According to the country's Security Minister, Honduras' homicide rate may have decreased in 2013, though it is still among the highest in the world.

Violent drug trafficking organizations and transnational gangs such as Mara Salvatrucha and 18th Street contribute to violence and trafficking in Honduras. Transnational gangs do not appear to be a formal part of the transnational drug logistics chain, but generally participate in drug distribution in local communities. In addition, these gangs conduct other illicit activities such as extortion, kidnapping, and human trafficking.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In April, at the urging of civil society, the National Congress called the President of the Supreme Court, the Attorney General, the Security and Defense Ministers, and the Director General of the Honduran National Police (HNP) to testify publicly about their institutions' performance in addressing the nation's security situation. Following the Congressional review, the Minister of Security and the head of the Ministry's internal affairs office resigned. The Honduran Congress determined that the performance of the Attorney General's Office was unacceptable and suspended the Attorney General and his deputy – both of whom subsequently resigned. The Congress appointed an intervention commission composed of leading Honduran legal scholars to propose reforms for the Attorney General's office and manage it for an interim period. In August, the National Congress appointed a new Attorney General and Deputy Attorney General through a process that critics charged was adjusted to favor particular candidates. The new Attorney General took steps to restructure his agency and moved personnel to new positions, as had the intervention commission.

As part of its efforts to root out illicit activity in the security and justice sectors, the Government of Honduras expanded the use of financial disclosures, polygraphs, and other types of vetting for police and prosecutors, and it used the results to remove dozens of police and prosecutors from their positions. Almost all of the senior police leadership was vetted. The government increased the capacity of units and task forces composed of polygraphed and/or vetted Honduran police and prosecutors. A number of these units received U.S.-supported training and had U.S. or international advisors assigned to them. The Ministry of Security took steps to improve internal controls in the HNP, including measures such as inventorying weapons assigned to police officers and installing GPS in police cars to track their whereabouts. Furthermore, the Supreme Court dismissed 57 judges and suspended 16 by mid-2013 after reviewing the work performed by all judges across the country.

In compliance with laws passed by the National Congress, the Government of Honduras established a new HNP unit and two military police battalions to supplement civilian policing efforts.

To strengthen investigative institutions, the United States provided training on a variety of topics for more than 1,200 Honduran police, prosecutors, and judges. The United States also provided support to the Criminal Investigative School, which trained 262 students in basic criminal investigations. As part of the U.S.-Colombian Bilateral Action Plan, the Government of Colombia provided training to HNP staff, the Public Ministry and the Supreme Court in a variety of skills, and provided on-the-job training to police officers. The Government of Chile, with U.S. funding, also provided training to members of the HNP, Public Ministry and Supreme Court. Since 2011, the United States has provided a full-time economic crimes technical advisor from the U.S. Department of Treasury who works closely with the Honduran Administrative Office of Seized Goods (OABI).

Honduras has counternarcotics agreements with the United States, Belize, Colombia, Jamaica, Mexico, Venezuela, and Spain. A United States-Honduras maritime counternarcotics agreement and a bilateral extradition treaty remain in force, and in 2012 the Honduran Congress amended the Constitution to allow for the extradition of Honduran nationals charged with narcotics trafficking, organized crime and terrorism offenses. Unfortunately, no fugitives have been extradited since the amendment went into effect as the Honduran Supreme Court struggles with adopting procedures to implement the constitutional changes and due to the lack of security for judges that may sign extradition warrants. Honduras signed the Caribbean Regional Maritime Counter Drug Agreement, but did not ratify it. A Declaration of Principles between the United States and Honduras for the U.S. Container Security Initiative covers the inspection of maritime cargo destined for the United States.

2. Supply Reduction

The Government of Honduras actively engaged in narcotics interdiction operations in 2013 and worked to strengthen institutions responsible for preparing criminal cases, bringing them before a judge, and remanding convicted criminals to prison facilities. In 2013, Honduras seized more than $800 million in drug-related cash and assets as well as more than 1.7 metric tons of cocaine, and Honduran authorities arrested 30 people in connection with drug related activities.

In one of their greatest successes, the HNP, the Public Ministry, and OABI (with support from the Honduran military) conducted a major law enforcement operation against the Los Cachiros drug trafficking organization in September. The inter-agency operation, which received assistance from the United States, seized assets connected to Los Cachiros valued at more than $500 million. In October, Honduran military forces conducted Operation Armadillo, a successful operation to disrupt and disable illicit airfields used for drug trafficking. The United States assisted the operation by transporting Honduran forces to and from several remote locations in the Gracias a Dios region.

Honduras improved its maritime, border, and land interdiction capabilities in 2013. In February, the HNP conducted Operation Three Points with U.S. support. The one-day operation included a raid at Choluteca Prison and mobile checkpoints along the southern section of Honduras, yielding 45 arrests and the seizure of weapons, ammunition, vehicles, and narcotics. In September, the Honduran Navy, HNP, and the U.S. Drug Enforcement Administration completed a joint investigation of a suspected maritime trafficking group that resulted in the seizure of 420 kilograms of cocaine, as well as the arrest of two suspects and a boat. Throughout the year, the Honduran Navy took commendable initiative to increase its presence in under-governed spaces.

Honduras is not a major production center for drugs. Only two cocaine-processing labs have been discovered in Honduras (in 2011 and 2012). Honduras has modest marijuana production for domestic consumption.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

More than 12,000 students participated in the U.S.-funded Gang Resistance Education and Training (GREAT) program, a school-based curriculum used widely in the United States. The United States provided training to more than 100 HNP officers in specialized courses. With U.S. funding, Colombian National Police provided the HNP training on the protection of minors and adolescents. HNP officers interacted with 700 Honduran children as part of the training.

4. Corruption

As a matter of policy, the Government of Honduras does not encourage nor facilitate illicit production or distribution of narcotics or the laundering of proceeds from illicit drug transactions. However, Honduras continued to struggle with corruption in 2013. The World Economic Forum's Global Competitiveness Report for 2012-2013 listed crime, corruption, and inefficient government bureaucracy as the three principal problematic factors for doing business in Honduras, ranking the country 90 out of 144.

An anti-corruption bill remains in draft, and the government has not fully implemented its inter-agency Transparency and Anticorruption Plan. Only 15 percent of government agencies have complied with transparency and public information requirements.

Poor internal management and operational inactivity continued at the National Anticorruption Council (CNA). Several constituent organizations renounced their participation; more than half of the staff was fired or resigned; and the Public Ministry investigated two of CNA's principal officers for workplace harassment. Despite its mandate to conduct audits and investigate corruption allegations, the CNA has never submitted any documentation related to complaints of corruption or followed up on any corruption cases since its inception in 2001. Hondurans rate CNA as one of the worst public institutions in the country. CNA's board fired its executive director in September and appointed an oversight commission to reform the organization.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports citizen security, law enforcement, and rule-of-law programs in Honduras, mainly through the Central America Regional Security Initiative (CARSI). Working closely with Honduran counterparts, these programs aim to expand Honduran capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, while strengthening Honduras' justice sector.

Through CARSI, the United States trains and equips Honduran police to perform anti-gang law enforcement. The United States also supports community police in Honduras with equipment, vehicles, training, communications, and social and economic programs.

In 2013, the United States helped the Honduran government design a program of comprehensive police reforms that includes a new police law; regulations; and structural, educational, and internal affairs reforms. However, the Honduran Congress has yet to pass the reforms into law. In support of the broader reform program, and as part of the U.S. – Colombia Action Plan, Colombian National Police advisors conducted assessments and worked with Honduran law enforcement agencies to develop reform plans in Internal Affairs and other areas.

The United States and Honduras agreed to establish an Inter-Institutional Task Force (IITF), which would include U.S. and international law enforcement and justice sector advisors. The IITF is envisioned to be a key pillar of U.S.-Honduran joint efforts to improve Honduran investigative capacity, protect human rights, and reduce impunity.

The United States seeks to counter gangs and drug traffickers through a mix of policy initiatives. The U.S. government supports municipal crime prevention efforts and community services for youth at risk. For example, U.S. assistance supports 40 outreach centers that provide a safe place to participate in recreational activities and a platform for guiding at-risk youth into job preparedness training. The United States also supports the development of anti-drug community coalitions as a drug use prevention measure.

D. Conclusion

The Honduran government has made repeated attempts to purge, reform, and strengthen its security and justice sector institutions. Although the government's actions have not yet produced the needed results, civil society and all three branches of government have been intensely engaged in these processes that have triggered a greater urgency for reform within security and

justice sector institutions. The United States encourages the Government of Honduras to continue the process of institutionalizing reform within its security and justice institutions.

India

A. Introduction

India's geographic location makes it an attractive transshipment area for narcotics bound for Europe, Africa, Southeast Asia, and North America. Cross-border heroin trafficking from Pakistan to India continues to be a major problem due to India's porous borders and the ineffectiveness of the Indian Border Security Forces (BSF) to limit smuggling. There is also evidence that opium is grown illicitly in India, especially in the northeastern region. Accurate estimates of the extent, pattern, and nature of the drug problem in India, however, are difficult to determine. Insufficient cooperation and coordination between the various national and state-level agencies involved in drug related work in India present further challenges.

India is authorized by the international community to produce licit opium for pharmaceutical uses, and its chemical industry is a major manufacturer of chemicals that can be diverted for illicit drug production. India also manufactures organic and synthetic licit opiate/psychotropic pharmaceuticals (LOPPS). These pharmaceutical items and precursor chemicals are vulnerable to diversion for illicit use. India continues to be a main source of illicit synthetic drugs.

Despite these challenges, India is committed to enhancing its law enforcement capacity through increased training for its national enforcement officers. India is vigorously exploiting opportunities for international cooperation in an effort to improve the effectiveness of both its demand and supply control efforts.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

India continued to tighten regulations and increase training of national enforcement officers in 2013. However, the capacity of India's drug law enforcement personnel to collect and analyze data and to initiate and conduct complex investigations against criminal drug manufacturing and trafficking remains limited by insufficient training, lack of modern equipment, and poor interagency coordination.

The Narcotics Control Bureau (NCB) is India's primary national drug control agency, established to prevent and combat the abuse of narcotic drugs and psychotropic substances. Under India's stringent Narcotic Drugs and Psychotropic Substances (NDPS) Act of 1985, the Directorate of Revenue Intelligence (DRI) and the Indian Customs Service also pursue narcotics investigations. In 2013, NCB successfully coordinated multiple narcotic investigations targeting international drug trafficking syndicates.

The Central Bureau of Narcotics (CBN) is India's supervising agency over the licit cultivation of opium poppy in India. CBN is responsible for preventive and enforcement functions, including investigations of violations of the NDPS Act, the issuance of licenses for the manufacture of synthetic narcotic drugs, and export/import authorizations for narcotic drugs and psychotropic

substances. The CBN is responsible for issuing "no objection certificates" for select precursor chemicals, and the import of poppy seeds used in licit poppy cultivation. CBN interacts with the International Narcotics Control Board and the authorities of other countries to verify the commercial legitimacy of international transactions.

In 2013, the Government of India amended the NDPS Act by issuing the Regulation of Controlled Substances Order of 2013. The NDPS Act now designates a total of 17 precursor chemicals as controlled substances, including five as Schedule A substances (the highest classification for controls): acetic anhydride; ephedrine; pseudoephedrine; n-acetylanthranilic acid; and anthranilic acid. Domestic manufacture, transport, sale, possession, and international trade in designated precursor chemicals are controlled under the NDPS Act. The manufacturers and dealers of these substances are required to obtain registration certificates from NCB. The international trade of ephedrine and pseudoephedrine has also been placed under tighter controls.

The two main Indian agencies responsible for monitoring India's borders are the Border Security Force (BSF) and Indian Customs Service (ICS). ICS manages the entire official border crossing checkpoints with Pakistan and is responsible for checking all cargo and persons attempting to enter India. India's porous borders and inadequate training limit the effectiveness of BSF and ICS, and provide exploitable opportunities for illegal smuggling, cultivation, and production. These agencies also do not possess technology which allows them to keep pace with traffickers who take full advantage of modern communication technology.

Additionally, India's numerous national and state-level law enforcement agencies coordinate poorly. Drug interdiction operations are successfully carried out, but little actionable intelligence is developed to identify the drug trafficking organizations coordinating the cross-border and international trafficking activity. The break down in investigative effort from the time of a drug seizure and arrest until it reaches the proper Indian law enforcement agency makes it difficult to develop an effective enforcement and prosecution strategy. Finally, India lacks modern drug legislation and effective drug courts, severely hampering the ability of Indian law enforcement agencies to conduct complex drug conspiracy investigations.

India has introduced a program to distribute financial assistance to state agencies to procure infrastructure and equipment for combating drug trafficking. However, there was no current data available to evaluate the success of this initiative in 2013. According to the 2012-2013 Indian Ministry of Home Affairs Annual Report, NCB provides financial assistance to various law enforcement agencies to organize training courses on counternarcotics enforcement. One-hundred and fifteen such courses were organized around India in 2012.

The United States and India are parties to a bilateral extradition treaty which was brought into force in 1999 and covers a broad range of criminal offenses – including narcotics-related offenses. Although India is showing increasing capacity with regard to extradition, U.S. requests for extradition of narcotics traffickers and other criminals continue to be hampered by long delays. A bilateral mutual legal assistance treaty was brought into force in 2005 and permits a broad range of legal assistance in narcotics-related offenses and other matters. As with extradition, India is demonstrating increased ability to act on such requests but continues to struggle with institutional challenges which limit their ability to provide assistance.

2. Supply Reduction

Between January and September, the Government of India seized 868 kilograms (kg) of heroin; 1,116 kg of opium; 28 kg of cocaine; 220 kg of acetic anhydride; and 1,862 kg of ephedrine. The amount of cocaine seized was substantially greater than in previous years and may indicate the development of a new domestic market for the drug.

The diversion of ephedrine from legal production companies in India to illicit ephedrine brokers is a serious problem. In 2012, Indian drug law enforcement agencies seized approximately 33.8 million ephedrine and pseudoephedrine tablets. Through the first nine months of 2013, however, only 1.63 million tablets were seized—a notable decrease. It is unclear if ephedrine and pseudoephedrine trafficking has truly declined or if ephedrine and pseudoephedrine traffickers have become more adept at evading Indian law enforcement.

Traditional drug trafficking organizations in India are diversifying from heroin to ephedrine trafficking due to higher profit margins. Legitimate factory owners and operators are transitioning into criminal drug production and trafficking due to its enormous profit potential and low-risk of capture by Indian law enforcement. However, the Indian legal system is not developing fast enough to keep pace with this changing trend.

In 2013, NCB continued to use satellite imagery and intelligence gathering to track and reduce illicit poppy cultivation. However, the quality of satellite images collected is poor, making them difficult to interpret and requiring the NCB to rely on its officers to undertake the difficult task of providing visual verification of illicit poppy cultivation sites across India. In India's northeast states, where illicit poppy cultivation is widespread, insurgent groups reportedly protect the poppy fields in exchange for compensation from traffickers and cultivators, making it more challenging for NCB officers to identify and eradicate the fields. Between January 1 and August 31, approximately 865 hectares (ha) of illicit poppy and 313 ha of cannabis were identified and destroyed. Concerted efforts in illicit poppy eradication have yielded encouraging results. States like West Bengal, where vast illicit poppy cultivation was reported in previous years, have had very little illicit poppy cultivation in 2013.

In 2012, India made 13,770 drug-related arrests and recorded 9,227 convictions. As of September 30, 2013, India had made 8,103 drug-related arrests and 3,942 convictions.

3. Demand Reduction

India's demand reduction strategy is under the purview of India's Ministry of Social Justice and Empowerment (MSJE), but NCB acts as a primary coordinator of the strategy. The MSJE has a three-pronged strategy for demand reduction, including drug abuse awareness building and education, counseling and treatment programs, and training volunteers to work in the field of demand reduction. India observed the United Nations sponsored International Day Against Drug Abuse and Illicit Trafficking on June 26, 2013, with programs focusing on raising awareness of the harmful effects of drug abuse. These programs included an awareness run against drug abuse, street plays, pledge taking ceremonies, and public displays with awareness messages

endorsed by prominent Indians. Treatment and rehabilitation services from drug abuse are mainly provided by non-governmental organizations. Accurate information on the national prevalence of drug abuse is not available as India has not conducted a national household survey on substance abuse since 2000-2001.

4. Corruption

The Government of India does not encourage or facilitate drug trafficking. Since 1964, India has had an independent statutory body, the Central Vigilance Commission (CVC), which issues guidelines and conducts inquiries to address government corruption. The CVC reports to the President of India through the Indian Parliament. However, corruption is pervasive across police forces at all levels of government, with officers rarely being held accountable for illegal actions. This undermines the effectiveness of even the most elaborate control regimes for dangerous drugs. Indian media reports allege a comprehensive network of corruption, with bribes paid to rural police stations and local governance bodies for illicit poppy and cannabis fields under their jurisdiction to facilitate the cultivation and harvest of these fields.

The country's principal legislation to combat money laundering in India, the Prevention of Money Laundering Act of 2002, was amended in 2013 to eliminate any minimum monetary threshold to launch a money laundering investigation. The Indian government expects this potentially positive amendment to lead to a decline in drug trafficking related money laundering activities.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

Law enforcement agencies in India continue their extensive cooperation with the United States Drug Enforcement Administration (DEA). In 2013, DEA and NCB partnered on three narcotics seizure operations, one ketamine lab bust, two controlled delivery operations, and four seizures outside of India. NCB and DEA have conducted several joint ephedrine-methamphetamine investigations targeting illicit ephedrine distributors and methamphetamine production laboratories. One recent investigation resulted in the seizure of 32,000 pills of pseudoephedrine (worth approximately $24 million) en route to a methamphetamine manufacturing and trafficking organization in Burma. Recent joint NCB and DEA investigations have also targeted licit precursor chemical factory owners using their factories to produce illicit amounts of ephedrine and methamphetamine.

D. Conclusion

The greatest drug-related challenges facing India are the rise in methamphetamine manufacturing and trafficking; the diversion of controlled substances from licit to illicit channels; the smuggling of pharmaceutical preparations containing narcotic drugs and psychotropic substances from India to neighboring countries; and insufficient capacities of and coordination between India's various drug enforcement agencies.

The increased profitability from the manufacturing and distribution of methamphetamine has created an entirely new trafficking element in India that did not exist 10 years ago, transforming

India into a significant precursor chemical source and supply warehouse. The demand to supply the global production of methamphetamine is rapidly creating new precursor chemical entrepreneurs in India who are retooling commercial chemical factories to produce illicit quantities of ephedrine and methamphetamine. As the global price and demand for high quality methamphetamine continues to grow, so too will illicit precursor chemical manufacturing and trafficking networks operating in India.

More aggressive drug law enforcement efforts and enhanced interagency cooperation will be required to effectively dismantle trafficking networks within India. Further reforms to India's court system and counternarcotics legislation to allow police greater latitude in conducting operations and prosecuting the heads of Indian-based drug manufacturing and trafficking groups could also promote further progress.

Indonesia

A. Introduction

Indonesia remains both a transit and destination country for illicit drugs. Indonesia is also a significant consumer of cannabis, methamphetamine, and heroin. Methamphetamine and ecstasy trafficking into Indonesia increased in 2013, while heroin trafficking remained steady. Cannabis is the most widely used drug in Indonesia, followed by methamphetamine. A significant portion of methamphetamine trafficked into Indonesia originates in Iran, while the majority of heroin originates in the "Golden Crescent." African, Chinese, and Iranian drug trafficking organizations continue to be a significant concern for Indonesian law enforcement.

While progress has been made in enhancing the capacity of the National Narcotics Board (BNN) and the Indonesian National Police to gather intelligence and interdict drugs, as well as engage in prevention and rehabilitation activities, Indonesia faces significant challenges due to porous borders, endemic corruption, and poorly administered prisons. Statements and actions taken by President Susilo Bambang Yudhoyono indicate that Indonesia is committed to addressing these challenges.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Indonesia's effectiveness in combating drugs increased in 2013. Based on significant powers provided by the 2009 National Narcotics Law, the BNN has put in place stronger policies and procedures, collaborated successfully with other ministries and social organizations, and formed drug control agreements with other countries. The BNN is responsible for prevention, interdiction, and rehabilitation activities. The Indonesian National Police also shares interdiction responsibilities. The BNN's budget increased by 21 percent in 2013. It established a new rehabilitation center and currently operates 68 integrated command centers throughout the country. Indonesia continues to coordinate with stakeholder countries and with the United States, which has provided technical assistance, equipment, training, and information-sharing support. Adding to existing bilateral agreements, new drug control agreements were signed with Nigeria, Peru, and India.
There is currently no mutual legal assistance or extradition treaty between Indonesia and the United States.

2. Supply Reduction

The BNN improved its investigative and technical capacity to interdict drugs in 2013, areas where U.S. assistance has been particularly helpful. In June, a joint U.S., Indonesian, and Australian investigation led to the arrest of an online precursor chemical distributor in Indonesia and the seizure of five ecstasy laboratories in the United States. Additionally, U.S. and Indonesian cooperation in Batam, Riau Islands Province, led to the largest seizure of ecstasy to date by Indonesian law enforcement outside the capital city. Other supply reduction efforts

included several seizures at airports, seaports, and land borders; apprehension of members of multiple drug syndicates; the destruction of cannabis and the diversion of 40 hectares to the production of legal crops in Aceh; the destruction of several hectares of khat in West Java; and the seizure of several small clandestine drug laboratories.

In 2013, trafficking by West African drug trafficking organizations appeared to increase, while Chinese and Iranian drug trafficking organizations also remained active. Seven foreign drug traffickers were arrested in the first half of 2013, the majority from African countries. The quantity of processed cannabis and hectares of plants under cultivation in Indonesia have been on a downward trend for the past few years, but significant production continues in Aceh. The BNN utilized the drug-related arrest of a well-known actor as a means to raise awareness about the dangers of synthetic drugs, including designer drugs otherwise known as new psychoactive substances. Twenty one new psychoactive substances were identified in Indonesia in 2013.

3. Demand Reduction

The BNN has stated that the overall incidence of drug use rose in 2013, though it continued to formally cite the results of its National Survey of Narcotics Abuse that was published in 2012. The survey indicated an estimated 3.7 to 4.7 million drug users in Indonesia. Research indicated that 70 percent of users were workers; students made up 22 percent of users. The most widely-used narcotics were cannabis, methamphetamine, and ecstasy. The BNN organized 430 outreach events as well as 360 community focus group discussions in an effort to reduce demand.

The BNN opened a new rehabilitation center and expanded its cooperation with hospitals and non-governmental organizations to leverage medical and professional counseling resources. The BNN operated Therapeutic Communities at nine prisons. Jakarta's Provincial Government began offering free rehabilitation services on a limited scale under its new healthcare program. Efforts were underway in late 2013 to establish assessment teams at precinct police stations as part of a campaign to enlist addicts in rehabilitation programs. The BNN and the Indonesian National Police launched a series of highly publicized raids on Jakarta nightclubs known for drug distribution in an effort to curb demand. In August, the BNN and Muhammadiyah, Indonesia's second-largest Muslim organization, with an estimated 30 million members, signed an agreement to cooperate on drug demand reduction.

To support demand reduction efforts, the United States has developed a universal curriculum for drug treatment, and is currently working with the Colombo Plan to train Indonesian trainers, who will further disseminate the material to local practitioners. In addition to training, the Colombo Plan is working with the Indonesian government to develop a certification program, providing trainees with formal treatment credentials.

4. Corruption

As a matter of public policy, Indonesia does not encourage or facilitate illegal activity related to drug trafficking, and no senior government officials are known to be engaged in such activity. However, corruption at all levels of government and society is pervasive, and this poses a significant threat to the country's counternarcotics strategy. Indonesia has made some progress

in combating official corruption, primarily through a growing body of laws and the efforts of its Corruption Eradication Commission. However, Indonesian officials remain susceptible to corruption, particularly lower level officials, due partly to low wages. Even when narcotics offenders receive stringent prison sentences, corruption within the prison sector facilitates the ongoing use, distribution, and trafficking of illicit substances.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In May, the BNN organized a conference entitled "National Policy and Strategy In Prevention and Eradication, Narcotics Abuse, and Illicit Narcotics." The conference focused on Indonesia's 2011 – 2015 goals and included political leaders, law enforcement officials, and representatives of key stakeholder ministries and organizations. The conference raised awareness, promoted cooperation, and highlighted the Indonesian President's Instruction Letter encouraging rehabilitation over incarceration for drug users.

The U.S. Drug Enforcement Administration opened its Jakarta Country Office in 2011. In late 2012, the United States completed the construction of classrooms and barracks for training counternarcotics officers, which was utilized regularly for training events over the course of 2013. The United States provides wide-ranging support that includes training, technical assistance, equipment, and infrastructure.

D. Conclusion

Indonesia's commitment to strong drug-control institutions is evidenced by its continuing efforts to implement the 2009 National Narcotics Law. The BNN's growing administrative capability, increased budgetary resources, and collaboration with other organizations are positive indicators. The expansion of drug demand reduction efforts, interdiction capabilities, and rehabilitation capacity continued in 2013. While the BNN and the Ministry of Law and Human Rights established a joint rule in 2011 to prevent and combat trafficking and narcotics abuse in detention and correctional facilities, efforts to combat drug-related corruption, particularly in prisons, remains an area for improvement. The BNN recently agreed, in coordination with the Ministry of Law and Human Rights, to provide rehabilitation services to 10,000 narcotics prisoners in 2014.

Iran

Iran is a significant market and transit zone for opiates and hashish produced in Afghanistan, as well as a growing source of methamphetamine produced for domestic and international consumption. According to the International Narcotic Control Board's most recent report, approximately 35 percent of the heroin trafficked from Afghanistan transits Iran, both for domestic consumption and further export to international markets. According to Iran's own statistics provided to the UN Office on Drugs and Crime (UNODC), heroin seizures dropped significantly in 2012, to approximately 10.2 metric tons (MT) from over 23 MT in 2011. Over the first five months of 2013, reported seizures remained on pace to track 2012 totals. Seizures of raw opium appear to remain stable, however, and methamphetamine seizures continue to rise.

According to Iran's Drug Control Headquarters, Iranian authorities seized approximately 2.36 MT of methamphetamine during the first five months of 2013, on pace to exceed all previous annual totals and more than a six-fold increase from 2009. Iran-based methamphetamine trafficking networks have become leading suppliers to markets within the country and across the Middle East and the Asia-Pacific region. Domestic abuse of methamphetamine has risen accordingly. The national addiction telephone hotline received more questions about methamphetamine than any other drug in 2011, according to the Iranian government.

Overall addiction rates remain among the highest in the world, though estimates of the number of drug users in Iran are imprecise. According to the most recent national survey of drug use in 2011, approximately two million Iranians had used an illegal drug over the previous year. According to media reports, use of a high purity form of injected heroin known as "crack" may be increasing. Iran's demand reduction and treatment programs are extensive and include: opioid substitution treatment; voluntary counseling centers; prison treatment and rehabilitation; and school-based prevention campaigns. Non-governmental organizations also administer a range of rehabilitation and detoxification centers.

Although Iran's interdiction efforts along its eastern border with Afghanistan and Pakistan are extensive, joint investigations with international law enforcement partners remain rare. Iranian officials have expressed public interest in pursuing greater international cooperation to reduce drug trafficking in the region. UNODC has facilitated cooperative initiatives between Iran and its neighbors, particularly Pakistan and Afghanistan, and there were reports of some joint Iran-Pakistan investigations leading to seizures in 2013. The United States has no bilateral agreement with Iran on drug control issues, but encourages regional cooperation such as facilitated by UNODC.

Iraq

A. Introduction

Iraq is a transit country for illegal drugs destined for international markets. While domestic drug abuse largely involves licit pharmaceuticals, overall demand for illegal drugs is increasing. Government of Iraq efforts to address trafficking and drug consumption are limited and secondary to its focus on internal security and public order.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Government of Iraq generally maintains that the country does not have a significant drug abuse or trafficking problem. However, the government increasingly acknowledges expanded activity in both realms. The Ministry of Interior's (MOI) Port of Entry Directorate and Directorate of Border Enforcement and the Ministry of Finance's (MOF) General Directorate of Customs share responsibility for deterring and interdicting contraband across Iraq's borders. In 2013, the MOI established a new Counter Narcotics Directorate staffed by officers of the Iraqi Police Service. MOF Civil Customs Officers and MOI Customs Police search vehicles crossing into Iraq. However, this focus on seizing drug shipments at the borders is rarely accompanied by further investigation into the sources of the narcotics or by arrests and prosecution of leaders of drug trafficking enterprises.

Iraq's drug laws do not reflect international advances in law enforcement or treatment. Personal use can carry prison sentences from three to 15 years and trafficking can draw a life sentence or the death penalty. Convicted drug users can request treatment in lieu of incarceration, but treatment capacities would be grossly inadequate if this option were routinely implemented. Extradition between the United States and Iraq is governed in principle by the 1934 U.S.-Iraq Extradition Treaty. There is no mutual legal assistance treaty in force between the United States and Iraq, though mutual legal assistance is provided on a reciprocal basis through letters of request.

2. Supply Reduction

Iraq's porous borders are poor deterrents to increasing drug trafficking. Methamphetamine and hashish from Iran and fenethylline pills (an amphetamine-type stimulant, or ATS) from Syria are trafficked into Iraq for transshipment to other Middle Eastern countries and for domestic consumption. Heroin and opium originating in Afghanistan are trafficked into the country via Iran, and then onward to international markets through neighboring countries, especially Syria and Turkey. The current instability in Syria further enables this transnational trafficking supply chain.

Interdiction efforts are included in routine border control duties. The government first seized fenethylline pills in 2009, and seizures have increased each year since. Traffickers have adopted

more sophisticated concealment methods in response to more frequent searches of vehicles by border authorities. In the third quarter of 2012, border officials on the Kuwait border seized 17 kilograms of heroin along with 37,000 pills of MDMA (ecstasy) during a routine border inspection. Law enforcement officials in Basrah continue to contend that the city has become a central entry point and a major distribution center for drugs in Iraq. Border authorities are increasingly concerned that terrorists are turning to lucrative drug trafficking as a revenue stream.

3. Demand Reduction

Abuse of illegal drugs is growing in Iraq, and two forms of ATS – fenethylline pills and methamphetamine – are frequently abused. Iraqis also abuse more traditional opiate products and hashish; there is anecdotal evidence that hashish is routinely available in many cafés where smoking water pipes (hookahs) is common. According to health officials, abuse of pharmaceuticals, most of which are available over-the-counter at Iraqi pharmacies, is a significant problem. Substances like trihexyphenidyl (also known as benzhexol), diazepam, clonazepam, and tramadol (an opioid analgesic) have a growing user base. Millions of injections of tramadol are provided annually by Iraqi pharmacies without prescription.

The Ministry of Health (MOH) attributes substance abuse to low employment, poor living conditions, post conflict stress disorders, and continued violence. Drug abuse prevention efforts in Iraq are still in their infancy. The stigma surrounding drug use is substantial, which deters those with substance abuse problems from seeking treatment. Mosques and churches throughout Iraq attempt to prevent drug abuse by talking about the consequences and the importance of making healthy lifestyle choices. The MOH is moving forward with plans to establish treatment units in hospitals and outpatient facilities throughout the country, complete with training for paramedical professionals, physicians, psychologists, and psychiatrists. The MOH also has plans to monitor the safe storage and dispensing of drugs at pharmacies, and promotes prevention through youth-oriented media campaigns for various age groups.

4. Corruption

As a matter of government policy, Iraq does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Nevertheless, some drug-related corruption exists, and Iraqi authorities have arrested some low-level government employees for involvement in drug smuggling.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States provides support for counternarcotics programs in Iraq, including a Drug Demand Reduction initiative. Current U.S.–funded programs include the development of substance abuse treatment, prevention, and rehabilitation services, as well as outreach drop-in treatment centers in at-risk neighborhoods across Iraq, and additional in-patient treatment facilities administered by the MOH. Concurrently, the United States is sponsoring the establishment of community anti-drug coalitions in northern Iraq, as well as exploring assistance

to the Ministry of Education with updating the primary grade public school curriculum to contain anti-drug and healthy lifestyle messaging. This initiative also helped to form and continues to support the Iraqi Community Epidemiological Workgroup (I-CEWG), comprised of Iraqi health care professionals that gathers data on the ongoing trends and developments of substance abuse in Iraq. Lastly, building upon the work of the I-CEWG, a national drug use survey is underway to fully ascertain the scope of drug abuse in Iraq which will better inform government policy and future resource allocation decisions in drug interdiction, treatment, and outreach.

Prior to the closure of the Police Development Program in February 2013, U.S. Immigration and Customs Enforcement and Customs and Border Protection officers worked closely with the Iraqi Directorate of Border Enforcement to improve border control. Iraqi Civil Customs and Customs Police repeatedly request further counternarcotics training.

D. Conclusion

Iraq's law enforcement agencies are gaining technical expertise in drug interdiction, but Iraq's political leadership has not fully acknowledged the country's growing role as a transit and consumer country for illegal drugs. The country's acute terrorism-related security challenges continue preoccupy the government's attention, and law enforcement resources are directed towards urgent security priorities. Iraq needs to provide adequate resources to counter drug trafficking and reduce domestic demand. The Iraqi government should also modernize outdated drug control laws to improve law enforcement, drug abuse prevention, and treatment. The United States will continue to work with the Government of Iraq to help it confront these challenges.

Italy

Italy remains an important European transit and consumer country for illegal drugs. Southwest Asian heroin arrives from transit routes in the Middle East and the Balkans, while cocaine reaches Italy directly from South America or through Spain and other countries en route to western and central Europe. Synthetic drugs and cannabis products are the illicit drugs most commonly consumed in Italy.

The majority of cocaine found in Italy originates in Colombia and is primarily managed in Italy by organized crime groups based in Calabria and Campania. Italy's numerous seaports present the country's largest threat for the importation of illicit drugs, with multi-hundred kilogram shipments of cocaine entering Italy concealed in commercial cargo as well as by private maritime vessels. South American and Mexican cocaine trafficking groups use Italy as a transit/consolidation point for the repatriation of drug proceeds, via bulk currency shipments to Colombia and Mexico and wire transfers throughout the world. Since 2009, Italian drug investigations have also identified increased activity by Serbian criminal groups involved in the importation of large amounts of cocaine.

