

EUROPE AND CENTRAL ASIA

Albania

I. Summary

Albania is a transit country for narcotics traffickers moving primarily heroin from Central Asia to destinations around Western Europe. In 2007, seizures of heroin declined slightly, while seizures of other drugs remained high. Cannabis continues to be produced in Albania for markets in Europe, but cultivation has largely moved into the more remote mountain regions of Albania that the government has difficulty accessing. The Government of Albania (GOA), in response to international pressure and with international assistance, is confronting criminal elements more aggressively but continues to be hampered by a lack of resources and endemic corruption. Albania is a party to the 1988 UN Drug Convention.

II. Status of Country

Albania's ports on the Adriatic and porous land borders, together with poorly financed, poorly managed and under-equipped police, border security and customs controls, make it an attractive stop on the smuggling route for traffickers moving shipments into Western Europe. In addition, marijuana is produced domestically for markets in Europe, the largest being Italy and Greece.

III. Country Actions Against Drugs in 2007

Policy Initiatives. The GOA took several steps against corruption: it passed the Law on the Prevention of Conflicts of Interest and issued a schedule for the law's implementation. Civil society monitoring has also increased expectations that corruption will decrease throughout society. The GOA outlawed the circulation of speedboats and several other varieties of water vessels on all of Albania's territorial waters for a period of three years, which appears to have slowed the movement of drugs by smaller waterborne vessels, particularly to Italy. Albania works with its neighbors bilaterally and in regional initiatives to combat organized crime and trafficking, and it is a participant in the Stability Pact and the Southeastern Europe Cooperative Initiative (SECI). Albania signed the Stabilization and Association Agreement with the European Commission in June 2006, and it has since been ratified by twelve European Union member countries. The EU noted in its ratification that Albania "...is still facing serious challenges in tackling corruption and organized crime, achieving full implementation of adopted legislation, improving public administration and fighting trafficking in human beings and drugs."

Law Enforcement Efforts and Accomplishments. Albanian police continued to make progress in their counternarcotics operations through the increased use of technology, improved police techniques, and an increase in overall capacity. Drug seizure numbers from both Italy and Greece show a marked decline in drugs seized coming from Albania to these countries, which demonstrates the success of Albania's efforts. Albanian authorities organized major police operations and drug seizure operations throughout the country, particularly in Fier, Tirana, and the ports of Vlora and Durres. International cooperation also increased, including joint operations with Italian, Macedonian, Greek and Turkish authorities. Albanian authorities report that through September 2007, police arrested 315 persons for drug trafficking, and an additional 29 are wanted, similar numbers to the previous year. The police seized 125 kg of heroin, 3256 kg marijuana, and 12kg of cocaine through September. The police also destroyed 177,068 cannabis plants and 847 poppy plants, and confiscated one liter of hashish oil. Although the amount of heroin seized was nearly equal to last year, marijuana seizures declined sharply. The two-fold increase in the number of cannabis plants destroyed is seen as the reason for the decline of Albania's export of marijuana. This coincides with a noted decrease in the number of drugs seized by Italian authorities, who for

the first five months of 2007 had seized only 57kg of heroin coming from Albania and 40 kg of marijuana. The increase in the seizures of cocaine in Albania signals a slight rise in the trafficking of cocaine into Albania both for domestic consumption and for export to Greece and Italy. The rise in the cannabis seizures raises questions about the accuracy of the data in last year's report, when the government statistics suggested that the numbers from 2005-2006 had declined because of reduced cultivation.

During the first quarter of 2007, a record single seizure of heroin was made through the investigative efforts of the Tirana Anti-Narcotics Sector. Using methods and techniques learned from USG- sponsored training in narcotics investigations, including surveillance and information handling, the Anti-Narcotics Sector of the Tirana Directorate conducted a two-week investigation that resulted in the seizure of more than 25 kilograms of heroin, several luxury vehicles, weapons, and cell phones along with the arrest of two major drug traffickers. This seizure was the largest ever recorded by the Albanian Police.

Corruption. Corruption remains a deeply entrenched problem in Albania. Low salaries, social acceptance of graft and Albania's tightly knit social networks make it difficult to combat corruption among police, magistrates, and customs officials. The GOA does not, as a matter of policy, encourage or facilitate the illicit production or distribution of drugs or illegal substances, or the laundering of proceeds from illegal drug transactions. As part of the government's anticorruption pledge, in May 2006, Albania ratified the UN Convention against Corruption. In 2007, the police and judiciary became more active in investigating government officials and law enforcement personnel for corruption. The office of the Prosecutor General reported that the number of criminal proceedings for offences related to illegal activity of public officials (corruption, abuse of duty, etc) increased by 28 percent during 2006. 304 persons were investigated for these offences, and 191 of them were sent to trial, 130 of whom were convicted and sentenced (a 55 percent increase compared to 2005). Of the overall 13 percent increase in cases proceeding to trial, a majority of the increase involved corruption, illegal government activity and trafficking.

The overall increased number of corruption cases suggests that authorities are cracking down on a tendency to "look the other way" to curry favor with criminals. Although these numbers are a significant improvement over 2005 and 2006, Albania continues to lack the judicial independence for truly unbiased proceedings and many cases are never resolved. One bright note is that toward the end of 2007 the government arrested several senior officials from the Tax Administration, and several others from the Ministry of Transportation and Telecommunications, including a Deputy Minister, on charges of corruption.

Agreements and Treaties. Albania is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. An extradition treaty is in force between the United States and Albania. Albania is a party to the UN Convention Against Transnational Organized Crime (TOC) and its protocols against migrant smuggling and trafficking in persons. The TOC Convention enhances the bilateral extradition treaty by expanding the list of offenses for which extradition may be granted. The U.S. submitted an extradition request to Albania in 2007 under this Convention with a successful result.

Cultivation and Production. With the exception of cannabis, Albania is not a significant producer of illicit drugs. According to authorities of the Ministry of Interior's Anti-Narcotics Unit, cannabis is currently the only drug grown and produced in Albania and is typically sold regionally. Although eradication programs co-sponsored by the police and local governments have been credited with substantially reducing cultivation of cannabis, cultivation persists despite these efforts. No labs for the production of synthetic drugs were discovered in 2007, and the trade in synthetic drugs remains virtually non-existent. Albania is not a producer of significant quantities of precursor chemicals.

The Law on the Control of Chemicals Used for the Illegal Manufacturing of Narcotic and Psychotropic Substances was passed in 2002 and regulates precursor chemicals. Police and customs officials are not trained to recognize likely diversion of dual-use precursor chemicals.

Drug Flow and Transit. The trafficking in narcotics in Albania continues as one of the most lucrative illicit markets. Organized crime groups use Albania as a transit point for drugs and other types of smuggling, due to the country's strategic location, weak law enforcement and unreformed judicial systems, and porous borders. Albania is a transit point for heroin from Afghanistan, which is smuggled via the "Balkan Route" of Turkey-Bulgaria-Macedonia-Albania to Italy, Montenegro, Greece, and the rest of Western Europe. A limited, but growing, amount of cocaine is smuggled from South America to Albania, both for domestic consumption and external distribution. Additionally, criminal networks are increasingly using ethnic Albanians to smuggle cocaine and heroin from other countries into Albania, Italy and Greece.

Domestic Programs (Demand Reduction). The Ministry of Health believes that drug use is on the rise, but has no reliable data about drug abuse. According to health professionals, the addict population is as large as 30,000 users and current registered drug use could be just the tip of the iceberg for Albania. The GOA has taken steps to address the problem with a National Drug Demand Reduction Strategy but is hampered by the inadequate public health infrastructure that is ill equipped to treat drug abuse, and public awareness of the problems associated with drug abuse remains low. The Toxicology Center of the Military Hospital is the only facility in Albania equipped to handle overdose cases and is staffed by only three clinical toxicologists. This clinic has seen an average of 2000 patients per year over the past five years, and the number of cases has remained constant over this period. The clinic estimates that around 80 percent of the cases result from addiction to opiates, predominately heroin, and most were intravenous drug users. There were only two NGO's operating in Albania during 2007, which dealt with drug related cases. Albania has few regulations on the sale of benzodiazepines, which are sold over the counter at local pharmacies, and the domestic abuse of these medications is believed to be rising, though no data is available.