In 2012 (the most recent year for which information is available), Italian authorities seized 5.32 metric tons (MT) of cocaine; 951 kilograms (kg) of heroin; 21.9 MT of hashish; 21.5 MT of marijuana; and 22,727 doses of synthetic drugs. Italy arrested 34, 971 individuals on drug-related charges in 2012. The Italian authorities were assisted by the U.S. Drug Enforcement Administration (DEA) in the apprehension of four of Italy's most wanted fugitives in Colombia in 2013.

In 2013, the Italian Guardia di Finanza (GdF) in cooperation with DEA concluded a transnational investigation targeting a drug trafficking cell of the 'Ndrangheta criminal organization that coordinated significant cocaine consignments from Panama and Colombia into Italy through the port of Gioia Tauro, Calabria. The GdF in Gioia Tauro seized a total of 296 kg of cocaine from three separate shipping containers that had originated in Chile hidden in scrap metal. The investigation also revealed that the organization repatriated its illicitly earned funds relying on bulk money movements facilitated by Lebanese money laundering organizations based in Europe and northern Colombia. Italian law enforcement agencies maintain liaison offices in Albania, Turkey, Iran, Afghanistan and Uzbekistan to assist foreign counterparts in interdicting narcotics originating from Afghanistan and bound for Italy.

The United States and Italy enjoy outstanding counter narcotics cooperation, sharing intelligence and coordinating joint criminal investigations on a regular basis. The U.S. government will continue to work closely with Italian authorities to initiate, support, and exploit multilateral investigations focused on the disruption and dismantlement of the most significant transnational drug trafficking/money laundering organizations operating in and through Italy.

Jamaica

A. Introduction

Jamaica remains the largest Caribbean supplier of marijuana to the United States and local Caribbean islands. Although cocaine and synthetic drugs are not produced locally, Jamaica is a transit point for drugs trafficked from South America to North America and other international markets. In 2013, drug production and trafficking were both enabled and accompanied by organized crime, domestic and international gang activity, and police and government corruption. Illicit drugs are also a common means of exchange for illegally-trafficked firearms entering the country, exacerbating Jamaica's security situation.

Drugs flow from and through Jamaica by maritime conveyance, air freight, and human couriers, and to a limited degree by private aircraft. Drugs leaving Jamaica are bound for the United States, Canada and other Caribbean nations. However, marijuana and cocaine are also trafficked from Jamaica into the United Kingdom, Belgium, Germany, and the Netherlands. Jamaica is emerging as a transit point for cocaine leaving Central America and destined for the United States, and some drug trafficking organizations exchange Jamaican marijuana for cocaine.

Factors that contribute to drug trafficking include the country's convenient geographic position as a waypoint for narcotics trafficked from Latin America; its lengthy, rugged and difficult-to-patrol coastline; a high volume of tourist travel and airline traffic; its status as a major transshipment hub for maritime containerized cargo; inadequate educational and employment opportunities for at-risk youth who engage in crime; and a struggling economy that encourages marijuana cultivation in rural areas.

The government and law enforcement authorities are committed to combating narcotics and illicit trafficking. However, their efforts were only moderately effective in 2013 because of a lack of sufficient resources; corruption; an inefficient criminal justice system; and the inability of lawmakers to adopt meaningful legislation to combat corruption and gangs. Lawmakers increased their discussion of loosening Jamaica's law prohibiting the personal use of marijuana.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

Cooperation between the Governments of the United States and Jamaica against narcotics and related transnational crime remained strong in 2013. The United States' primary Jamaican partners are the Jamaica Constabulary Force (JCF, police), the Jamaica Defence Force (JDF, military), Jamaica Customs, and the Financial Investigation Division of the Ministry of Finance.

The United States and Jamaica are bilateral parties to both a mutual legal assistance treaty and an extradition treaty. The countries have a strong extradition and mutual assistance relationship, and the extradition treaty was actively and successfully used in 2013. Both governments have a

reciprocal agreement to share forfeited criminal assets and a bilateral law enforcement agreement that governs cooperation in the interdiction of the maritime flow of illegal drugs.

The Commissioner of Police, with support from the Minister of National Security, continued to take a strong public stance against police corruption and make steady progress toward reform of the institution, which has suffered from decades of endemic corruption.

Progress in combating narcotics, illicit trafficking and corruption was also hobbled by an underfunded, overburdened and sluggish criminal justice system with limited effectiveness in obtaining criminal convictions. The conviction rate for murder was approximately five percent, and the courts continued to be plagued with a culture of trial postponements and delay. This lack of efficacy within the courts contributed to impunity for many of the worst criminal offenders and gangs, an abnormally high rate of violent crimes, lack of cooperation by witnesses and jurors, frustration among police officers and the public, a significant social cost and drain on the economy, and a disincentive for tourism and international investment.

2. Supply Reduction

An estimated 15,000 hectares (ha) of marijuana is grown in all 14 parishes of Jamaica, generally in areas inaccessible to vehicular traffic on small plots in mountainous areas and along the tributaries of the Black River in Saint Elizabeth parish. The police and military, supported by the United States, employed teams of civilian cutters to cut growing plants, seize seedlings and cured marijuana, and burn them in the field. Because Jamaican law prohibits the use of herbicides, only manual eradication was conducted in 2013.

Eradication of marijuana decreased in 2013, with the destruction of 247 ha of growing cannabis, 1.9 million seedlings, and 285 kilograms (kg) of seeds – down from 711 ha, 2.58 million seedlings and 785 kg of seeds destroyed in 2012.

Jamaica prohibits the manufacture, sale, transport, and possession of MDMA (ecstasy) and methamphetamine, and regulates the precursor chemicals used to produce them. Jamaica does not produce precursor chemicals and relies on countries exporting goods to conform to international standards governing export verification. The importation and sale of pharmaceutical products and chemical substances are regulated and reinforced with fines or imprisonment. Other controls monitor the usage of pharmaceutical products and chemical substances including register controls, inspections, and audits. In 2013, precursor chemicals continued to move through Jamaica to Central America and were concealed in shipping containers that passed through the Port of Kingston. The chemicals included methylamine hydrochloride and mono-methylamine, both of which are utilized in the manufacture of methamphetamine.

Smugglers continued to use maritime shipping containers, ships, small boats, air freight and couriers to move drugs from and through Jamaica to the United States. One common practice of traffickers was to transport cocaine in large fishing vessels to a point several miles off the Jamaica coast, where small fishing canoes then carried the drugs to shore. Traffickers used the same system in reverse to ship marijuana south to the Caribbean and South America. The JDF

Air Wing lacked a fixed wing aircraft capable of detecting and tracking such fishing vessels, and the JDF Coast Guard lacked swift and reliable vessels to intercept them.

In 2013, authorities seized 30.9 metric tons (MT) of cannabis, 80.9 kg of hash oil and 22.6 kg of hashish, compared to 66.8 MT of cannabis, 42.2 kg of hash oil and 2.99 kg of hashish in 2012. Seizures of cocaine increased to 1.23 MT in 2013 from 338.3 kg in 2012, and seizures of crack cocaine increased to 4 kg in 2013 from 1.4 kg in 2012. High-profile organized criminal gangs continued to successfully operate within Jamaica. Gangs are sometimes afforded community tolerance or protection and, in some cases, support through police corruption.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Marijuana was used by 13.5 percent of the population in 2013, making it the most-abused illicit drug among Jamaicans, while cocaine abusers remained less than 0.1 percent.

The Ministry of Health's National Council on Drug Abuse (NCDA), working through the primary care system and mental health clinics, provides assessment, counseling and treatment services for substance abusers.

The Jamaican government operates one detoxification center located at the University Hospital of the West Indies (UHWI) in Kingston, and offers services for dual diagnosis clients through UHWI and Kingston's Bellevue Hospital (a mental health institution). In collaboration with the Organization of American States' Inter-American Drug Abuse Control Commission, Jamaica offers a university-level certificate program for drug professionals in drug addiction and drug prevention. The UN Office on Drugs and Crime works directly with the Jamaican government and non-governmental organizations on demand reduction.

The Ministry of Health (MOH) regulates precursor pharmaceuticals, including the importation of pseudoephedrine, both in powder and final product forms. The NCDA, the Pharmacy Council, and the MOH are working to expand awareness among health professionals on the potential danger of pseudoephedrine and ephedrine when they are diverted to produce methamphetamine.

4. Corruption

As a matter of policy, the Jamaican government does not encourage or facilitate illegal activity associated with drug trafficking or the laundering of proceeds from illicit drug transactions. Jamaican law penalizes official corruption; however, corruption remains entrenched, widespread, and compounded by a judicial system that has a poor record of successfully prosecuting corruption cases against high-level law enforcement and government officials.

In 2013, anti-corruption measures within the police, Jamaica Customs, Tax Administration Jamaica, and the Office of the Contractor General continued to show encouraging signs. Additionally, the U.S.-supported non-governmental organization National Integrity Action helped focus increased public and government attention on the need for continued anti-corruption reforms.

The police Anti-Corruption Branch (ACB) showed continued success in identifying and removing officers engaged in corrupt and unethical behavior. Since the ACB's reorganization with international support in 2008, 490 police personnel have resigned or been dismissed for corruption or ethical violations, with 36 of those removed in 2013. Another 50 officers faced criminal corruption charges during the year. Police success was due partly to mechanisms that allowed it to dismiss corrupt or unethical officers when evidence was insufficient to justify criminal prosecution. For example, all police officers between the rank of Constable and Inspector (97 percent of JCF personnel) are required to sign five-year employment contracts that the JCF can decide to not renew if an officer is suspected of corrupt or unethical behavior. In addition, vetting and polygraph examinations are required for all promotions above the rank of inspector (three percent of JCF personnel).

There was some legislative action toward creating a National Anti-Corruption Agency, which is required by the Inter-American Convention against Corruption to which Jamaica is a signatory. Legislation to establish such an agency has been pending before Parliament since 2008, but efforts by legislators from both political parties have stalled the proposal. In 2013, the Minister of Justice worked with stakeholders to redraft the bill and organize legislative support for advancement of the proposal.

C. National Goals, Bilateral Cooperation and U.S. Policy Initiatives

The United States supports a wide range of efforts designed to address crime and violence affecting Jamaican citizens, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote social justice.

Consistent with CBSI, supporting Jamaica's transformation into a more secure, democratic, and prosperous partner is a major U.S. policy goal. The primary source of U.S. funding for these efforts is through the Caribbean Basin Security Initiative. Narcotics trafficking, corruption, and related crime undermine the rule of law, democratic governance, economic growth, and the quality of life for all Jamaicans. Success in combating crime depends on a comprehensive approach that recognizes the link between drugs, gangs, organized crime, poverty, unemployment, lack of educational opportunities, and government corruption.

U.S. support to Jamaica includes training, equipment and logistical assistance for: marijuana eradication and narcotics interdiction; combatting cyber-crime, preventing money laundering and financial crime, lottery scams, and organized crime; disrupting gang operations; forfeiting criminally-acquired assets; enhancing border security at air and sea ports; and the maritime law enforcement capabilities of the JCF and the JDF Coast Guard. The United States also funds projects to improve the effectiveness of the courts, the National Forensic Sciences Laboratory, and the Financial Investigation Division of the Ministry of Finance. Indirect support for law enforcement occurred through projects to build community-police relations, improve police training facilities and techniques, enhance police anti-corruption efforts, and implement education and workforce development programs targeting at-risk youth who are susceptible to narcotics and gang influence.

D. Conclusion

Through strong leadership, stable democratic institutions, and support from the United States and other international partners, Jamaica continued to make slow but steady progress in combating narcotics trafficking, corruption and organized crime in 2013.

Success stories included the JCF Anti-Corruption Branch, which continued to make progress in eliminating corrupt and unethical police officers; the National Forensic Sciences Laboratory, which showed dramatic improvement in its ability to process crime scene ballistic evidence; the JCF Major Organized Crime and Anti-Corruption Task Force, which significantly reduced Jamaica lottery scam operations that targeted retirees and the elderly in the United States; the Financial Investigation Division of the Ministry of Finance that, with new organization and leadership, ramped up its efforts to curb money laundering and seize criminally-acquired assets; and the Independent Commission on Investigations, which was successful in establishing its legal authority to prosecute police officers who illegally injure or kill citizens in the course of their duties.

The momentum of progress gained within Jamaica's law enforcement agencies, however, is being obstructed by the inability of prosecutors and the courts to keep apace and secure prompt convictions. The United States will therefore continue to support efforts to reform and strengthen Jamaica's criminal court system.

Kazakhstan

A. Introduction

Kazakhstan is a transit country for Afghan opiates destined for Russia, and wild cannabis also grows in the country's south. Kazakhstan lies on one of the two main heroin routes from Afghanistan into Russia. Some of this supply continues onward to Europe, but significant amounts have not reached the United States. Though Kazakhstan does not produce a sizeable amount of opiates, cannabis cultivation and trafficking has increased in Kazakhstan in response to growing demand.

Reported decreased opiate availability and subsequent higher costs for opiates has led to the emergence of new, locally produced synthetic drugs. Kazakhstan acknowledges the problem and is combating the development of synthetic drugs made in home-based labs.

Kazakhstan cooperates with regional and international partners to combat drug trafficking, including through active participation in training sessions and conferences on emerging threats and persistent regional problems. Kazakhstan's Ministry of Interior is very concerned over a potential rise in Afghan drug production and its effect on Central Asia following the scheduled withdrawal of NATO forces in 2014. Despite a 19.2 percent decline in registered drug addicts since 2011 (including a 26.2 percent drop among women and 39.3 percent drop among adolescents), officials at Kazakhstan's Committee for National Security estimate that unregistered drug addiction might still be twice that of the official estimate, and are concerned that Afghan instability may contribute to a sharp increase in the near future.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In April 2012, the Government of Kazakhstan adopted the Program on Combating Drug Addiction and Drug Business (2012-2016) with a budget of $41 million. The program supplements traditional counternarcotics enforcement efforts with drug demand reduction, rehabilitation, and tougher border control. The government performed an inspection of the program in 2013 and proposed changes to increase interagency cooperation, which is a major obstacle to its implementation. The Border Guard Service acquired off-road vehicles and snowmobiles, and opened two new border posts in the south.

Kazakhstan hosts the Central Asia Regional Information and Coordination Center (CARICC). Kazakhstan also cooperates with a number of countries on a bilateral basis, and participates in counternarcotics activities as part of the Shanghai Cooperation Organization (SCO) and the Collective Security Treaty Organization (CSTO).

Kazakhstan has no bilateral extradition treaty with the United States, but mutual legal assistance and extradition are available based on reciprocity. In 2012, the Prosecutor General's Office of

Kazakhstan initiated a conversation on a bilateral agreement concerning criminal cases, but no agreement is in force.

2. Supply Reduction

Through September 2013, law enforcement agencies in Kazakhstan seized 24.6 metric tons (MT) of drugs (compared to 26.9 in 2012), including 724.1 kilograms (kg) of heroin (208.1 kg in 2012). The number of registered drug-related crimes decreased from 3,098 to 2,989, including 1,774 sales incidents (1,830 in 2012), 171 contraband cases (176 in 2012), and 16 incidents of organizing and maintaining drug dens (18 in 2012). The Ministry of Interior dismantled 12 drug trafficking groups (nine in 2012) and prosecuted 61 people involved.

The Ministry of Interior conducted 16 controlled delivery operations (compared to 23 in 2012), including five external operations (four with Kyrgyzstan and one with Russia). These operations resulted in the disruption of two drug trafficking networks from Kyrgyzstan: one through Astana to Russia, and one to South Kazakhstan. They resulted in the seizure of 335 kg of drugs, including 48.8 kg of heroin.

Kazakhstan started drafting new legislation to address narcotic analogues as well as introducing electronic licensing for drug-related industries. Authorities are concerned that the opioid desomorphine, which is popular in Russia and made from easily accessible medicines that contain codeine, has begun appearing in northern Kazakhstan. Kazakhstan also takes part in the annual CSTO "Operation Kanal" seizure operations, one of which uncovered 26 codeine sales violations and resulted in the arrest of 98 individuals, including 34 medical personnel.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Kazakhstan has several ongoing interagency activities aimed at demand reduction, including the Program for Development of Healthcare (2011-2015), "Healthy Lifestyles" (2008-2016), and the Program on Combating Drug Addiction and Drug Business (2012-2016). In 2013, the Agency on Sport and Physical Culture held multiple national athletic competitions. The Ministry of Health introduced anti-narcotics programs for school police inspectors and teachers on the identification of risk factors among students. The Ministry of Education and Science conducted demand reduction seminars for school teachers, and monitored drug consumption in educational institutes. The Ministry of Culture and Information arranged training programs for mass media, teachers, and school inspectors.

The Ministry of Interior's Counternarcotics Committee cooperates with 73 Non-Governmental Organizations (NGOs) on demand reduction and the medical and social rehabilitation of drug addicts. The Committee on Combating Drug Trafficking supports the Center of Social and Psychological Rehabilitation of Drug Addicts, and the Ministry of Health runs a similar center. These organizations are also developing new narcology standards, treatment methods, prison addict rehabilitation, and harm reduction programs.

The Counternarcotics Committee works with non-governmental and youth organizations to prevent drug addiction among children as part of the Program on Combating Drug Addiction and

Drug Trafficking. Its website, www.narcopost.kz, provides updates on demand reduction activities. The Ministry of Interior also publishes the magazines "Narcopost and Future without Drugs."

These efforts resulted in a decrease in the number of drug addicts compared to the same reporting period in 2012. The total number of registered addicts decreased by 3.3 percent from 41,614 to 40,224, with greater reductions among women (6.7 percent decrease) and adolescents (19.1 percent).

4. Corruption

Kazakhstan does not encourage or facilitate drug trafficking or related activity as a matter of policy, and no senior officials were charged in drug-related corruption scandals in 2013. The government implemented civil service reform in 2013 to reduce corruption across all agencies. While the government does not report corruption statistics, it rewards citizens for reporting police corruption. In 2013, it distributed $85,000 among 140 reporting citizens.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States provides support to counternarcotics programs in Kazakhstan through bilateral agreements. In 2013, the United States organized five interagency workshops for counternarcotics officers on drug-related investigations. The United States continued to implement a drug detection canine training program, and provided funding to develop canine facilities and assist drug seizure operations. The United States also cooperated with UNODC to increase the intelligence capacity of counternarcotics agencies. All programs are designed to increase Kazakhstan's capacity to combat drug-trafficking and drug use, and all enjoy cooperation and joint funding from the host government.

D. Conclusion

The situation in Kazakhstan remains relatively stable, though there is clear concern about the impact of the NATO withdrawal from Afghanistan. The Government of Kazakhstan is increasing both regional and broader international cooperation to confront the illegal drug trade, but removal of customs barriers and simplified border procedures with regional neighbors may also provide new opportunities for drug traffickers. More transparent and robust record-keeping and information-sharing between ministries is needed, along with a reduction in the corruption endemic in the region, but Kazakhstan is taking positive steps to address these issues, and recognizes the public health and national security threats posed by drug trafficking and addiction.

Kosovo

Kosovo remains a transit country for drugs destined for Europe. Kosovo coordinates its multi-agency inter-ministerial efforts to combat narcotics trafficking through the National Coordinator for Anti-Drug Strategy. The Kosovo Police Narcotics Trafficking Investigation Directorate is primarily tasked with implementing Kosovo's National Anti-Drug Strategy and Action Plan and is responsible for narcotics-related investigations, seizures, and arrests. Staffing levels have remained constant after increasing significantly in 2012.

Over the first nine months of 2013, marijuana constituted the bulk of seizures (430 kilograms, or kg), followed by heroin (21 kg) and cocaine (3 kg). These totals were significantly below the amounts seized over the same period in 2012, when over one metric ton of marijuana and over 50 kg of heroin were seized. Police also seized cannabis seeds and plants, as well as 107 ecstasy tablets. Factors adversely impacting Kosovo's efforts to combat narcotics trafficking include its geographic location along traditional smuggling routes; lack of control over northern municipalities; poor economy; and an ineffective border management system.

There are no comprehensive reports assessing drug use in Kosovo. Based on available information, the vast majority of offenders are men between the ages of 18 and 35 and marijuana is their drug of choice. The Ministries of Health and Education conduct drug education programs, community police officers educate students about risks of drug use, and non-governmental organizations such as Labyrinth assist with anti-drug education and drug treatment.

Estimating the extent to which corruption influences drug trafficking in Kosovo is difficult. While laws prohibit narcotics-related corruption, allegations persist that narcotics move across Kosovo's borders by truck, bus, and private vehicle, sometimes with the permission of bribed customs officers.

Kosovo adopted its second counter narcotics strategy in 2012, similar in content and goals to the first strategy adopted in 2009. Because Kosovo is not yet a United Nations member state, it is party to relatively few international conventions and protocols or bilateral agreements relating to counternarcotics. Kosovo cooperates and exchanges information with neighbors through informal bilateral and multilateral meetings. Kosovo also cooperates with the United States on counternarcotics issues and receives technical assistance and training from U.S. assistance programs.

Kyrgyzstan

A. Introduction

Kyrgyzstan lies along a significant transit route for illegal drugs moving north from Afghanistan to Russia and other European countries. Illicit drugs are often smuggled through the southern cities of Osh and Batken, as well as the Tajik enclave Vorukh through concealed cargo originating in Tajikistan. Kyrgyzstan's geographic location, limited resources, weak law enforcement, and politicized judiciary leave Kyrgyzstan vulnerable to exploitation by transnational drug trafficking networks. According to official statistics, between 20 and 30 percent of all Afghan heroin transits Kyrgyzstan. Over the past several years, Kyrgyzstan has experienced rising local consumption of drugs, especially heroin and hashish. There were no significant changes in the domestic counternarcotic strategy or law enforcement and judiciary capabilities in 2013. Systemic corruption and political stasis also pose barriers to the eradication of drug trafficking in Kyrgyzstan. The government is preparing for an expansion in drug control responsibilities due to an anticipated rise in drug trafficking following the drawdown of International Security Assistance Forces (ISAF) from Afghanistan in 2014.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Reducing drug trafficking remains a priority for President Almazbek Atambayev, who was elected in 2011. President Atambayev has provided political support to counternarcotics agencies in various ministries, including the Ministry of Defense (MOD), Ministry of the Interior (MVD), and the State Border Guard Service. In 2013, he prioritized improving the capacity of State Service for Drug Control (SDCS), which will eventually take the lead on all counternarcotics activities in the country. In September, 2012, Major General Alumbai Sultanov, former Chairman of the SDCS under President Kurmanbek Bakiyev, was again named the Chairman of SDCS. Since his appointment, Sultanov has provided stability to the SDCS, which had previously experienced a high rate of turnover. Most notably, he increased the basic operational capability of personnel and expanded training opportunities. Sultanov also expanded cooperation with the U.S. Drug Enforcement Administration (DEA), UN Office for Drugs and Crime (UNODC), and regional partners including Kazakhstan, Turkey, Russia, and China.

In 2013, Kyrgyzstan deepened its partnerships with regional organizations such as the Collective Security Treaty Organization (CSTO) and Shanghai Cooperation Organization (SCO), which have both designated the reduction of regional drug trafficking as a main priority. Regional representatives of both the SCO and CSTO formed counternarcotics working groups that met several times in 2013. In late October, Kyrgyzstan also hosted the Second Tripartite Meeting of Afghanistan, Kyrgyzstan, and Tajikistan (AKT), which focused on developing new strategies to curb drug trafficking.

The United States lacks a bilateral extradition treaty with Kyrgyzstan. Kyrgyzstan is a signatory to multilateral legal instruments that could be used for cooperation on extradition and mutual

legal assistance. However, Kyrgyz authorities appear to lack capacity to readily use these formal agreements for meaningful assistance.

2. Supply Reduction

Kyrgyzstan partners with the United States to train and equip law enforcement bodies including the SDCS that serve as the first line of defense against drug trafficking into the country. Since the opening of its first field office in Kyrgyzstan in 2012, DEA conducted several high profile counternarcotics operations with the SDCS which led to large-scale seizures and the prosecution of several high-profile individuals. Kyrgyzstan also partnered with organizations such as the Central Asian Regional Integration and Coordination Centre (CARICC) and the EU-sponsored Central Asia Drug Action Program (CADAP), both of which seek to reduce drug trafficking through regional cooperation and education.

According to official government reports, the Ministry of the Interior (MVD) investigated 1584 crimes related to drug trafficking in 2013. Additionally, 1260 individuals were prosecuted for possession of narcotics and 504 individuals were prosecuted for storage and distribution. Other agencies, including the SDCS, the State Penitentiary Service, Customs, Procuracy, and the State Service for National Security (GKNB), reported investigating an estimated 329 cases tied to narcotics related crimes. According to the State Service on Drug Control, all law enforcement bodies of the Kyrgyz Republic seized an estimated 22 metric tons (MT) of illegal drugs and chemical precursors in 2013, compared to 23.83 MT in 2012. Seizure totals included 3.59 MT of marijuana, 541 kilograms (kg) of hashish, and 247 kg of heroin. These statistics, however, are difficult to confirm, as the technology and techniques used to identify and weigh narcotics are rudimentary. UNODC is currently partnering with the SDCS to improve the quality and capabilities of the SDCS' main forensics laboratory.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The Government of Kyrgyzstan pursues a strategy of supply reduction through partnership with international partners including UNODC and the U.S.-sponsored Community Anti-Drug Coalitions (CADCA), whose programs are focused on improving the capacity of law enforcement and educating youth on the dangers of illegal drugs. These programs are not only important drug control initiatives, but are also critical to the development of effective public health strategies. According to UNODC, HIV rates are rising among intravenous drug users. This trend is most evident in the south, where drugs are heavily trafficked and where prostitution and poverty loom large. Local experts believe that there are upwards of 50,000 drug users in Kyrgyzstan. The United States encourages the government to provide greater social services, including treatment centers, for both drug dealers and abusers.

4. Corruption

As a matter of government policy, the Government of Kyrgyzstan does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption, judicial inefficiency, and organized crime remain ongoing problems for the government. Some government workers likely pay and receive bribes

in order to obtain direct access to the lucrative narcotics trade. In 2013, several high ranking officials were implicated in corruption cases, primarily in the MVD. The government took incremental steps to start the process of legal and judicial reform, including through cooperation with the United States. In November 2013, the United States hosted a joint training exercise involving counternarcotics law enforcement agents, drug service investigators and prosecutors that helped to deepen working relationships and supported efforts to prosecute larger and more complex cases.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In light of the ISAF drawdown from Afghanistan, the government is attempting to develop a unified approach to reduce supply and demand as well as enhance counternarcotics capabilities. At the close of 2013, the government was reviewing a draft national counternarcotics strategy developed by the SDCS, with input from UNODC and the United States. It will likely be ratified by mid-2014.

In 2013, the United States provided approximately $4 million to the State Border Guard Service to support its multiyear Information Sharing Communication System Program, in addition to approximately $2.5 million in equipment, and approximately $7.5 million in facilities. In 2012, DEA also established an office within SDCS headquarters through which it provides training to enhance and increase the quality of drug investigations.

United States policy objectives in Kyrgyzstan are to enhance the existing capacity of law enforcement bodies, help the government of Kyrgyzstan expand its ability to investigate and prosecute criminal cases, enhance anti-corruption efforts, and increase overall security in the country.

D. Conclusion

The Government of Kyrgyzstan faces many challenges as it seeks to effectively reduce illegal drug trafficking and drug abuse within its borders. Over the course of 2014, the United States will continue to support the continued development of law enforcement agencies and the implementation of legislation supporting counternarcotics efforts. The United States will further encourage increased coordination among the local law enforcement agencies and the international community.

Laos

A. Introduction

The Lao People's Democratic Republic is a major transport hub for amphetamine-type stimulants (ATS), opium, and heroin, and is a major producer of opium. Geographically, Laos sits at the heart of the regional drug trade in mainland Southeast Asia and shares remote and poorly-controlled borders with Burma, Thailand, Cambodia, Vietnam and China. Economic development and the improvement of Laos' road, bridge, and communications networks have created opportunities for the illicit drug trade to grow.

The Lao government recognizes the threat posed by illegal narcotics production and trafficking and has well-articulated policies to address it. However, the Lao government possesses little ability to act independently of international donor support, since a high percentage of the government's budget comes from donor aid. Lao law enforcement suffers from insufficient resources to combat internal drug crime. Additionally, Laos must police 3,000 miles of mountain and riverine borders exploitable by drug traffickers.

According to U.S. government estimates, between 1998 and 2007, opium poppy cultivation decreased by 96 percent due to aggressive government action and international cooperation. Since then, however, cultivation has rebounded, rising from 1,500 hectares (ha) in 2007 to 6,800 ha in 2012, as estimated by the UN Office on Drugs and Crime (UNODC). Although reporting does not indicate that ATS tablets are being produced in Laos except on a very small scale, drug seizures indicate that they are moving through Laos in increasing quantities.

Intravenous drug use is a contributing factor to HIV transmission. An informed estimate puts intravenous drug users in the country at 1,500.

In March 2013, Naw Kham, a major Burmese trafficker and source of violence in the Golden Triangle, was executed in China after being arrested in Laos. A Chinese court had convicted him of masterminding an attack on a Chinese commercial vessel and killing its 13 Chinese crew members. Following Naw Kham's execution, a two-month, Chinese-led operation involving police from China, Laos, Thailand and Burma claimed 2,534 arrests and seizures of 10 metric tons (MT) of drugs and 260 MT of precursor chemicals.

B. Drug Control Accomplishment, Policies, and Trends

1. Institutional Development

In 2013, the Lao government's guiding drug control strategy document, the National Drug Control Master Plan for 2009-2013, was extended until 2015. It contains the following nine elements:

- Trend analysis and risk assessment

- Alternative development and poverty reduction
- Drug demand reduction and HIV/AIDS prevention
- Civic awareness and community mobilization
- Law enforcement
- Criminal justice and the rule of law
- Chemical precursor control and forensics capacity
- International and national cooperation
- Institutional capacity-building

This national strategy calls for a budget of $72 million over the six-year plan, largely funded by international donors and UNODC. However, as of October 2013, just over $20 million of the total $72 million had been raised by donors.

Since 1989, the United States has provided Laos with $45 million in counternarcotics assistance. A notable achievement has been the elimination of much of Laos' opium poppy cultivation. In 1989, the government estimated 42,130 ha of opium poppy cultivation. That dropped to a U.S.-estimated 1,100 ha in 2007, though cultivation has been slowly increasing since then.

The Lao National Commission for Drug Control and Supervision (LCDC) is responsible for managing efforts to combat the trafficking and abuse of illegal drugs via demand reduction, crop control, alternative development, and law enforcement. The top policy-making body for counternarcotics is the National Steering Committee to Combat Drugs (NSCCD), chaired by the Prime Minister. The head of LCDC and the Minister of Public Security (MOPS) are co-chairs.

Lao drug police are organized into 17 provincial Counter Narcotics Units (CNUs), one for each province and Vientiane Capital. Although Laos participates in regional conferences on counternarcotics cooperation, it rarely shares operational information.

Laos has no bilateral extradition or mutual legal assistance agreements with the United States.

2. Supply Reduction

Between January and September, the Lao government reportedly seized 271 kilograms (kg) of heroin, 6.66 MT of opium, 5.96 MT of marijuana, and 13,377,293 methamphetamine tablets.

Most drug-related arrests in Laos in 2013 were for methamphetamine trafficking and use, reflecting an increase in the availability of synthetic drugs. ATS is the most commonly abused illegal drug in Laos. Supply of ATS is plentiful, and profit margins are higher than for other illegal drugs due to high volume and low production expenses. Ecstasy and crystal methamphetamine are available in Vientiane and major tourist destinations and also in the southern provinces. Lao authorities moved decisively in the fall of 2012 to close down drug-selling establishments in Vang Vieng, a tourist town three hours north of Vientiane that had been a mecca for young foreign travelers seeking cheap drugs. The effort by Lao authorities to stop the sale and distribution of these drugs continued throughout 2013.

Laos continues to struggle against an upward trend in the supply of opium, the major narcotic produced in the country. Addicts in the remote highlands continue to demand opium, as do markets in China and Thailand. Opium poppy cultivation occurs in provinces bordering China, Vietnam, and Burma, and most is grown in areas that have received little or no development assistance. A reduction in hectares planted or harvested to less than 1,000 (the U.S. criterion for identification as a major source country of illegal drugs) is unlikely anytime soon.

The Lao government continued longstanding efforts to assist former poppy-growing farmers by fostering alternative development, mostly financed by donors. Projects in 2013 included:

- A three-year, $ 2.9 million project in Houaphan province to promote the production of licit crops funded by the European Union;
- A two-year, $ 1.2 million "alternative livelihood" project in Phongsaly province funded by Luxembourg;
- A $3.15 million project to promote licit crop production in Oudomxay province and in Burma funded by Germany in partnership with the Royal Project Foundation of Thailand.

The LCDC estimates that 900 of the 1,100 villages needing alternative-development assistance have not received any, and the government has made strong appeals for additional aid in these rural areas.

Heroin is trafficked from Burma through Laos to markets in China, Vietnam and Thailand. Marijuana is also produced in Laos; commercial quantities of cannabis for regional export are grown in large plantation-type plots, sometimes financed by foreign customers, primarily in Thailand.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

In 2012, the Lao government estimated that approximately 10,000 of its citizens use opium and 44,000 were addicted to methamphetamine, out of a population of 6.6 million. Methamphetamine addicts sometimes turn to crime to support their addiction. Government drug addiction treatment facilities remain deficient in human resources, evidence-based treatment, and post-discharge follow-up. However, Lao government policy in 2013 encouraged community-based treatment for ATS users, and funds a community-based treatment pilot project. The U.S. assists Lao treatment facilities, mainly with counseling training. Intravenous drug use is a contributing factor to HIV transmission. UNODC is conducting a six-year, Australia-funded, $4 million program to prevent HIV among injecting drug users. U.S.-funded UNODC programs in northern Laos remain the only treatment and rehabilitation activities there for opium addicts.

To support demand reduction efforts, the United States provides funding to UNODC and the World Health Organization (WHO) to develop treatment services for local communities, while concurrently working to integrate these services into Laos' public health system. In conjunction with this effort, UNODC and WHO are also working to share evidence-based practices and the latest research on treatment of substance abuse with the government and treatment professionals.

4. Corruption

Salaries for police, military and civil servants are low, and corruption in Laos continues to plague law enforcement and government.

The State Inspection Authority (SIA) is the Lao government organization charged with fighting corruption. The UNODC and UN Development Program (UNDP) continue to assist the government in building the capacity to implement the UN Convention Against Corruption (UNCAC), which Laos ratified in 2009. Lao law explicitly prohibits official corruption, but there have been no reported arrests, prosecutions or convictions of officials for drug-related corruption. It is likely that corruption in the security forces and government plays a role in narcotics trafficking in Laos.

As a matter of government policy, the Lao government does not encourage the illicit production or distribution of narcotic drugs, psychotropic or other controlled substances, or the laundering of the proceeds of illegal drug transactions. No senior official has been shown to engage in, encourage, or facilitate the illicit production or distribution of illegal drugs or substances, or the laundering of proceeds of illegal drug transactions.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States signed initial agreements to provide international narcotics control assistance in Laos in 1989, and has since signed further letters of agreement and amendments to provide additional assistance for crop control, drug demand reduction, and law enforcement cooperation annually.

In 2013, the United States signed a follow-on agreement to assist Lao Customs with training and equipment, and with UNDP to support the government's Legal Sector Master Plan by assisting in the development of lawyers. The United States continued implementation of a 2012 agreement with UNODC to promote the use of evidence in legal cases.

Most U.S. counternarcotics assistance to Laos supports law-enforcement efforts to disrupt drug trafficking, upgrade drug treatment, and reduce poppy cultivation. Law enforcement assistance continues to support training and equipment for the Drug Control Division of MOPS, provincial CNUs, and Lao Customs. U.S. funding also supported a UNODC pilot project on community-based treatment for ATS users. In addition, U.S. programs assisted with capacity-building in the justice sector, and U.S. support for the LCDC and the drug police plays an important role in the operational success of both organizations.

The United States and UNODC continued efforts to raise the profile of money laundering and terrorist financing in Laos. In 2013, the Asia/Pacific Group on Money Laundering (APG) conducted a formal peer review of Laos' anti-money-laundering regime to correct its deficiencies, and the government has a year to show meaningful progress.

In 2013, 41 Lao officials participated in U.S.-funded regional training at the International Law Enforcement Academy in Bangkok. United States funding also supported six meetings on law-enforcement coordination between Lao officials and foreign counterparts.

D. Conclusion

Counternarcotics cooperation between Laos and the United States continues to evolve, but the significant gains in poppy eradication and crop substitution of the 1990s and 2000s are increasingly at risk due to factors that include high opium prices and a lack of funding for crop-substitution programs.

Even more troublesome is the increase in ATS trafficking and usage in Laos. ATS addiction is exceedingly hard to treat and the effort is straining Laos' limited treatment resources. ATS also figures prominently in the rise in violence along the Laos borders with China, Burma, and Thailand in the Golden Triangle area.

Laos' justice, law enforcement and security systems are lacking in the resources necessary to counter the rise in narcotics-related crime that has accompanied the country's growing economic development.

Institution-building within the Lao government and basic law enforcement training are needed, emphasizing interdiction, investigation, prosecution, and incarceration. Regional law enforcement cooperation among Vietnam, China, Burma, Thailand, and Cambodia is also vital to Laos' fight against drug trafficking.

The United States will continue to work on improving cooperation with Laos as it seeks to address these problems.

Lebanon

Lebanon is not a major source country for illicit drugs, but serves as a transit point for narcotics including cocaine, heroin and fenethylline (an amphetamine-type stimulant). Increasing quantities of heroin are being processed in the Bekaa Valley, which is in Hizballah-controlled areas beyond the control of Lebanese security forces. In 2013, security forces eradicated 6.2 hectares (ha) of poppy fields and 3.3 ha of cannabis fields.

Synthetic drugs are increasingly available in Lebanon, particularly fenethylline and ecstasy (MDMA), which come primarily from Eastern Europe. The volume of cocaine smuggled into to Lebanon via commercial aircraft from countries in South America has increased, and laundering of drug proceeds from abroad is a continuing trend.

There are no reliable estimates of the number of drug users in Lebanon. The Internal Security Forces (ISF) reported 2,192 drug-related arrests over the first eight months of 2013, a slight increase from the same period in 2012. The ISF arrested 207 heroin users, 355 cocaine users, 919 cannabis users, and 260 users of various synthetic drugs. During the same period, authorities seized 32 kilograms (kg) of cocaine (up from only 5 kg in 2012); 92 kg of hashish; 16 kg of heroin; 11,700,086 fenethylline pills; and 57 kg of amphetamine powder. The volume of seized fenethylline is particularly significant, having increased from only 206,000 pills over the same period in 2012.

The main counternarcotics goal of the Lebanese government remains the eradication of illegally-cultivated drug plants in the Bekaa region, but a difficult security environment and the need for additional logistical support and equipment hamper its effectiveness. There are several detoxification and rehabilitation programs, some of which receive support from the Ministries of Social Affairs and Public Health and the United Nations Office of Drugs and Crime.

There is currently no mutual legal assistance or extradition treaty between the United States and Lebanon.

In 2012, the United States donated significant resources to Lebanon's counternarcotics unit as part of an ongoing process to help develop the capacities of the ISF and expand its reach, including 10 microbuses for transporting counternarcotics personnel, 13 SUVs for counternarcotics operations, and four large potable water transport vehicles. Cooperation between U.S. and Lebanese law enforcement entities is excellent.

Liberia

A. Introduction

Liberia is not yet a significant transit country for illicit narcotics, but the country's weak law enforcement capacity, porous border controls, and proximity to major drug transit routes contributed to an uptick in trafficking to and through Liberia in 2013. While Liberia is not a significant producer of illicit narcotics, local drug use, particularly of marijuana, is very common. Other drug usage includes heroin (mostly smoked) and cocaine (snorted). Local authorities have reported increasing prevalence of amphetamine-type stimulants and intravenous drug-use. No reliable data exists on the prevalence of drug use or overall drug trafficking trends through the country. Other than marijuana, locally consumed drugs enter Liberia via commercial aircraft, maritime vessels, and across land borders by foot and vehicle traffic.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Nigerian criminal networks have become established within Liberia, taking advantage of the country's long coastline, uncontrolled territorial waters, predominantly open land borders, and years of internal strife. Local authorities are aware of the threat and are working with the United States to prevent illicit criminal networks from gaining a stronger foothold in Liberia. Several local law enforcement agencies work in concert to fight narcotics trafficking in Liberia, including the Liberian National Police, the Coast Guard, the National Security Agency, the Liberian Drug Enforcement Agency (LDEA), and the Transnational Crime Unit (TCU).

In 2010, Liberia signed the "West Africa Coast Initiative (WACI) Freetown Commitment," a UN initiative to address the growing problem of illicit drug trafficking, organized crime, and drug abuse throughout the sub-region. A cornerstone of the WACI was the establishment of a Transnational Crime Unit in post-conflict states (including Liberia, Côte d'Ivoire, Guinea-Bissau, and Sierra-Leone) with the intent of preventing organized crime networks from working with weapons dealers. Liberia's nascent TCU, with U.S.-funded UN Office on Drugs and Crime (UNODC) assistance, is now successfully running operations, including against trafficking of narcotics and wildlife, as well as counterfeit currency. The United States also funds UNODC assistance to the LDEA to build capacity, transparency, and accountability. The Ministry of Justice and LDEA, with support from the United States and UNODC, held a stakeholders conference to review the draft LDEA Act and Anti- Drug legislation in June 2013. The legislation is in conformity with the UN drug control conventions, has strong support in the law enforcement community, and will go to the Legislature in January 2014. If enacted, the new legislation will create a strong foundation for more effective law enforcement activities, as under Liberia's existing legislation, defendants can only be charged under public health laws.

The Liberian Drug Enforcement Agency benefited from new leadership in 2012 and, in recognition of its growing effectiveness, began to receive international donor assistance from the United States and UN for the first time. Other donors, including Russia and Egypt, have

expressed interest, but have not yet provided assistance.

The U.S.-Liberia extradition treaty dates to 1939 and is in effect.

2. Supply Reduction

Local production of marijuana is not prioritized as a major concern by most of the public; however, local law enforcement authorities occasionally conduct eradication operations. To date, these sporadic efforts have not included provision for alternative livelihoods and have been largely ineffective. However, the U.S. Counternarcotics Advisor to LDEA is assisting with the development of a potentially more effective eradication plan that will target the land purchases of drug dealers intended for cultivation, and will eventually provide alternatives for small, local farmers. Little information exists regarding the extent of local cannabis cultivation, or the networks responsible for local sales, but marijuana is clearly the most widely available drug in the country. Multiple heroin seizures in 2013 suggest Liberia is a growing transit point for opiates in West Africa.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

UNODC has reported that overall consumption of cannabis products is high in Liberia, including cannabis products combined with other illicit drugs. Marijuana is sometimes mixed with cocaine, heroin, or pharmaceutical products. Psychotropic drugs are not common in Liberia, since the local population lacks the disposable income to buy them. Nevertheless, other drugs, including misused pharmaceutical products, are easily accessible, cannabis products are very inexpensive, and cocaine prices are trending lower.

UNODC's 2012 Preliminary Drug Use Assessment Report indicates that drug use among youths, particularly ex-child combatants, is rising. Drug use is also growing in the emerging middle class and common in the expat and Lebanese communities. Use of other illicit drugs, such as cocaine and heroin, has been on the rise and UNODC also notes that their use is associated with very high levels of criminality and violence. Historically, drug abuse was strongly linked to Liberia's civil conflict from 1989-2003, which left behind more than 100,000 ex-combatants. Many of the combatants used drugs during the war and remain users, including a high percentage of Liberians, civilian and ex-military, suffering from post-traumatic stress disorder. The government has conducted very little drug prevention, rehabilitation or treatment since the pre-war era, with addicts being referred to the only psychiatric hospital in Liberia or to one of the few non-governmental organizations (NGOs) working in the field.

In late 2012, the United States provided $1 million to initiate drug demand reduction projects in Liberia, working with the Ministries of Education and Health, as well as NGOs such as Liberians United Against Drug Abuse and Teen Challenge. These projects aim to build drug rehabilitation capacity and infrastructure, alert youth to the dangers of drugs, and set up drop-in clinics to provide assistance to addicts and those in recovery. These efforts are the first in post-war Liberia and while an excellent start, are merely a first step, with extensive waiting lists for prospective patients that will take years to address.

4. Corruption

The United States has no information that the Government of Liberia encourages or facilitates the production or distribution of illicit drugs, nor the laundering of proceeds from illegal drug transactions. Official corruption remains a problem in Liberia, but the government has demonstrated resolve in a few cases to take action against offenders when detected. In 2013, a senior government official was removed from office on suspicion of drug-related corruption, and further legal action is pending.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States launched the West Africa Cooperative Security Initiative (WACSI) in 2011, a five-year initiative to increase global security by addressing transnational organized crime, particularly drug trafficking, in West Africa. Under WACSI, U.S. assistance supports the efforts of the Liberian government to establish functional and accountable institutions and build basic operational capacity.

In cooperation with UNODC and the Colombo Plan, the United States is working with the Government of Liberia to fight international narcotics trafficking and reduce local demand. In late 2011, the United States funded UNODC's assessment of drug use, treatment, prevention, and needs in Liberia. In 2012, the United States supported UNODC's special assessment of the Liberian Drug Enforcement Agency and introduced new demand reduction assistance that remains ongoing, and includes integrating preventive drug education into school curriculum, the creation of outreach centers for drug addicts and those in recovery, the professional training of addiction treatment providers, and the increased capacity of governmental service-providers and NGOs to focus their demand reduction efforts on at-risk children and adolescents. In February 2013, a U.S.-funded advisor for the LDEA began work. The United States has vetted and trained approximately 50 LDEA, NSA, TCU, and maritime officers this year.

As the LDEA restructures and rids itself of corrupt officers, it is starting to work on narcotics trafficking cases with international connections. These nascent efforts are only in the initial investigatory stage, but show promise of developing into significant efforts against one or more of the international trafficking organizations active in Liberia. Coordination with regional counter drug entities and other U.S. agencies is ongoing.

D. Conclusion

The Government of Liberia is committed to preventing transnational criminal organizations from gaining a major foothold in its territory, but currently lacks the resources and capacity to respond adequately to this challenge. The Liberian government requires additional training and assistance to be able successfully to investigate and prosecute counternarcotics, financial crimes, and corruption. The United States will continue to support and assist Liberia's efforts to fulfill its international drug control commitments.

Malaysia

Malaysia is neither a significant source country nor a major transit point for U.S.-bound illegal drugs. Nevertheless, regional and domestic drug trafficking remains a problem and transnational drug trafficking organizations continue to attempt to expand crystal methamphetamine production within the country. Illicit drugs smuggled into Malaysia include heroin and amphetamine-type stimulants (ATS) from the Golden Triangle area (Thailand, Myanmar, Laos), as well as ecstasy, cocaine, nimetazepam, and crystal methamphetamine from several countries, including Iran and India. Nigerian and Iranian drug trafficking organizations continue to use Kuala Lumpur as a hub for illegal trafficking, and Nigerian trafficking organizations continue to mail quantities of cocaine from South America to Kuala Lumpur. There is no notable cultivation of illicit drug crops in Malaysia. Local demand and consumption of drugs is limited in Malaysia, but police officials have expressed concern about the increased use of methamphetamine. Ketamine from India and nimetazepam also remain popular drugs on the local market.

The government continues promoting ASEAN's "Drug-Free by 2015" policy. Malaysia's counternarcotics officials and police officers have the full support of senior government officials, but systemic problems with the legal system hinder the overall effectiveness of enforcement and interdiction efforts. Malaysian law stipulates a mandatory death penalty for subjects convicted of trafficking, which in Malaysia is broadly defined and includes possession of a defined amount of drugs as listed in the Dangerous Drugs Act of 1963. Harsh mandatory sentences also apply for possession and use of smaller quantities. In practice, many minor offenders are placed into treatment programs instead of prison, and in many cases, subjects charged with trafficking may have their charge reduced to a lesser charge, or, if convicted of drug trafficking, have their sentence commuted upon appeal.

To support demand reduction efforts, the United States has developed a universal curriculum for drug treatment, and is currently working with the Colombo Plan to train Malaysian trainers, who will further disseminate the material to local practitioners. In addition to training, the Colombo Plan is working with the Malaysian government to develop a certification program, providing trainees with formal treatment credentials.

The United States has both an extradition and a mutual legal assistance treaty with Malaysia. Overall Malaysian cooperation with the U.S. Drug Enforcement Administration on drug investigations is very good, with frequent exchanges of information. The U.S. Coast Guard continued its maritime law enforcement training program with the Malaysian Maritime Enforcement Agency (MMEA) by conducting Joint Boarding Officer and curriculum development courses to further develop the MMEA's instructional capabilities. U. S. goals and objectives for the year 2014 are to continue coordination between Malaysian and U.S. law enforcement authorities in counternarcotics efforts, including assisting in interdiction efforts, sharing intelligence, funding counternarcotics training for Malaysian law enforcement officers, and working to improve Malaysia's investigative and prosecutorial processes.

Mali

Mali is a significant transit country for illegal drugs destined for Europe, including South American cocaine, South Asian heroin, and Moroccan cannabis products. Although not a significant source for or market of heroin or cocaine, Mali is a source country and consumer of both cannabis and datura, a locally-cultivated hallucinogenic plant. On November 4, the Central Narcotics Office (CNO) seized 140 kilograms (kg) of cannabis in the Sikasso region, where local production was discovered. According to the CNO, drug trafficking is a significant problem, particularly in Mali's sparsely populated northern regions where Malian authorities lack sufficient capacity to engage in effective counternarcotics operations.

Launched in 1988, the Narcotic Brigade was the first government operational entity established to counter narcotics trafficking and use, though it has only one vehicle available for operations. The CNO, established in 2010 as a coordinating body incorporating Customs, Police, and Gendarme elements, suffers from similar resource constraints, with only a single operational vehicle in each of the southern regions (except Kayes, which has no vehicles). Although CNO elements are currently present in Timbuktu and Gao in the North, they are not operational. There is no CNO presence in the northern region of Kidal. Both the CNO and the Brigade admit that government efforts are severely under-staffed, under-trained, and under-financed to trace and seize assets adequately, and suffer from a lack of internal coordination. Corruption further undermines efforts to control narcotics trafficking.

In 2012, the Government of Mali seized a total of 2.89 metric tons of cannabis products, 4.8 kg of cocaine, and 32 kg of methamphetamine. Complete statistics for 2013 were not yet available at the time of this writing, but between January and September, the Brigade alone seized a total of 405 kg of cannabis products along with small amounts of "crack" cocaine.

According to both the Brigade and the CNO, there is a great need for enhanced coordination between Mali and its neighbors in the fight against drug trafficking. Although the Government of Mali does not have a bilateral mutual legal assistance treaty with the United States, it is a party to the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances as well as other multilateral treaties which contain provisions relating to mutual legal assistance. If a drug trafficking case turns into a money laundering case that is being investigated by Mali's financial intelligence unit, CENTIF, information may be shared within the Egmont Group, to which the U.S. Treasury's Financial Crimes Enforcement Network and the CENTIF are both parties.

Mexico

A. Introduction

Mexico remains a major transit and source country for illicit drugs destined for the United States, and a center for money laundering. Narcotics trafficking and related violence in Mexico continue to pose significant problems. Government of Mexico statistics indicate that from 2012 to 2013, reported homicides decreased by approximately nine percent. Reported kidnapping and extortion rose sharply, however, by about 20.5 percent and 10.6 percent, respectively.

Mexico aggressively combats drug trafficking, and U.S.-Mexico cooperation in this area is robust. The bilateral Merida Initiative is a major component of these efforts; since 2008 approximately $1.2 billion in training, equipment, and technical assistance has been delivered to help transform Mexico's judicial and security institutions. Concurrently, U.S. and Mexican law enforcement counterparts have cooperated on investigations and other criminal justice issues regarding transnational criminal organizations. Such cooperation has boosted efforts to bring the leaders of transnational criminal organizations to justice. That success, however, has also resulted in smaller, fractured groups that have violently attempted to consolidate their power.

Mexican consumption of illicit drugs is lower than U.S. levels, although insufficient data exists to determine longer-term consumption trends.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Mexico has continued to strengthen its institutional capacity to confront organized crime. Since 2006, the Government of Mexico has restructured and tripled the size of its Federal Police, and it plans to add an additional 5,000 officers as a special "gendarme" unit by mid-2014. State and local law enforcement agencies also continue to grow in size, but in many cases remain significantly understaffed. Many states are also rebuilding their police forces to reduce corruption.

The Mexican customs service has expanded its traditional focus on revenue collection to include enforcement of contraband and intellectual property laws. The Office of the Attorney General (PGR) has restructured key divisions, dismissed employees who failed internal vetting, and continued efforts to increase prosecution rates.

Mexico's 2014 budget for all security-related functions is approximately $10.4 billion, an increase of 14.3 percent from 2013. Funding is used to combat organized crime, expand crime prevention programs, improve interagency coordination, consolidate police forces, support justice reforms, and encourage citizen participation in crime control.

Mexico's transition to an oral, adversarial criminal justice system remains uneven, although a number of state jurisdictions have made progress. Twenty-five of Mexico's 31 states, as well as

its Federal District, have adopted new criminal procedure codes, in compliance with a 2008 federal constitutional reform requiring such legislation by 2016. Nonetheless, Chihuahua, Mexico State, Morelos, and Yucatán are the only states that have fully implemented required reforms. Federal legislation is pending that would create a unified criminal procedure code applicable to both federal and state governments.

In October, a new anti-money laundering law took full effect, imposing harsher sanctions and new reporting requirements, and creating a specialized PGR unit for investigations and prosecutions. The law also authorizes prison terms of up to 10 years and restricts the amount of U.S. currency that Mexican banks may receive.

The current U.S.-Mexico bilateral extradition treaty has been in force since 1980. A 2001 protocol to the treaty allows either party to temporarily surrender to the other party a fugitive who has already been convicted and sentenced so that the fugitive can face prosecution on an already-granted extradition request. A bilateral mutual legal assistance treaty in force since 1991 fosters a broad range of cooperation in criminal matters.

Multilaterally, Mexico is a party to the Inter-American Convention on Mutual Assistance in Criminal Matters, and subscribes to the 1996 Anti-Drug Strategy in the Hemisphere and the 1990 Declaration and Program of Action of Ixtapa. Likewise, Mexico plays a leading role both as a regional observer in the Central American Integration System and as a collaborator with Central American countries to improve regional security. It participates in U.S.-sponsored Multilateral Maritime Counterdrug Summits, which provide the Mexican Navy with the opportunity to improve anti-drug trafficking strategies in cooperation with other countries in the region.

In June, Mexico attended the 30th Annual International Drug Enforcement Conference, a forum for senior law enforcement officials from more than 100 countries. Mexico also continues to participate with Canada and the United States in the North American Maritime Security Initiative, in which naval authorities meet regularly to share information, improve response to transnational threats, and develop protocols for maritime interdictions.

2. Supply Reduction

Mexico cooperates closely with the United States on supply reduction. Maritime and land corridors through Central America and Mexico are the most significant transit routes for cocaine from South America bound for the United States. While the United States remains the primary destination for illicit drugs trafficked via Mexico, trafficking routes through Mexico are diversifying to accommodate growing markets in Latin America, the Caribbean, Europe, and Asia.

The PGR states that Mexico seized 598.2 metric tons (MT) of marijuana and 253.5 kilograms (kg) of opium gum from December 2012 through July 2013, representing decreases of 18.2 and 82.7 percent, respectively, when compared to the same time period a year prior. Cannabis and opium poppy are primarily grown in rural areas of Sinaloa, Chihuahua, Durango, and Guerrero, with small crops in Sonora, Nayarit, Michoacán, and Oaxaca.

In contrast, the PGR reported increased heroin and cocaine interdiction, with 240.5 kg of heroin and 3.7 MT of cocaine seized from December 2012 through July 2013. This constitutes an increase of 37.5 and 77.2 percent, respectively, when compared to seizures from December 2011 through July 2012. Nevertheless, cocaine interdiction poses a challenge despite the apparent increase in seizures. About 84 percent of U.S.-bound cocaine transited Mexico and Central America during the first nine months of 2013, and U.S. law enforcement sources estimate that less than two percent of cocaine assessed to be transiting Mexico.

With respect to synthetic drugs, Mexican interdiction of methamphetamine—which totaled 7.3 MT between December 2012 and July 2013—fell 79.3 percent when compared to the same time period a year before. Seizures of clandestine drug labs fell markedly. The Mexican government seized 128 labs in 2013, a 52.6 percent decrease compared with 2012.

In contrast, the PGR reported an increase in seizures of pseudoephedrine, a precursor chemical, indicating that Mexican authorities seized 7.2 MT of the substance between December 2012 and July 2013—approximately 90 times the amount seized during the same time period the year before.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Official statistics indicate that illegal drug use in Mexico is lower than U.S. levels, although inconsistent survey methodologies among national consumption surveys prevent tracking long-term trends. According to the most recent official nationwide study, prevalence of illegal drug use showed a statistically insignificant increase from 1.4 percent in 2008 to 1.5 percent in 2011. Marijuana remains the most commonly used illegal drug, and while overall prevalence rates stayed relatively stable, use among men showed a statistically significant increase from 1.7 percent to 2.2 percent during the same timeframe. Cocaine use showed a statistically insignificant increase from 0.4 percent to 0.5 percent. The average age of first use has remained essentially stable, rising from 18.7 to 18.8 years. Regionally, northern Mexico is the area with highest prevalence of illegal drug use (2.3 percent versus 1.5 percent nationally). Nevertheless, this study surveyed only individuals living in “households” and excluded groups such as the homeless and prisoners, suggesting that prevalence rates may be higher than reported.

The Mexican government recently announced the development of the National Program against Addictions, which emphasizes: (1) programs addressing the root causes of substance abuse; (2) improved coordination with state and municipal governments; (3) scientific research; and (4) therapeutic justice programs for certain drug-addicted criminals. This strategy builds upon existing programs, including:

- 400 primary care addiction centers;
- state and federal drug observatories;
- a federally-funded non-governmental organization operating 99 out-patient prevention and treatment services, two heroin treatment units, and 12 in-patient facilities;
- private anti-drug television campaigns targeted at parents and youth; and
- over 2,000 in-patient care facilities ranging from state-of-the-art clinics to single-room meeting halls for support groups.

While no systematic studies exist about these programs' impact, the relatively low Mexican prevalence rates suggest at least partial effectiveness.

Funding for addiction-related initiatives largely comes from the federal budget. In 2013, the amount allocated to addictions was approximately $95.8 million, about a three percent decrease from 2012.

Mexico's National Commission Against Addictions coordinates and implements national drug policy. The Secretariat of Government has also included demand reduction as a component of its National Program on Crime and Violence Prevention. The National Institute of Psychiatry leads addiction research. These offices liaise with the United States, the Organization of American States, and the UN Office on Drugs and Crime. CONADIC and the White House Office of National Drug Control Policy are scheduled to hold a conference on demand reduction in mid-2014.

4. Corruption

As a matter of government policy, the Government of Mexico does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. Although federal anti-corruption standards are improving, corruption continues to impede Mexican counternarcotics efforts. The Mexican government has taken significant steps to reduce corruption in law enforcement and has designated the National System for Public Security as the agency responsible for overseeing stronger vetting for law enforcement personnel, including increased use of polygraph exams, toxicological tests, and background investigations.

The Mexican government has reorganized the Federal Police's Internal Affairs Department so that its principal reports directly to the head of the National Security Commission, theoretically allowing the department to investigate anyone within the Federal Police, regardless of rank. Ninety-four federal police officers were arrested on corruption charges between December 1, 2012 and October 8, 2013.

At the state and municipal level, law enforcement officials remain under-resourced, inadequately trained, and vulnerable to corruption. Each state and the Federal District have established centers responsible for vetting law enforcement officers. Progress has been uneven, but the centers have had success identifying corrupt individuals, prompting the removal of officers and the rejection of some police recruits. The Mexican government and some state governors have conducted large-scale dismissals of police where corruption was endemic. Some Mexican law enforcement entities have also established, restructured, or augmented their internal affairs offices.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

U.S. assistance aims to help Mexico develop more effective and transparent security and rule of law institutions, and to foster cooperation with international partners to reduce threats from transnational and domestic crime, improve border security, and protect human rights.

Since 2008 the United States has delivered approximately $1.2 billion in assistance through the Merida Initiative. A government-wide effort involving numerous U.S. agencies, Merida has contributed to better law enforcement training, criminal justice reforms, crime prevention efforts, programs for at-risk youth, human rights initiatives, drug demand reduction projects, alternatives to incarceration, and border security programs. Mexico invests more than 10 dollars for every dollar of Merida Initiative money spent.

Mexico extradited 54 people to the United States in 2013. This represents a 53 percent decline from the 115 individuals extradited in 2012.

D. Conclusion

Mexico has continued efforts to disrupt or dismantle transnational criminal organizations, reform its judiciary and prisons, improve its police, and address money laundering. These initiatives have fortified Mexico's public institutions while helping to weaken organized crime. Available supply reduction data indicate that interdiction remains a major challenge for Mexico. Only a small portion of the cocaine, marijuana, methamphetamine, and heroin originating in or transiting Mexico is interdicted inside the country. With respect to drug demand, official statistics indicate that illegal drug use among Mexicans has essentially stabilized.

Under the Peña Nieto administration's security strategy, future bilateral efforts will emphasize strengthening Mexican institutions, continued expansion of programs to states and municipalities, and further progress toward achieving the goals shared by both nations. The focus of U.S.-Mexico cooperation has shifted from providing large-scale equipment to engaging in training and capacity building, and from focusing on federal institutions to building state and municipal capabilities. Justice sector, drug demand reduction, and culture of lawfulness initiatives will accordingly play a larger role. The United States will also continue programs to curb its own domestic drug demand and inhibit the illegal flow of arms and cash into Mexico, and will give more attention to drug interdiction inside Mexico.

In sum, the U.S.-Mexico relationship remains strong. Both countries are committed to working together to combat transnational organized crime, strengthen Mexican institutions, and support the rule of law.

Moldova

Moldova is neither a major drug trafficking nor drug producing country, but serves as a transit point for drugs destined for Western Europe. Moldova's proximity to the European Union, limited law enforcement capacity, and lack of control of the separatist Transnistria region significantly complicate its drug control efforts. Counternarcotics activities are hampered by insufficient specialized police officers and inadequate funding and equipment. The government has taken some steps to address the situation in the context of ongoing police reform efforts, and plans to increase staffing and reorganize specialized anti-drug units.

Moldovan authorities registered 833 drug-related cases over the first nine months of 2013, with approximately 87 percent proceeding to prosecution. During that same period, authorities dismantled eight drug trafficking networks consisting of thirty two persons. Police, customs, and border officials cooperated in counternarcotics activities. As in previous years, combating domestic cultivation of marijuana and poppy was the biggest challenge facing Ministry of Internal Affairs (MoIA) anti-drug units. However, use of synthetic cannabinoids and synthetic cathinones continued to expand, and represents a significant emerging problem. These substances were imported into the country as plant feeders, "bath salts," aromatherapy treatment incenses, air fresheners, and herbal smoking blends. In response to this trend, the MoIA has petitioned the government to add many of these synthetics to the official list of banned substances. However, the lack of forensic capabilities and absence of relevant samples of narcotic substances continues to hamper the examination of newly emerged synthetic drugs.

The National Anti-Drug Commission coordinates interagency cooperation among governmental institutions, and liaises with non-governmental institutions and civil society on all matters relating to drug policy. The Moldovan government does not condone or promote drug trafficking as a matter of policy. However, corruption, including drug related corruption, is a major problem in Moldova.

There is no bilateral extradition or mutual legal assistance treaty between Moldova and the United States. Regardless, Moldovan and U.S. authorities cooperated on criminal cases connected with transnational organized crime in 2013. The Moldovan constitution does not permit extradition of its nationals. The Prosecutor General's Office is responsible for handling requests for international legal assistance in the pre-trial phase, whereas the Ministry of Justice handles the in-trial and correctional phases.

Montenegro

Montenegro is a transit country for illegal drugs entering Western Europe. The most prevalent drugs trafficked through Montenegro include marijuana produced in Albania; heroin from Afghanistan transiting through Kosovo and Albania; and cocaine from Latin America. Approximately 15 percent of drugs trafficked through Montenegro is consumed locally.

Montenegro has strengthened its drug enforcement capacities in 2013, increasing the number of law enforcement positions focused on narcotics from 47 to 55. While Montenegrin police participated in several international operations with neighboring countries, non-governmental organizations (NGOs) criticized the government for its perceived failure to disrupt the activities of major drug traffickers. Police estimate that 15 local gangs are involved in international drug smuggling, and have noted the increased involvement of Montenegrins in organized criminal groups abroad. Montenegrin police also noted the increased number of EU citizens, particularly those from Greece and Belgium, participating in drug smuggling operations originating in Montenegro. During the first 10 months of 2013, criminal charges were brought against 135 persons, connected to the seizure of 1.23 metric tons of marijuana, 7.54 kilograms (kg) of heroin, and .07kg of cocaine.

Montenegro has stringent laws against illegal drugs, with sentences ranging from two to 15 years in prison for drug production and distribution. Almost half of the country's current inmates are reportedly serving sentences for drug trafficking charges. During the first 10 months of 2013, 104 persons were convicted in 82 cases for illegal drug possession, production and distribution.

The Montenegrin government continues to prioritize the fight against drug trafficking and drug abuse. A seven-year national narcotics control strategy for 2013 – 2020 was introduced in 2013, as well as an accompanying action plan. According to research conducted by the Institute for Public Health, drug use among secondary school students is increasing. However, Montenegro's rehabilitation efforts are hampered by a lack of resources and capacity, particularly for women. Awareness-raising activities on the danger of drugs were conducted in schools and at the local level. There are no authoritative statistics on the number of drug users in Montenegro. Authorities believe that Montenegro has between 2,500 to 3,000 addicts, but NGOs estimate that the actual number may range from 10,000 to 15,000. The Ministry of Health's Office for Drug Prevention needs to play a more proactive role in combating drug abuse.

In 2013, Montenegro participated in dismantling drug rings in cooperation with the United States, Interpol, Europol, EU Member States and neighboring countries. U.S.-Montenegrin police cooperation remains strong, and Montenegrin police officers received training from the United States on undercover operations, high-risk arrests, and defensive tactics. The head of the Montenegrin police's narcotics enforcement section also traveled to the United States for a study visit focused on drug enforcement.

Morocco

Morocco ranks second to Afghanistan in the cultivation and production of cannabis resin (hashish), according to the UN Office on Drugs and Crime (UNODC). Proximity to Spain provides access to markets in Europe where Morocco continues to be the main source-country of hashish seizures. However, according to UNODC's 2013 World Drug Report, Moroccan cannabis production may be stabilizing or decreasing due to competition from higher-quality cannabis increasingly produced within Europe.

Economic hardship drives Morocco's cannabis production. Illegal crop revenues exceed that of barley and cereal grown in the Rif Mountain area, which produces most of the country's cannabis, and the region's GDP per capita is 50 percent lower than the country's national average. The Moroccan Network for the Industrial and Medicinal Use of Marijuana, a local charity, claims that 10 percent of Morocco's economy comes from cannabis. According to press reports, hashish production is one of Morocco's main sources of foreign currency.

According to media reports, parliamentarians in the ruling Party of Justice and Development and the opposition Authenticity and Modernity Party are drafting a legislative proposal to legalize cannabis.

Morocco accounts for 12 percent of global seizures of hashish. Multiple seizures of cannabis products and cocaine occurred during 2013 at airports in Casablanca, Fes, and Marrakech, and ports in Tangier Med and Beni Nsar. Moroccan law enforcement authorities express ongoing concern over the perceived growth of cocaine trafficking through the country via West Africa. There have also been continuing allegations of soldier and police corruption and involvement in international drug trafficking.

Notable drug-related arrests in 2013 included that of a U.S. citizen transiting through the Casablanca airport in April who was arrested at New York Kennedy Airport for importing heroin. In July, the Spanish Civil Guard and the Belgian police, in cooperation with the European Police Office (Europol), dismantled a Moroccan organized crime group specializing in European drug trafficking and money laundering.

In 2012, Moroccan and European law enforcement created Police Cooperation Centers in the ports of Tangiers Med and Algeciras, Spain to exchange information and strengthen cross-border cooperation. Moroccan and European police agencies also coordinate controlled delivery operations.