IV. U.S. Policy Initiatives and Programs

Bilateral and Multilateral Cooperation. The GOA continues to welcome assistance from the United States and Western Europe. The U.S. is intensifying its activities in the areas of law enforcement and legal reform through technical assistance, equipment donations, and training. One of the problems seen in training, however, is deep politicization at all levels of government resulting in the absence of a strong civil service class and thus many trainees are subject to reassignment during times of political transition. This was especially acute in changes in the Albanian State Police following the 2007 municipal elections. Between 2005 and mid-2006, almost 90 percent of all Chief Controllers from Albania's major border crossing points were transferred or removed from their posts and replaced by new personnel. In many cases, newly-assigned personnel had no apparent background, training or understanding of border functions.

The DEA and the FBI have conducted drug training and investigations training. The U.S. Department of Justice ICITAP and OPDAT programs continued their support to the Office of Internal Control at the Ministry of the Interior, the Serious Crimes Court and Serious Crimes Prosecution Office, all with the goal of professionalizing the administration of justice, combating corruption, and strengthening the GOA's ability to prosecute cases involving organized crime and illicit trafficking. ICITAP continued to offer the Anti-Narcotics and Special Operations Sectors full-time advisory support, an advanced level of training (in cooperation with the FBI) to assist in combating this illicit trade. ICITAP and State/INL continued to provide support for the GOA's anti-narcotic strategy and efforts through its activities within the International Consortium and the Mini-Dublin Group.

In 2007, OPDAT conducted six regional training programs, funded by State/INL, providing instruction to all judges handling criminal cases on new criminal laws and procedures enacted in 2004, following on its similar training of all prosecutors in 2005-2006. OPDAT and ICITAP worked with the Albanian Ministry of Interior, Ministry of Finance, General Prosecutor's Office, and State Intelligence Service to form an Economic Crime and Corruption Joint Investigative Unit (JIU) to improve the investigation and prosecution of economic crime and corruption, which formally began operations in September of 2007.

The Witness Protection Sector (witness protection division within the Office of Organized Crime) continues to work with the U.S. and other members of the international community to strengthen the existing witness protection legislation. The Witness Protection Sector has helped to protect a number of witnesses, and witness families, in trafficking and drug related homicide cases. Two high-ranking members of the Albanian Witness Protection Program traveled to Washington DC in July 2006 to attend the First International Symposium on Witness Protection, and participated in the follow-up conference on Witness Protection in Lyon, France in September 2007. With the assistance of OPDAT and ICITAP personnel who accompanied the Albanian officials, progress was made during the Lyon conference in securing regional witness protection agreements with other European countries.

The United States, through State/INL, continues to provide assistance for integrated border management, a key part of improving the security of Albania's borders, providing specialized equipment, and the installation of the Total Information Management System (TIMS) at border crossing points. Part of the integrated border management initiative, formally approved by the Albanian Council of Ministers on 29 September 2007, included the establishment of an autonomous Border and Migration Department with direct command and control of all borderpolicing resources answerable to one central authority. Other U.S., EU, and international programs include support for customs reform, judicial training and reform, improving cooperation between police and prosecutors, and anticorruption programs.

Albanian law enforcement authorities have provided the Italian police with intelligence that has led to the arrest of drug dealers and organized crime members, as well as the confiscation of heroin in Italy. Cooperation also continues with Italian law enforcement officials to carry out narcotics raids inside Albania.

The Road Ahead. The Albanian government has made the fight against organized crime and trafficking one of its highest priorities. Additionally, the police are taking an increasingly active role in counter narcotics operations. Albania's desire to enter into both the European Union and NATO continues to push the GOA to implement and enforce reforms, but the fractional nature of Albanian politics and the slow development of Albanian civil society have hampered progress. The U.S., together with the EU and other international partners, will continue to work with the GOA to make progress on fighting illegal drug trafficking, to use law enforcement assistance effectively, and to support legal reform.

Armenia

I. Summary

Armenia is not a major drug-producing country and domestic abuse of drugs is relatively small. While the total amount of interdicted illegal drugs increased in the first nine months of 2007, the original base of cases was not large so the overall number of such incidents remains small. The Government of Armenia (GOAM) recognizes Armenia's potential as a transit route for international drug trafficking. In an attempt to improve its interdiction ability, the GOAM, together with Georgia and Azerbaijan, is engaged in an ongoing, European Union-funded and UN-implemented Southern Caucasus Anti-Drug (SCAD) Program, launched in 2001. This program provides legislative assistance to promote the use of European standards for drug prosecutions, collection of drug-related statistics, and rehabilitation services to addicts, as well as drug-awareness education. Armenia is a party to the 1988 UN Drug Convention.

II. Status of Country

Sitting at the crossroads between Europe and Asia, Armenia has the potential to become a transit point for international drug trafficking. Its role in drug trafficking could be exacerbated by lenient criminal penalties, at least compared to other countries in the region. At present, limited transport traffic between Armenia and its neighboring states makes the country a secondary traffic route for drugs. (Armenia currently has closed borders with Turkey and Azerbaijan.) The Armenian Police Service's Department to Combat Illegal Drug Trafficking has accumulated a significant database on drug trafficking sources, including routes and the people engaged in trafficking. Scarce financial and human resources, however, limit the Police Service's effectiveness. Drug abuse does not constitute a serious problem in Armenia, and the local market for illicit narcotics, according to the police, is not large. The most widely abused drugs are cannabis and opium. Heroin and cocaine first appeared in the Armenian drug market in 1996. Since the introduction of heroin the overall trend demonstrates an increase in its abuse, although heroin seizures declined 56 percent in the first nine months of 2007 (332.485 grams) compared to the first nine months of 2006 (762.38 grams). Cocaine seizures increased significantly, from 0.35 grams in the first nine months of 2006 to 172.8 grams in the first nine months of 2007. The total seizure amounts remain small, however, and the overall market demand for heroin and cocaine remains fairly small. The GOAM established an Interdepartmental Committee on Combating Drug Use and Drug Trafficking. Chaired by the Chief of Police, the Committee has not met for more than two years, indicating a failure on the government's part to effectively coordinate counternarcotics activities among Armenia's various agencies.

III. Country Actions Against Drugs in 2007

Policy Initiatives. There has been no new major legislation since the passage, on May 10, 2003, of the Law of the Republic of Armenia on Narcotic Drugs and Psychotropic Substances and a 2004 amendment to the criminal code. The latter criminalized the illicit trafficking of drug manufacturing precursors (e.g. substances involved in the processing of heroin) and drug manufacturing equipment. Legislative changes may be enacted soon, however. A measure to expand probable cause in search and seizures and lengthen criminal penalties for engaging in the drug trade is currently working its way through the National Assembly. In addition, the Prosecutor General's office has proposed that minor drug use be decriminalized. Currently, drug use is a criminal offense that can result in jail time. The Prosecutor General's proposal would change that and make drug use an administrative offense, resulting in a fine. This legislation is also currently

before the National Assembly. Thus, if these two pieces of legislation both eventually passed, Armenia would focus on traffickers, and de-emphasize enforcement against drug users.

Law Enforcement Efforts. Preventive measures to identify and eradicate both wild and illicitly cultivated cannabis and opium poppy continued in 2007. In September and October the police conducted its annual massive search for hemp and opium poppy fields in the countryside, as well as distribution networks in the cities. In August, Armenian law enforcement agencies participated in “Channel,” a joint operation that in 2007 involved Russia, Ukraine, Kazakhstan, Belarus, Kyrgyzstan, Tajikistan, Uzbekistan, Finland, China, Azerbaijan, Georgia, Mongolia, Afghanistan, Poland, Latvia and Lithuania. The U.S. Drug Enforcement Administration also participated in Channel operations with observer status. During this exercise, the Armenian authorities gave special scrutiny to all vehicles crossing the border and all containers arriving at the airport for a one-month period. All Armenian law enforcement agencies (Police, National Security Service, Customs, Border Guards, Police Internal Troops, Ministry of Defense, and the Prosecutor General’s Office) participate in this activity. The GOAM hopes to carry out “Channel” operations at least once more in 2008.