A mutual legal assistance treaty between the United States and Morocco has been in force since 1993. Morocco and the United States routinely cooperate on mutual legal assistance requests in a wide range of criminal matters, ranging from counterterrorism to cybercrime. Although there is no extradition treaty in force between the United States and Morocco, Morocco is able to extradite non-Moroccans pursuant to its domestic law and multilateral treaties.

Morocco works closely with the United States to pursue common action against transnational drug trafficking. The United States provides law enforcement training and supports sustainable capacity building in Moroccan institutions, strengthening the close and productive working relationship between the two countries.

Mozambique

Mozambique is not a significant producer of illegal drugs or chemical precursors. Cannabis is cultivated on a small-scale for local consumption. The country's Office to Combat and Prevent Drug Use (GCPCD) reports that domestic consumption of heroin, cocaine, and ecstasy is anecdotally thought to be on the rise in urban areas.

Mozambique's seldom-patrolled borders and coastlines, however, leave it vulnerable as a transit point for narcotics heading to destination markets in South Africa, Asia and Europe. Southwest Asian traffickers are believed to ship hashish, heroin, and synthetic drugs into Mozambique via small ships, while couriers carrying South American cocaine are frequently interdicted on international flights from Brazil. Government of Mozambique police contacts report that narcotics shipments make use of the same transnational crime networks that facilitate trafficking in persons and wildlife products derived from poaching.

The government's efforts to stem the flow of narcotics are further hampered by limited political will, corruption and a comprehensive lack of resources. Mozambique has yet to convict any major drug traffickers. While the GCPCD claims that narcotics–related arrests increased in 2013 from 2012, the office noted that every interdiction involved "small fish." Arrests rose despite cuts in funding to anti-drug programs – the GCPCD noted that its own budget was slashed by 20 percent over 2012 – but this may have been due to increased trafficking rather than improved government interdiction.

Among its accomplishments in 2013, the Government of Mozambique completed a draft comprehensive national anti-narcotics strategy. This strategy would replace the previous strategy that expired in 2007, to cover the period from 2008-2022, and currently awaits final approval from Mozambique's Council of Ministers.

The government's efforts to reduce demand for illegal drugs are centered on the GCPCD's educational drug prevention workshops, which are administered in all 11 Mozambican provinces. Drug treatment facilities are few and those that exist are located within psychiatric hospitals. The United States provides funding to the Joint Programme for Treatment of Substance Use Disorders, a program co-administered by the UN Office on Drugs and Crime (UNODC) and the World Health Organization that supports the development of the country's treatment system.

Nepal

Nepal is not a significant source or transit state for illegal drugs. Nepal's Narcotics Drug Control Law Enforcement Unit (NDCLEU) was replaced by the Narcotic Control Bureau (NCB), effective November 29, 2012. The NCB reports that an increasing number of Nepali nationals are involved in drug trafficking operations, previously dominated by foreign nationals. Customs and border controls in Nepal remain weak, but international cooperation has resulted in increased narcotics-related interdictions in Nepal and abroad. No new narcotics control legislation was passed or implemented in 2013.

Cultivation of cannabis has been largely eradicated in one previously prevalent district, but is on the rise in some areas; most is destined for India. Heroin from Southwest and Southeast Asia is smuggled into Nepal across the porous border with India and through Kathmandu's Tribhuvan International Airport (TIA). Pharmaceutical drugs also continue to be diverted and abused. Nepal is not a producer of chemical precursors, but serves as a transit route for precursor traffic between India and China.

Nepal's basic drug law is the Narcotic Drugs Control Act, 2033 (1976, last amended in 1993), making the cultivation, production, preparation, manufacture, export, import, purchase, possession, sale, and consumption of most commonly abused drugs illegal. The NCB has the lead in law enforcement efforts and is focused on supply control. It has improved its capacity in recent years, and made quality arrests and seizures, particularly through stationing more personnel at TIA.

In 2013, the overall number of drug-related arrests increased, and overall drug seizures also rose. Between January and September 2013, police arrested 2,184 individuals for drug trafficking. Hashish seizures in 2013 decreased 57.5 percent from the same period in 2012. Heroin seizures decreased 46.3 percent, but diverted pharmaceutical drugs seizures were up 73.7 percent over the same period in 2012.

Evidence suggests that narcotics enter through Nepal from India, Pakistan, and Afghanistan en route to China, Iran, Europe, North America, Australia, and other countries in Asia. A small percentage of narcotics, especially hashish, is trafficked to the United States through international express parcel services.

The United States provides support to various parts of the Nepali justice sector to combat corruption and improve the rule of law. The United States encourages the Nepali Government to enact and implement effective drug control legislation.

The Netherlands

A. Introduction

The Netherlands is a significant transit country for narcotics. A sizeable percentage of cocaine consumed in Europe enters via the Netherlands. It remains an important producer of synthetic drugs, such as MDMA (ecstasy), although a sizeable amount of production appears to have shifted to other countries. The Netherlands has a large legal chemical sector, making it an opportune location to illicitly obtain or produce pre-precursor chemicals. Cultivation of cannabis is extensive with a high percentage believed to be for export. The government views domestic drug use primarily as a public health issue, but places a high priority on combating the illegal drug trade and has had considerable success. The Dutch Opium Act prohibits the possession, commercial distribution, production, import and export of all illicit drugs. The act distinguishes between "hard" drugs that have "unacceptable" risks (e.g., heroin, cocaine, ecstasy), and "soft" drugs (cannabis products). Sales of small amounts of cannabis products (under five grams) are "tolerated" (i.e., illegal but not prosecuted) in establishments called "coffee shops" which operate under regulated conditions. Cultivation and distribution remain illegal and are prosecuted.

Bilateral cooperation with the United States is excellent. Law enforcement agencies maintain excellent operational cooperation, with principal attention given to South American cocaine trafficking organizations and drug-related money laundering activities.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Dutch Ministry of Health, Welfare and Sport (MOH) coordinates drug policy. The Ministry of Security and Justice (MOSJ) is responsible for law enforcement and criminal prosecution. The National Police, which falls under the MOSJ, was reorganized on January 1, transitioning from 25 separate regional forces and one national bureau into one national organization overseeing ten regions. The government works with the 10 regional expertise centers for an interagency, integrated approach to disrupt cannabis plantations. The city of Amsterdam announced new legislation in December 2012 that forced 70 of its 220 coffee shops to relocate or close.

In 2012, to reduce drug tourism, the government introduced a "weed pass," restricting access to "coffee shops" for resident-members only. The "weed pass" concept was abandoned in 2013 but the regulation against serving non-residents remains, albeit with limited local enforcement.

Collection of nationwide statistics on seizures remains a challenge. Since 2007, police have continued to disrupt approximately 5,000 cannabis plantations annually (with an average of 325 plants). In a landmark case, in August a court handed out the first conviction for possession of the pre-precursor Alpha-phenylacetoacetonitrile (APAAN); in prior cases courts had ruled the substance to be too far removed from MDMA to show criminal intent.

The United States and the Netherlands have fully operational extradition and mutual legal assistance agreements. The Netherlands also has a maritime shiprider agreement with the United States and is a member of the Maritime Analysis and Operation Centre-Narcotics. The Netherlands is a party to the Caribbean Regional Maritime Agreement (CRA) and a partner in the U.S. Joint Interagency Task Force South, both aimed at combating narcotics trade in the Caribbean. By extension, the Caribbean countries within the Kingdom of the Netherlands also are members of the CRA. The Netherlands is party to the Council of Europe's Illicit Traffic by Sea Agreement, and the Dutch Navy patrols the Caribbean part of the Kingdom of the Netherlands for narcotics.

2. Supply Reduction

The Netherlands is a significant producer of cannabis and ecstasy, a significant portion of which is destined for foreign markets. After a drop in ecstasy production in 2008 due to a shortage of precursors, the use of chemical "pre-precursors" for ecstasy production continued to increase in 2013. In 2012, police dismantled 29 ecstasy labs. The National Taskforce on Organized Hemp Cultivation continued to fight criminal organizations behind cannabis plantations, scrutinizing each step down the criminal chain (from cultivation to distribution) with the help of various government agencies.

The government continued its policy of 100 percent security checks on inbound flights from the Netherlands Antilles, Suriname, and some Western African countries. There were also extensive customs checks in place for imports via the Port of Rotterdam.

After khat was added to Schedule 1 of the Dutch Opium Act in January, legal importation was replaced by illegal maritime trafficking, mainly from the United Kingdom. According to the MOSJ, there were nearly 17,000 drug-related offenses registered by the police in 2011 (latest available data), fewer than in than previous years. In 2011, drug-related cases constituted 6.8 percent of the total number of criminal cases handled by the courts. The average prison sentence for a drug offense in 2011 was 236 days (253 for hard drugs, 124 for soft drugs), slightly below the average for the prior five years.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to the most recent data (2009), despite a reputation for tolerance of soft drugs, the share of the population abusing drugs was on par with the rest of Europe. Narcotics users tended to favor "traditional" drugs over recent synthetic narcotics or new psychoactive substances. There was an uptick in the use of the internet for purchases.

Local governments are responsible for prevention programs, with the national government offering best practices. Portions of the main national awareness program for students aged 12 and above were suspended mid-year for revision; approximately 70 percent of schools participated. Online health services (including chat sessions with experts) and warning systems grew in popularity.

Treatment programs are the responsibility of insurance companies and the individual facilities. There is no differentiation between gender and age groups. In 2013, the number of individuals seeking treatment for drug addiction returned to 2011 levels after the government revoked the 2012 requirement for higher patient co-pay. Exact information on budgets is not available, but estimates were that the prevention budget ranges in the tens of millions of dollars, while the treatment budget exceeded $125 million.

4. Corruption

The government does not encourage or facilitate illegal activity associated with drug trafficking. No senior official has been found to engage in, encourage or facilitate illegal drug trafficking. Press reports of low-level corruption appear sporadically, but the problem is not widespread or systemic.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

U.S. and Dutch law enforcement agencies maintained excellent operational cooperation in 2013, with principal attention given to South American cocaine trafficking organizations and the production of synthetic drugs although there are some differences in approach and tactics. The United States and the Netherlands have a memorandum of understanding allowing the U.S. Coast Guard to assist in counternarcotics operations from the platforms of Dutch naval vessels in the Caribbean region. There is close cooperation between the National Crime Squad and the U.S. Drug Enforcement Administration. In 2007, the Netherlands became a full member of the International Drug Enforcement Conference (IDEC), which continues to assist ongoing efforts to increase communication and cooperation in large and complex drug investigations. The Netherlands is also an active participant in the International Narcotic Control Board's Project PRISM taskforce, a multilateral synthetic precursor chemical control enforcement effort.

D. Conclusion

The Dutch government addresses drug trafficking seriously. In particular, it has made the fight against organized cannabis cultivation a priority issue, notwithstanding its toleration of soft drug use. Although the Netherlands is hampered to some degree by domestic legal restrictions on the extent to which it can cooperate bilaterally, the United States anticipates that the Netherlands will remain a close bilateral partner on counternarcotics efforts.

Nicaragua

A. Introduction

Nicaragua remains a major transit route for cocaine flowing from South America to the United States. The United States estimated that approximately 86 percent of the cocaine trafficked to the United States in the first half of 2013 first transited through the Mexico/Central America corridor. Nicaragua's interdiction capacities are challenged by limited law enforcement capabilities and sparsely populated regions that are difficult to police. Judicial corruption and political interference remain impediments to meaningful prosecution of narcotics trafficking. The unemployment rate on the Caribbean coast of Nicaragua, comprised of the North Atlantic Autonomous Region (RAAN) and the South Atlantic Autonomous Region (RAAS), is over 55 percent. These factors provide a favorable environment for drug trafficking organizations to smuggle drugs, weapons, and currency, as well as to establish clandestine warehouse facilities.

Despite these conditions, Nicaragua's civilian and military law enforcement agencies conducted counternarcotics operations in 2013, mostly along the coasts and within the RAAS and the RAAN. Nicaragua remains primarily a transshipment point for illegal drugs, although the country also faces continued growth in both the domestic consumption of drugs and marijuana production.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Government of Nicaragua took some measures in 2013 to improve its counternarcotics capabilities. As part of a signed cooperation agreement with Russia, 117 Nicaraguan Special Agents were given counternarcotics training.

The Nicaraguan National Police (NNP) created task force "Los Dantos," equipped with 300 new vehicles to patrol conflict-ridden neighborhoods throughout the country. The National Council Against Organized Crime created 14 departmental councils to implement preventive measures against organized crime in two departments and twelve municipalities.

The Youth Center of the NNP, with assistance from Spain, enrolled 220 youth in vocational programs to reintegrate recovering drug addicts into society. In October, the European Union and the NNP signed a $13.7 million agreement to support crime prevention projects through 2020 along the Caribbean coast, including the construction of youth centers in Puerto Cabezas and Bluefields.

No new counternarcotics legislation was introduced in 2013. Nicaraguan authorities continue to enforce Law 735, which regulates the prevention, investigation, and prosecution of organized crime, as well as the administration of seized, forfeited, and abandoned assets.

In June, all Central American Integration System (SICA) countries, including Nicaragua, met in Honduras to consider improvements to the Central American Simplified Extradition Treaty that facilitates the prosecution of third-country nationals for organized criminal activity and similar offenses. Also in June, the Ministers of Foreign Affairs of SICA countries, including Nicaragua, subscribed to the Antigua Declaration, titled "A Comprehensive Policy for Fighting Illicit Drugs in the Americas."

The United States and Nicaragua are parties to an extradition treaty dating back to 1907, but the Nicaraguan constitution bars the extradition of Nicaraguan citizens. Nicaragua also cooperated with the United States by returning U.S. fugitives through deportation and expulsion processes. Unless an INTERPOL Red Notice exists for the wanted individual, the Government of Nicaragua does not cooperate with the United States in cases of money laundering or other white collar offenses.

The Cooperating Nation Information Exchange System (CNIES), signed in 2004 between the United States and Nicaragua, remains in place. The agreement allows greater law enforcement intelligence sharing among nations. The Maritime Counterdrug Bilateral agreement signed between the United States and Nicaragua in November 2001 remains in effect as well.

The Inter-American Convention on Mutual Legal Assistance in Criminal Matters, which Nicaragua and the United States are both parties to, facilitates the sharing of legal information between countries and improves cooperation with U.S. requests for evidence sharing. The Government of Nicaragua satisfies U.S. requests for legal assistance, but not normally within requested time frames.

2. Supply Reduction

The total volume of drug seizures decreased in 2013 from 2012. As of September 2013, Nicaraguan authorities seized approximately three metric tons (MT) of cocaine, versus 9.3 MT in 2012, and 8.8 MT in 2011. In addition, Nicaraguan authorities arrested 284 people and seized $4,597,007 in U.S. currency; approximately $8.5 million in assets; 19 "go-fast boats," and approximately 250 MT of marijuana.

While the Nicaraguan Navy conducted some successful counternarcotics operations, there was a net reduction in the quantities of drug seized. In 2013, the Nicaraguan Navy seized 2.5 MT of cocaine, below the average of 6 MT seized annually over the previous three years. This reduction in seizures can be attributed in part to a reduction in U.S. counternarcotics assets operating near the Nicaraguan littorals, which previously played a critical role in supporting Nicaraguan interdiction efforts and in part to the Nicaraguan Navy's dispersion of limited resources to patrol Nicaragua's expanded Exclusive Economic Zone, granted by the International Court of Justice in November 2012. Currently, the Nicaraguan Navy has a fleet of six U.S.-donated boats for interdiction operations.

The United States supported the Nicaraguan National Police's Mobile Inspection Unit (MIU) by funding a series of land interdiction operations that focused on drug smuggling along the Pan-American Highway. The MIU seized more than $1 million in assets and currency,

approximately 500 kilograms of marijuana, and arrested 24 people. This was a dramatic increase in land-based seizures by the MIU compared to 2012.

There was no evidence of growing synthetic drug production in 2013. The seizure of plants used to produce illegal drugs (mainly marijuana plants growing in the Jinotega and Caribbean Coast regions of Nicaragua) increased from 43,252 in 2012 to 264,933 plants destroyed as of September 2013. The increasing number of detected marijuana plants most likely indicates production for international markets rather than for local consumption.

3. Drug Awareness, Demand Reduction, and Treatment

The Nicaraguan public remains at risk for increased drug consumption, particularly on the Caribbean Coast region where transshipment volumes have increased. Domestic use of "crack" cocaine, methamphetamine, and marijuana remain on the rise, particularly among 10 to 25 year olds, according to a study made by a non-profit civic organization, the Institute of Strategic Studies and Public Policy, in 2011.

By the end of September, the Nicaraguan National Police (NNP) reached approximately 13,000 students through the Drug Abuse Resistance Education (DARE) program. Since 2001, the DARE program has reached more than 97,714 English, Spanish, and Miskito-speaking students to warn against the dangers of illegal drug use.

The NNP's Second Step program ("Segundo Paso"), which promotes drug prevention awareness at the preschool level, continued in Managua, the RAAS, and the RAAN, reaching approximately 400 students.

The Juvenile Affairs Division (JAD) of the NNP continued to administer the Gang Resistance Education and Training (GREAT) program, which in 2013 graduated approximately 2,500 students. The JAD also conducted 42 after-school, home intervention programs, which counseled 4,135 at-risk youth and their parents. The JAD also organized 14,048 drug prevention social activities reaching 83,137 at-risk youths. To strengthen drug prevention in Nicaragua, the NNP developed a national plan to create drug-free zones within 1,000 meters of schools.

The National Council against Organized Crime, in coordination with other government entities and religious organizations, organized 42 anti-drug rallies, seven national fairs, and two cinema forums, reaching 130,000 people, including students, parents, public servants, and teachers from across the country. The seven national fairs also educated listeners about the Integral Law Against Violence Towards Women (Law 779) and the Law for the Prevention, Investigation, and Prosecution of Organized Crime (Law 735). The National Council also provided medical attention to drug addicts during the fairs.

The Institute against Alcohol and Drug Abuse (ICAD), in conjunction with the Ministry of Health, made three presentations in three departments as part of the 2013 plan against drugs and alcohol abuse; this initiative included education for 1,200 community leaders from 40 municipalities. ICAD remarked that its efforts were limited by an insufficient annual budget, which was $109,000 for 2013.

Non-governmental organizations continue efforts to prevent drug abuse and provide treatment to drug addicts. In February, the Foundation for the Promotion and Municipal Development (Popol NA) published the first medical guide for the diagnosis and primary care of drug addicts in Nicaragua. The Fenix Foundation also organizes annual drug prevention campaigns for 6,000 at-risk youth, 120 teachers, and 200 parents.

Private treatment centers in Nicaragua offer two models of attention: out-patient and residential. Free treatment centers are becoming less common in Nicaragua; some treatment centers charge a monthly fee between $2,000 and $3,000 per patient.

4. Corruption

As a matter of policy, the Government of Nicaragua does not encourage or facilitate the illicit production, processing, or distribution of narcotics, psychotropic drugs, and other controlled substances, or condone drug-related money laundering activities. However, Nicaraguans continue to perceive their government as highly corrupt.

While specific legislation (laws 735 and 745) states that house arrest, early releases, and sentence reductions are not permitted in drug trafficking cases, the judicial system still struggles with corruption. The Supreme Court of Justice publicly upheld as a disciplinary model the dismissal of a judge who had granted house arrest to five people charged with drug trafficking; since 2010 four Supreme Court Magistrates have been dismissed for granting sentence reductions and early releases to international drug traffickers. Unfortunately, in October 2013, the Magistrates of the Appeals Court in Managua halved from 30 years to 15 years the sentences of 18 Mexican nationals convicted of drug trafficking in December 2012. This sentence reduction highlights continuing inadequacies within the judicial system's ability to prosecute transnational crimes.

In February, a group of citizens and lawyers demanded that the Director of the Financial Intelligence Unit open an investigation against President of the Supreme Electoral Council (CSE) Roberto Rivas on suspicions of money laundering. The corruption allegation originated from the 2012 conviction of a former CSE Magistrate who transported money for drug traffickers using an official vehicle, and whose permit, according to the Prosecutor, was authorized by Rivas.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports a wide range of efforts designed to address citizen security in Nicaragua. In June, due to ongoing concerns over fiscal transparency within the Government of Nicaragua, the U.S. Department of State ceased providing certain funds to Nicaraguan government agencies. This decision, mandated by U.S. law, led to phasing out several bilateral programs. These concerns with fiscal transparency and associated reduction in funding continued in 2013, and prompted the United States to redirect some counternarcotics assistance towards drug eradication and non-governmental drug demand reduction programs. In 2013, the United States awarded four grants to different civil society and international organizations in Nicaragua. These organizations will work with local partners to enhance citizen security, civic

education, and counternarcotics outreach, primarily to areas on Nicaragua's Atlantic Coast which remain highly vulnerable to drug trafficking.

The United States used prior-year funding to donate four Mobile Tracers narcotics detectors valued at $168,000 to the Nicaraguan National Police's (NNP) Drug Unit, and provided associated training to 15 anti-narcotics police officers. This equipment contributed to an increase in land-based seizures by the NNP's Mobile Inspection Unit compared to the previous year.

Supporting the maritime interdiction capacity of the Nicaraguan Navy, the United States donated interdiction equipment and two boats with the capacity to intercept offshore speedboats. The United States also constructed an anti-drugs operation center, a storage warehouse, and a boat ramp in El Bluff valued at $5.4 million. Using prior-year funding, the United States also donated four drug detector units valued at $87,000 and provided interdiction training to 12 naval officers.

D. Conclusion

Nicaragua continues to face many challenges related to illegal narcotics, including the need to combat corruption, improve judicial independence, reduce drug demand, and combat drug trafficking. The level of commitment to upholding Nicaragua's international drug control obligations must be better balanced across all institutions within the Government of Nicaragua. Demand reduction and treatment remain inadequate for the country's needs. Efforts to combat organized crime within the vulnerable Caribbean coast regions of Nicaragua must be strengthened, as these areas include the primary routes for international drug trafficking.

Nigeria

A. Introduction

Nigeria is a transit country for heroin and cocaine destined for Europe, and to a lesser degree, the United States. The Nigerian Drug Law Enforcement Agency (NDLEA) frequently arrests drug couriers at Murtala Mohammed International Airport (MMIA) in Lagos. Traffickers are increasingly exploiting the country's seaports and land borders to avoid the risk of detection traveling through MMIA.

Nigerian organized criminal networks remain a major factor in moving cocaine and heroin worldwide, and have begun to produce and traffic methamphetamine to and around Southeast Asia. In addition to drug trafficking, some of these criminal organizations also engage in other forms of trafficking and fraud targeting U.S. citizens. Widespread corruption in Nigeria facilitates criminal activity, and, combined with Nigeria's central location along major trafficking routes, enables criminal groups to flourish and make Nigeria an important trafficking hub.

The only drug cultivated in significant amounts domestically is marijuana. Nigerian-grown marijuana is the most commonly abused drug domestically, though cocaine, heroin, and synthetic drug are also abused. Traffickers also export marijuana throughout West Africa and to Europe through Nigeria's porous borders. Methamphetamine is also produced within Nigeria for export to international markets.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The NDLEA enforces laws against drug trafficking and abuse and plays the lead role in demand reduction and drug control policy development. Weak inter-agency cooperation combined with a lack of criminal enterprise investigative capacity contributes to the dearth of apprehensions of major traffickers. Although all law enforcement elements have representatives at Nigeria's ports of entry, joint operations between them are rare. No single law enforcement agency has adequate resources to combat the sophisticated international criminal networks operating in the country.

The NDLEA and the U.S. Drug Enforcement Administration (DEA) signed a memorandum of understanding in 2012 to establish a vetted unit of 14 officers to exclusively work with DEA. The unit increased the pace of its operations in 2013.

Nigeria's counternarcotics policy derives from a 1998 National Drug Control Master Plan. However, the NDLEA's budget is inadequate to implement the plan. In fiscal year 2013, the Government of Nigeria held NDLEA's budget at its 2012 level of approximately $61 million. Of this, 6.1 percent, or approximately $3.8 million, is allocated for NDLEA staff training. Personnel costs account for 92.4 percent of the NDLEA's budget, while 1.6 percent supports capital expenditures.

The 1931 U.S.-United Kingdom Extradition Treaty, made applicable to Nigeria in 1935, remains the legal basis for U.S. extradition requests. Defendants often challenge the continued validity of the extradition treaty.

The NDLEA cooperated with international drug enforcement efforts in 2013, including joint operations with DEA. Three of these joint investigations resulted in arrests and seizures as well as an extradition and an expulsion to the United States of suspected drug traffickers in 2013. The NDLEA and DEA continue to target clandestine methamphetamine production in Nigeria, which involves transnational criminal groups that legally import and then divert large quantities of precursor chemicals. The U.S. Customs and Border Protection cooperates with the NDLEA to target high-risk suspected drug couriers traveling between Nigeria and the United States. The NDLEA also cooperated with the United Kingdom on several narcotics investigations and arrests.

2. Supply Reduction

The NDLEA has made good use of U.S.-provided technology and training. Most of the organization's drug seizures occur at airports using U.S.-donated body scanners, with the vast majority occurring at MMIA in Lagos. The NDLEA faces challenges with arresting the higher level drug traffickers and financiers who organize the regular traffic of low-level drug couriers.

Although there have been some reports of asset seizures since 2010, authorities do not systematically use asset seizure as an enforcement tool against traffickers and money launderers. The NDLEA reported no money laundering convictions in 2013. Asset forfeiture remains challenging in Nigeria, which lacks non-conviction based forfeiture or plea bargaining laws. Without an appropriate plea bargaining mechanism, the NDLEA encounters difficulty winning cooperation from low-level couriers to build cases against criminal gang bosses. Corruption and intimidation within Nigeria's judicial system remain significant concerns.

Marijuana is the most common illicit drug produced in Nigeria. Traffickers sell marijuana in Nigeria and export it through West Africa and into Europe, but little reaches the United States. The NDLEA continues to pursue an aggressive eradication campaign, which destroyed 563 hectares of marijuana cultivation between November 2012 and September 2013.

Nigerian clandestine methamphetamine production is also increasingly significant. In 2013, the NDLEA discovered and dismantled five clandestine methamphetamine laboratories in Nigeria. Nigerian methamphetamine is produced in large quantities throughout the country, mostly in Lagos and increasingly in Anambra state, where the mostly Igbo drug trafficking organizations are relocating their laboratories. These trafficking organizations started methamphetamine production by bringing South American "cooks" to Nigeria, but have steadily learned the production methods and no longer require their original teachers. Precursors – mainly ephedrine – are imported from India and China then diverted to the laboratory operators. A kilogram of 99 percent pure locally-produced crystalline methamphetamine sells for as little as $7,500 in Lagos and over $150,000 in Southeast Asian consumer countries such as Malaysia.

The introduction of vigorous interdiction regimes at Nigeria's five major seaports and its porous land borders would likely yield significant seizures. Drug seizures at the MMIA have increased by 1,100 percent from 2012 (from approximately 300 kg to 3.3 metric tons, or MT). Between January and October 2013, the NDLEA Command at MMIA seized 3.06 MT of cannabis products; 72.6 kg of cocaine; 8.2 kg of heroin; 111.2 kg of methamphetamine; and 500 grams of ephedrine, a precursor chemical used to produce methamphetamine.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Cocaine and heroin use increased in 2013. As in many other drug transshipment countries, traffickers have encouraged greater domestic consumption in Nigeria by offering drug supplies to local distributors in lieu of cash payment. The NDLEA's Demand Reduction Directorate has reinvigorated its school-oriented programs and other programs targeting youth, professional truck and bus drivers, sex workers, community leaders, and transport workers. In 2013, the NDLEA counseled and rehabilitated 3,350 drug addicts (up from 2,493 in 2012), most of whom were marijuana users.

4. Corruption

The Government of Nigeria does not encourage or facilitate illicit production or distribution of narcotics, or the laundering of proceeds from illegal drug transactions. However, corruption plays a major role in drug trafficking in Nigeria. Nigeria has anti-corruption laws, but has secured only a few notable convictions, including that of a former NDLEA chief (though this was overturned on appeal). The perception of high levels of corruption and impunity encourages narcotic trafficking in Nigeria.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

Nigerian government funding for law enforcement agencies remains insufficient. Unless the Government of Nigeria remedies this situation, little progress will be made over the medium to long term. In 2013, the United States assisted in revamping the NDLEA's Basic Agent Course training manual, facilitated the training of NDLEA officers in intelligence analysis and tactical training, as well as in border interdiction and clandestine methamphetamine laboratory training.

The United States works closely with the NDLEA and other law enforcement agencies to strengthen capacity. The United States also promotes greater cooperation between the Nigeria Customs Service (NCS) and the NDLEA to improve interdiction at the vulnerable seaports and porous land borders. In 2013, the United States continued funding a counternarcotics advisor and DEA began operations with its elite vetted unit, both of which will help to improve the NDLEA's ability to conduct complex cases. The United States facilitated the transfer of vehicles and provided computer equipment to the NDLEA to enhance its law enforcement capability. The United States provided maritime law enforcement training to the Nigerian Navy to enhance interdiction efforts in Nigeria's littoral waters.

The United States also provides funding to the UN Office on Drugs and Crime and the World Health Organization to support and develop local treatment services within Nigeria, as well as integrate and mainstream these services into Nigeria's public health system.

D. Conclusion

The United States will continue to engage the Government of Nigeria to combat drug trafficking, corruption, money laundering, and other criminal issues. The institutional and societal factors that contribute to these criminal activities remain deeply rooted and will require a comprehensive and collaborative effort. Progress will require sustained Nigerian government resources, effort and political will.

Pakistan

A. Introduction

Pakistan is the world's highest-volume transit corridor for opiates and cannabis. Drug traffickers exploit the country's porous borders with Afghanistan and Iran, and the United Nations Office on Drugs and Crime (UNODC) estimates that 40 percent of the world's supply of heroin traverses Pakistan en route to China, the Gulf States, Africa, Europe and North America, often transiting through Pakistan's seaports, airports, postal routes and coastal areas. Pakistan is also a major transit country for precursor chemicals used in the production of heroin and methamphetamine.

In 2013, Pakistan's law enforcement agencies achieved significant narcotics seizures, though no major drug traffickers were arrested. Budget limitations and fragile political will continue to hinder counternarcotics efforts, while law enforcement agencies remain preoccupied with more urgent threats, such as widespread political violence and extremism.

Domestic drug consumption is an ongoing problem. In 2013, UNODC released the results of a nationwide drug user survey, revealing that Pakistan is home to 6.5 million drug users who consume an estimated 59 metric tons of heroin and cannabis annually. According to UNODC, Pakistan lacks sufficient capacity to treat drug addicts, or to educate its populace about the menace of illicit narcotics.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In 2013, Pakistan continued its participation in the Paris Pact and Triangular Initiative, two UNODC-led mechanisms promoting international counternarcotics coordination. Pakistan continued to host over 30 foreign Drug Liaison Officers as part of its Paris Pact obligations, though little progress was achieved in 2013 to promote joint counternarcotics operations with regional counterparts.

Staffed at senior levels by Pakistan Army officers, the Anti-Narcotics Force (ANF) is a civilian law enforcement agency constitutionally mandated to serve as Pakistan's lead counternarcotics entity. In 2013, significant foreign assistance from UNODC and bilateral partners made ANF one of Pakistan's best-funded, best-equipped, and best-trained law enforcement agencies. Nevertheless, ANF's federal budget of $14.5 million (about seven percent higher than in 2011) was insufficient to operate and maintain vehicles, equipment, and office space. Moreover, ANF's staff remained thinly deployed across some 40 stations and field offices spanning every province and administrative territory except the Federally Administered Tribal Areas (FATA). ANF has not operated in the FATA since mid-2012, when a court injunction challenged its jurisdiction.

In 2013, the Ministry of Narcotics Control merged with the Ministry of Interior (MOI) to form the Ministry of Interior and Narcotics Control. The impact of this merger is yet to be seen. The move caused some friction with senior ANF commanders accustomed to operating more autonomously, but MOI oversight has the potential to improve long-term coordination among Pakistan's 27 law enforcement agencies holding counternarcotics mandates. During 2013, ANF continued to chair the Inter-Agency Task Force on counternarcotics. ANF also partnered with the U.S. Drug Enforcement Administration (DEA) and the United Kingdom's National Crime Agency to operate elite Special Investigation Cells (SIC). The ANF Academy, completed in 2012 with foreign assistance, provided instruction to over 1,000 trainees from across Pakistan's law enforcement community in 2013. As part of UNODC's Container Control Program, ANF and Pakistan Customs jointly operated nine Port Control Units (PCUs), while Pakistan Customs continued to host regional training courses on risk profiling of containerized cargo at Port Karachi.

Utilization of the 1931 Extradition Treaty between the United States and the United Kingdom (adopted by Pakistan upon independence) has been problematic in recent years. Similarly, Pakistan rarely acts on mutual legal assistance requests from the United States.

2. Supply Reduction

Pakistan's main opium poppy growing areas remain in Khyber Pakhtunkhwa (KP), the FATA, and northeastern Balochistan. Insecurity in these regions has prevented reliable surveying, making it difficult to determine cultivation levels. However, direct and indirect evidence suggests that the total area cultivated exceeded 2,000 hectares (ha) in 2013, of which the ANF claims to have eradicated 850 ha. Alternative livelihood and development programs for farmers – including distribution of seeds, agricultural training, and construction of "small-scheme" irrigation mechanisms – continue to effectively discourage poppy cultivation in some communities of KP and the FATA. Pakistan depends heavily on foreign assistance to fund and monitor such programs.

According to UNODC, 160 to 200 metric tons (MT) of Afghan heroin are annually trafficked through Pakistan. According to ANF reports, Pakistan's law enforcement agencies collectively seized 4.3 MT of heroin between January and September, a significant decrease from the 12.6 MT seized in 2012. In 2013, the Frontier Corps Balochistan (FC/B) led Pakistan's law enforcement agencies in opiate seizure volumes, with Pakistan Customs, Pakistan Coast Guard, Punjab Police, and ANF also achieving significant interdictions. Cooperation among ANF and foreign law enforcement partners resulted in the overseas seizure of an additional 220 kilograms (kg) of heroin. These seizures occurred as a result of international controlled delivery operations conducted by the ANF in coordination with DEA. These operations in turn permitted various countries in South East Asia, Europe and Africa to dismantle and prosecute trafficking networks engaged in complex narcotics trafficking conspiracies.

Between January and September, 2013, Pakistani authorities arrested over 5,318 suspects on drug charges. Law enforcement agencies registered over 5,000 cases, including 349 cases registered by ANF with a 67 percent conviction rate (down from an 84 percent conviction rate in 2011). Collectively, ANF has a current strength of approximately 1,500 investigators and

roughly 800 support staff. The ANF's operational staff is spread among the major cities, airports, seaports, and border crossings throughout Pakistan. The vast majority of these cases involved low-level possession or small quantity courier trafficking. Suspects were tried by ANF in special narcotics courts utilizing an ANF-employed prosecutor corps to move the caseload.

In 2013, the ANF pushed for the prosecution of several individuals involved in a scheme to illegally divert approximately nine MT of imported ephedrine. Authorities allege the ephedrine was trafficked to Afghanistan and Iran for use in methamphetamine production. The ANF pursued this investigation in spite of the fact that one of the principal defendants in the investigation was the son of former Pakistani Prime Minister Yousuf Raza Gilani. In 2013, the ANF also seized several large shipments of acetic anhydride, which is a precursor chemical used to convert morphine to heroin. In May, the ANF SIC reported seizing 103 MT of acetic anhydride en route to Afghanistan. In July, the ANF Lahore Directorate reported the seizure of two consignments of ephedrine totaling 212 kg. In August, the ANF, working jointly with Pakistani Customs authorities, seized a further 15 MT of acetic anhydride as part of a joint investigation with DEA.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

UNODC completed a nationwide drug use survey in 2013. Results indicate that 6.5 million Pakistanis aged 15 to 64 – about 5.8 percent of the population – used drugs for non-medical purposes at least once in the 12 months preceding questioning. Cannabis and opioids were the most prevalent drugs consumed, with 4 million and 2.7 million users, respectively. However, the survey also tallied nearly 1.7 million users of painkillers, nearly 1.6 million users of synthetic tranquilizers/sedatives, and about 134,000 users of amphetamine-type simulants (ATS). In total, the survey classified 4.1 million drug users aged 15 to 64 as drug addicts.

Historically, public awareness about the harmful physiological properties of drugs, or their destructive effects on society, has not been high. In 2013, Pakistan intensified efforts to raise public awareness about domestic narcotics consumption. The MOI partnered with UNODC to launch a three-month awareness campaign in six major cities of KP. According to UNODC and the Pakistani government, the campaign raised provincial awareness of heroin use by almost 20 percent by distributing public service announcements via billboards, SMS messages, radio, TV, and other media. The MOI also established a telephone hotline to answer public inquiries and refer callers to local drug treatment centers. The campaign generated over 4,200 calls to this hotline, and will serve as a model for future awareness efforts. In addition, MOI partnered with the Pakistan National Council of the Arts to produce a theatrical stage play, which used humor and colloquial parables to de-glorify the drug trade.

In 2013, Pakistan's drug treatment capacities remained insufficient to meet demand, with fewer than 100 clinics operating nationwide. Very few public hospitals offered drug addiction treatment services, though KP was the first to take steps to systematically integrate basic addiction counseling into its public health apparatus. Due to a lack of government funding, over 90 percent of Pakistan's detoxification centers were operated by non-governmental organizations (NGOs). As a result, cost to patients remained the primary obstacle preventing widespread access to treatment, leaving 75 percent of opiate addicts without an avenue to seek help. Fewer

than 30,000 drug users received detoxification therapy, the majority of whom were men due to a lack of institutional capacity to serve women.

An increasing number of Pakistan's addiction centers are providing evidence-based treatment. In 2012, the Colombo Plan, a multi-national organization promoting development in the Asia-Pacific region, launched a "train-the-trainer" program with U.S. funding for NGO and government treatment specialists. In 2013, the Colombo Plan certified 12 Pakistani "Master Trainers" and trained over 80 treatment practitioners in evidence-based detoxification and psychological counseling. These efforts should reduce remission rates, which currently approach 80 percent.

4. Corruption

Corruption remains a major challenge to the practice of law enforcement. Although parliamentary oversight committees, an independent judicial system, and a critical free press exposed corrupt practices, the consequences for perpetrators were rarely severe. Accordingly, corruption continued to facilitate the movement of contraband, principally in the form of bribes to public servants. In 2012, ANF arrested two senior government officers for tampering with Pakistan's 2010 ephedrine import quotas. These prominent officials were promptly released on bail, while legal proceedings have stalled. However, in 2013, the government seized the assets of several other suspects involved in the scandal. The politically-charged ephedrine case notwithstanding, narcotics traffickers do not profoundly influence the government, and the government neither encourages nor facilitates drug trafficking as a matter of policy.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States is committed to a multifaceted approach to counternarcotics assistance in Pakistan that reduces the supply of drugs and promotes initiatives for drug demand reduction. The United States helps Pakistani law enforcement develop its capacity for conducting sophisticated operations, such as controlled deliveries, financial crime investigations, and container profiling. The United States aims to help Pakistan cultivate a model for collaborative, intelligence-driven, and corruption-free law enforcement by directing assistance through elite units such as SICs and PCUs. The United States also promotes initiatives that reduce demand for drugs, supporting Pakistan's efforts to treat drug addiction and prevent its spread as a public health menace.

Since 2008, U.S. supply-reduction assistance has mainly funded poppy reduction programs and ANF interdiction activities. ANF's seizures and arrests have been lower than expected. In 2013, bilateral cooperation on interdiction programs suffered from diminished information sharing and access by U.S. government personnel to U.S.-funded facilities operated by ANF and Frontier Corps/Balochistan (FC/B). To promote more consistent progress towards an effective and self-sustaining interdiction capacity, the United States took steps to diversify counternarcotics programming in 2013, specifically by strengthening cooperation with agencies such as the MOI and Customs.

On the demand-reduction side, the United States expanded and diversified funding for various drug treatment and practitioner training programs, most notably the Colombo Plan's Master Trainer initiative. Since 2011, the United States has doubled assistance for NGOs operating drug treatment facilities and mass awareness activities, prioritizing the funding of projects benefitting women. In 2013, the United States also began working with UNODC, the MOI, and Pakistan's entertainment sector to design and distribute compelling anti-drug awareness messages via playhouse, radio, and TV.

D. Conclusion

In 2013, Pakistan's progress towards building an effective, and self-sustaining counternarcotics capacity slowed somewhat, notwithstanding some noteworthy seizures, and despite some positive anti-drug awareness activities. Although Pakistan continues to face enormous economic and security challenges that often trump narcotics trafficking as national priorities, many of these challenges are interconnected. Pakistan will more effectively reduce drug trafficking when its law enforcement agencies coordinate more closely, share information more readily, and expend limited resources more efficiently. The Government of Pakistan should also consider taking additional steps to increase public awareness about the drug trade, drug use, and its negative societal influences.

Panama

A. Introduction

Panama remains a transshipment crossroads for illicit drug trafficking due to its geographic location and the presence of the Panama Canal. The United States estimated that approximately 86 percent of the cocaine trafficked to the United States first transited through Central America during the first half of 2013. Transnational drug trafficking organizations, including Mexican and Colombian groups such as the Revolutionary Armed Forces of Colombia (FARC), move illegal contraband through Panama's remote Darién region and along its coastline and littoral zones. Drug traffickers also exploit Panama's transportation infrastructure, including the second largest free trade zone in the world, four major container seaports, the Pan-American Highway, and the fourth busiest airport in Latin America. The United States enjoys a strong partnership with all Panamanian security services.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Developments

In 2013, Panama built on past efforts to strengthen and improve its security institutions, enhance interdiction capacity and ensure citizen security. While government agencies in the justice sector continued to suffer cutbacks in the 2014 fiscal year budget, the Ministry of Public Security's budget increased by 11 percent over 2013 levels, the fifth straight year of increase. The Panamanian National Police (PNP), with U.S. assistance, began implementing a comprehensive modernization program in August through the introduction of modern policing strategies and integration of the COMPSTAT (comparative statistics) model, allowing real-time mapping and analysis of criminal activity. After an initial training phase, COMPSTAT should lead to more effective police enforcement in 2014. Additionally, reform of the Police Academy curriculum and teaching methods has led the Ministry of Education to certify it as an accredited academic institution, enabling it to offer university-level courses.

Since 2010, Panama has undertaken a whole-of-government strategy to improve governance in the Darien province. Working closely with the Panamanian Secretariat for Development in the Darien and Annexed Comarcas (SEPRODACAN), the Panamanian National Border Service (SENAFRONT) remains the operational mainstay of this strategy, performing humanitarian assistance and community policing missions alongside its normal duties. SENAFRONT exercises territorial control over the region's population centers and recruits from the local Darien indigenous and non-indigenous communities. The Minister of Public Security declared in 2013 that there is no longer a permanent presence of the FARC in Panama, a success which is largely credited to SENAFRONT. With the inauguration of a Regional Border Protection Training Program, the United States is providing training to SENAFRONT and other security services in the region on border security operations at and between ports of entry. Because of the "train-the-trainer" efforts, in cooperation with the United States and Colombia, SENAFRONT is now capable of conducting various levels of training on its own and has begun to offer and provide such training to regional partners including Costa Rica, Belize, and Honduras.

Panama is replacing its inquisitorial justice system through a phased transition to a faster and more transparent accusatory justice system, which the United States is supporting through countrywide training. Despite a two-year delay, the system has been implemented thus far in four of Panama's nine provinces. In the provinces where reforms have been implemented, case processing times have been reduced by 85 percent and oral hearings have broken a judicial logjam that had seen basic criminal cases drag on for years. Nevertheless, the government has consistently under-delivered on the required budget allocation for implementing the system and will need to commit additional resources as the system spreads to the remaining heavily populated, higher-crime provinces. Despite this measure of progress, justice sector institutions have difficulty pursuing money laundering, complex financial crimes, and criminal forfeiture cases and remain susceptible to corruption.

A mutual legal assistance treaty and an extradition treaty are in force between the United States and Panama, although the Panamanian Constitution does not allow extradition of Panamanian nationals. Panama will prosecute those fugitives in Panama in lieu of extradition. Both countries signed the Salas-Becker Agreement in 2002, enabling cooperation on bilateral maritime interdiction, including the use of shipriders allowing Panamanian security officers to deploy aboard U.S. air and maritime patrol assets. The program has enhanced the effectiveness of counter-trafficking operations in and around Panama by improving detection, monitoring, interdiction and apprehension of illicit traffickers. Panama hosted the most recent U.S.-sponsored Multilateral Maritime Counterdrug Summit, which included Chile, Colombia, Ecuador, Mexico, Peru and all Central American countries.

2. Supply Reduction

Panama reported seizing 41 metric tons (MT) of cocaine in 2013, largely in cooperation with U.S. law enforcement. This includes cocaine captured by Panamanian authorities, but does not include 3.9 MT of cocaine seized by U.S. Coast Guard (USCG) assets in or near Panamanian territorial waters, or cocaine jettisoned by traffickers under pursuit and not recovered. Panama reversed a three-year downward trend in annual cocaine seizures with a 20.6 percent increase from the 34 MT seized in 2012. Panama managed to increase cocaine seizures in 2013 even though cocaine production is estimated to have decreased during the same period in primary source-country Colombia. The United States attributes the rise in cocaine seizures to a combination of factors, including enhanced operational readiness of Panamanian maritime interdiction vessels and continued forward deployment of U.S. air and maritime surveillance and interdiction assets. Additionally, Panamanian authorities seized 2.2 MT of cannabis, 134 kilograms of chemical precursors, 123 kilograms of heroin, and $2.35 million in drug-related cash, down from $4.36 million over the same period in 2012.

With U.S. assistance, Panama's Air Naval Service (SENAN) began to address in earnest – for the first time in its five-year history – many shortcomings that were hindering its operational effectiveness. Many problems persist, including poor logistics and maintenance systems, inadequate human resources, a deficit of maritime mid-grade and senior officers, limited intelligence collection capability, and insufficient operational intercept assets. However, SENAN has demonstrated substantial improvements in many of these areas over the past year

and a commitment to develop organic and sustainable maintenance and operational capacities. SENAN continues to support joint counternarcotics operations, including interdiction, patrolling, providing liaison officers aboard U.S. maritime vessels and patrol aircraft, photographing suspect areas, and identifying suspect aircraft. While resourcing for additional training, equipment, and personnel is improving, the development of a professional cadre will take years. The United States is working with the Colombian Navy to build a cadre of SENAN instructors that can not only provide training but will also institutionalize it.

In 2013, maritime trafficking along Panama's north coast stabilized at or about 2012 levels, but movements increased on the southern coast in regions west of Panama City. The Panama Canal expansion will significantly increase shipping traffic by 2015, which may in turn lead to a corresponding increase in illicit trafficking via container ships.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Panama funds a number of drug demand reduction programs, and benefits from other funding sources, including donations from civil society groups and international cooperation. The Ministry of Education provides drug prevention programs in schools and the Ministry of Health supports a drug-counseling program. The last drug demand study was conducted in 2008, making it difficult to assess current trends. Panama has not updated its written strategy on drug demand reduction since 2007. The United States, in collaboration with the Organization of the America States' Inter-American Drug Abuse Control Commission, funds drug treatment and prevention training for treatment service professionals in Panama.

The Government of Panama devised a National Citizen Security Strategy which aims to coordinate a whole-of-government approach to combatting crime, and includes joint efforts on prevention and demand reduction programs. The United States partnered with the PNP to implement programs such as Drug Awareness and Resistance Education (DARE) and the PNP's new Community Policing Strategy to help at-risk youth.

Panama, with assistance from the United States, and through the United Nations Office on Drugs and Crime (UNODC), is beginning to reform its prison system by implementing programs to professionalize staff, reduce corruption, create more humane conditions, reduce overcrowding, promote post-incarceration inmate reintegration into society, and lower recidivism rates. The United States and Panama are also partners on a project with a local non-governmental organization to implement a rehabilitation program for juveniles within the prison system.

4. Corruption

The Government of Panama does not encourage or facilitate illicit drug production or distribution, nor is it involved in the laundering of proceeds from illicit drug sales. Corruption nevertheless remains a concern throughout the security services and justice sector. Panama's Security Minister has publically expressed concern about drug-trafficking influence on the political process. Panama adjudicated few cases of corruption in 2013, in part due to poor investigative capacity, a lengthy investigative process, and a weak judicial system. Drug trafficking organizations have penetrated the security services and several security-service

members involved in trafficking were detained in 2013. The United States supports the UNODC's Regional Anti-Corruption Academy, offering courses to government officials, including members of Panamanian security services, and fostering partnerships with citizens in the fight against corruption. In 2013, the Academy delivered 22 courses and trained 730 participants from Panama and other Latin American countries.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports citizen security, law enforcement, and rule-of-law programs in Panama, mainly through the Central America Regional Security Initiative (CARSI). These programs aim to expand Panamanian capabilities to interdict, investigate, and prosecute illegal drug trafficking and other transnational crimes, while strengthening Panama's justice sector, including its prisons.

Through CARSI, the United States trains and equips Panamanian police to perform anti-gang law enforcement. The United States also supports community policing in Panama with equipment, vehicles, training, communications, and social and economic programs.

In 2013, the United States continued to provide assistance to modernize and maintain SENAN, SENAFRONT, and PNP vessels and facilities in support of interdiction efforts. The United States helped to improve the professionalism and effectiveness of Panama's security services by providing technical training in areas such as small boat operations, small unit tactics, maritime interdiction, equipment, and logistics support. The United States is advancing a trilateral cooperation relationship with Panama and Colombia, through which Colombian law enforcement, justice sector and military experts train members of Panama's security services. The United States is transitioning some of its assistance programs into more advanced areas, such as developing a strategic budgeting and project management capacity for SENAN, institutionalizing education and training within the various security services, fostering more joint work among those services, as well as greater inter-agency coordination between the Ministry of Security and its governmental counterparts.

United States and Panamanian law enforcement units collaborate closely on counternarcotics efforts, which in 2013 included high-profile investigations involving a nexus to U.S. cases. Panamanian vetted units, working in partnership with U.S. law enforcement agencies, conducted sensitive investigations and operations related to counternarcotics, money laundering, human smuggling, and other transnational crimes.

In 2013, the United States and Panama signed an asset-forfeiture sharing agreement that will provide $36 million from a past money laundering investigation to the Panamanian government. These proceeds will fund jointly-agreed upon projects aimed at furthering anti-money laundering efforts. This is the second largest sum from an asset forfeiture case ever shared by the United States with a foreign government.

D. Conclusion

The Government of Panama continued its support for joint counternarcotics operations and investigations in 2013, while continuing to invest in building its own capacity. Panama remains one of the regional leaders in narcotics interdiction and its increased efforts have reversed a three-year downward trend in seizures. To maintain the momentum of improvements, SENAN's institutional capacity will have to keep up with the demanding pace of its expansion, which includes an increase in the number of helicopters, maritime vessels, and radars, coupled with the qualified personnel required to operate these new assets. The United States will continue to assist Panama in implementing reforms to ensure that the PNP, SENAFRONT, and SENAN become strong, professional security services and Panama's justice sector can capably overcome the corrosive effects of transnational crime. The United States will also encourage Panama to support efforts to prevent, detect, investigate, and prosecute financial crimes and money laundering. The United States urges the Government of Panama to devote more resources to the modernization of its justice sector institutions to bolster citizen security.

Paraguay

A. Introduction

Paraguay faces various challenges to reduce narcotics trafficking and production. The country's proximity to major source countries for cocaine, as well as institutional challenges within its law enforcement agencies and courts, continue to impede counternarcotics efforts.

Paraguay produces one of the largest marijuana crops in the Western Hemisphere, largely for export to Brazil and Argentina. It is also a transit country for Andean cocaine, most of which is destined for Paraguay's neighbors or to Europe, Africa, and the Middle East. Drug traffickers exploit the landlocked country's porous borders, extensive internal waterways, and law enforcement and judicial institutions. Arms trafficking, money laundering, counterfeiting, and other illegal activities linked to narcotics trafficking and other forms of transnational crime are prevalent, with the proceeds contributing to corruption. These activities increasingly involve international criminal organizations operating along the Paraguay-Brazil border.

Despite these challenges, the Government of Paraguay expanded its efforts in 2013 to disrupt the activities of drug traffickers through interdiction, eradication, and demand reduction efforts. Paraguay's primary counternarcotics agency, the National Anti-Drug Secretariat (SENAD), with approximately 430 members, leads these efforts along with the Paraguayan National Police (PNP) and the Customs Administration. These agencies, along with the Attorney General's Office, the Anti-Money Laundering Secretariat (SEPRELAD), and the Supreme Court, all welcome cooperation with the United States in fighting drug trafficking.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

In 2013, SEPRELAD launched a National Plan for Anti-Money Laundering and Countering Terrorist Finance (AML/CTF) and began to implement some of the plan's 22 action items. SENAD made progress in strengthening its financial crimes investigation and canine units. Since 2011, SENAD has served as the country coordinator for a multi-agency and multi-country program led by the UN Office on Drugs and Crime (UNODC) to address illicit trafficking and promote demand reduction and treatment initiatives. SENAD's budget increased to $11.8 million in 2014, from $9.7 million in 2013 and $8 million in 2012.

Paraguay is a party to the Inter-American Conventions Against Corruption and Against Terrorism. Paraguay is also a signatory to the Organization of American States Inter-American Drug Abuse Control Commission Hemispheric Drug Strategy and to the 1992 Inter-American Convention on Mutual Assistance in Criminal Matters.

U.S. and Paraguayan law enforcement authorities cooperate in extradition matters pursuant to a 2001 extradition treaty. The United States and Paraguay extended the 1987 bilateral letter of

agreement providing counternarcotics assistance in 2004 and have amended it annually through 2013.

2. Supply Reduction

Combined SENAD and PNP seizures increased significantly in 2013 compared to 2012. The 461 metric tons (MT) of marijuana seized in 2013 doubled the 2012 figure of 231 MT, and the 2,295 hectares (ha) of marijuana eradicated more than doubled the 2012 figure of 868 ha. Precursor chemical seizures increased substantially to 70.6 MT, from 56 MT in 2012. Seizures of 3.8 MT of cocaine and of 4.6 MT of marijuana seeds and wax were consistent with 2012's figures of 3.9 MT and 3.2 MT, respectively. There were 567 drug-related arrests in 2013 (692 in 2012); two airplanes seized (six in 2012); and 45 firearms seized (73 in 2012).

On August 22, SENAD conducted two simultaneous seizures of a total of 1.73 MT of cocaine, nearly as large as its record-breaking single-day seizure of 1.76 MT in November 2012. SENAD collaborated well with the Interior Ministry and the Public Ministry to carry out the operation, which also netted five arrests and seized planes, vehicles, and assault weapons.

In October, SENAD's "Operation Vitriol" resulted in the seizure of 58 MT of precursor chemicals and the arrest of seven alleged members of an international criminal organization that trafficked the chemicals to produce cocaine in Bolivia.

Paraguay is one of the largest marijuana producers in the hemisphere, with cultivation taking place primarily in northeastern departments near the Brazilian border. Various methods are used to smuggle narcotics through Paraguay to regional and international markets, including containerized cargo, cargo trucks, passenger buses, small airplanes, and human couriers. Towns along the Brazilian border such as Pedro Juan Caballero, Salto del Guairá, and Ciudad del Este are known transit centers for narcotics, arms, and other contraband. Vehicular, riverine, and foot traffic routinely cross the border unchecked by authorities on either side. Due to a limited law enforcement presence and lack of radar coverage, traffickers use large farms in the northwestern Chaco region along the Bolivian border as bases of operation for aerial cocaine shipments originating in Bolivia.

3. Drug Abuse Awareness, Demand Reduction and Treatment

SENAD sponsored 305 workshops that reached 15,600 students, parents, and teachers in 106 different educational institutions. The agency distributed 3,071 informational pamphlets and 80 DVDs to students, teachers and counselors, and conducted 54 drug abuse awareness radio broadcasts.

The Ministry of Health's National Addiction Control Center, located in Asuncion, is the only public drug treatment facility in Paraguay. It offers in-patient, out-patient, and walk-in assistance to all patients seeking treatment regardless of gender or age. However, the Center's 30-bed capacity for inpatient treatment is insufficient to meet the country's needs. There is only one private rehabilitation center in Paraguay.

4. Corruption

The Government of Paraguay neither encourages nor facilitates illegal activity associated with drug trafficking, and no senior government official was implicated in such activity in 2013. Nevertheless, widespread corruption and a lack of resources in the law enforcement and judicial systems often prevented the effective prosecution of narcotics producers and traffickers.

C. National Goals, Bilateral Cooperation and U.S. Policy Initiatives

The Administration of President Horacio Cartes has placed a high priority on counternarcotics efforts, as demonstrated by increased seizures and the appointment of qualified leadership in SENAD. Paraguay's Congress echoed this support by increasing funding for counternarcotics in 2013 and again in 2014.

The United States works closely with the Government of Paraguay to disrupt drug trafficking organizations and to strengthen legal and regulatory frameworks in a joint effort to combat narcotics trafficking and associated crimes, such as money laundering and arms trafficking. U.S. operational support, including U.S. Drug Enforcement Administration support for joint investigations, resulted in increased numbers of drug seizures, arrests, and cases presented for prosecution.

D. Conclusion

The Government of Paraguay continued to advance its counternarcotics capacity as evidenced by increased drug seizures as well as SENAD's collaboration with the Brazilian Federal Police on select narcotics cases. Nevertheless, Paraguayan interagency collaboration remains underdeveloped. Enhancing interagency coordination, improving the judicial system's ability to prosecute narcotics cases quickly and effectively, and strengthening law enforcement efforts underway, would help to deter narcotics producers and traffickers.

The United States encourages Paraguay to continue to institute measures to address corruption across all levels of government and to develop a comprehensive approach to combating the production and trafficking of precursor chemicals, including chemicals that could be used to produce synthetic drugs. To address Paraguay's increased consumption of "crack" cocaine, confirmed in a 2012 UNODC study, the Government of Paraguay should consider taking measures to increase its capacity to treat and rehabilitate drug users. The United States also encourages Paraguay to strengthen its 2012 asset forfeiture law and to implement the law whenever the opportunity arises.

Peru

A. Introduction

Peru remained the world's top potential producer of cocaine for the third consecutive year, and was the second-largest cultivator of coca, with an estimated 50,500 hectares (ha) of coca under cultivation in 2012, the most recent year for which data is available. The majority of cocaine produced in Peru is transported to South American countries for domestic consumption, or for onward shipment to Europe, East Asia, and Mexico via private and commercial aircraft, and land and maritime conveyances. Peru is a major importer of precursor chemicals used for cocaine production.

President Ollanta Humala dedicated substantial resources to implement Peru's 2012-2016 counternarcotics strategy. The strategy calls for a 200 percent increase in the eradication of illicit coca by 2016. The Government of Peru remains on pace to meet its ambitious targets in this area, and in 2013 eradicated in the Monzón River Valley, a hostile area with little state presence, for the first time in decades. Sendero Luminoso (SL or Shining Path) operating in the Apurimac-Ene-Mantaro River Valley (VRAEM) relied on cocaine trafficking for funding, and killed and wounded several police and military personnel during counternarcotics operations.

Domestic consumption of illicit drugs is growing, particularly in urban areas east of the Andes. The number of treatment centers falls short of what is needed to treat the estimated 32,000 to 45,000 cocaine addicts and an even larger number of marijuana addicts nationwide. Peruvians were increasingly concerned about the impact of drug trafficking and abuse on citizen security, political stability, and the nation's youth; the environmental damage of illicit drug production; and the impact of corruption on democratic institutions.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Peruvian government's counternarcotics strategy includes ambitious goals for eradication, interdiction, and alternative development, and addresses associated issues such as the control of precursor chemicals, organized crime, money laundering, and the rule of law. The Humala Administration increased its counternarcotics budget from $220 million in 2012 to $256 million in 2013. For the first time, Peru contributed $11.6 million towards eradication efforts and concomitant aviation support, which historically has been funded by the United States.

To counteract the increasing use of private aircraft transporting drugs, the police created a tactical unit based in Lima targeting clandestine runways for destruction. This group destroyed 110 clandestine runways throughout the country in 2013, compared to six clandestine runways in 2012. Law enforcement sources estimate that each illicit flight transports between 250 and 400 kilograms (kg) of cocaine.

The Public Ministry, Peruvian National Police (PNP), and Judiciary provide limited training on the New Criminal Procedure Code (NCPC), which transitions the legal system from an inquisitorial to an accusatory system. No new judicial districts implemented the NCPC during 2013; the number of districts operating under the NCPC remained at 23 of an overall 31. Nationwide implementation is expected by the end of 2014, with Lima anticipated to be the final (and largest) judicial district to implement the code. The NCPC has been applied to corruption cases nationwide since June 2011. With the passage of a new law to combat organized crime in August, the NCPC also applies to these cases regardless of district.

The bilateral extradition treaty between the United States and Peru entered into force in 2003. Peruvian law requires individuals to serve sentences and probation in Peru before becoming eligible for extradition. Peruvian authorities now request credit for prisoners' time served in Peru when granting extraditions to the United States.

2. **Supply Reduction**

The U.S. government estimates that 50,500 ha of coca were under cultivation in Peru in 2012, a two percent increase from the 2011 estimate of 49,500 ha. The United Nations, using a different methodology, estimated 60,400 ha of cultivation in 2012, a three percent decrease from its 2011 estimate of 62,500 ha. The UN assesses for the first time that Peru is the largest cultivator of coca and producer of cocaine. The U.S. government's 2012 estimate for potential pure cocaine production dropped to 290 metric tons (MT), a five percent decrease from 2011; the 2012 estimate of potential export-quality cocaine held stable at 375 MT from the previous year (after 2011 estimates were revised).

In 2013, the Peruvian government eradication agency, CORAH, focused on Peru's San Martin, Huánuco, and Pasco regions, which encompass the Monzón River Valley. Peru eradicated an unprecedented 23,785 ha of illicit coca in 2013, exceeding the 14,171 ha eradicated the previous year. Law enforcement destroyed 311 maceration pits found at eradication sites, far exceeding the 142 pits found in 2012. Plans are underway to eradicate in the VRAEM, a region accounting for as much as 40 percent of Peru's total 2012 potential pure cocaine production.

DIRANDRO, the police anti-drug unit, received an $11 million budget in 2013, down from $13 million in 2012. This unit reported moderate decreases in drug seizures in 2013 – 24.3 MT of cocaine (including 11 MT of cocaine base and 13.3 MT of HCl cocaine). DIRANDRO also seized 3.7 MT of marijuana, and destroyed 869 cocaine laboratories and seized 13.9 MT of coca leaf in the UHV and the VRAEM.

Peru produces precursor chemicals, such as sulfuric acid, and is a major importer of other essential chemicals for cocaine production. DIRANDRO's Precursor Chemical Unit, DEPCIQ, reported significant increases in the seizure of precursor chemicals – from 1,930 MT in 2012 to 2,240 MT in 2013. Increased riverine interdictions in the Ucayali and Loreto regions, as well as ongoing interdiction operations on major roads east of the Andes assisted by two U.S.-donated backscatter x-ray scanners, are responsible for much of this increase.

Small aircraft carrying shipments of cocaine from Peru to Bolivia now constitutes the primary method of transporting cocaine. These aircraft were believed to have transported between 150 MT and 180 MT of cocaine out of Peru in 2013; law enforcement estimates that maritime smuggling through the Eastern Pacific accounts for roughly 115 MT. Roughly a third of that amount is transported to Ecuador by land before onward shipment by sea. Peruvian, Colombian, and, increasingly, Mexican traffickers maintain sophisticated networks to ship cocaine to Europe, East Asia, Mexico, the Caribbean, the United States, and other Western Hemisphere countries. Peru and the United States exercise maritime operational procedures that enable U.S. authorities to board Peruvian flagged vessels in international waters. In joint investigations with U.S. law enforcement, DIRANDRO identified and disrupted major international cocaine trafficking organizations using maritime and air conveyances to ship cocaine for export.

In July, Peruvian law enforcement arrested 24 nationals for cocaine trafficking offenses and providing material support to the Shining Path. Of note were the inclusion of a former Congresswoman and members of the Coca Farmers Union. In August, Peruvian law enforcement and Armed Forces killed three Shining Path terrorists – including Comrades Alipio and Gabriel, two of the organization's top military commanders – delivering a tremendous blow to the organization in the VRAEM. Gabriel was responsible for shooting down a U.S.-owned helicopter in April 2012, killing the PNP co-pilot and wounding the crew chief.

The PNP also conducted successful investigations resulting in the seizure of financial assets. The heads of the organization were charged with laundering of drug trafficking proceeds and financing terrorism. A second case involved the seizure of $5 million in assets from a known drug trafficker. Peruvian authorities, however, struggle to effectively manage and dispose of these assets once in custody, or to obtain convictions for money laundering offenses.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Drug abuse in Peru is increasing, particularly along drug trafficking routes in mid-size cities east of the Andes. The most recent study from DEVIDA ("National Commission for Development and Life Without Drugs"), Peru's counternarcotics policy agency, indicates that 80,000-90,000 youth use an illicit substance for the first time each year. Marijuana accounts for the majority of drug use, with cocaine paste and cocaine hydrochloride a distant second and third.

DEVIDA continues to provide a drug counseling services hotline and implemented its "Strong Families Program," an awareness program for parents and children aged 10-14. DEVIDA has a budget of $13.1 million for drug abuse prevention and rehabilitation, and provides funding to local governments for drug awareness and prevention campaigns nationwide.

Public treatment facilities in Peru provide 160 beds for drug addicts requiring services. There are private treatment centers in urban areas, but many suffer from a shortage of trained staff. Peru has approximately 300 "therapeutic community centers" (a group-based approach to drug addiction treatment) nationwide, but the majority of these centers are unregulated and often run by former addicts with no formal training. Only 43 such centers are registered. There are no rehabilitation centers or clinics specifically designed to treat adolescents, women, or their children. Only 15 of 80 prisons nationwide offer treatment programs for inmates.

4. Corruption

As a matter of policy, the Government of Peru does not encourage or facilitate the illicit production or distribution of drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Nonetheless, corruption remains a concern.

According to a 2013 national survey, 58 percent of Peruvians believe corruption is the primary challenge facing Peru's public administration. Peruvians believe the Congress (55 percent), the Police (53 percent), and the Judiciary (49 percent) are the entities with the highest levels of corruption. Of those surveyed who interacted with the police and the Judiciary, 44 percent and 32 percent respectively report having paid bribes. Widely covered corruption scandals, including former presidents and other high level officials, contribute to a general sense of distrust of public officials.

The Peruvian government took important steps to improve transparency around public infrastructure projects and public administration performance in 2013. These efforts include a new civil service law approved in July, which implements performance-based evaluation standards.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States funds projects to support the Peruvian counternarcotics strategy through training, technical assistance, intelligence, and the targeted provision of equipment through international organizations, non-governmental implementers, and the Government of Peru. A primary focus of U.S. interagency support is to enhance the capacity of the Peruvian police and military to effectively counter Shining Path's drug trafficking and terrorist activities in the VRAEM.

Peru regularly participates in the U.S.-sponsored Multilateral Counterdrug Summit. The goal of these summits, which include 12 participants from Central and South America, is to identify and implement cooperative measures to combat maritime drug trafficking and improve prosecution of maritime trafficking cases.

To reduce dependence on illicit coca cultivation, the United States partners with Peru to implement alternative development projects in recently eradicated areas. The U.S. Agency for International Development (USAID) coordinated the U.S. approach and promoted farmer participation in the cacao, coffee, and palm oil industries, helping increase productivity and quality to raise incomes in San Martin, Huánuco, and Ucayali. U.S. assistance supported over 17,000 families with the cultivation of over 30,000 ha of alternative crops in 2013.

D. Conclusion

The Government of Peru has demonstrated increasingly strong political will to address drug production and trafficking in Peru, both through funding a significant share of eradication operations for the first time and through its successful operations in the VRAEM to bring down

high-ranking members of Shining Path. The U.S. partnership with Peru and its support in implementing the government's counternarcotics strategy remain critical in combating the production and trafficking of cocaine.

Philippines

A. Introduction

The Philippines is a transit and destination country for illegal drugs, particularly methamphetamine, as well as a limited source of marijuana for mostly local consumption. Methamphetamine and marijuana remain the two most widely consumed illicit drugs. The 2013 UN Transnational Crime Report estimated that the Philippines had 960,000 methamphetamine users, approximately 2.1 percent of the adult population aged 16 to 64 -- one of the highest rates in Asia. Chinese and African organized crime groups traffic large amounts of methamphetamine into the Philippines, and transnational trafficking groups remain involved in producing methamphetamine within the country, though this may be declining.