In the first nine months of 2007, the Armenian Police identified 702 violations of the criminal code dealing with illegal drug abuse and/or trafficking, compared to 703 such cases during a similar period in 2006, a statistically insignificant change. The GOAM claims that 330 individuals were involved in the 702 abuse and/or trafficking of illegal drug violations, compared to 394 individuals involved in the 703 cases in 2006. During the first six months of 2007, the GOAM seized 34.9 kg of illegal drugs, compared to 20.4 kg for the first six months of 2006, an increase of 42 percent. (Cannabis accounted for the vast majority of these seizures, 89 percent, while opium accounted for eight percent and heroin a little less than one percent.) Police sources attribute the increase in seizures to improved interdiction efforts, backed by recent legislative changes. For example, in 2004 the National Assembly amended the criminal code to make trafficking in small amounts of illicit narcotics a crime. Previously, only larger seizures could result in prosecution. But other factors indicate that the demand for illicit drugs, while small in comparison to other countries, is growing. Armenia has experienced double-digit economic growth for several years. Increased discretionary income among the population, particularly in Yerevan, could be raising the demand for illicit drugs. A World Health Organization (WHO) report claimed there were 9,000 intravenous drug users in 2006, up from 2,000 in 2001. The number of addicts treated at the Armenian Narcological Clinic, a drug treatment center, shows a steady increase: seven addicts sought treatment in 2001, 121 sought treatments in 2006, and 124 sought treatment in the first nine months of 2007. Undoubtedly, these numbers will increase even more if drug use is decriminalized. Moreover, anecdotal evidence indicates that the use of cocaine is more widespread than the seizure figures would indicate (172.8 grams in the first nine months of 2007). It is believed that cocaine is prevalent among the moneyed elite, and that the low interdiction and arrest rate for cocaine does not mean that the rich can hide their drugs better than the poor, but rather their money and influence preclude their arrest and prosecution. The Armenian Interagency Unit of Drug Profiling, funded by SCAD, operated from February 2005 until October of 2006. The unit collected information on passengers at Zvartnots International Airport and shared data on drug traffickers with law enforcement agencies. When the funding from SCAD dried up the GOAM failed to maintain the unit, although the police claim their airport unit works closely with the Border Guards and Customs services to identify traffickers. A new program scheduled to start in 2008, the Regional Integrated Border Management (RIBM) program, will centralize data in one place, giving all law enforcement agencies access to information on drug interdiction efforts.

Corruption. Corruption remains a problem throughout Armenia. While drug traffickers do not appear to have corrupted the system to an appreciable degree, numerous reports indicate that drug users, when found with drugs in their possession, often bribe cops to avoid arrest. Although the

GOAM has taken steps to develop an anticorruption program, the political will and the available resources have not been adequate. Since April 2004, there has been an Anti-Corruption Unit, overseen by the Prosecutor General and consisting of eight prosecutors, in the Office of the Armenian Prosecutor General. However, this unit has not shown any significant results. The GOAM does not encourage or facilitate the illicit production or distribution of narcotic drugs and psychotropic substances, nor does it encourage or facilitate the laundering of proceeds from the sale of illegal drugs. No government officials have been reported to have engaged in these activities.

Agreements And Treaties. Armenia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Armenia is also a party to the UN Convention against Transnational Organized Crime and its protocols on migrant smuggling and trafficking in women and children. Armenia ratified the UN Convention against Corruption in March 2007.

Cultivation And Production. Hemp and opium poppy grow wild in Armenia. Hemp grows mostly in the Ararat Valley, the south-western part of Armenia; poppy grows in the northern part, particularly in the Lake Sevan basin and some mountainous areas.

Drug Flow/Transit. The principal transit countries through which drugs pass before they arrive in Armenia include Iran (heroin and opiates) and Georgia (opiates, cannabis and hashish). Armenia's borders with Turkey and Azerbaijan remain closed due to the Nagorno-Karabakh conflict, but small amounts of opiates and heroin are smuggled to Armenia from Turkey via Georgia. When all of Armenia's borders open once again, the police predict drug transit will increase significantly. There were also instances of small-scale importation from other countries in the past year. Most of these cases involved passengers arriving at the airport in Yerevan. For example, the synthetic opiate Subutex was found on passengers arriving from countries in Europe, particularly France, which has a large Armenian community. A criminal case was brought against five individuals accused of smuggling Ecstasy on flights from Istanbul. University students from India were charged with the sale of THC tablets brought from home.

Demand Reduction. The majority of Armenian addicts are believed to be using hashish, with heroin the second most abused drug. Armenia has adopted a policy of focusing on prevention of drug abuse through awareness campaigns and treatment of drug abusers. These awareness campaigns are being implemented and manuals are being published under the framework of the SCAD program. The Drug Detoxification Center, part of the Armenian Narcological Clinic and funded by the Ministry of Health, provides drug treatment and counseling.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG continues to work with the Government of Armenia to increase the capacity of Armenian law enforcement. Joint activities include the development of an independent forensic laboratory, the improvement of the law enforcement infrastructure and the establishment of a computer network that will enable Armenian law enforcement offices to access common databases. In 2007, the Department of State, through its Export Control and Related Border Security (EXBS) program, continued to assist the Armenian government. EXBS training and assistance efforts, while aimed at the nonproliferation of weapons of mass destruction and their delivery systems, directly enhance Armenia's ability to control its borders and to interdict all contraband, including narcotics.

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

Austria

I. Summary

Austria remains primarily a transit country for illicit drugs and does not produce any illicit substances of its own. As in previous years, foreign criminal groups from former Soviet-bloc countries, Turkey, West Africa, and Central and South America, still dominate the organized drug trafficking scene in the country. Austria's geographic location along major trans-European drug routes allows criminal groups to bring drugs into the country. Production, cultivation, and trafficking by Austrian nationals, however, remain insignificant. Drug consumption in Austria is well below west European levels and authorities do not consider it to be a severe problem. The number of drug users is currently estimated at around 35,000. Cooperation with U.S. authorities continued to be outstanding during 2007. International cooperation led to significant seizures, frequently involving multiple countries.

In 2007, Austria continued its efforts to intensify regional police cooperation, particularly with regard to the Balkans. Austria also continued its year-long focus on providing policing know-how to countries in Central Asia. Austria is the seat of the United Nations Office for Drugs and Crime (UNODC) and has been a major donor for several years. Austria has been a party to the 1971 and 1988 UN drug conventions since 1997.

II. Status of Country

Despite a significant increase in drug users in Austria during 2007, the number of drug-related deaths increased only slightly, namely to a total of 197 for all of 2007. Authorities also confirm that the number of deaths from mixed intoxication continues to rise. According to police records, total violations of the Austrian Narcotics Act decreased. The latest prosecution statistics show 24,008 charges, a decrease of 9.39 percent from the previous year's total. Of these charges 1,317 involved psychotropic substances and 22,960 involved narcotic drugs. Ninety percent of the charges were misdemeanors. Austria's National Drug Coordinator estimates the number of total drug abusers at around 35,000. The number of users of MDMA (Ecstasy) remained largely stable in 2007. A 2006 Interior Ministry report states that the Ecstasy trafficking, to a large extent, is operated by Austrian rings. Usage of amphetamines rose during the past year. This is a Europe-wide trend as these substances become increasingly available in non-urban areas. According to a 2005 survey commissioned by the Health Ministry, approximately one-fifth of respondents admitted to consumption of an illegal substance at some time during their lives. Most respondents cited cannabis, with Ecstasy and amphetamines in second and third place respectively. Among young adults (ages 19-29), about 30 percent admitted "some experience" with cannabis at least once in their lifetimes. According to the study, 2-4 percent of this age group had already used cocaine, amphetamines, and Ecstasy, while 3 percent had experience with biogenetic drugs.

III. Country Action Against Drugs in 2007

Policy Initiatives. Throughout 2007, the Austrian government retained its no tolerance policy regarding drug traffickers while continuing a policy of "therapy before punishment" for non-dealing offenders. The Austrian government, heeding EU initiatives for stricter drug policies, introduced bills calling for stricter measures regarding certain types of abuses of the medical narcotics prescription system. According to critics, the controversial legislation would restrict prescriptions and infringe on patient privacy rights through increased surveillance of medical narcotics users. Austrian authorities are also pushing for stricter regulations regarding internet trade of illegal substances. Certain types of surveillance of illegal drug behavior is already possible under

a 2005 amendment allowing set up of cameras in high-crime public areas. Critics argue that this only moves the drug scene to other areas. The 2005 law also provides for the establishment of a “protection zone” around schools and retirement centers from which police may ban suspected drug dealers for up to thirty days.

During its EU presidency (January-July 2006), Austria initiated the EU’s “Partnership for Security,” with over fifty countries and organizations, including the U.S. and Russia, as participants. It reflects Austria’s strong, year-long focus on the Balkans. One element of this strategy is the “Police Cooperation Convention for Southeastern Europe,” which Austria co-signed. In May 2007, Austria headed the follow-up conference entitled “Drug Policing Balkans,” where high-level officials, including Embassy Vienna’s DEA representative, discussed drug smuggling along the Balkan route. In 2007, Austria held the co-chair for the Balkans region within the Dublin Group’s Regional Chair system. At the EU level, the GOA is also pushing for a European Narcotics Institute (European drug academy) styled along the lines of the U.S. NIDA. Austria, however, remains critical of the EU Drug Action Plan saying that it contains no evaluation of harm reduction measures. Throughout 2007, Austria maintained its lead role within the Central Asian Border Security Initiative (CABSI) and the Vienna Initiative on Central Asia (VICA). Vienna is the seat of the UN’s drug assistance agency, the United Nations Office for Drugs and Crime (UNODC). Austria contributed EUR 550,000 (\$790,000) to this organization in 2007. In past years, Austria has been working with the UNODC, the EU, and Iran to establish border control checkpoints along the Afghan-Iranian border in order to prevent drug trafficking, particularly in opiates. Within the UNODC, Austria also participates in crop monitoring and alternative development plans in Peru, Bolivia, Columbia, and Honduras.

Law Enforcement Efforts. Comprehensive seizure statistics for the previous year show an increase in seizures of cannabis, amphetamines, LSD, and psychotropic substances, and a decrease in Ecstasy, cocaine, and heroin. Experts stress that the degree of purity and concentration of Ecstasy, speed, and other illegal substances has become increasingly volatile, representing a growing risk factor. This is due, in large part, to the advanced technology used in drug laboratories. The labs use precursors, such as acetic anhydride and potassium permanganate, to produce illicit drugs. The latest drug report from the Interior Ministry states that Austria’s Precursor Monitoring Unit dealt with 157 cases in relation to precursors and clandestine drug laboratories—which represent a hardly noticeable decrease of 4.27 percent—compared to 164 cases in 2005. In 2007, two illegal drug laboratories were raided in Austria. A special training course on dismantling drug labs was held in cooperation with EUROPOL. The total street value of illicit drugs remained largely unchanged. One gram of cannabis sold for EUR 7.00 (\$10); one gram of heroin for EUR 80.00 (\$113); and one gram of cocaine for EUR 90.00 (\$127). Amphetamines sold for EUR 20.00 (\$28) per gram and LSD for EUR 30.00 (\$43) per gram.

Corruption. Austria has been a party to the OECD anti-bribery convention since 1999 and to the UN Corruption Convention since January 2006. The GOA’s public corruption laws recognize and punish the abuse of power by a public official. An amendment expected to become effective January 1, 2008 will substantially increase penalties for bribery and abuse of office offenses. As of fall 2007, there were no corruption cases pending involving bribery of foreign public officials. In October 2007, a court found a senior Vienna police official guilty of minor bribery charges, which are not drug related. As a matter of government policy, the GOA does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Austria is a party to the 1988 UN Drug Convention, the 1961 Single Convention on Narcotic Drugs and its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Austria is a party to the UN Convention Against Transnational Organized

Crime and its Protocol against Trafficking in Persons. An extradition treaty and mutual legal assistance treaty are in force between the U.S. and Austria.

Cultivation. Production of illicit drugs in Austria continued to be marginal in 2007. The Interior Ministry's annual report on drug-related crime noted a rise in private, indoor-grown, high-quality cannabis. Austria recorded no domestic cultivation of coca or opium in 2007.

Drug Flow/Transit. The Interior Ministry's drug report stresses that Austria is not a source country for illicit drugs, but remains a transit country. According to DEA's quarterly trafficking report, illicit drug trade by Austrian nationals is negligible. Foreign criminal groups (e.g. Turks, Russians, Albanians, Bulgarians, and citizens of the former Yugoslavia) carry out organized drug trafficking in Austria. The Balkan route is a particularly problematic entrance into the country. In addition to opiates, 90 percent of cocaine enters Austria by the Balkan Route. The illicit trade increasingly relies on Central and East European airports, including Vienna's Schwechat International Airport. Austrian authorities note that smuggling cocaine via luggage is on the decline, while body-carry and parcel shipments are on the rise. A continuing trend in Austria is for South African narcotics smugglers to use Caucasian women from former Soviet-bloc countries to smuggle drugs into Austria. The trafficking of Ecstasy products decreased slightly from previous years. However, GOA reports a noticeable increase of Austria being used as a transit country for Ecstasy coming from the Netherlands to the Balkans. Illicit trade in amphetamines and trading in cocaine increased. Criminal groups from Poland and Hungary were primarily responsible for this trade.

Domestic Programs/Demand Reduction. Austrian authorities and the public generally view drug addiction as a disease rather than a crime. This is reflected in relatively liberal drug legislation and in court decisions. The government remains committed to measures to prevent the social marginalization of drug addicts. Federal guidelines ensure minimum quality standards for drug treatment facilities. GOA's demand reduction program emphasizes primary prevention, drug treatment, counseling, and harm reduction measures, such as needle exchange programs. Ongoing challenges in demand reduction are the need for psychological care for drug victims and greater attention to older victims and immigrants.

Primary intervention starts at the pre-school level and continues through secondary school, apprenticeship institutions, and out-of-school youth programs. The government and local authorities routinely sponsor educational campaigns both within and outside of the classroom. Overall, youths in danger of addiction are primary targets of new treatment and care policies. Austria has syringe exchange programs in place for HIV and hepatitis prevention. Hepatitis B and C is commonplace among intravenous drug users at 59 percent. Policies toward greater diversification in substitution treatment (methadone, prolonged-action morphine, and buprenorphine) continued. Austria currently has approximately 8,000 people in rehabilitation programs. The government, however, remains skeptical regarding heroin substitution programs, arguing that there are better solutions.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Cooperation between Austrian and U.S. authorities continued to be excellent in 2007. Several bilateral efforts exemplified this cooperation, including DEA support of Austria's Drug Policing Balkans initiative. Austrian Interior Ministry officials continued to consult the FBI, DEA, and DHS on how to update criminal investigation structures. In October 2007, the U.S. Embassy's LEGAT FBI Attaché spoke at a gathering of top-level Austrian and international security experts in Salzburg. Also in October 2007, Austrian Interior Minister, Guenther Platter, traveled to the U.S. to discuss, inter alia, drug trafficking and other forms of organized crime with USG experts. The U.S. Embassy also regularly sponsors speaking tours of U.S. counternarcotics experts in Austria.

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

Azerbaijan

I. Summary

Azerbaijan is located along a drug transit route running from Afghanistan and Central Asia to Western Europe, and from Iran to Russia and Western Europe. Domestic consumption and cultivation of narcotics as well as seizures have increased since 2006-2007. The United States has funded counternarcotics assistance to Azerbaijan through the FREEDOM Support Act since 2002. Azerbaijan is a party to the 1988 UN Drug Convention.

II. Status of Country

Azerbaijan's main narcotics problem is the transit of drugs through its territory, but domestic consumption is growing. Azerbaijan emerged as a narcotics transit route in the 1990s because of the disruption of the "Balkan Route" due to the wars in and among the countries of the former Yugoslavia. According to the Government of Azerbaijan (GOAJ), the majority of narcotics transiting Azerbaijan originates in Afghanistan and follows one of four primary routes to Western Europe and to Russia. Azerbaijan shares a 380 mile (611 km) frontier with Iran, and its border control forces are insufficiently trained and equipped to patrol it effectively. Iranian and other traffickers are exploiting this situation. The most widely abused drugs in Azerbaijan are opiates—especially heroin—licit medicines, hemp, Ecstasy, hashish, cocaine and LSD. Domestic consumption continues to grow with the official GOAJ estimate of drug addicts reaching 18,000-20,000 persons. Unofficial figures are estimated at approximately 180,000 to 200,000, the majority of which is heroin addicts. Students are thought to be a large share of total drug abusers at 30-35 percent. The majority of heroin users is concentrated in major cities and in the Lankaran District (64.6 percent), which borders Iran. Drug use among young women has been rising.