Philippine law enforcement and justice sector agencies lack sufficient resources, staff, and effective investigative tools to effectively identify, investigate, and prosecute members of drug trafficking organizations. Restrictions imposed by the Anti-Wiretapping Act of 1965 continue to bar the use of judicially authorized interception of criminal communications, and procedures such as plea bargaining and drug-related asset forfeitures are rarely used. Many drug-related cases are dismissed for failure to follow the strict evidence procedures in the Comprehensive Dangerous Drugs Act of 2002. Reforms to the law remain pending. Prosecution and adjudication of cases continue to face significant procedural delays.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Philippine Drug Enforcement Agency (PDEA), the lead counternarcotics enforcement agency in the Philippines, is responsible for pursuing anti-illegal drug investigations and operations nationwide. The agency had 799 enforcement officers assigned to counternarcotic operations in 2013, an increase of 35 officers since 2011. PDEA planned to hire an additional 93 drug enforcement agents in 2014, develop a series of specialized career development courses, and expand its drug testing laboratory system from five to seven laboratories (potentially up to 10) to allow for rapid analysis of drug evidence.

PDEA promotes interagency coordination to both supplement its limited staff during major operations and combat the smuggling of illegal drugs into and through the Philippines' major airports. In April, the Ninoy Aquino International Airport Inter-Agency Anti-Drug Interdiction Task Group (NAIA Task Group) office was formally inaugurated, bringing together PDEA, Philippine National Police (PNP), National Bureau of Investigation (NBI), Philippine Bureau of Customs, and Philippine Bureau of Immigration officers in a single location

At year's end, the Philippine Dangerous Drug Board (DDB) continued to work with Congress to pass Republic Act Number 10568, otherwise known as the "Anti-Drunk and Driving Act of 2013." This law will penalize persons driving under the influence of alcohol, dangerous drugs, and similar substances.

The Philippines has a bilateral extradition treaty and mutual legal assistance treaty with the United States.

2. Supply Reduction

Between January and October, the government conducted 12,123 counternarcotic operations resulting in the arrest of 6,957 suspects and 8,423 cases being filed, according to PDEA. Authorities seized 661 kilograms (kg) of methamphetamine, valued at $39 million. The most notable highlight was an August PNP Anti-Illegal Drugs Special Operations Task Force (AIDSOTF) operation near Subic Bay that seized 432 kg of methamphetamine and arrested six individuals. Authorities also seized 2.3 million cannabis plants and seedlings along with 712 kgs of marijuana leaves and buds, with a total value of $600,000. Over the first half of 2013, there were no reports of any substantial ecstasy or cocaine seizures or capture of clandestine laboratories.

The most substantial source of methamphetamine in the Philippines remains bulk shipments largely controlled by Chinese organized criminal groups. Drug couriers are also used. Smuggling of high purity, low cost foreign methamphetamine via cargo shipments appeared to increase in 2013, and may be supplanting domestic production.

Philippine law enforcement agencies have also noted an increasing volume of African-produced methamphetamine being smuggled into the Philippines through the airports for onward distribution throughout Southeast Asia, as well as the presence of Latin American drug trafficking groups.

The Philippines produces and consumes marijuana. Cannabis cultivation occurs in the remote, mountainous regions of Luzon and Mindanao. The government conducted 45 manual eradication missions, eradicating 263 cannabis plantations as of October 2013.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to the Philippine Dangerous Drugs Board (DDB), methamphetamine (known locally as “shabu”) is the most abused drug in the Philippines, followed by marijuana and the illicit use of inhalants. The DDB leads Philippine government preventive education programs aimed at promoting self-awareness and explaining the repercussions of drug dependency. The “Peer Group Against Drugs” program expanded its membership to encompass 60,000 members in 2013. DDB conducted seminars and workshops for parents to help protect their children from illegal drug use. PDEA worked with non-governmental organizations to develop seminars for teachers on how to mentor students to pursue drug-free lifestyles. Most schools have integrated drug education programs into the general education curriculum. The Government of the Philippines planned to fully implement a random drug testing program in secondary and tertiary schools by 2014.

The DDB began developing an online training program to assist in sharing information about establishing drug free work places to replace existing classroom based instruction. The DDB also implemented a Drug Abuse Prevention Program for land transportation providers.

To support demand reduction efforts, the United States has developed a universal curriculum for drug treatment, and is currently working with the Colombo Plan to train Philippine trainers, who will further disseminate the material to local practitioners. In addition to training, the Colombo Plan is working with the Philippine government to develop a certification program, providing trainees with formal treatment credentials.

One additional accredited drug rehabilitation center was built in 2013, bringing the total to 41. Enrollment in rehabilitation centers declined from 4,703 patients in 2006 to 2,744 patients in 2012, notwithstanding an increased number of centers. Some in the Philippine government believe the decline is due to an increase in fees ($70-$90 per month). A small but increasing number of foreigners are reported to be using the rehabilitation centers, possibly due to high quality counselors and low costs relative to overseas treatment. DDB noted that the majority of primary and many of the tertiary hospitals have personnel trained to assist and evaluate possible drug abusers.

The Philippines does not currently test arrested suspects for drug use, but the DDB is developing a survey form for arrestees to assist in collecting metrics of drug use among the arrested population. The DDB conducted two seminars for judges, prosecutors, and law enforcers in 2013.

4. Corruption

Philippine law mandates criminal penalties for corruption by public officials; however, corruption remained endemic throughout the country. As a matter of policy, the Government of the Philippines does not facilitate drug trafficking or the laundering of proceeds of drug trafficking, and no senior government official has been convicted for conducting such activities.

Nonetheless, media and law enforcement officials continue to allege that some local politicians and other government officials receive support from drug traffickers, though no cases were filed. The lack of investigative and judicial tools continued to impede case development.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States continues to assist in the development of the NAIA Task Group. In 2013, equipment was provided in Manila and training was provided in Manila, Clark, and Cebu international airports. U.S. support was provided to maritime law enforcement units and PDEA officers received interdiction and clandestine lab training.

D. Conclusion

Improved senior leadership and increased cooperation between PDEA and PNP-AIDSOTF have significantly improved counternarcotic operations in the Philippines. Philippine law

enforcement capability to successfully prosecute significant drug traffickers remains limited, however, due to the inability to use judicially authorized interception of criminal communications, limited use of plea bargaining, and an inefficient drug asset forfeiture system. The exclusion of the expanding casino industry from anti-money laundering regulations has also been exploited by organized crime groups that also traffic in drugs. The development of enhanced judicial investigative capabilities and imposition of money-laundering controls on casinos would likely allow the government to better combat increasingly sophisticated drug trafficking organizations.

Portugal

Although neither a center of drug production nor a significant source of drugs destined for the United States, Portugal continues to be a gateway for drugs entering Europe, particularly from South America and western Africa. In addition to direct shipments from South America, traffickers are consistently using former Portuguese colonies Guinea-Bissau and Cape Verde as transshipment, refueling, and storage points for cocaine-laden vessels from South America en route to Europe through the Iberian Peninsula. While cocaine is the most significant drug threat in Portugal, ecstasy, hashish, and heroin are also readily available.

Portugal's law enforcement cooperation with the United States and other international partners to combat drug trafficking is outstanding. The U.S. Drug Enforcement Administration and the Portuguese Judicial Police (PJ) conducted multiple, highly successful joint investigations throughout 2013, which resulted in significant seizures of narcotics in Portugal and elsewhere in Europe.

The Government of Portugal passed legislation in 2013 criminalizing the possession and sale of certain analogue chemicals used to produce new psychoactive chemicals, commonly referred to as "bath salts." A customs mutual assistance agreement is in force between Portugal and the United States, as are protocols to the 2003 U.S.-EU extradition and mutual legal assistance agreements. Portugal is also a member country of the Maritime Analysis and Operations Center-Narcotics (MAOC-N), headquartered in Lisbon. The United States is a permanent observer to MAOC-N.

Portugal focuses much of its counternarcotic efforts on treatment and prevention. Drug use remains stable and below the EU average, despite decriminalization of personal drug use in 2001. "Problem" drug use and HIV cases are referred to the Drug Addiction Dissuasion Commission, consisting of multi-disciplinary teams that assess users and decide the appropriate sanction and referral to educational or treatment programs. The Portuguese Ministry of Health's Institute on Drugs and Drug Addiction (IDT) operates numerous dug treatment centers nationwide. The IDT also has prevention programs that include training sessions, awareness-raising activities, and dissemination of informational pamphlets. Universal drug prevention is part of the Portuguese school curriculum. In addition, in the "Safe Schools" program, law enforcement patrols the areas surrounding schools to prevent and protect students from criminal activities such as drug trafficking in the surrounding area. Law enforcement also actively participates in awareness and training activities.

Romania

Romania is not a major source of illicit drugs but continues to be a major transit route for drugs entering and exiting Europe along the well-established Northern Balkan trafficking route. Opium, morphine base, and heroin typically move from Afghanistan to Europe, while synthetic drugs and precursor chemicals transit from west to east. The effects of the global economic crisis, coupled with domestic political turmoil, continued to impact all Romanian government agencies in 2013, and resources for counternarcotic units were scarcer than in previous years.

Drug use has increased in recent years, due in part to increasing poverty, with a noted rise in the use of synthetic drugs and heroin. Reports indicate there are between 28,000 and 30,000 chronic drug users in Bucharest. Marijuana and hashish are more widely used than heroin, and growing use of amphetamine-type stimulants and MDMA (ecstasy) is a great concern.

The Romanian National Police Narcotics Unit, under the Romanian Ministry of the Interior Organized Crime and Anti-Drug Unit, is responsible for investigating major drug trafficking offenses. No statistics were available from the Ministry to quantify drug seizures in 2013. The most recent information is from 2012, which indicate that between January and June of that year, Romanian authorities seized: 44.73 kilograms (kg) of heroin; 54.55 kg of cocaine; 175.14 kg of cannabis products; 5,553 tablets of MDMA; 3.27 kg of methamphetamine; and approximately 2.17 kg of new psychoactive substances and other smaller quantities of chemical precursors and pharmaceutical substances.

As a matter of government policy, Romania does not encourage or facilitate the illicit production or distribution of drugs or the laundering of proceeds from illegal drug transactions. There is no evidence that senior Romanian officials engage in, encourage, or facilitate the illicit production or distribution of drugs or that they launder proceeds from illegal transactions. However, low-level corruption and judicial inefficiency remain serious problems for the Romanian government. Criminal convictions, including those that are drug-related, are difficult to obtain, and as many as 50 percent of those convicted do not serve their full sentences.

The United States and Romania are parties to an extradition treaty that entered into force in 2009. In accordance with the treaty, Romania regularly extradites both Romanian nationals and non-nationals to the United States. A U.S.-Romania mutual legal assistance treaty has been in force since 2001.

Romanian authorities continue to work closely with the United States, including the U.S. Drug Enforcement Administration, the Southeast European Law Enforcement Center and regional counterparts, for successful and effective international seizure operations.

Russia

Russia remains a major destination country for Afghan opiates and other illicit drugs. According to a major Russian media report that cited official sources, Russia consumes between 75 and 80 metric tons (MT) of heroin each year. Illegal drugs are smuggled across Russia's Baltic and Black Sea ports and extensive land and rail routes.

The amount of drugs seized by the Federal Drug Control Service (FSKN) increased from 24 MT in 2011 to 34 MT in 2012. FSKN seizures over the first six months of 2013 (18 MT) remained on pace to match or exceed 2012 totals. Significant interdictions included a 45 kilogram (kg) seizure of synthetic drugs in the Kurgan region and a 187 kg seizure of heroin in the Moscow region, estimated to be worth $180 million at street-value by FSKN.

FSKN has expanded its foreign presence in recent years, including appointing liaison officers in Central Asia and Latin America. FSKN funded infrastructure projects in both regions in 2013, including a new regional training facility in Nicaragua and new counternarcotics police facilities in Kyrgyzstan. FSKN cooperation on international investigations expanded, resulting in increased interdiction of drugs within Russia. In 2013, Russia hosted a worldwide counter narcotics conference in Moscow and a U.S.-Russian counternarcotics working group meeting in Sochi. To combat regional heroin trafficking, Russia sponsors or participates in numerous regional coordination groups, such as the Central Asian Quartet (Afghanistan, Tajikistan, Pakistan, and Russia). Russia has been a proponent of an increased counternarcotics role for the Collective Security Treaty Organization (CSTO) and the Shanghai Cooperation Organization (SCO).

The Federal Statistics Agency of Russia estimates there are 8.5 million drug users in the country. According to FSKN, there are an estimated 1.5 million heroin addicts in Russia, a significant increase from an estimated 670,000 in 2011, and each year illegal drug use reportedly kills 70,000 people in Russia. In November, the Russian Duma (parliament) adopted a bill providing courts the right to require those convicted of administrative or criminal violations, who are determined to be drug addicts, to receive social rehabilitation or medical/preventive treatment. The Ministry of Justice is developing the processes of implementing the law. The bill authorizes the court to fine or jail for 30 days those who reject treatment.

The United States and Russia do not have an extradition treaty, but law enforcement services cooperate through a mutual legal assistance treaty. In May 2013, Russia terminated its letter of agreement with the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs that had funded bilateral engagement including for counternarcotics capacity building programs. The FSKN, however, publicly clarified that cooperation with the United States on combatting narcotics would continue, with Russia funding its own participation.

Senegal

Senegal's location on Africa's west coast and its established transportation infrastructure make it a transit point for drug traffickers moving narcotics from South America to Europe. Cocaine is trafficked into Senegal by land and sea from Guinea-Bissau and Guinea, and then on to Europe by sea and air. Cannabis is cultivated in the southern Casamance region for local use and regional trafficking. The United States is not a destination point for drugs cultivated in or trafficked through Senegal.

Senegal's Drug Law, first passed in 1997, was amended in 2006 to include tougher penalties for drug trafficking. Senegal's national counternarcotics plan, drafted in 1998, seeks to control the cultivation, production, and trafficking of drugs, inform the population of the dangers of drug use, and reintroduce former drug addicts into society. The Senegalese government lacks the financial resources to ensure the capacity of state agencies responsible for border control to identify and seize narcotics.

Senegal works with partners in the Economic Community of West African States to combat narcotics trafficking. Senegal has several bilateral agreements to combat narcotics trafficking and mutual legal assistance agreements with the United Kingdom and France to facilitate the exchange of enforcement information on narcotics trafficking and other transnational crimes. In 2011, the United States and Senegal signed a bilateral agreement that strengthens Senegal's capacity to counter illicit maritime trafficking through joint U.S.-Senegalese maritime operations. In 2013, the United States began supporting the development of anti-drug community coalitions in Dakar as a drug use prevention measure.

In March 2013, Saharan Express, an international maritime security cooperation exercise designed to improve maritime safety and security in West Africa, took place off the coast of Senegal. This exercise provided valuable training to Senegalese authorities on interdicting narcotics shipments. Additionally, the United States supported the African Maritime Law Enforcement Partnership via deployment of a U.S. Coast Guard law enforcement team onboard a United Kingdom naval asset. During this mission, the United States conducted joint operations with Senegal against illicit maritime trafficking. Also in 2013, the United States funded a long-term engagement with the Senegal's marine infantry (Company Fusiliers Marine Commandos, or COFUMACO), aimed at countering narcotics trafficking. The United States also provided training related to maritime law enforcement and boat motor maintenance to improve counter-narcotics capabilities. The U.S. Drug Enforcement Administration also opened an office in Dakar in 2013.

Limited logistical capacity and funding hamper Senegalese efforts to fight drug trafficking. Although the national plan to counter narcotics trafficking and cooperation with regional neighbors includes positive steps to help Senegal in this fight, Senegal continues to struggle against well-financed traffickers.

Serbia

Serbia is a transit country for illicit narcotics, mainly heroin originating from Afghanistan and cannabis products smuggled along the traditional Balkan corridor to Europe. Serbian organized crime groups also ship cocaine directly from South America to Europe. Serbia is not a major producer or consumer of organic or synthetic drugs, or of precursor chemicals.

There is no government-wide coordinating body responsible for counternarcotics law enforcement. Resource constraints hamper a more centralized and robust response. Serbia prioritizes international cooperation, and Serbian law enforcement agencies routinely interact and exchange information with U.S., European and South American counterparts, including the U.S. Drug Enforcement Administration (DEA). Serbian police worked closely in 2013 with partners in neighboring countries to break up smuggling networks shipping cocaine to European markets. Serbia participates in regional cooperation bodies and hosted a conference of regional and European chiefs of police in late 2013. Serbia legally succeeded the State Union of Serbia and Montenegro on June 3, 2006. All international treaties and agreements continue in force. The Criminal Procedure Code adopted in September 2011 took effect nationwide in all courts on October 1, 2013.

As a matter of policy, the Serbian government does not facilitate the illicit production or distribution of narcotics or launder proceeds from illegal transactions. Senior government officials do not encourage or facilitate illicit drug production or distribution. Corruption remains a serious concern. Drug abuse prevention and treatment capacity remains limited.

Serbia works closely with the United States, the Organization for Security and Cooperation in Europe, and European countries to improve law enforcement capacity. In June, the Director of the Serbian National Police attended the International Drug Enforcement Conference (IDEC) in Moscow, an event co-organized by DEA. The United States has provided technical assistance to police, customs, border police, prosecutors, and the judiciary to professionalize these services, and to improve domestic capacity to prosecute corruption and organized crime. The 1902 Extradition Treaty between the United States and the Kingdom of Serbia is still in force.

Serbia does not recognize the independence of Kosovo, but in April, signed an EU-brokered agreement that could move the country closer to normalizing relations with Kosovo. Although Serbia now participates in regional fora with Kosovo under certain conditions and regularly engages in regional law enforcement capacity-building programs with Kosovar counterparts, and intensified law enforcement cooperation with Kosovo is needed. Improved communication and strategic coordination among domestic criminal justice entities are also needed. The United States will continue to support Serbian law enforcement and judicial institutions through training, capacity-building, and equipment donations and to encourage normalization of law enforcement relations with Kosovo.

Singapore

Singapore is not a producer of narcotics but, as a major regional financial and transportation center, it is an attractive target for money laundering and a transshipment point for narcotics. Extensive air and maritime traffic to and through Singapore create high potential for traffickers to use Singapore as a transit point for narcotics moving to other countries such as Indonesia, Australia and Malaysia via parcels, maritime containers, and air cargo. However, due to Singapore's strict and well publicized narcotics laws, the overall quantity of trafficking remains low. In a significant shift, in January 2013 Singapore amended the Misuse of Drugs Act to grant judges discretion to sentence offenders convicted of drug-related crimes to life in prison, rather than a mandatory death sentence. This option is available only in cases in which the prisoner served only as a courier and did not play a role in the supply or distribution of illegal drugs and cooperated with authorities in a "substantive way" that enabled authorities to disrupt drug trafficking within or outside Singapore, or if the prisoner had proven mental disabilities.

Domestic rates of illegal drug use are low by global standards. According to the Government of Singapore, the total number of drug arrests during the first six months of 2013 increased by 3.0 percent to 1,790 from the same period in 2012. Heroin and methamphetamine remain the top two drugs consumed in Singapore, accounting for 92 percent of the drug offenders arrested in the first half of 2013.

Between January and June of 2013, Singapore seized 35.95 kilograms (kg) of heroin, a 20 percent decrease from the same time period in 2012; 10.42 kg of cannabis, a 15.4 percent increase from the same period in 2012; and 22.49 kg of methamphetamine, a 136.7 percent increase from the same period in 2012.

Singapore is ranked as one of the least corrupt countries in the world. The United States and Singapore have a bilateral legal assistance agreement limited to narcotics offenses and are bound by the terms of the 1931 Extradition Treaty between the United States and the United Kingdom. Singaporean law enforcement officers regularly attend U.S.-sponsored training programs as well as regional forums on drug control. In 2013, 12 Central Narcotics Bureau officers participated in U.S. International Law Enforcement Academy (ILEA) courses in Bangkok, compared to 10 officers in 2012.

South Africa

A. Introduction

South Africa remains an important market and international distribution hub for illegal narcotics, including Afghan heroin and South American cocaine, as well as a source of domestically-produced cannabis and synthetic drugs such as methamphetamine. The South African government is committed to combating illegal drug abuse, and President Jacob Zuma prioritized drug abuse in his 2013 State of the Nation speech. Minister of Police Nathi Mthethwa attended the 30th Annual International Drug Enforcement Conference (IDEC) sponsored by the U.S. Drug Enforcement Administration (DEA) and the Russian Federal Drug Control Service. Members of the South African Police Service (SAPS) attended training on basic and advanced narcotics investigations in Ghana at the U.S. West African Regional Training Center. The South African Central Drug Authority (CDA) adopted the long-awaited National Master Plan on Drugs (NDMP) for 2013-2017. Despite the South African government's commitment, annual crime statistics indicate that drug-related crimes persist in most of the country, and increased by 13.5 percent in 2013 over the previous year.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The long-awaited CDA 2013-2017 National Drug Master Plan represents the South African government's effort to address the reality that drugs and alcohol abuse contribute to social instability and criminality. The three key pillars of the NDMP are demand, supply, and harm reduction. The CDA will now prepare an annual report to present to Parliament on how it accomplishes the goals of the NDMP.

In 2012, the SAPS Directorate of Priority Crimes (DPCI), also known as the "Hawks," created a Financial Asset Forfeiture Investigative Unit (FAFI) to target the organized crime syndicates that are partly responsible for drug trafficking and money laundering in South Africa. The FAFI, along with the National Prosecuting Authority (NPA), have approached U.S. law enforcement agencies to request capacity building and investigative training assistance to better use South African laws to combat drug crimes. According to the NDMP, DPCI has prioritized arrest of drug traffickers as one of its key operational objectives.

A disturbing new trend is the emergence of new psychoactive substances (NPS). Synthetic cannabinoids, which are functionally similar to tetrahydrocannibinol, the active ingredient in marijuana, are increasingly available in South Africa. The SAPS in Durban, Kwazulu-Natal, has also reported the emergence of synthetic cathinones, often known as "bath salts," as another emerging drug threat.

The United States and South Africa have bilateral extradition and mutual legal assistance treaties in force, a letter of agreement on law enforcement and counternarcotics assistance, and a customs mutual legal assistance agreement.

2. Supply reduction

Cannabis has long been cultivated in South Africa. Manufacturing of amphetamine-type stimulants (ATS), methaqualone (mandrax), methcathinone ("cat"), and methamphetamine (known locally as "tik") is increasing, according to the CDA.

According to South Africa's annual crime statistics report released in September 2013, drug-related crime increased nationwide, rising from 176,307 cases for the 12-month period between April 2011 and March 2012, to 206,825 cases the following year.

The SAPS and Metro Police Departments achieved some law enforcement successes in 2013, notably in seizures of methamphetamine and cocaine. The overall volume of seizures increased substantially for both methamphetamine and cocaine. Between April 2012 and March 2013, South African law enforcement seized 347 kilograms (kg) of methamphetamine and 145 kg of cocaine; both of these totals more than tripled the amounts seized of both drugs during the previous 12-months. Seizures of cannabis-products and mandrax, however, remained stable, at 196 kg and 108,752 pills, respectively.

In addition to the increases in drug seizures, the number of clandestine drug laboratories detected and dismantled continues to increase, from 16 during 2011-2012 to 41 during 2012-13. On July 5, a shipment of methamphetamine with an estimated street value of $4.26 million was seized at O.R. Tambo International Airport by the South African Revenue Service (SARS).

3. Drug Abuse, Awareness Demand Reduction, and Treatment

Drug-related crime increased in 2013. According to a commercial data research company, the Western Cape Province continues to be disproportionately affected by gang violence and drug abuse, with over 40 percent of the nation's drug crimes committed there. The Cape Town Metropolitan Police has a Substance Abuse Unit as part of its community policing strategy and focuses on proactive work inside the communities plagued by gangs and drugs. Although research on addiction and drug consumption trends is lacking in South Africa, the government conducted a rapid participatory assessment in 2013 which indicated 65 percent of respondents had a drug user/abuser in their household.

The government's new National Master Drug Plan aspires to implement the country's 2008 Prevention of and Treatment for Substance Abuse Act, which mandated treatment centers in every province as well as the creation of public halfway houses for recovering addicts. Currently, there are no half-way houses in South Africa, and public sector drug treatment facilities are only available in the Western Cape, Gauteng, Mpumalanga and KwaZulu-Natal provinces. Non-governmental organizations such as the South African National Council on Alcoholism and Drug Dependence (SANCA) and Community Anti-Drug Coalitions of America (CADCA) have established community awareness programs in rural areas in Cape Town to reduce drug abuse. SANCA also operates nine in-patient treatment facilities and 29 outpatient facilities nationwide.

4. Corruption

As a matter of policy, the South African government does not encourage or facilitate the illicit production or distribution of narcotics or launder proceeds from illegal drug transactions. The government actively combats narcotics-related corruption, although it is assumed to remain a significant problem. The government implemented the Independent Police Investigative Directorate (IPID) Act in 2012 to place greater emphasis on deterring police corruption and enhancing public confidence in the efforts of the police. IPID investigates most police-related criminality and other corruption for the SAPS. The U.S. government provided capacity building training to IPID investigators in 2013.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States continued to support substance abuse and prevention programs in 2013, in partnership with the SANCA and CADCA. The United States held two courses on Basic and Advanced Narcotics Investigations at the West African Regional Training Center in Ghana attended by members of the SAPS and the Cape Town Metropolitan Police. The United States has also provided investigative capacity building to the SAPS within Gauteng Province, and participated in joint narcotics investigations.

D. Conclusion

Drug use has not abated in South Africa. The addition of the NDMP framework may begin to affect change, but has not done so yet. There is still insufficient information to formulate an adequate profile on drug addiction victims. The Government of South Africa is committed to researching this problem and the SAPS is improving its counter-narcotics investigative skills. South Africa's Prevention of Organized Crime Act, particularly its robust asset forfeiture provisions, could prove to be a useful tool. The United States encourages South Africa to build on these incremental steps and utilize its NDMP to provide a unified interagency strategy. Government and communities will have to work together for the NDMP to succeed. Help from the international community to control and interdict illicit shipments of precursor chemicals will also be vital.

Spain

Spain remains an important transit point in Europe as well as a destination country for cocaine originating in Latin America and for hashish from Morocco, especially via Spain's North African exclaves of Ceuta and Melilla. A shift continues away from large containerized shipments from Latin America to smaller more dispersed shipments. According to the Guardia Civil, enforcement actions have stemmed the flow of small aircraft to move hashish shipments as an alternate to sea-based shipments. Spanish law enforcement efforts continued to be effective through a robust combination of border control and coastal monitoring, employment of sophisticated geospatial technology, and international cooperation.

The UN 2013 World Report on Drugs reported that usage rates of cannabis products and cocaine among Spanish citizens declined modestly, although rates remain amongst the highest in Europe, especially among those between the ages of 15 and 34. Despite drastic cuts in the 2012 national budget, funding for counternarcotics programs were largely unaffected. Thirty percent of assets seized in counter-narcotics operations continued to go towards supply reduction programs, supplementing operational budgets.

Domestic drug production is minor. There is limited production of cannabis products and a small number of labs were detected involved in cutting, mixing, and reconstituting cocaine products. Law enforcement seizures during 2012 (the most recent year for which statistics are available) declined from the previous year for hashish (down 8.5 percent), heroin (down 44.6 percent) and ecstasy (down 4.2 percent), while the volume of seized cocaine increased by 24.9 percent.

Spain enjoyed excellent bilateral and multilateral law enforcement cooperation with international partners in 2013. Cooperation on EU operations in the Mediterranean improved, and EU funds are being used to construct an EU command and control center to oversee maritime operations. Spain is a member of the European multilateral Maritime Analysis and Operation Centre – Narcotics. Spain also provides 22 law enforcement liaisons to three EU operational platforms in Senegal, Ghana, and Colombia. Spain's law enforcement cooperation with Latin American governments further improved, and U.S. law enforcement agencies maintained strong working relationships with Spanish police services, resulting in multiple significant cocaine seizures in 2013. In a joint operation with the U.S. Drug Enforcement Administration, authorities seized 575 kilograms of cocaine and arrested 74 suspected traffickers.

Suriname

A. Introduction

Suriname is a transit zone for South American cocaine en route to Europe, Africa and, to a lesser extent, the United States. Suriname's sparsely populated coastal region and isolated jungle interior, together with weak border controls and infrastructure, make narcotics detection and interdiction efforts difficult. Traffickers are able to move drug shipments into and through Suriname by land, water, and air with little resistance. There is little evidence of drug production in Suriname, although national police officials (widely known as "Korps Politie Suriname" in Dutch, or KPS) have advised U.S law enforcement officials of increased cultivation of cannabis.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

As a matter of official policy, the Government of Suriname is committed to combating illegal narcotics trafficking. However, Suriname's practical ability to apprehend and prosecute narcotics traffickers remains inhibited by drug-related corruption, bureaucratic hurdles, and inadequate legislation.

Under the coordination of the Office of the President, the National Anti-Drug Council and the Ministries of Health, Justice/Police, and Education drafted the National Drug Master Plan for 2011-2015. The National Assembly approved the Plan, which addresses both supply and demand, in October 2011.

Suriname is a party to the Inter-American Convention against Corruption and Migrant Smuggling and the Inter-American Convention on Mutual Assistance in Criminal Matters. Since 1976, Suriname has been sharing narcotics information with the Netherlands pursuant to a mutual legal assistance agreement. In 1999, the United States and Suriname completed a comprehensive bilateral maritime counternarcotics enforcement agreement that remains in force. Suriname has also signed bilateral agreements to combat drug trafficking with Brazil, Venezuela, and Colombia. The 1889 U.S.-Netherlands extradition treaty was extended to Suriname in 1904.

Suriname has two memoranda of understanding (MOU) with the U.S. Drug Enforcement Administration (DEA) that provide for a DEA presence in Suriname and the establishment of the Narcotics Intelligence Unit (NIU), a vetted unit of five to eight officers. In 2012, Suriname signed a MOU with the UN Office on Drugs and Crime (UNODC) to participate in their Container Control Program, a global initiative to improve port interdiction capacities.

In 2013, Suriname continued the installation of an automated biometrics border control management system that will identify and record people traveling to and from Suriname at the principal airport and border crossings. In June, Suriname took possession of a mobile interdiction unit (MIU) van to improve the KPS' ability to search for illegal drugs and contraband. DEA conducted a refresher MIU course for 16 KPS officers in October 2013.

2. Supply Reduction

Between January and October of 2013, KPS counternarcotics units arrested 242 people for drug-related offenses in Suriname, of which 144 cases were sent to the Office of the Attorney General for prosecution. One-hundred and seventy people were prosecuted for drug-related offenses.

During this 10-month period, KPS counternarcotics units seized a total amount of 191.7 kilograms (kg) of cocaine, 118.3 grams of heroin, 61.53 kg of marijuana, 1.37 kg of hashish and 154 MDMA (ecstasy) tablets.

At the end of 2013, Surinamese authorities were in the process of drafting legislation to control precursor chemicals. In July, DEA trained 30 members of the various KPS counternarcotics units to identify and track precursor chemicals and violators. The Government of Suriname focuses significant narcotics interdiction resources on the country's western border with Guyana, a key route for cocaine trafficking by land and water.

Top managers of Suriname's international airport, the Johan Adolf Pengel International Airport, continue to work with the Government of Suriname and a Canadian partner to implement an air-traffic radar and control system installed in 2010, but still not operational. Interdiction efforts at the airport are run by the Combating International Drug Trafficking (BID) team composed of approximately 32 KPS members. The team focuses almost exclusively on searching passengers and cargo on flights bound for the Netherlands, where the majority of narcotics are trafficked from Suriname.

The bulk of cocaine smuggled from Suriname to Europe and Africa occurs via containerized cargo. Smaller fishing vessels also carry drugs out to sea and transfer them to large freight vessels in international waters. In April, the UNODC-sponsored Container Control Unit began operation at the Port of Nieuw Haven. However, the operating protocol does not permit the unit to perform inspections without the permission and oversight of the Customs "Recherge," which limits the operation's effectiveness. In September, the Government of Suriname purchased three patrol vessels from France for its Coast Guard, which still lacks legal standing. Suriname does not operate a maritime radar system to track movements at sea.

There is local cultivation of cannabis in Suriname, but little data exists on the amount under cultivation. In July, KPS counternarcotics units seized and destroyed approximately 808,000 cannabis plants (362 metric tons) and approximately one million cannabis seeds from five cultivating fields. However, there is no additional evidence that cannabis is exported in significant quantities.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The Organization of American States' Inter-American Drug Abuse Control Commission began a survey on Suriname's drug consumption in 2013, though the results are not yet available. A new National Anti-Drug Council was installed in 2012 and works to raise drug awareness, holds prevention meetings with children, parents, and teachers, and focuses efforts on educating

dropouts. There is one government-run detoxification center that is free of charge; other treatment centers are run by non-governmental organizations.

4. Corruption

As a matter of government policy, the Government of Suriname does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, corruption remains pervasive throughout all levels of government and there was evidence of drug-related corruption among government officials in 2013. Two high-level officials within the Suriname government have convictions for drug trafficking: President Desire Bouterse and Member of Parliament Ronnie Brunswijk, who have been convicted in absentia in separate court cases in the Netherlands.

In August, Dino Bouterse, head of Suriname's Anti-Terrorism Unit and son of President Desire Bouterse, was transferred from Panama to New York, where he has been indicted on narcotics trafficking, weapons, and other charges.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports a wide range of efforts designed to address crime and violence affecting Surinamese citizens, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote social justice. Under CBSI in 2013, the United States provided training, technical assistance, and material support to several elements of the KPS, as well as law enforcement and interdiction training to the Suriname Navy and other maritime authorities. The operational effectiveness of Suriname's law enforcement institutions continued to be hampered by government reorganization efforts within the law enforcement structures and unfilled vacancies within law enforcement units.

D. Conclusion

The United States encourages the Government of Suriname to increase efforts to pursue major narcotics traffickers, dismantle their organizations, and strengthen regional and international cooperation. Additionally, the United States encourages Suriname to work to eliminate bureaucratic obstacles that limit law enforcement's effectiveness and to continue to develop the capacity of its relevant agencies. The United States also encourages Suriname to increase monitoring and protection of porous borders and increasing law enforcement capability in the interior.