II. Country Actions Against Drugs in 2007

Policy Initiatives. The GOAJ continued to refine its strategy to combat drug transit and usage in Azerbaijan. The GOAJ bolstered its ability to collect and analyze drug-related intelligence, resulting in more productive investigations against narcotics traffickers. The GOAJ assumed the chairmanship of GUAM (Georgia-Ukraine-Azerbaijan-Moldova) in 2007 and has pushed sharing of counternarcotics information through the GUAM countries Virtual Law Enforcement Center (VLEC) in Baku. The VLEC was established with USG assistance. The center provides an encrypted information system that allows member states' law-enforcement agencies to share information and coordinate their efforts against terrorism, narcotics trafficking, small arms, and trafficking in persons. The extent to which information is shared among GUAM member states through the VLEC appears limited. In 2007 the Drug Enforcement Agency (DEA) increased its cooperation with Azerbaijan's Ministry of Internal Affairs and is developing strategies to further strengthen regional cooperation.

Law Enforcement Efforts. According to Ministry of Internal Affairs (MIA) information from January-October 2007, the MIA confiscated 107.2 kg of opium, 121 kg of marijuana, 67.6 kg of hashish, 58 kg of heroin and 1.1 grams of cocaine. The MIA statistics report that 95.3 percent of drug related crimes were solved. The MIA reported that one in seven crimes in Azerbaijan was related to the illegal trade in narcotics. During the reporting period, there was a 6.7 percent increase in crimes related to the illegal trafficking of narcotics and an 11.4 percent increase in crimes related to the sale of narcotics. Of the 1,659 people who were prosecuted for drug-related crimes in Azerbaijan, 95.5 percent were described as able bodied, unemployed people who were not in

school, 28.8 percent had a criminal record, 3.6 percent were women and 0.18 percent were underage children.

Corruption. As a matter of government policy, Azerbaijan does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions; however, corruption remains a significant problem in Azerbaijan and permeates the entire society. Several Azerbaijani prosecutors have attended DOJ-sponsored training courses on investigating trans-border crimes, implementing the Azerbaijani criminal code, and developing courtroom skills such as preparing courtroom evidence and cross examining witnesses. These broad-based skills may aid in the prosecution of drug-related cases and limit the scope of corruption.

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

Cultivation and Production. Azerbaijan's problem with narcotics largely stems from its role as a transit state, rather than as a significant drug cultivation site. Cannabis and poppy are cultivated illegally, mostly in southern Azerbaijan, but to a modest extent.

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

Domestic Programs. In 2007, Azerbaijan continued the anti-narcotics public service announcements begun in the summer of 2006, about the dangers of drug usage. The advertisements were aimed at a younger audience and were displayed in downtown Baku, in kiosks and on billboards.

IV. U.S. Policy Initiatives and Programs.

Bilateral Cooperation. In 2007, the U.S. Export Control and Related Border Security (EXBS) office continued to assist the Azerbaijan State Border Service (SBS) and the State Customs Committee (SCC). EXBS training and assistance efforts, while aimed at the nonproliferation of weapons of mass destruction and their delivery systems, directly enhance Azerbaijan's ability to control its borders and to interdict all contraband, including narcotics. During 2007, EXBS sponsored border control and management courses for the SBS and SCC officers. Some of these courses provided participants with real-time, hands-on inspections and border control tactics at sea and in the field. Others improved the Border Guard's control of Azerbaijan's southern border, as well as the ability of SCC officers to detect contraband. The U.S. donation of search tools and related equipment improved the Customs Contraband Teams' detection capabilities. A 2006 U.S. Customs and Border Protection assessment of Border Guard operations on the Iranian border prioritized the direction of U.S. assistance. The U.S. contribution of fencing, and construction materials to rebuild watchtowers, and vehicles significantly enhanced the Border Guards' ability to hamper illegal penetrations of Azerbaijan's southern border. During 2006, DTRA and EXBS helped equip a maritime base near Azerbaijan's southern border in Astara. The base will host two patrol boats and two fast response boats which were delivered in early 2007. The facility will also be used for extended patrols by larger vessels from Baku. In August 2007, the Department of Justice International Criminal Investigative Training Assistance Program (DOJ/ICITAP) provided

a three-week high-risk entry course with mass spectrometer analysis and drug training. This capacity has already been put into use by the Minister of Internal Affairs, the Ministry of Justice and the Ministry of Health. A Customs Mutual Assistance Agreement is now in place.

The Road Ahead. The U.S. and Azerbaijan will continue to expand their efforts to conduct law enforcement assistance programs in Azerbaijan. While our assistance programs in Azerbaijan proper are strong, we have only a small window into what is happening in the Azerbaijani exclave of Nakhchivan or into activities in Nagorno Karabakh and the occupied territories. The increase in government revenues from the opening of the Baku-Tbilisi-Ceyhan oil pipeline has resulted in a significant inflow of cash into a developing economy with a high number of unemployed and underemployed young people; Azerbaijan's increasing wealth might well lead to increasing drug consumption under these circumstances. There are signs that an increased proportion of the budget of the Ministry of Internal Affairs is going into counternarcotics operations and seizures. Border control efforts have resulted in a few violent confrontations and increased casualties amongst security personnel and drug traffickers.

Belarus

I. Summary

Belarus continues to grow in importance as a drug-transit country and local drug use and drug-related crime rates continue to increase. Belarus does not mass-produce drugs for export, though it may be a source of precursor chemicals. The domestic drug market has shifted in recent years from plant-based narcotics to synthetic drugs. Illegal methadone use has increased and has begun to displace heroin. With help from other governments and NGOs, Belarus is improving its capabilities and legal framework to combat drug abuse and trafficking. However, corruption, lack of resources, and shortages of equipment continue to hinder progress. Belarus cooperates closely with the joint UNDP-European Union program BUMAD (Belarus, Ukraine, Moldova Anti-Drug Program), which works to reduce trafficking of drugs into the European Union and to bring those countries' drug policies in line with European standards. The program, which launched the final stage of its three-part project in February, seeks to develop systems of prevention and monitoring, improve the legal framework, and provide training and equipment. Belarus is a party to the 1988 UN Drug Convention.

II. Status of Country

Because of its porous borders and good transportation infrastructure, Belarus is increasingly used as a transit point for drug traffic. Belarus' customs union with Russia and the resultant lack of border controls between those two countries make drug transit easier. The potential loosening of customs controls among members of the Eurasian Economic Community (Belarus, Russia, Kazakhstan, Kyrgyzstan Republic, Tajikistan, and Uzbekistan) could make the problem worse. There is no evidence of large-scale drug production in Belarus though synthetic drug production is growing. According to law enforcement officials in neighboring countries, Belarus is a source of precursor chemicals.

III. Country Actions Against Drugs in 2007

Policy Initiatives. While drug production and cultivation are not major problems for Belarus, drug abuse prevention, treatment, and transit issues must be addressed before Belarus will be in full compliance with the 1988 UN Drug Convention. In 2004, BUMAD presented the Belarusian government with a series of recommendations to bring the country's legal framework into full compliance with drug-related UN conventions. Though the government did implement many of the suggestions, several remain outstanding. Authorities still lack sufficient funding and training, and need to improve treatment, rehabilitation and information collection practices. Last year, the Belarusian government incorporated drug abuse prevention and rehabilitation into its overall national 2006-2010 Anti-Crime Program, under which the Committee for State Security (BKGB), the State Customs Committee, and the Ministries of the Interior, Health, and Foreign Affairs will conduct their own programs. While interagency rivalry inhibits cooperation, Belarus has made some strides over the past year in restructuring government agencies to enhance information gathering on narcotics transit and distribution. To better coordinate activities, authorities have approved an order to establish a BUMAD-supported National Drug Observatory at the Grodno State Medical University to act as a clearinghouse for drug-related information gathering efforts for all 19 government agencies involved in counternarcotics work or that monitor and report on national drug trends. While the authorities have approved the plan, they have yet to procure funding.

The Belarusian parliament is currently considering draft legislation to stiffen punishment for trade in narcotics and to monitor more strictly the importation and sale of precursor chemicals. Measures include criminalizing attempts to sow and grow plants and mushrooms that contain narcotic substances, increasing penalties for large-scale sales of narcotics, and increasing sentences for sales of illicit drugs at educational, military, and healthcare institutions. The law also will create a new class of “especially serious” drugs that will carry a stricter sentence than currently mandated. Parliament has passed this draft in its first reading, but it has not yet been passed into law.