Taiwan

Taiwan is neither a major producer of nor a significant transshipment point for illicit narcotics. Continued aggressive law enforcement action targeting domestic production, coupled with enhanced surveillance of smuggling routes, decreased the availability of illicit drugs and diverted precursor chemicals in 2013. These supply reduction achievements in turn increased market prices for all categories of illegal drugs within Taiwan.

Continuing trends from previous years, seizures of most drugs declined with the exception of amphetamine-type stimulants (ATS) and MDMA (ecstasy), which increased by 537.8 and 11.2 kilograms (kg) respectively from 2012 levels. A growing problem in Taiwan, ketamine remains popular among teenagers as a party drug with perceived low potential for addiction and no criminal penalties for possession of small amounts (less than 20 grams). China is the source of approximately 76 percent of the ketamine seized or sold in Taiwan. ATS also account for significant drug usage; however, strong controls over purchases of legally produced precursor chemicals and aggressive efforts to identify and seize illegal drug factories have significantly decreased domestic production and international trafficking of ATS, through Taiwan. In early October, authorities seized 103 kg of heroin and 249 kg of ketamine originating from Vietnam – the largest heroin seizure in Taiwan drug enforcement history.

The Ministry of Justice (MOJ) leads Taiwan's counternarcotics efforts with respect to manpower, budgetary, and legislative responsibilities. The Ministry of Justice Investigations Bureau (MJIB), National Police Agency (NPA), Coast Guard, Customs Directorate, and Military Police contribute to counternarcotics efforts and cooperate on joint investigations, openly sharing information with the U.S. Drug Enforcement Administration and other Asia-Pacific law enforcement counterparts. Taiwan's undercover and electronic surveillance laws hamper law enforcement efforts to investigate drug cases while geographic challenges limit authorities' abilities to provide long-term witness protection.

Addiction is viewed primarily as a health issue, and efforts focus on treatment, rehabilitation, and support of recovered addicts. The criminal justice system offers users the option of voluntary long-term treatment in lieu of incarceration. Most prisons lack the infrastructure and resources to treat addicts, and the recidivism rate is high. Taiwan's inability to participate in the United Nations and other international organizations presents obstacles to its full involvement in regional and international counternarcotics efforts. However, Taiwan continues to forge relationships with other Asia-Pacific countries, including China, to exchange drug intelligence, resulting in drug seizures and arrests.

Although there is no bilateral extradition treaty between the United States and Taiwan, a mutual legal assistance agreement is in place, under the auspices of the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office in the United States, through which Taiwan regularly affords mutual legal assistance to U.S. counterparts.

Tajikistan

A. Introduction

Tajikistan shares a 749-mile border with Afghanistan, which produces nearly three-quarters of the world's opium. Tajikistan is not a major producer of narcotics but is located on the primary trafficking route from Afghanistan to Russia and the rest of Europe. Drug trafficking has reinforced corruption throughout all levels of the Tajik government.

The United Nations Office on Drugs and Crime (UNODC) estimates that annually about 25 percent of the heroin and 15 percent of the opium produced in Afghanistan is smuggled through Central Asia, with 85 percent of that amount passing through Tajikistan, totaling between 75 and 80 metric tons per year of heroin and between 30 and 35 metric tons of opium. Based on these estimates, Tajik law-enforcement agencies were on pace to seize just over one percent of the opiates trafficked through the country in 2013. Unofficial estimates of the percentage of the country's economy linked to drug trafficking range from 20 to 30 percent.

Domestic consumption in Tajikistan is relatively low, with only 7,470 officially registered addicts, accounting for .09 percent of the population. However, UNODC and the Red Cross estimate that as many as 100,000 people in Tajikistan regularly use opiates, which would account for 1.2 percent of the population.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In 2010, the Tajik government formally adopted a National Border Management Strategy (NBMS) focused on improving interagency cooperation. In 2013, the government established an interagency Secretariat that met regularly throughout the year to coordinate implementation of the Strategy.

With significant financial support from the United States, the Tajik Drug Control Agency (DCA) established a vetted unit in June 2013. The DCA vetted unit is the first such unit in Central Asia and is designed to pursue high-level drug traffickers. In August, the vetted unit achieved its first operational success with the arrest of a major local trafficker and the seizure of several kilograms of heroin and hashish.

The Tajik government advanced two major policy documents on counter-narcotics in the first six months of 2013: a "National Strategy on Combating Illicit Drugs, 2013-2020," and a draft set of amendments and additions to the "Law on Narcotics, Psychotropic Substances and Chemicals." In 2013, the Government of Tajikistan began implementation of a new five-year "National Program on Drug Prevention and Treatment."

Tajikistan does not have an extradition agreement with the United States. Tajikistan is a signatory to multilateral legal instruments that could be used for cooperation on extradition and

mutual legal assistance. However, Tajik authorities appear to lack capacity to readily use these formal agreements for meaningful assistance.

2. Supply Reduction

According to DCA statistics, during the first nine months of 2013, Tajik law-enforcement agencies seized 5,373 kilograms (kg) of illegal drugs, including 387 kg of heroin, 623 kg of opium, and 4.36 metric tons (MT) of cannabis. In addition, the DCA seized a small amount of synthetic and psychotropic drugs, including MDMA (ecstasy), barbiturates, and benzodiazepine.

Compared with the first nine months of 2012, these figures represent an increase of 6.8 percent in overall seizures, including a 34.2 percent increase for opium and 6.6 percent increase for cannabis, but a 17.9 percent decline for heroin. The drop-off in heroin seizures is even more dramatic when compared to 2008, when Tajik law-enforcement and security agencies seized 1.45 MT of heroin – 3.8 times more than in 2013. Likewise, despite the small increase in opium seizures from 2012, the 2013 figure represents a steep drop-off from 2008, when the Tajiks seized over 1.6 MT – 2.6 times more than in 2013.

The Ministry of Internal Affairs led all agencies in drug seizures, accounting for 45.6 percent of the total. The State Committee on National Security (GNKB) reported the second-highest seizure totals, with 27.8 percent of the total. The GKNB figure does not include the Border Guards, which are subordinate to GKNB and experienced a 20.8 percent decline in seizures from 2012. The Customs Service reported 133 kg in seizures, up from 61 kg in 2012, while DCA experienced a slight decline, from 595 kg in 2012 to 582 kg in 2013.

During the first nine months of 2013, the DCA opened 107 criminal cases, of which 66 went to court, with a total of 97 defendants.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to statistics from the Ministry of Health (MOH), there were 7,470 officially registered addicts in Tajikistan as of July 1, 2013, an increase of 3.3 percent over the beginning of the year. However, the total number of drug addicts in the country is presumed to be much higher. A study conducted by the Red Cross in 2011 estimated the total number to be between 60,000 and 100,000.

The MOH provides drug treatment services through a national rehabilitation center in Dushanbe and four regional centers. Psychological care and specialized out-patient drug treatment facilities exist in urban areas, but in rural areas only primary care is available.

4. Corruption

As a matter of policy, the government does not encourage or facilitate illegal activity associated with drug-trafficking. Many believe, however, that significant amounts of narcotics move through Tajikistan with the support of corrupt law enforcement and government officials. Extremely low salaries for state officials, the scale of the profits to be made from

drugs, and the dearth of other profitable activities in the country make drug trafficking an attractive undertaking for those positioned to facilitate it.

Arrests and prosecutions of major traffickers remained few, and those that did take place were presumed to target small independent operators rather than major traffickers.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States continues to provide salary supplements to Tajikistan's DCA, and will also support an elite DCA unit as part of the Central Asia Counternarcotics Initiative. Since 2003, the United States has provided $11.3 million to the DCA. The United States and the DCA support a Drug Liaison Office (DLO) in Taloqan, Afghanistan, where DCA officers work with Afghan officials to prevent drug smuggling from Afghanistan to Tajikistan. While DCA's seizure rates declined in 2012, the efforts of the DLOs led to significant seizures and destruction of several drug laboratories in Afghanistan.

In July, the United States organized training for Customs officials operating U.S.-provided vehicle scanners at the Nizhny-Panj border-crossing point on the Tajik-Afghan border. Despite efforts to improve operator techniques and repair technical problems, the scanners remain underused and have produced negligible drug seizures. In June, the customs chief at Nizhny-Panj was arrested for corruption.

D. Conclusion

The movement on the NBMS and establishment of the vetted unit are positive developments, but continued deficiencies in interagency cooperation, limited investigatory capacity, poor utilization of some donated equipment, and corruption continue to hinder the success of counter-narcotics programs in Tajikistan. The long-term decline in opiate seizures also remains a concern. While the political will to tackle drug trafficking remains weak, the Tajik government is strongly committed to countering the infiltration of militants and extremists into the country. The United States hopes to build on this commitment to strengthen border security and counternarcotics efforts.

Thailand

A. Introduction

Thailand is a transit and destination country for illicit narcotics. Heroin and methamphetamine move from Burma directly across Thailand's northern border and indirectly into Thailand via Laos and Cambodia for local consumers and for export markets beyond. Most marijuana consumed in Thailand is grown along the Laos-Thailand border.

In 2013, the volume of heroin, cocaine, and MDMA (ecstasy) seized in Thailand increased, and large seizures continued of methamphetamine tablets ("yaa-baa") and crystal methamphetamine. The cultivation of opium poppy and cannabis, and production of amphetamine-type stimulants, remained minimal. According to the most recently-available statistics from the UN Office on Drugs and Crime (UNODC), Thai authorities eradicated 205 hectares of poppy in 2012, a decrease of one percent from 2011. The small quantities of opium poppy cultivated in Thailand are primarily for local consumption by hill tribe growers.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Responding to the growing and widespread problem of domestic methamphetamine abuse, the Thai government implemented a comprehensive anti-drug campaign beginning in 2011. The national policy aims to reduce drug-related social problems, addiction and recidivism, and to increase awareness of the dangers of illicit drug use.

Thailand's counternarcotics assets are insufficient to patrol the country's long and remote borders with Laos, Burma, and Cambodia. Thailand continued to increase its efforts to coordinate with neighboring law enforcement entities, assisted by U.S. support for equipment and training.

The United States and Thailand have extradition and mutual legal assistance treaties in force. Thailand is among the most effective and cooperative partners of the United States in Southeast Asia, with U.S. assistance facilitating and enhancing that cooperation.

2. Supply Reduction

Drug seizures by Thai law enforcement agencies continued to increase throughout 2012 and into 2013. The U.S. Drug Enforcement Administration (DEA) worked closely with Thai law enforcement on joint investigations, resulting in the successful disruption of several international drug trafficking organizations. One investigation resulted in the seizure of 420 kilograms (kg) of methamphetamine. Another resulted in the seizure of 237 kg of heroin.

Though the number of heroin seizures in Thailand decreased during the first eight months of 2013, the total kilograms seized increased significantly. Between January and August, there

were 455 seizures accounting for 657.7 kg, compared to 868 seizures and 127.5 kg seized for all of 2012. Burma-based traffickers are believed to produce tons of methamphetamine annually, in both tablet and crystal form, for regional export. A substantial portion is trafficked into Thailand, where it remains the primary drug of abuse. Based on seizure data, Africa-sourced crystal methamphetamine entered the country in higher quantities than in 2012. Iran-sourced crystal methamphetamine also continues to enter the country, though at much lower detected quantities than in 2012.

Thailand has a small domestic market for ecstasy and cocaine, largely among affluent residents in large cities, as well as tourists and expats in Thailand. MDMA arrives in Thailand from a variety of sources and routes including overland from Cambodia, Malaysia, and via commercial air from Europe and Canada. Limited, although increasing, quantities of cocaine continue to be imported into Thailand, mostly destined for international markets. In Thailand, the cocaine market is still largely controlled by African drug syndicates. However, South American and Chinese trafficking groups are also involved in bulk cocaine smuggling, typically for export to China, Hong Kong, and Australia.

Marijuana remains less visible, but is readily available in Thailand and throughout the region. Cannabis is domestically cultivated in limited quantities, with bulk shipments imported from Laos for domestic use and regional export. Kratom (mitragyna speciosa), a local drug with modest psychotropic properties, is grown locally and consumed primarily in Thailand's southern provinces.

Ketamine use appears to be limited to use as an alternative to methamphetamine tablets. Most of the ketamine destined for Thailand is transshipped through India, Malaysia, and Singapore, and the volume of ketamine seized within the country in 2013 was on par with 2012. Thailand-based enterprises continue to market steroids and human growth hormone for worldwide sale.

Thailand's penalties for drug-related offenses are severe, and can include the death penalty for those convicted of possession of more than 20 grams of Schedule I substances with "intent to sell," a punishment last reportedly used in 2009.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Thailand carries out comprehensive demand reduction programs, combining drug abuse prevention programs with treatment for addicts. According to the Office of the Narcotics Control Board, drug treatment programs have reached over 700,000 drug addicts since the government announced its counternarcotics priorities in September of 2011. The Thai government also invests in building awareness of the perils of drug addiction, but the effectiveness of awareness programs is difficult to gauge, with the methamphetamine problem, particularly among youth, growing rather than shrinking. Heroin and opium usage remain relatively low and stable.

4. Corruption

As a matter of policy, the Thai government does not permit, encourage, or facilitate illicit production or distribution of narcotic/psychotropic drugs or other controlled substances, or the laundering of drug proceeds, by individuals or government agencies. However, corruption remains a problem in Thailand, and some law enforcement and judicial officials are susceptible to bribery. No current senior Thai government official is known to have engaged in those types of activities, but drug-related corruption at working levels is likely, given the volume and value of drugs consumed in and moving through Thailand.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

Thailand and the United States enjoy a strong cooperative relationship. U.S. law enforcement agencies receive willing cooperation from their Thai counterparts and are supported at the highest levels of Thai government. Thailand is one of several countries in which DEA supports and maintains Sensitive Investigative Units (SIUs). Thai SIU participants receive specialized training and undergo a rigorous vetting process.

Additionally, the United States provides a stream of training and assistance to Thai law enforcement and criminal justice entities on some of Thailand's top priorities, including counternarcotics. Through the U.S.-funded International Law Enforcement Academy and other programs, including the Joint Interagency Task Force West, the United States and Thailand are working to enhance regional cooperation to combat transnational crime. The United States cooperates on a variety of counternarcotics training activities with Thai authorities. The Royal Thai Marine Police are active participants in the U.S.-led Gulf of Thailand Initiative, an ongoing maritime capacity building initiative involving Southeast Asian states.

To support demand reduction efforts, the United States has developed a universal curriculum for drug treatment, and is currently working with the Colombo Plan to train Thai trainers, who will further disseminate the material to local practitioners. In addition to training, the Colombo Plan is working with the Thai government to develop a certification program, providing trainees with formal treatment credentials.

D. Conclusion

The U.S. government enjoys a particularly close and collaborative relationship with Thai law enforcement. The United States has encouraged laws and regulations more closely aligned with international standards, and helped Thailand develop more consistent adherence to rule of law principles. All such activities contribute to the fight against illicit drug trafficking and other transnational crime.

The United States will continue to work with Thailand to build on drug control successes in all phases of the effort, from reducing the demand for illegal drugs and law enforcement cooperation, to the criminal convictions of drug traffickers. U.S. efforts will continue to: promote greater cooperation between police and prosecutors; strengthen legal and institutional development related to narcotics control; help Thailand combat corruption; and bolster regional cooperation.

Timor-Leste

A. Introduction

Illegal narcotics trafficking in Timor-Leste appears to be increasing. Timorese authorities believe that drug couriers are taking advantage of Timor-Leste's porous border and weak law enforcement to transport illegal narcotics through Timor-Leste to customers in Indonesia. According to Timorese officials, the bulk of drugs making their way to Indonesia are an unknown quantity of methamphetamine, heroin, and to a lesser extent, cocaine. The Timorese government is aware of the problem and is trying to enhance its counternarcotic capabilities in the face of significant challenges.

B. Drug Control Accomplishments, Policies and Trends

1. Institutional Development

Law enforcement officials from both Timor-Leste and Indonesia have publicly noted improved levels of cooperation against drug trafficking. The full extent of drug traffic in Timor-Leste remains unknown, however, and the handful of arrests made by Timorese law enforcement in 2013 were based primarily on intelligence from Indonesian officials. Many Timorese and international observers fear those arrests are barely scratching the surface of a much deeper problem.

Numerous Timorese officials, from the Prime Minister to senior police officers, have commented publicly about the serious need for increased counternarcotic efforts. One of the biggest obstacles to combating illegal drugs in Timor-Leste is the lack of trained, experienced prosecutors and law enforcement officers. There is a pervasive need, throughout the Timorese law enforcement and judicial community, for basic instruction in narcotics recognition and smuggling techniques. Timorese authorities also currently lack the ability to analyze the organizational structure and business operations of drug syndicates. The Timorese government understands its weak analytical capabilities and is eager to accept relevant training.

The Timorese Customs Service also lacks basic capabilities to combat narcotics trafficking. Very few customs officers possess the training to detect narcotics, either on an x-ray machine or in plain view. The Customs Service lacks capacity in other areas that hinder effective counternarcotic efforts, including an inability to operate a fleet of interceptor boats and the inoperability of some x-ray machines. Customs officials have plans to reorganize their operations, pending broader government approval and funding.

The Border Police Unit (BPU) of the National Police (PNTL) generally acknowledges its weak border control performance, blaming deficiencies of the personnel assigned to border duty. Border police live in poor conditions and lack basic tools and equipment for law enforcement duties, such as access to radios or boots. The lowest-ranking and least capable police recruits are "punished" with border assignments. With respect to drug trafficking, many border officers lack training to perform proper searches for narcotics and recognize contraband. Despite an infusion

of approximately 80 new officers in early 2013, the BPU is still poorly trained, badly equipped and suffers from low morale.

2. Supply Reduction

East Timorese law enforcement made very few drug arrests in 2013, and virtually none over the last few months of the year. The majority of arrested suspects were handed over to Indonesia for prosecution, mainly because the Timorese lack the means to test or verify substances suspected of being illegal narcotics, as well as the fact that most of the arrests were only possible due to information provided by Indonesian law enforcement. Timor-Leste's prosecutorial framework for trying and convicting alleged drug traffickers is only beginning to mature into a functional criminal justice system.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Although no official surveys of drug use have been conducted, Timorese officials and other contacts widely maintain that illegal narcotics consumption in Timor-Leste is very low. At the present time, nearly all of the narcotics in Timor-Leste are in transit to Indonesia via the land border. There are no known drug treatment or rehabilitation programs in Timor-Leste.

4. Corruption

As a matter of government policy, the Government of Timor-Leste does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. In 2009, the Timorese National Parliament approved the creation of an Anti-Corruption Commission. The government has also taken steps to develop the legislative framework necessary to combat corruption. However, the application and enforcement of legislation is hampered by limited institutional capacity. The weakness of institutions, high levels of poverty, large public spending and the dominance of the cash economy have contributed to a growing concern about corruption. Allegations of potential involvement of security personnel in illegal activities raise the risk that elements of the security services could be co-opted by narcotics traffickers.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The Government of Timor-Leste recognizes that it has a growing narcotics problem and is taking some steps to counter it. In April 2013, the PNTL signed a memorandum of understanding with Indonesia on counternarcotics cooperation. In November, the National Police of Timor-Leste, in cooperation with the Indonesian Embassy, organized a two-day seminar on narcotics and human trafficking. In opening remarks, the Prime Minister emphasized the importance of international intelligence cooperation in combating drugs and human trafficking, especially between Indonesia and Timor-Leste. In May, the Council of Ministers approved the inclusion of Timor-Leste in the 1988 UN Convention on Illicit Traffic in Narcotic Drugs and Psychotropic Substances. Parliament ratified the decision, which should strengthen the legal framework and help facilitate international cooperation.

Foreign development partners are interested in engagement with Timor-Leste on issues such as counternarcotics and customs enforcement, but many initiatives have shown slow progress. The Ministry of Justice, with assistance from Japan, is working on a new Narcotics Law that the Timorese government hopes to finalize this year. Cooperation with Australia on airport security continues to grow, although significant improvements to Dili's airport security will probably take years to materialize.

The United States has provided $1.1 million through the United Nations Office on Drugs and Crime (UNODC) to fortify border police units with training, equipment and resources. The United States conducted a very successful basic counternarcotics training program in August 2013, which included presentations and instruction by prosecutors and investigators from U.S. federal law enforcement agencies.

D. Conclusion

Timor-Leste is only beginning to focus on narcotics issues. There is political will to combat drugs, but the legal and investigative framework needed to mount an effective effort remains in its very early stages. While Timor-Leste is presently used as a transit point for narcotics trafficking, its permissive environment could also open the door for other illegal drug activity, such as production.

Trinidad and Tobago

A. Introduction

Trinidad and Tobago's location, porous borders, and direct transportation routes to Europe, West Africa, Canada, and the United States make it an ideal location for cocaine and marijuana transshipment. Marijuana is produced in Trinidad and Tobago and is the most widely used drug domestically, but other drugs, including cocaine, heroin, solvents, pharmaceuticals, and ecstasy, are also available.

Interdiction efforts are robust and continuing. Though overall seizures in 2013 increased from 2012, the Government of Trinidad and Tobago continues to struggle to coordinate and adequately fund its counternarcotics efforts. Rehabilitation facilities are insufficient and under-resourced to meet local demand for treatment. Lack of sustainability of government funded programs (particularly in the area of demand reduction), corruption, and gaps in legislative and organizational implementation remain challenges to the country's efforts to curb the trafficking and use of illegal narcotics.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Trinidad and Tobago continues to demonstrate a high level of commitment to drug control by fostering bilateral cooperation and intelligence sharing with countries of origin, transit and destination. The Government of Trinidad and Tobago regularly interfaces with local, regional and international organizations to translate international obligations into national priorities. Trinidad and Tobago's drug control institutions, however, continue to be challenged by deficiencies in staffing, organization, funding, and interagency communication. There is continuing distrust within and between units of law enforcement, the military, and the intelligence community preventing effective information sharing and collaboration. Strict adherence to rigid and often outdated methodologies by mid-level officials, as well as restrictive decision making systems that do not empower functionaries, limit the ability of these critical organizations to innovate and keep pace with highly flexible criminal organizations. Even with increases to the national security budget in 2013, counternarcotics units continue to lack sufficient specialized equipment and personnel, and regularly request support from international donors.

Trinidad and Tobago has mutual legal assistance treaties with the United States, Canada, and the United Kingdom. The United States maintains a maritime law enforcement agreement, an extradition treaty, and a narcotics control and law enforcement letter of agreement with Trinidad and Tobago.

2. Supply Reduction

Marijuana is the only known locally-produced illicit drug. Production is concentrated in small farms in the heavily forested, mountainous regions. Local producers compete with imports from St. Vincent and the Grenadines, Jamaica, Guyana, and Venezuela.

Other illicit drugs – primarily cocaine, but also small amounts of heroin and ecstasy – are trafficked through the country by transnational organized crime groups operating in Trinidad and Tobago, exploiting its close proximity to Venezuela and vulnerabilities at ports of entry. The main destination for these substances is the European market.

There has been an increase in Jamaican nationals within Trinidad and Tobago bartering shipments of marijuana for cocaine for re-export. In addition, increased government eradication efforts have driven up the local price of marijuana, causing some traffickers to shift their focus from cocaine to marijuana.

Drug seizures, interdictions, and eradications increased in 2013 compared to 2012. Law enforcement entities in Trinidad and Tobago seized 110.6 kilograms (kg) of cocaine and 3.7 metric tons of marijuana between January and September, 2013. Approximately 328,600 mature marijuana trees were also destroyed during this period. Higher seizure rates could indicate increased efforts by and a greater ability of law enforcement officers to detect trafficking. It may also indicate an increase in the volume of product being trafficked through Trinidad and Tobago, which would be consistent with reports that project an increase in trafficking through the Caribbean as a result of counternarcotics efforts in Central America and Mexico.

Prosecution and conviction rates for narcotics offenses are low. While 4,027 people were arrested for possession and another 468 for trafficking in 2013, only 58 small scale traffickers were convicted during the year.

The Government of Trinidad and Tobago increased its cooperation with the U.S. government on extraditions in 2013.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Most information on drug-use trends in Trinidad and Tobago is anecdotal, as empirical evidence on usage is limited. However, it is widely accepted that drug use occurs across all socio-economic classes in Trinidad and Tobago. The primary drug used in Trinidad and Tobago is marijuana, with cocaine, including “crack” cocaine, the second-most frequently used drug. MDMA (ecstasy), solvents, pharmaceuticals, and heroin are also consumed. On Tobago, the main tourist destination, visitors are partly responsible for the demand.

There are approximately 29 drug treatment programs in Trinidad and Tobago supported by the government, non-governmental organizations, religious groups, and hospitals. The programs offer psychological and social interventions, medical interventions, and acupuncture treatment options, as well as inpatient, outpatient and prison-based modalities that last from several weeks to two years. Treatment efforts for cocaine addiction, including crack cocaine, place the greatest burden on rehabilitation facilities. To avoid disrepute, wealthier or politically affiliated persons often attend or send family members to treatment in Antigua, Barbados, or the United States.

There are 10 substance abuse residential rehabilitation programs providing fewer than 200 beds for addicts. Two residential facilities address the needs of female addicts. There is no residential rehabilitation program specifically designated for minors, so most are placed in delinquent youth facilities or receive out-patient treatment. This is particularly concerning as rehabilitation providers report a younger average age of initiation into drug usage.

Drug prevention efforts include school-based education programs; training for educators; anti-drug media campaigns; and special outreach events. Outreach programs are performed by the National Alcohol and Drug Abuse Prevention Program in conjunction with rehabilitation facility counselors and members of the police service. The government is working to strengthen its programs with the assistance of the Organization of American States' Inter-American Drug Abuse Control Commission.

4. Corruption

The Government of Trinidad and Tobago neither directly encourages nor facilitates the illicit production or distribution of drugs nor the laundering of proceeds from the sale of illicit drugs. No charges of drug-related corruption were filed against senior government officials in 2013. Media and anecdotal reports of drug-related corruption in the ranks of the Police Service, Defense Force, Customs and Excise Division, and port employees are common.

The Police Complaints Authority, an independent law enforcement oversight body, recorded 219 complaints of police corruption and instances of unlawful detention and fraud in 2012. The country's Police Service's Professional Standards Bureau also has 45 officers under investigation and 18 before the Courts.

Notably, the Police Service arrested two fellow officers under allegations of leaking sensitive operational intelligence to gang leaders resulting in a foiled attempt by police to recover arms, ammunitions, or drugs during a surprise law enforcement operation in a high-crime neighborhood in August.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States supports a wide range of efforts designed to address crime and violence affecting citizens in Trinidad and Tobago, primarily through the Caribbean Basin Security Initiative (CBSI). CBSI is a security partnership between the United States and Caribbean nations that seeks to substantially reduce illicit trafficking, advance public safety and citizen security, and promote social justice. CBSI programming in Trinidad and Tobago focuses on law enforcement and military capacity building, juvenile justice, and demand reduction.

CBSI regional projects are also underway in maritime and aerial domain awareness; law enforcement information-sharing; law enforcement capacity-building; corrections reform; criminal justice reform; preventing financial crimes; demand reduction; and reducing illicit trafficking in firearms. The Government of Trinidad and Tobago is an active partner in CBSI programs.

D. Conclusion

The entities and individuals working to combat narcotics in Trinidad and Tobago face considerable institutional challenges that impede their effectiveness. Senior leaders have not been successful in translating political will to combat trafficking into operational effectiveness. To raise conviction rates and deter traffickers, the Government of Trinidad and Tobago should implement reforms to expedite prosecutions, revise outdated laws and standard operating procedures, and establish an evidence-based criminal justice system.

Turkey

A. Introduction

Turkey remains a significant transit country for illicit drug trafficking. Heroin, opium, and cocaine are generally trafficked through Turkey to European markets, and methamphetamine and amphetamine-type stimulants (ATS) are trafficked to markets in the Middle East and Southeast Asia. Large amounts of opiates and hashish continue to be seized in Turkey, and the Government of Turkey remains committed to upholding its international drug control obligations.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Turkish National Police (TNP) is the country's most proactive counterdrug force and has jurisdiction for drug-related crimes in urban areas. The Jandarma, a branch of the Turkish Armed Forces responsible for rural areas outside the jurisdiction of the TNP, also plays a significant role. TNP intelligence frequently leads to rural areas, in which case the two agencies conduct investigations and seizures together. Turkey's Coast Guard, under the Ministry of Interior, has some counternarcotics responsibilities, and the Ministry of Customs and Trade's Directorate General of Customs Guards is the Turkish counterpart to the U.S. Drug Enforcement Administration (DEA). The Ministry of Health (MOH) is responsible for issues relating to importation of chemicals for legitimate use. The Ministry of Finance oversees the financial intelligence unit, which investigates potential money laundering activities.

The Turkish International Academy Against Drugs and Organized Crime (TADOC) is an important resource for providing advanced training to law enforcement professionals from within Turkey and across neighboring states. The UN Office on Drugs and Crime (UNODC) sponsors training sessions at TADOC for narcotics police from Central Asia and other states. TADOC also partners with DEA, the NATO-Russia Council, the Organization for Security and Cooperation in Europe, the Turkish International Cooperation and Development Agency and other mutual security organizations in the planning and execution of training projects, instructor fellowship exchanges, and workshops throughout the region.

U.S.-Turkey extradition and mutual legal assistance relations are governed by the 1981 U.S.-Turkey extradition and mutual legal assistance treaty.

2. Supply Reduction

Most heroin trafficked via Turkey is marketed in Western Europe, where Turkish traffickers control much of the distribution. Turkey also acts as a transit route for opiates smuggled overland from Afghanistan via Iran, and to a lesser extent, Turkmenistan, Azerbaijan, and Georgia en route to Western Europe. Major Turkish smugglers are frequently involved in both heroin sales and transport, as well as limited production and smuggling of synthetic drugs. Some

criminal elements in Turkey reportedly have interests in heroin laboratories operating in Iran near Turkey's border. Heroin increasingly arrives in Turkey as a finished product from Afghanistan. Turkish authorities have stated that no labs have been detected in Turkey since 2008.

Turkey also serves as a transit route for methamphetamine smuggled by air from Iran and bound for markets in Southeast Asia, as well as ATS originating in Eastern Europe bound for countries in the Middle East. Methamphetamine has become more widely available in Turkey, and authorities fear that local addicts will turn to this less expensive drug.

Cocaine arrives from either South America or via trans-shipment locations in West Africa. TNP intelligence indicates most cocaine transported to Turkey is brought via couriers onboard commercial aircrafts. Seizures indicate cocaine is predominantly hidden inside passenger luggage or hidden on persons. Many West African drug smugglers in Turkey have obtained citizenship through marriage with Turkish nationals.

Cannabis products, primarily hashish, enter Turkey through Afghanistan, Lebanon, and Albania, and are primarily for local consumption. Turkey also acts as a transit route for opium smuggled overland from Afghanistan via Turkmenistan, Azerbaijan, and Georgia en route to Western Europe. While the Balkan Route into Western Europe remains heavily used, evidence suggests that traffickers also use a more northerly route through Azerbaijan, Georgia, Russia, and the Ukraine.

Turkey and India are the only two licit traditional poppy-growing countries recognized by the United States Government and the International Narcotics Control Board. Opium is produced in Turkey under strict domestic controls and international treaty obligations. The Turkish Grain Board strictly controls licit opium poppy cultivation and pharmaceutical morphine production, with no apparent diversion into the illicit market.

The TNP uses TADOC to train officers on interdiction and investigation techniques to fight drug trafficking. Border control initiatives and upgrades include the deployment of x-ray machines and ion scanners to Turkey's Eastern borders.

Turkey-based heroin traffickers operate in conjunction with smugglers, laboratory operators, and money launderers who finance and control the smuggling of drugs into Turkey from Afghanistan. Many major drug traffickers in Turkey are ethnic Kurds or Iranians. In recent years, many ethnic Kurdish traffickers have expanded operations to larger cities in Turkey and other countries in Europe. In February 2012, the U.S. Treasury Department sanctioned supporters of the Kurdistan Workers' Party (PKK) who ran significant drug trafficking networks based in Moldova and Romania, and in July, an estimated 1700 Turkish police and soldiers participated in a major crackdown on drug trafficking by the PKK in southeast Turkey.

Drug proceeds are often moved to and through Turkey informally, despite the fact only banks and authorized money transfer companies can legally move money. Money exchange bureaus, jewelry stores, and other businesses believed to be part of the hawala banking system are

investigated only if the business is directly tied to an existing drug or other criminal investigation.

Between January and November of 2013, Turkish authorities seized approximately 8.58 metric tons (MT) of heroin, slightly below the pace of seizures in 2012 (over 12 MT for the year). The volume of hashish that was seized during this period (143.6 MT over the first 11 months) increased substantially from 2012 (approximately 75 MT), and seizures of ATS (fenethylline and MDMA/ecstasy) more than doubled to approximately 7.6 million tablets.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The Turkish Science Committee for Methods of Drug Addiction is responsible for the national coordination of treatment. Its main tasks are to monitor, accredit and evaluate treatment services. Drug-related treatment is provided mainly by public agencies, private entities and non-governmental organizations and is mainly funded through the state and health insurance.

Most Turkish treatment services for drug abusers are aimed at achieving a drug-free life and dealing with addiction in general and not specifically for users of illicit drugs. These programs include psychotherapeutic and supporting methods, with the majority of drug-related treatment services taking place within inpatient settings.

While abuse remains modest in scale in Turkey compared to other countries in the surrounding region, the number of addicts seeking treatment is increasing. The Ministry of Health has responsibility for promoting drug awareness and providing treatment, but it remains under-funded and does not conduct regular, periodic drug abuse surveys.

4. Corruption

As a matter of government policy, Turkey does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior level government official is alleged to have participated in such activities in 2013.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

The United States works closely with Turkey to offer regional training opportunities to Turkish Law Enforcement officials throughout the country and at the TADOC center to provide additional tools to Turkish officials and their international counterparts. Turkey hosts several international counter drug forums with goals to enhance investigative abilities, cooperation, and relationships between international law enforcement agencies.

D. Conclusion

Turkish law enforcement agencies remain strongly committed to disrupting illicit drug trafficking. The United States will continue to work with Turkish law enforcement agencies to strengthen Turkey's ability to combat drug trafficking, money-laundering, and financial crimes,

and reduce the flow of Afghan heroin to international markets. The United States will also continue to support Turkey's work as a regional leader in counternarcotics training and education.

Turkmenistan

A. Introduction

Turkmenistan is a transshipment route for Afghan opiates destined for Turkish, Russian and European markets, either directly or through Iran. It is not, however, a major producer or source country for illegal drugs or precursor chemicals. Most illegal drug seizures occur along Turkmenistan's rugged and remote 446-mile border with Afghanistan and its 595-mile frontier with Iran.

Counternarcotic efforts continue to be a government policy priority. Although reliable statistics remain difficult to secure, internal narcotics sales have reportedly dropped since the government stopped the practice of granting pardons to prisoners previously convicted of drug-related crimes.

Major developments during 2013 included the largest-ever seizure of opium along the Turkmen-Iranian border, and the launch of a major interdiction operation entitled "Opium Poppy 2013" to identify and destroy limited domestic poppy production.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Government of Turkmenistan directs the bulk of its drug enforcement resources and manpower towards stopping the flow of drugs either directly from Afghanistan or via Iran. Common methods of transporting illegal narcotics include concealment in cargo and passenger vehicles, deliveries by pedestrian carriers, and in some cases, by concealment in the stomach or body cavities of humans and animals. Commercial truck traffic from Iran continues to be heavy, and Caspian Sea ferry traffic from Turkmenistan to Azerbaijan and Russia continues to be an opportune smuggling route.

President Berdimuhamedov continued to stress at government meetings that the war against drugs should be a consistent and uncompromising priority for his administration. The price of heroin, opium and marijuana continues to be the highest in the Central Asian region, indicative of decreased supply. The State Service to Protect the Security of a Healthy Society (SSPSHS, formerly the State Counter Narcotics Service) held a "drug burn" ceremony that destroyed 231.4 kilograms (kg) of narcotics in June, an event that coincided with the UN International Day Against Drug Abuse and Illicit Trafficking.

The United States does not have a bilateral extradition treaty or mutual legal assistance treaty with Turkmenistan. Turkmenistan cooperates on a limited basis with international organizations and diplomatic missions on counternarcotics issues, but its law enforcement agencies are still hampered by corruption, a lack of resources, training and equipment.

In March, the Government of Turkmenistan launched an operation (Opium Poppy 2013) to destroy both wild and illegally cultivated narcotic plants. The interagency operation included special task forces from the Ministries of Internal Affairs and National Security, as well as the SSPSHS.

2. Supply Reduction

According to the UN Office on Drugs and Crime (UNODC), 218.2 kg of illegal drugs were seized during the first six months of 2013. This is below the pace of seizures recorded in 2012, the most recent year for which full annual statistics are available, when 752.2 kg were seized. Most seizures (209.3 kg) were of raw opium.

The largest single drug seizure in 2013 occurred in August, when 1.05 metric tons of opium was seized at the “Novruzabat” checkpoint on the Turkmenistan-Iranian border. Six Iranian nationals were arrested attempting to smuggle the drugs in sacks loaded on mules.

There is no evidence of synthetic drug production in Turkmenistan, and the Turkmen government reports that there were no seizures of synthetic drugs in 2013. The weekly newspaper "Adalat" ("Justice") continues to occasionally report on law enforcement activities combating narcotics trafficking and on drug-related crimes.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The Ministry of Health operates six drug treatment clinics, and one out-patient facility for drug addicts in Ashgabat, as well as a Psychological and Narcological Hospital in the Ilyaly district of Dashoguz province, and one in each of other four provincial administrative centers. Addicts can receive free de-toxification treatment at these clinics without revealing their identity as clinic visits are kept confidential. Additionally, each of the hospitals has fee-based treatment facilities which cost approximately $10 per day.

The Government of Turkmenistan has not published any drug-abuse related statistics since 2006. Local law enforcement entities possess broad authority to initiate drug-related cases and send individuals to rehabilitation. There have been indications that officials have occasionally abused this authority.

In February, as part of its “Sport against Drugs” small grant program, the United States sponsored a bodybuilding tournament organized by Turkmenistan’s Athletics Sports Federation as part of a Over 350 spectators attended the event, including officials from the SSPSHS, Ashgabat Youth Union and Ashgabat Sports Committee. The U.S. contribution of $5,800 augmented support from the Government of Turkmenistan and helped increase awareness among Turkmenistan’s youth regarding the harmful effects of narcotics.

4. Corruption

As a matter of policy, the Government of Turkmenistan does not encourage or facilitate the illicit production or distribution of narcotics or other controlled substances. Nevertheless, law

enforcement officials' low salaries and broad powers foster an environment in which corruption occurs. A general distrust of the police by the public, fueled by evidence of police officers soliciting bribes, indicates a problematic level of corruption in law enforcement. Payments to junior officials at border crossing points to facilitate passage of smuggled goods are alleged to occur frequently. Allegations persist that law enforcement officials are directly linked to the drug trade.

In August, a Department Head from the Tax Inspectorate for the city of Ashgabat was arrested at Ashgabat International Airport for possessing opium. Following an investigation into the circumstances surrounding the incident, 14 additional tax inspectors representing offices throughout Turkmenistan were arrested for bribery and drug use. The Chief of the Main State Tax Service was relieved from his post.

The prosecutor general of the city of Ashgabat was arrested and fired in August following the institution of formal charges against him for bribery and for his unspecified involvement in drug crimes. Turkmenistan's prosecutor general was also relieved of his position under suspicion of alleged drug-related corruption.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In February, the United States launched the seventh round of English Language Training classes for law enforcement officials. Twenty-three officers graduated from the course in September. Also in February, the United States funded the participation of two officials from the Ministry of Health's Central Medical Examination Bureau to the 65th Annual Meeting of the American Academy of Forensic Sciences, which provided training on toxicological interpretation and staged crime scenes.

In March, the United States organized a one-week training seminar in Ashgabat for 25 drug unit commanders. The training was conducted by experts from the U.S. Drug Enforcement Administration's Regional Training Team in Almaty, Kazakhstan. In June, the United States organized a training seminar in Ashgabat on forensic toxicology for 25 medical examiners to improve their knowledge in laboratory management and specimen processing. On July 20, the U.S. and Turkmenistan governments signed the Sixth Amendment to the existing bilateral Letter of Agreement on Narcotics Control and Law Enforcement Assistance. The modification provides $100,000 to extend the English Language Training Program for Law Enforcement Officers until 2017.

D. Conclusion

The Turkmen government has made the combating the use and trafficking of drugs a policy priority. The prices for heroin and opium remain the highest in the Central Asian region, which government officials maintain reflects their success in preventing and interdicting the movement of narcotics across its territory. The Turkmen government has also called for the intensification of efforts by law enforcement authorities, healthcare institutions and civil society organizations to increase public awareness regarding the harmful effects of drug use and to identify and treat drug addiction.

The U.S. government will continue to support training for Turkmenistan's counternarcotics law enforcement agencies, in particular through the United States Drug Enforcement Administration's Regional Training Team platform in Almaty, Kazakhstan. Capacity building will continue to focus on supply reduction through interdiction training, law enforcement institution building, promoting regional cooperation, and the exchange of drug-related intelligence. The U.S. government will also encourage the Government of Turkmenistan to intensify long-term demand reduction efforts and to continue its partnership with international organizations such as UNODC and regional bodies such as the Central Asian Regional Information and Coordination Center.

Ukraine

Although Ukraine is not a major drug producing country, its location astride several important drug trafficking routes into Western Europe leaves it vulnerable as an important transit country. Ukraine's numerous ports on the Black and Azov seas, its extensive river routes, and its porous northern and eastern borders make Ukraine an attractive route for drug traffickers into the European Union's (EU) illegal drug market.

Heroin from Afghanistan is trafficked through Russia, the Caucasus, and Turkey, before passing through Ukraine. Latin American cocaine is moved through Ukrainian seaports and airports for both domestic use and further transit to EU countries. Ukrainian law enforcement occasionally interdict large shipments of drugs in commercial shipments transiting southern ports. Usually, however, drugs are found in small quantities, ranging from several grams to several hundred grams.

The use of synthetic drugs and psychotropic substances, especially amphetamines, has been rapidly increasing in Ukraine over the past decade, following international trends. Synthetic drugs are trafficked to Ukraine primarily from Poland, Lithuania, and the Netherlands, but they are also produced locally in small clandestine labs.

Most domestic drug abuse, however, continues to be focused on drugs made from illicit drug crops (cannabis and opium poppy) grown in the region. These account for more than 90 percent of the total drug market in Ukraine. In most instances, these drugs are either locally produced or supplied from Russia and Moldova.

The number of registered drug addicts was 103,803 as of June 2013. However, various experts estimate the total number of actual drug addicts in Ukraine as ranging between 300,000 and 500,000.

The Ukrainian government continues to implement its five year (2010-15) anti-drug policy, aiming to pursue a "balanced but persistent" program of prevention, control, and enforcement. A bilateral mutual legal assistance treaty between the United States and Ukraine has been in force since 2001.

United Arab Emirates

The United Arab Emirates' (UAE) proximity to Afghanistan, Pakistan, and Iran, and its role as a sea and air transportation hub have made the country a target for the transshipment of heroin and other narcotics. Drug seizure trends since 2011 indicate that traffickers also use the UAE as a staging area to warehouse, stockpile, and distribute narcotics. The UAE, specifically Dubai International Airport, has become a transit point for cocaine couriers from Brazil destined for various countries in Africa and methamphetamine traffickers from Iran destined for East Asia. There is no evidence of major drug cultivation or production in the UAE.

UAE authorities continue to interdict drug smuggling attempts through cooperation between the UAE Ministry of Interior Federal General Dept of Anti-Narcotics, the Dubai Police's Department of Anti-Narcotics, and law enforcement from other countries, as well as drug-awareness campaigns which have resulted in better collaboration with residents. The UAE has a zero tolerance policy toward illegal drug use and drug trafficking carries severe sentencing. The rate of illegal drug use in the UAE is low by international standards. The most common drug threats are hashish, illegal pharmaceutical drugs, and, minimally, heroin. Fenethylline, an amphetamine-type stimulant, may be the most widely-available drug in the Arabian Peninsula. Use of new psychoactive substances (such as the cathinone "spice"), pharmaceutical drugs, and hashish continue to increase. There has been increased reporting of Emirati nationals being arrested for selling narcotics to local Emirati citizens. There are no significant precursor chemical control issues.

The UAE government has made significant commitments of human resources and funding towards building new drug control institutions and conducting counter-narcotics law enforcement operations. The UAE hosts and funds a UN Office on Drug and Crime (UNODC) semi-regional office. The U.S. Drug Enforcement Administration's (DEA) Dubai Office coordinates with the UAE Government to combat UAE- and regionally-based drug trafficking organizations. UAE authorities passed approximately 57 leads to DEA on drug couriers in 2013, the majority of whom were arrested after landing at their final destination as the result of law enforcement coordination between the involved countries. DEA works with Dubai Police to promote drug-awareness efforts in schools, and U.S. Department of Homeland Security offices in Abu Dhabi and Dubai coordinate with UAE law enforcement officials to investigate smuggling crimes in the UAE and the region. These investigations include shipments of contraband in cargo containers and/or by passengers traveling through air, land, and sea borders throughout the region. Abu Dhabi has an analyst deployed at the U.S. Customs and Border Protection's National Targeting Center to assist in targeting contraband cargo.

United Kingdom

The United Kingdom of Great Britain and Northern Ireland (UK) is a consumer country of illicit drugs. Like other developed nations, the UK faces a serious domestic drug problem. Crime syndicates from around the world exploit the underground narcotics market and sometimes use the UK as a transshipment route. The UK has played an important role in the khat trade, serving as the most significant transshipment route to the United States and Canada. However, in 2013 the government put forward a bill to make khat illegal, which is expected to go into effect in early 2014. The UK is an active U.S. partner on counternarcotics efforts worldwide, particularly in Afghanistan, Latin America, Africa, and the Caribbean. The UK also is a member of the European multilateral Maritime Analysis and Operation Centre – Narcotics.

Marijuana is the most widely used drug in the UK, followed by cocaine. Organized criminal networks often use the proceeds from marijuana trafficking to fund other illicit activities. Unlike many drugs, the use of new psychoactive substances is growing. New and often dangerous substances appear on the market faster than laws can be passed against them. To address this issue, the UK introduced a "temporary class drug" designation in 2011 that can be used to make a drug illegal for up to 12 months while more permanent steps are considered.

The UK has robust drug-control institutional capabilities. The UK's 2010 National Security Strategy identified transnational organized crime, which includes drug trafficking, as a priority. The newly created National Crime Agency (NCA) absorbed its predecessor, the Serious Organized Crime Agency (SOCA), on October 7th and is the lead agency tackling drug trafficking and drug-related crime.

As part of the launch of the NCA, the UK has sought to address drug crimes in a more holistic way. In 2013, the Home Office began a project to learn from other countries' drug control efforts. The Home Office Minister of State for Crime Prevention travelled to eight countries, including the United States, and a report of lessons learned will be published in 2014.

Excellent bilateral cooperation on illicit drug enforcement continues between U.S. and UK authorities. The United States and UK have a memorandum of understanding allowing joint operations from the platforms of UK naval vessels in the Caribbean. Cooperation on mutual legal assistance in drug-related cases is strong. Additionally, UK and U.S. authorities continue to collaborate in multinational joint operations such as Operation Lenin, which targets travellers from Ireland and the Baltic States as potential narcotics smugglers transiting the United States from the Caribbean or South America bound for the UK. The United States has also supported the Metropolitan Police Service with khat trafficking and terrorist financing investigations. UK authorities are actively engaged in cyber-crime enforcement, particularly as it relates to trafficking in counterfeit pharmaceuticals and the use of the internet as a tool for distribution of narcotics.

Uruguay

Uruguay is not a major narcotics producing country. Foreign drug traffickers attracted to Uruguay's strategic maritime location, however, take advantage of its borders with Argentina and Brazil to use Uruguay as a base for logistics and transit operations. Local consumption of the highly addictive and inexpensive cocaine base product, "pasta base," remains a serious problem. In an effort to remove drug profits from criminal networks and combat the use of harder drugs, the Uruguayan government proposed legislation in 2012 to regulate the legal sale and distribution of marijuana. This legislation passed in Uruguay's House of Representatives and was approved by the Senate in December 2013. Uruguay has relatively low levels of public corruption.

Uruguay's demand reduction strategy focuses on prevention, rehabilitation, and treatment, with particular attention to reducing demand for "pasta base." The National Drug Rehabilitation Center trains health care professionals and sponsors teacher training, public outreach, and other programs. The National Anti-Drug Secretariat trains educators to run an anti-drug program for adolescents, and the interagency treatment and prevention program "Portal Amarillo" continues to serve addicts seeking help. The National Drug Police (DGRTID) continued to implement Uruguay's National Plan against Drug Trafficking and Money Laundering, which focuses on coordinating interagency efforts to combat drug-related illicit activities.

The Government of Uruguay seized 1.53 metric tons (MT) of cocaine in 2013, as well as 74.5 kilograms of "pasta base," 2.16 MT of marijuana, and a nominal amount of marijuana seeds.

In 2013, U.S. assistance included operational support provided by the U.S. Drug Enforcement Administration. The Uruguayan Navy received training from the United States in maritime law enforcement, search and rescue, port operations and disaster response.

The United States and Uruguay are parties to a bilateral extradition treaty entered into force in 1984, a mutual legal assistance treaty entered into force in 1994, and a letter of agreement through which the United States is able to support counternarcotics and law enforcement programs in Uruguay.

Uzbekistan

A. Introduction

Uzbekistan remains a significant transit country for heroin, opium, hashish and marijuana. Uzbekistan shares an 85-mile border with Afghanistan and has extensive borders with all other Central Asian countries. In addition to 134 legal crossing points, Uzbekistan's borders afford drug traffickers ample opportunity to enter undetected via thousands of miles of open desert, rugged mountains. Afghanistan and Tajikistan are the two major bordering countries utilized by drug traffickers to smuggle narcotics into Uzbekistan. The northern route through Uzbekistan offers both direct and indirect transit for narcotics from Afghanistan to end-use markets in Russia and Europe, and is aided by Uzbekistan's relatively intact infrastructure, corruption, and rugged border terrain.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Uzbek counternarcotics policy is expressed in the National Action Plan on Prevention of Drug Abuse and Illicit Drug Trafficking (NAP), and includes active drug law enforcement and control over illicit circulation; drug abuse prevention and demand reduction; international counternarcotics cooperation; and improvement in the drug enforcement legislation. The Government of Uzbekistan generally prefers bilateral over multilateral engagement on many issues, including counternarcotics, yet Uzbekistan adheres to its international commitments in combatting drug trafficking. The Government of Uzbekistan has signed a number of cooperation agreements with Central Asian countries as well as with Russia, Latvia, the Czech Republic, Japan, and China. Such cooperation is focused on developing Uzbek law enforcement capacities rather than operational activities or intelligence exchanges.

A 2012 memorandum of understanding (MOU) between the U.S. Drug Enforcement Administration (DEA) and the Ministry of Internal Affairs (MVD) established the legal foundation for joint U.S.-Uzbek investigative activities and intelligence exchange. The United States continues to negotiate with Uzbekistan to develop an MOU that would establish a legal foundation for joint counternarcotics and terrorist related financial investigative activities and exchange of intelligence between DEA and the Office of the Prosecutor General's Financial Investigative Unit.

In 2013, Uzbek law enforcement agencies benefited from U.S.-funded training and equipment to further develop their counternarcotics capabilities. With U.S. assistance, the Uzbek government initiated a process of lab accreditation and certification that improved the capability of its forensic laboratories to provide science-based evidence in drug cases. The United States conducted a number of specialized trainings for Uzbek law enforcement counterparts from the MVD and National Security Service (NSS) in such areas as drug enforcement, investigative techniques, anti-money laundering, financial investigations, informational analysis, and

undercover operations. The United States also provided training and equipment to Uzbek border-control agencies that increased drug interdiction capacity.

The United States does not have an extradition treaty or mutual legal assistance agreement in place with Uzbekistan.

2. Supply Reduction

Uzbekistan's rugged, poorly protected frontier with Tajikistan presents the country's biggest drug trafficking challenge. Drugs are usually transported in trucks through guarded Uzbek border crossings, though there has been an increase in smuggling by rail from Afghanistan and Tajikistan. Traffickers also exploit the mountainous terrain between Tajikistan and Uzbekistan to smuggle drugs into the country on foot or on pack animals.

While not as significant a transit country as some of its neighbors, Uzbekistan leads Central Asian states in seizing heroin. This reflects the relative strength of its police, customs, and NSS, bolstered by assistance from the United States and other international donors. Uzbekistan is a full member of the Central Asian Regional Information and Coordination Center (CARICC), hosts the UN Office on Drugs and Crime's (UNODC) Regional Office for Central Asia, and participates in a number of regional UNODC and European Union projects. Despite this participation in regional fora, however, Uzbekistan is developing border security policies largely in isolation from its neighbors, significantly reducing the overall effectiveness of regional efforts.

Uzbekistan is not a significant producer of illegal narcotics. In 2012, as a result of an annual eradication program, Uzbek authorities found 1,211 cases of illicit cultivation of narcotics plants (cannabis and opium poppy) on 1.2 hectares of land. According to UNODC, during the first six months of 2013, Uzbek authorities seized a total of 1.09 metric tons (MT) in illegal drugs, including 73.3 kilograms (kg) of heroin, 643.7 kg of opium, and 367.6 kg of cannabis products. These totals were statistically behind the pace of seizures in 2012, when 2.71 MT of all drugs were seized over the course of the year.

Uzbek law enforcement officials have reported a recent trend of Iranian methamphetamine transiting Uzbekistan and destined for Southeast Asian countries.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Official data on drug use is unreliable. The available statistics show a five percent decrease in the number of officially registered drug users in 2012 from 2011 (from 18,197 to 17,235). Of those, users between the ages of 20-39 account for 63.7 percent. The number of opium users fell to 12,914, or 74.9 percent of the registered addicts. The number of intravenous drug users decreased to 7,988, or 46.3 percent of the registered users.

NAP provides for demand reduction programs and treatment options, though they are often inadequate. In 2012, 3,727 patients were treated in rehabilitation facilities, 91.6 percent for opium addiction; 69.3 percent of patients received treatment in in-patient facilities and 26.3 percent in out-patient facilities. The Government of Uzbekistan upgraded some provincial

treatment centers and reportedly increased the budget for such facilities by 40 percent from 2011. The Uzbek government organizes drug education programs for school-age youth and in colleges, along with neighborhood-based programs.

In 2013, the UNODC project "Families and Schools Together" was initiated with Uzbek government backing, and promotes drug abuse prevention among children through improving the relations among parents, students and schools.

4. Corruption

As a matter of policy, the Government of Uzbekistan does not facilitate the production or distribution of illegal narcotics or the laundering of drug proceeds. There is evidence, however, of corruption at multiple levels of government. There are occasional reports in the local media of convictions of government officials on corruption charges, but such cases appear to target low or mid-level officers. To reduce official corruption, the Uzbek government is currently implementing a National Anti-Corruption Action Plan with the assistance of the international community.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

One of the cornerstones of Uzbekistan's counternarcotics strategy is to increase the capacity of state institutions through training. Support for these capacity-building efforts is also strategically important to the United States, both within the context of the improving bilateral relationship as well as regional security.

The continuing implementation of the DEA Central Asia Regional Training Team (CARTT) based in Kazakhstan helps to address this priority by providing direct law enforcement and counternarcotics training to law enforcement agencies in Uzbekistan and elsewhere in Central Asia. DEA also engages both the OPG and its functional component, the FIU. Uzbek officers also participate in the NATO-Russia Council Counter-narcotics Training Project.

The United States proactively supports activities that enhance border security and further the development and improvement of the counternarcotics infrastructure in Uzbekistan. This is done mainly through equipment grants to various Uzbek security agencies and funding for the CARTT.

D. Conclusion

Counternarcotics cooperation between the United States and Uzbekistan continues to improve. The Government of Uzbekistan has demonstrated political will to address the challenges of drug trafficking through the country. Training that meets international standards, modern crime fighting equipment, and greater exposure to best practices through cooperation between Uzbek and international partners is necessary to promote sustainable and continued improvements in the country's counternarcotics capacity.

Venezuela

A. Introduction

In 2013, Venezuela remained a major drug-transit country. Venezuela is one of the most frequently-transited trafficking routes for illegal drugs exiting South America for international markets, owing to its permeable western border with Colombia, weak judicial system, sporadic international counternarcotics cooperation, and permissive and corrupt environment.

Cannabis cultivation occurs throughout the country. In 2013, increased amounts of cannabis cultivated in Colombia were transported through Venezuela, primarily to Caribbean islands. According to a 2009 drug-consumption study by the Venezuelan National Anti-Narcotics Office (ONA), marijuana was the most commonly consumed illicit drug in Venezuela, followed by "crack" cocaine and "basuco" (cocaine base).

Limited coca cultivation occurs along Venezuela's border with Colombia. Some precursor chemicals used to produce cocaine are trafficked through Venezuela, but the quantity is unknown. In 2013, Venezuelan authorities seized approximately 30 metric tons (MT) of precursor chemicals during joint U.S.-Venezuelan anti-drug operations. The Venezuelan government does not report the production of new psychoactive substances in Venezuela nor the trafficking of these substances from Venezuela.

The President of the United States determined in 2013 that Venezuela had failed demonstrably to adhere to its obligations under international counternarcotics agreements, though a waiver allowing for continued assistance was granted in the interest of national security.

Venezuelan authorities do not effectively prosecute drug traffickers, in part due to corruption. Additionally, Venezuelan law enforcement officers lack the equipment, training, and resources required to inhibit the operations of major drug-trafficking organizations.

Venezuela and the United States have had very limited counternarcotics cooperation since 2005, when the Government of Venezuela refused to sign a negotiated addendum to a 1978 bilateral counternarcotics memorandum of understanding (MOU) with the United States. However, in 2013, Venezuelan and U.S. counternarcotics authorities increased regular communication and some case-by-case cooperation on seizures.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In 2013, ONA officials developed a National Anti-Drug Plan for 2013-2019 that seeks to reduce drug consumption and increase drug-prevention activities. ONA works closely with school officials in 79 municipalities to provide anti-drug education and athletic programming.

In 2013, Venezuelan President Nicolas Maduro announced more aggressive implementation of procedures for the Venezuelan Armed Forces to intercept and disable aircraft in Venezuelan territory believed to be trafficking drugs, in accordance with Venezuela's 2012 Integral Airspace Defense Law. This move is contrary to international civil aviation conventions to which Venezuela is signatory.

A U.S.-Venezuela bilateral treaty on mutual legal assistance entered into force in 2004, pledging both countries to cooperate in investigating, prosecuting, preventing, and suppressing crime, including drug trafficking. Additionally, Venezuela and the United States have had a bilateral MOU concerning counternarcotics cooperation since 1978. In 2005, Venezuelan and U.S. officials negotiated an addendum to the MOU to improve anti-drug cooperation, but Venezuela did not sign it.

In 1997, the U.S. and Venezuelan governments updated a customs mutual assistance agreement and a 1991 bilateral maritime counterdrug agreement that authorizes U.S. officials to board Venezuelan flagged vessels suspected of trafficking drugs in international waters, provided the Venezuelan government permits the search.

Venezuela is party to the Inter-American Convention against Terrorism, the Inter-American Convention against Corruption, and the Inter-American Convention on Mutual Assistance in Criminal Matters. Venezuela remains an active member of the Inter-American Drug Abuse Control Commission.

The United States and Venezuela are parties to an extradition treaty that entered into force in 1923, though the 1999 Venezuelan constitution bars the extradition of Venezuelan nationals. Venezuela periodically deports non-Venezuelan nationals to the United States to face drug-related charges.

2. Supply Reduction

Venezuela remains a major transit country for cocaine shipments via air, land, and maritime routes. The vast majority of suspected narcotics trafficking flights departing South America originate from Venezuela, typically from states bordering Colombia. Drug traffickers reportedly also move cocaine out of Venezuela via maritime routes using large cargo containers, fishing vessels, and "go-fast" boats.

The vast majority of illicit narcotics that transited Venezuela in 2013 were destined for the Eastern Caribbean, Central America, the United States, West Africa, and Europe. Colombian drug-trafficking organizations – including Los Urabeños, Los Rastrojos, the Revolutionary Armed Forces of Colombia (FARC), and the National Liberation Army (ELN) – facilitate the transshipment of narcotics through Venezuela. Media reports alleged that some Venezuelan military and law enforcement personnel directly assisted Colombian drug-trafficking organizations. According to media reports, Mexican drug-trafficking organizations, including the Sinaloa Cartel and Los Zetas, operate in Venezuela.

The Venezuelan government occasionally reports drug seizures, arrests, and destruction of drugs and airstrips to the public. Venezuela is not a member of the Cooperating Nations Information Exchange System through which countries predetermine some information to share automatically with the United States. U.S. officials were able to independently verify some Venezuelan drug seizures based on evidence from Venezuelan authorities. Venezuelan authorities did not share similar evidence with U.S. officials about illicit drug destruction.

In December, ONA President Alejandro Keleris Bucarito stated publicly that Venezuelan authorities had seized 46 MT of illegal drugs since the beginning of 2013. Keleris further stated that Venezuelan authorities had arrested more than 9,130 people on drug trafficking charges and had captured 15 heads of drug trafficking organizations in 2013. Keleris also stated that Venezuelan authorities disabled 30 aircraft used by drug-trafficking organizations and destroyed 108 unauthorized airstrips that year.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The use of illegal drugs in Venezuela remained a problem in 2013. The UN World Drug Report noted that cocaine use among adults was 0.64 percent in 2011, the last year for which statistics were available. It also reported that, in 2011, cannabis use was 1.7 percent, amphetamine use was 0.47 percent, ecstasy use was 0.12 percent, and opioid use was 0.03 percent.

In 2012, the Venezuelan government implemented a nationwide security program, “Life for All,” that focused on reducing violence and crime in the 79 Venezuelan municipalities with the highest crime rates. The Venezuelan government included drug abuse prevention and drug rehabilitation programming in its plan. The ONA director for demand reduction announced that between January and June 2013, ONA officials had visited 6,077 schools and provided anti-drug educational programs to 330,480 students through the ONA “Goes to School” program. Non-governmental organizations throughout the country offer drug abuse awareness, demand reduction, and treatment programs.

4. Corruption

Although Venezuelan law prohibits drug-trafficking, public corruption is a major problem in Venezuela that makes it easier for drug-trafficking organizations to move and smuggle illegal drugs, according to Venezuelan non-governmental organizations. In November, the National Assembly granted President Nicolas Maduro decree powers to combat corruption inside and outside of government institutions.

In 2008, the U.S. Department of the Treasury designated three former Venezuelan officials (including two current state governors) as “Specially Designated Nationals and Blocked Persons (SDN)” under the Foreign Narcotics Kingpin Designation Act (Kingpin Act) for assisting the FARC in trafficking narcotics. The Venezuelan government has yet to take action against these or other government and military officials with known links to the FARC.

In 2011, the U.S. Department of the Treasury designated four additional Venezuelan government officials under the Kingpin Act for aiding the FARC. In 2013, The U.S. Department of the

Treasury added Vassyly Kotosky Villarroel-Ramirez, a former captain in the Venezuelan National Guard, to the SDN list under the Kingpin Act.

Venezuela law imposes penalties ranging from eight to 18 years in prison for military and security officials convicted of participating in or facilitating narcotics trafficking. In 2013, Venezuelan authorities detained eight Venezuelan military officials to investigate their roles in a drug operation that resulted in French authorities seizing 1.3 MT of cocaine in Paris from an Air France flight that originated in Caracas, according to media reports.

C. National Goals, Bilateral Cooperation, and U.S. Policy Initiatives

In 2013, U.S. Drug Enforcement Administration (DEA) and ONA officials conducted more regular meetings and some cooperation on a case-by-case basis, representing an increase in cooperation from previous years. In 2013, Venezuelan authorities seized more than 12 MT of cocaine and 17 private aircraft the latter valued at more than $20 million, as a result of cooperation between Venezuelan and U.S. authorities. Venezuelan authorities also arrested nine high-priority individuals suspected by U.S. law enforcement of involvement in international drug trafficking.

In 2013, an ONA official attended a precursor chemical training conference hosted by the United States and the Colombian National Police. The ONA representative was the first Venezuelan official to attend a U.S.-sponsored training since 2009 – the year that former Minister of Interior, Justice, and Peace Tareck El Aissami prohibited Venezuelan law-enforcement officials from receiving training overseas without the ministry's prior approval.

The United States and Venezuela continued to exercise the maritime bilateral agreement that was signed in 1991 and allows for each country to board vessels of the opposite flag suspected of illicit drug trafficking in international waters. In 2013, the Venezuelan government cooperated with the U.S. Coast Guard in 10 documented maritime drug-interdiction cases, compared to five cases in 2012, three cases in 2011, and nine cases in 2010.

D. Conclusion

Counternarcotics cooperation between the United States and Venezuela increased in 2013. The United States remains committed to cooperating with Venezuela to counter the flow of cocaine and other illegal drugs transiting Venezuelan territory.

To further deepen cooperation, the Venezuelan government should sign the addendum to the 1978 bilateral counternarcotics MOU and increase counternarcotics training for Venezuelan law enforcement personnel, including permitting more Venezuelan officials to participate in U.S. counternarcotics training programs. Such cooperative activities could increase the exchange of information and ultimately lead to more drug-related arrests, help dismantle organized criminal networks, aid in the prosecution of criminals engaged in narcotics trafficking, and stem the flow of illicit drugs transiting through Venezuela.

Vietnam

Vietnam is an illicit drug transshipment point for local and international criminal organizations, including transnational drug trafficking networks. In 2013, Vietnamese law enforcement officials detected and arrested Vietnamese and foreign nationals smuggling illicit narcotics from China, Laos, and Cambodia to Vietnam and onwards to international destinations, including the United States. In addition to conventional land and sea-based drug trafficking routes, commercial aviation routes were also utilized by traffickers in 2013. Government of Vietnam statistics show that heroin is the main drug used and trafficked in Vietnam, though use of amphetamine-type stimulants (ATS) is on the rise. Since 2010, ATS have been the second most widely used drug in Vietnam. While ATS has been common in urban centers, the UN Office of on Drugs and Crime (UNODC) notes that these drugs are starting to reach rural areas. Cultivation and production of illicit narcotics in Vietnam remains limited.

The Vietnamese government continues to implement its 2011 comprehensive anti-drug strategy. In 2012, the Prime Minister allocated $121 million to support drug control and drug prevention, and Vietnam ratified the UN Convention against Transnational Organized Crime. In 2013, UNODC and the government announced an additional commitment of $14.4 million to support ongoing counternarcotics efforts. The Ministry of Labour, Invalids, and Social Affairs is also currently developing a Drug Rehabilitation Renovation Plan, which will include national standards for drug treatment and rehabilitation.

Through the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), the United States expended approximately $3 million in support of medication-assisted therapy for 14,000 patients to prevent HIV transmission and improve treatment outcomes among people who inject drugs. To support demand reduction efforts, the United States provides funding to UNODC and the World Health Organization to develop treatment services for local communities and work to integrate these services into Vietnam's public health system. During an August meeting with the White House Director of National Drug Control Policy, the Government of Vietnam highlighted its commitment to employing science-based treatment methodologies, including the use of medication-assisted treatment, and to moving away from reliance on compulsory labor camps for drug users. This shift, if implemented, would be a positive development in line with international recommended practices.

Through the first six months of 2013, Vietnam's law enforcement investigated 10,123 drug related cases and arrested 15,122 people involved in drug related crime, a two to three percent increase in activity compared to the same period in 2012. Of these cases, 2,673 cases and more than 3,500 arrests occurred along the Vietnam-Laos and Vietnam-China border, netting 160 kilograms of heroin. Seizures continue to be dominated by heroin, followed by smaller amounts of opium, cannabis, and ATS.

Vietnam works with neighboring countries to carry out interdiction operations, including through newly established border liaison offices on both sides of the Sino-Vietnamese border. The United States promotes counternarcotics information sharing, coordination of operations, and capacity building with Vietnam's Ministry of Public Security. The U.S. Coast Guard continues

to enjoy a cooperative relationship with the Vietnam Coast Guard (VCG), and the VCG participates actively in the U.S.-led Gulf of Thailand Initiative, an ongoing maritime law enforcement capacity building initiative involving Southeast Asian states.