Belarus has taken steps to increase border security. Border authorities are currently working on a joint project with the EC and UNDP called the Bombel Program, designed to raise Belarusian border management to EU standards. Phase one was completed this year. It focused on increasing border security through training for border guards in EU standard practices, continued development of an automated passport system, and modernization of the Belarusian Border Troops’ dog breeding center. Phase two, currently under way, focuses on improving migration control. Last year, the CIS Council of Border Troops’ Commanders established a common database for coordinating border security, and Belarus signed commitments with other Collective Security Treaty Organization member states for future joint counternarcotics activities.

Law Enforcement Efforts. According to official statistics, over 9,000 people have been convicted for drug-related crimes during the last three years, 41 percent of whom were under the age of 25. As of mid-2007, there were 2,281 people imprisoned for drug-related crimes, 444 of whom were women. Meanwhile, authorities seized over 500 kg of drugs so far this year. Street prices for most drugs have leveled off during the past year, though the price of ecstasy rose from \$15 to \$20 per dose, and the price of amphetamines rose from \$25 to \$30 per gram. In a report presented in September 2006, the State Border Troops’ Committee conceded that official seizure figures do not reflect the reality of the problem. Government officials admit that enforcement efforts suffer from insufficient communication and coordination and from inter-agency rivalries. Authorities in the Gomel region destroyed thirty large hemp plantations during the first half of 2007, but they acknowledge that the area in the Chernobyl-evacuated south-east corner of the country is difficult to monitor. Police discovered two amphetamine labs in Minsk and one in Vitebsk. Illicit use of diverted methadone has increased dramatically in recent years, with seizures increasing 14-fold in the past eight years. Drugs seized from January 1 to July 1 (in kg) are as follows: Poppy Straw and Marijuana (510); Raw Opium (30.4); Heroin (0.1); Amphetamine/Methamphetamine (2.1); Acetylated Opium (liquid heroin) (3.3); Hashish (3.7); Cocaine (0.2); LSD and other hallucinogens (0.3); Methadone (0.2). During the first ten months of 2007, The Ministry of Internal Affairs registered 3,712 crimes relating to drug production, trafficking, and usage.

Corruption. As a matter of government policy, Belarus does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior officials of the government are known to engage in, encourage, or facilitate the illicit production or distribution of such drugs, or the laundering of proceeds from illegal drug transactions. In July 2006, President Lukashenko signed an anticorruption law to comply with the Council of Europe’s 1999 Criminal Law Convention on Corruption, which Belarus ratified in 2004. Belarus also ratified the Council of Europe’s 1999 Civil Law Convention on Corruption in December 2005, and is considering a series of corresponding amendments on corruption. In July, Lukashenko issued an edict calling for the formation of special anti-corruption and anti-organized crime departments in the KGB, prosecutor’s offices, and police stations. Nevertheless, corruption remains a serious problem among border and customs officials and makes interdiction of narcotics difficult.

Agreements and Treaties. Belarus is a party to the following UN conventions: the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, the 1988 UN Drug Convention, the UN Convention against Corruption, and the UN

Convention against Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons and manufacturing and trafficking in illegal firearms. Belarus is also a member of the Collective Security Treaty Organization (CSTO) with Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, Russia, and Uzbekistan, and conducts joint counternarcotics operations with those countries. In May, Belarus signed an agreement with Latvia outlining a plan to create a legal framework for the exchange of information, experience, research findings, and experts to fight cross-border crime. In 2005, President Lukashenko issued an edict that greatly restricted all foreign technical assistance, making it extremely difficult to introduce and utilize international aid in Belarus. There have also been attempts by the Belarusian government to tax foreign aid, despite international agreements. These problems have slowed the implementation of international assistance programs.

Cultivation/Production. There is no confirmed widespread illicit drug cultivation or production in Belarus. Conviction for growing narcotic plants for the purpose of selling can result in prison sentences of as long as 15 years. Nevertheless, some cultivation and production has been detected. Precursor chemicals continue to be imported in large volumes, but the current legal structure makes it difficult to prevent their distribution. New legislation currently debated in Parliament will require proof of purpose and destination for all such chemicals entering the country. There also has been a significant increase in poppy seed imports used for extraction of opium. Due to increased demand, price per kilo has risen from \$3 to \$35. As a result, authorities are considering restricting importation of poppy seeds. Police have reportedly discovered eight illicit methadone production labs in 2007, indicating a changing trend from importation to local production. Currently in Belarus, 1,990 entities have licenses for manufacturing and storage of precursors and 15,000 employees have access to the substances.

Drug Flow/Transit. According to the Ministry of Internal Affairs, heroin enters Belarus from Afghanistan via Central Asia and Russia. Poppy straw, opium, and marijuana enter through Ukraine; ecstasy and amphetamines from Poland and Lithuania; and methadone and 3-methylphenethylamine from Russia. In February, the State Border Troops Committee acknowledged increased drug smuggling activities along the Ukrainian border, and admitted that the border control infrastructure there is particularly weak. In October, the Committee announced plans to tighten security there. Officials stated that it is the only border where arms are frequently needed to stop smugglers. According to their customs union agreement, Belarusian border guards are not deployed on the border with Russia, which is policed by Russian forces. Over 22 million persons and 7 million vehicles cross Belarusian borders annually. According to official sources, customs officers currently inspect only five percent of all inbound freight, and border guards often lack the training and equipment to conduct effective searches. In an effort to address these problems, Belarus has been working with BUMAD and Bombel Programs to obtain necessary training and equipment.

Demand Reduction. Belarusian authorities have begun to recognize the growing domestic demand problem, particularly among young people. In March, the Ministry of Health's chief addiction officer Vladimir Maksimchuk announced that the number of registered drug users in the country increased fivefold over the past ten years, to 6,427, but acknowledged that the actual number of users was much higher. Oleg Pekarsky, the head of the Interior Ministry's Department for Drug Control and Prevention of Human Trafficking in February estimated the number to be as high as 60,000. Drug use is illegal and highly stigmatized in society. Drug addicts often avoid seeking treatment, fearing adverse consequences at work, school, and in society if their addiction becomes known. Prevention programs in schools remain under-funded. In February 2005, BUMAD and the GOB launched Minsk-based counternarcotics youth information campaign, "You and Me against Drugs," but the program ended later that year. BUMAD sponsored a Belarusian chapter of the NGO Mothers Against Drugs (MAD), but the government withdrew its registration, and all MAD offices closed in 2006. The government generally treats drug addicts in psychiatric hospitals, either

as a result of court remand or self-enrollment, or in prisons and emphasizes detoxification and stabilization over rehabilitation. In September, the Ministry of Health opened a methadone substitution clinic in Gomel. The program concentrates on HIV-positive drug users and currently has seven people enrolled. The ministry plans to expand the group to 15, and to open an additional center in Minsk in 2008, but there is currently no legislation calling for the expansion of this or any other rehabilitation programs. The government runs only two detoxification centers in Belarus—one in Grodno and one in Minsk—but they offer only three-month programs. There are several small-scale NGO-run rehabilitation centers in various areas of Belarus.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The USG has not provided counternarcotics assistance to the GOB since February 1997. In 2005, President Lukashenko issued an edict that greatly restricted all foreign technical assistance, making it extremely difficult to introduce and utilize international aid in Belarus. There have also been attempts by the Belarusian government to tax foreign aid, despite international agreements. These problems have slowed the implementation of international assistance programs. For example, authorities delayed registration of the second stage of BUMAD's work and consequently postponed the launch of BUMAD-sponsored programs for legal assistance, border control, drug intelligence, community policing, drug observatories, and NGO networking. Since BUMAD's 2006 regional seminar in Minsk where Belarusian Foreign Minister Sergey Martynov acknowledged the need for more outside aid, the organization has reported that authorities have been more responsive to foreign law-enforcement assistance programs.

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

Belgium

I. Summary

Belgium is not a major market for illicit drugs nor is it a major producer of illicit drugs or chemical precursors used for the production of illicit drugs. However, Belgium is a crucial transit point for a variety of illegal drugs, most significantly, cocaine and heroin. In the past few years Belgium has been a significant supplier of Ecstasy to the U.S. and other parts of the world, but in recent years, due to concentrated police efforts and a decrease in the social trend of Ecstasy consumption, production and trafficking of Ecstasy have been reduced greatly. As a result of Belgium's geographic location, efficient transportation networks and access to two major ports, (Antwerp, Belgium and Rotterdam, the Netherlands) it plays a significant role in the transshipment of cocaine from South America to Europe. Methods of shipment vary but most drugs seized have been in cargo freight and while being moved by couriers using air transportation. The majority of couriers—73 percent this past year—are of African descent and have been coming through West Africa and then arriving in Belgium by plane or train; this is a major change from previous years. This signifies that Colombian drug cartels are stockpiling the cocaine in Africa and using their established African operations to move the drugs to Europe. As has been the case for the past 3 years, usage and trafficking of cocaine in Belgium continued to increase in 2007. In 2005, with respect to the Zaventem Airport, 343 kg of cocaine were seized; this rose to 681 kg in 2006. To date in 2007 (September), cocaine seizures have already surpassed 600 kg. On the other hand, Ecstasy and amphetamine seizures have been decreasing over the past three years, indicating a decline in the overall usage and trafficking of these drugs.

Heroin seizures are up in comparison with the past several years, but the amount of the increase is too low to draw any definite conclusions. Belgian Federal Police and DEA officials estimate approximately 30 tons of heroin pass through the Benelux countries en route to the Netherlands and the U.K. Belgium consumes around 4 tons of heroin, which is mostly traceable to drug tourism from neighboring countries. Officials say it is difficult to have an impact on the heroin trade because of the difficulty in penetrating the Turkish trafficking groups.

Belgium is a preferred transit point for trafficking drugs because of its central location and efficient transportation system. Belgian authorities take a proactive approach in interdicting drug shipments and cooperate with the U.S. and other foreign countries to help uncover distribution rings. However, at times fighting the drug trafficking problem in Belgium is difficult because of a lack of funds and insufficient man power in the police force. Despite this, Belgian authorities continue to combat the production and trafficking of illicit drugs within their borders, using methods like canine checks and aerial surveillance.

Within the past year, Belgium has also become an important transshipment point for illegal ephedrine, used as a chemical precursor to methamphetamine, destined for the United States via Mexico. It is generally neither manufactured in, nor destined for Belgium. In instances where ephedrine shipping is discovered the Belgians cooperate by executing controlled deliveries to the destinations. This evidence of increased ephedrine shipping is seen throughout Europe due to stricter laws in the U.S. on methamphetamines.

Belgium is party to the 1988 UN Drug Convention, and is part of the Dublin Group of countries concerned with combating narcotics trafficking.

II. Status of Country

Belgium produces amphetamine type stimulants and Ecstasy as well as cannabis and hashish. Seizures of amphetamine type stimulants and Ecstasy are down as compared to the last several years suggesting a decrease in production. Additionally, Belgium's production of these synthetic drugs is relatively small compared to the Netherlands, which historically produced four times the amount of Ecstasy. Belgium still remains a key transit point for illicit drugs, mainly cocaine and heroin, bound for The Netherlands, the United Kingdom and other points in Western Europe. However, in the majority of large cocaine shipments, the end destination is the Netherlands, where Colombian groups continue to dominate drug trafficking. In the past, Israeli groups controlled most of the Ecstasy production and shipping to the United States, but these organized crime groups have been disrupted by enforcement measures and their influence has diminished.

Turkish groups control most of the heroin trafficked in Belgium. This heroin is principally shipped through Belgium and the Netherlands to the United Kingdom. Increased seizures indicate the growing demand in Belgium. Recently, Belgian authorities arrested two Turks with approximately 300 kg of heroin, alone which surpasses last year's total amount of heroin seized in Belgium. Authorities find it difficult to penetrate Turkish trafficking groups responsible for heroin shipping and trafficking because of the language barrier and Turkish criminal groups' reluctance to work with non-Turkish ethnicities.

Hashish and cannabis remain the most widely distributed and used illicit drugs in Belgium. Although the bulk of the cannabis consumed in Belgium is produced in Morocco, domestic cultivation continues to increase.

Illegal ephedrine shipping through Belgium is on the rise. The country manufactures ephedrine to a very limited extent, but it is not a final destination for illegal shipments. The ephedrine market is mainly controlled by Mexicans who purchase both legal (i.e., cold medicine, dietary supplements) and illegal ephedrine, and ship it to Mexico, where it is used to produce methamphetamine for distribution in the United States. Since most forms of ephedrine are strictly regulated in the United States, Belgium and other Western European countries have seen an increase in transshipments of ephedrine and other methamphetamine precursors.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Since 2004 Belgium has implemented a National Security Plan focused on reducing drug trafficking within the country. This National Security Plan, for 2004-2007, cites cocaine and heroin as the top, large-scale drug trafficking problems. The Plan concentrates on reducing cocaine shipments and clandestine drug laboratories, breaking up criminal organizations active in the distribution of narcotics, and halting the rise of drug tourism to Belgium, which has become an increasingly common phenomenon in the larger cities. Due to the recent escalation of regional governmental disputes, a replacement governing body has not been established in Belgium and steps to draft another security plan have not been completed. Also, whether or not the National Security Plan of 2004-2007 actually fulfilled its purpose or reached the desired outcome is unknown because a formal assessment has not yet been made.

Belgium is a major backer for COSPOL (Comprehensive Operational Strategic Planning for the Police), which is a new methodology for multinational police cooperation. It is a program that was created for the Police Chiefs Task Force functioning under direction of the EU. At the most recent COSPOL meeting, Belgian and other EU Police Officials discussed plans to share information in order to create a database of places indicating where illicit lab equipment and drug producing chemicals are shipped and manufactured. The database also includes information on the trade in drug related chemicals and laboratory materials.

Belgium also participates in “Drugwatch”, a non-profit information network and advocacy organization that provides policymakers, media and the public with current narcotics information. In cooperation with “Drugwatch”, Belgium is participating in a program focused on monitoring the internet to identify narcotic sale and production in Belgium.

The Federal Prosecutor’s Office, established in 2002, works to centralize and facilitate mutual legal assistance requests on drug trafficking investigations and prosecutions. Federal authorities have also noted a sharp rise in the establishment of cannabis plantations.

Law Enforcement Efforts. Belgian law enforcement authorities actively investigate individuals and organizations involved in illegal narcotics trafficking. In keeping with Belgium’s drug control strategy, efforts are focused on combating synthetic drugs, heroin and cocaine, and more recently, cannabis. Belgian authorities continue to cooperate closely and effectively with DEA officials stationed in Brussels. At Brussels’ Zaventem International Airport, non-uniformed personnel of Belgium’s police force search for drug couriers and have become increasingly proficient. This year, Federal Officers have detained 116 couriers and 46 parcels carrying drugs. Additionally, the National Security Plan for 2004-2007 utilizes canine and aerial apprehension strategies on the local and federal levels to help fight illicit drug production and shipment in Belgium. The Canine Support Service (DSCH) has trained four dog teams to search for drugs. Dog teams are used mostly in airports and train stations, while the Aerial Support Service (DSAS) has made a concerted effort to increase the number of hours in the sky in an attempt to detect drug laboratories across the nation. A new initiative was taken this past year to set up a database for European airports. It will be used to transfer narcotic related information to airports throughout Europe in order to better cooperate with foreign police forces and governments.

In the past year (2007), Belgian authorities have discovered six clandestine laboratories, three used for Ecstasy production, two for amphetamines and one for LSD. These seizures bring the number of synthetic drug laboratories seized since 1999 to 62. In 2007 to date, Belgian authorities seized approximately 2,462 kg of cocaine, 522 kg of heroin, 406,356 MDMA/ Ecstasy pills, 252 kg of amphetamines, 58,503 kg of hashish/marijuana/cannabis, and 1,110 kg of khat.

Corruption. The Belgian government does not encourage nor does it facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Money laundering has been illegal in Belgium since 1993, and the country’s Financial Intelligence Unit (FIU) (CTIF-CFI) is continually active in efforts to investigate money laundering. No senior official of the Belgian government engages in, encourages or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Corruption is not judged a problem within the narcotics units of the law enforcement agencies. Legal measures exist to combat and punish corruption.

Agreements and Treaties. Belgium is party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Belgium also is a party to the UN Convention against Corruption, the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and illegal manufacturing and trafficking of firearms. The United States and Belgium have an extradition treaty and a Mutual Legal Assistance treaty (MLAT). Under a bilateral agreement with the United States as part of the U.S. Container Security Initiative (CSI), U.S. Customs officials are stationed at the Port of Antwerp to serve as observers and advisors to Belgian Customs inspectors on U.S.-bound sea freight shipments. Belgium also has an MOU with the USG to carry U.S. Coast Guard Law Enforcement Detachments (LEDET) on Belgium Navy vessels in the Caribbean Sea.

Cultivation/Production. Belgium’s role as a transit point for major drug shipments, particularly Ecstasy and cocaine, is more significant than its own production of illegal drugs. Nevertheless,

Belgian authorities believe domestic Ecstasy and cannabis production is on the rise. In Europe, only the Netherlands exports more Ecstasy for use in the United States than Belgium does. Canada is the primary source of Ecstasy for the United States. Cultivation of marijuana increasingly involves elaborate, large-scale operations in Belgium. Within the past year, 188 cannabis plantations, all in Flanders, were shut down, leading to the arrest of over 20 people and the seizure of 101,464 cannabis plants. The police action plan for 2004-2007 includes the fight against illegal commerce of cannabis due to the large-scale plantations discovered in the country. The production of amphetamines does not appear to have abated. Dutch traffickers are involved in Belgium's production of Amphetamine-Type Stimulants (ATS). As Dutch law enforcement pressures mount on producers of Ecstasy and other ATS in the Netherlands, some Dutch producers either look to Belgian producers to meet their supply needs or to establish their own facilities in Belgium.

Drug Flow/Transit. Belgium is an important transit point for illegal drug trafficking in Europe. It has been estimated that about 25 percent of drugs from South America moving through Europe eventually transit Belgium, especially cocaine. These drugs are ultimately shipped to the United Kingdom, the Netherlands, and other points in Western Europe. The port of Antwerp continues to be the one of the most preferred destinations for cocaine imported to Europe. Although the oft-quoted estimate is 16 tons entering the port each year, the actual number is believed to be considerably higher, perhaps as much as 60 MT. The flow of cocaine to Belgium is controlled by Colombian organizations with representatives residing in Africa and in the local region. Antwerp port employees are also documented as being involved in the receipt and off-loading of cocaine upon arrival at the port. This year the number of couriers coming from Africa through Zaventem International Airport has increased significantly, already reaching 116 intercepted. The amount of cocaine seized at the airport makes up one fourth of the total cocaine seized this year. Most of the cocaine originates in South America and transits through either West Africa or South America. The majority of the carriers were of African descent. The other predominant cocaine trafficking groups in Belgium are Colombian, Surinamese, Chilean, Ecuadorian, and Israeli. The Port of Antwerp is also an important transit point for cannabis and hashish. Authorities have noted that the principal shipping method of marijuana has been through DHL parcels destined for the United Kingdom via Belgium. The Netherlands continues to supply both marijuana and hashish to Belgian traffickers. Belgium remains a transit country for heroin destined for the British market. Seizures of the past three years and intelligence indicate that Belgium has also become a secondary distribution and packing center for heroin coming along the Balkan Route. Seized heroin has already reached 522 kg this year compared to last year's 277 kg. Turkish groups dominate the trafficking of heroin in Belgium. The Belgian Federal Police have identified trucks from Turkey (TIR Trucks) as the single largest transportation mechanism for westbound heroin entering Belgium.

Domestic Programs. Belgium has an active drug education program administered by the regional governments (Flanders, Wallonia, and Brussels), which targets the country's youth. These programs include education campaigns, drug hotlines, HIV and hepatitis prevention programs, detoxification programs, and a pilot program for "drug-free" prison sections. Belgium directs its programs at individuals who influence young people versus young people themselves. In general, Belgian society views teachers, coaches, clergy, and other adults as better suited to deliver the counter narcotics message to the target audience because they already are known and respected by young people.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The United States and Belgium regularly share drug-related information. Counter narcotics officials in the Belgian Federal Police, Federal Prosecutor's Office, and Ministry of Justice are fully engaged with their U.S. counterparts. With the rise in the trafficking of ephedrine in Belgium, the U.S. plans to focus on identifying and prosecuting both suppliers and

shippers of illegal ephedrine before the drug reaches the U.S. Also the United States recently trained and certified several Belgian Federal Officers in clandestine laboratory search and seizure methods.

The Road Ahead. Belgium has always been open to international support to combat illicit drug trafficking and production. The United States looks forward to close cooperation and support from Belgium in drug-related crime.

Bosnia and Herzegovina

I. Summary

Narcotics control capabilities in Bosnia-Herzegovina (“Bosnia”) remain in a formative period and have not kept pace with developments in other areas of law enforcement. Bosnia is still considered primarily a transit country for drug trafficking due to its strategic location along historic Balkan smuggling routes, weak state institutions, lack of personnel in counternarcotics units, and poor cooperation among the responsible authorities. Although the political will to improve narcotics control performance exists among the Bosnian government, faced with ongoing post-war reconstruction issues, it has to date focused limited law enforcement resources on war crimes, terrorism and trafficking in persons and has not developed comprehensive antinarcotics intelligence and enforcement capabilities. Despite better cooperation among law enforcement agencies, gradual improvements in the oversight of the financial sector, and substantial legal reform, the political divisions within the Bosnian government have contributed to poorly coordinated enforcement efforts. Narcotics trade remains an integral part of the activities of foreign and domestic organized crime figures that operate, according to anecdotal evidence, with the tacit acceptance (and sometimes active collusion) of some corrupt public officials. Border controls have improved, but flaws in the regulatory structure and justice system, lack of coordination among police agencies, and a lack of attention by Bosnia’s political leadership mean that measures against narcotics trafficking and related crimes are often substandard. In 2007, Bosnia took some initial steps to set up a state-level body to coordinate the fight against drugs and develop the national counternarcotics strategy mandated by legislation passed in late 2005. In 2007, the Bosnian entity and local law enforcement agencies continued an counternarcotics campaign to raise awareness about the dangers and effects of drugs. Bosnia is making efforts to forge ties with regional and international law enforcement agencies. Bosnia is party to the 1988 UN Drug Convention.

II. Status of Country

Bosnia is not a significant narcotics producer, consumer, or producer of precursor chemicals. Bosnia does occupy a strategic position along the historic Balkan smuggling route between drug production and processing centers in Southwest Asia and markets in Western Europe. Bosnian authorities at the state, entity, cantonal, and municipal levels have been unable to stem the transit of illegal migrants, black market commodities, and narcotics since the conclusion of the 1995 Dayton Peace Accords. Traffickers have capitalized in particular on an ineffective justice system, public sector corruption, and the lack of specialized equipment and training. Bosnia is increasingly becoming a storehouse for drugs, mainly marijuana and heroin. Traffickers “warehouse” drugs in Bosnia, until they can be shipped out to destinations further along the Balkan Route. One of the main routes for drug trafficking starts in Albania, continues through Montenegro, passes through Bosnia to Croatia and Slovenia and then on to Central Europe. Information on domestic consumption is not systematically gathered, but authorities estimate Bosnia has 120,000 drug addicts. Anecdotal evidence and law enforcement officials indicate that demand is steadily increasing. No national drug information system focal point exists, and the collection, processing, and dissemination of drug-related data is neither regulated nor vetted by a state-level regulatory body.

III. Country Actions Against Drugs in 2007

Policy Initiatives. On November 8, 2005, the Bosnian state-level House of Representatives passed legislation designed to address the problem of narcotics trafficking and abuse. Although the state-

level counternarcotics coordination body and national counternarcotics strategy mandated by the legislation were not fully in place as of October 2007, Bosnia took some steps toward this implementation. In February the Ministry of Security formed a Section for Combating Drug Abuse and Precursors. In June a working group for the creation of a national strategy against narcotics held its first meeting, where it created three subgroups on Prevention/Education, Suppression, and Treatment. Bosnia is a state with limited financial resources, but, with USG and EU assistance, it is attempting to build state-level law enforcement institutions to combat narcotics trafficking and organized crime and to achieve compliance with relevant UN conventions. The full deployment of the State Border Police (SBP) and the establishment of the State Investigative and Protection Agency (SIPA) have improved counternarcotics efforts. Telephone hotlines, local press coverage, and public relations efforts have focused public attention on smuggling and black-marketeering.

Law Enforcement Efforts. Counternarcotics efforts have improved but remain inadequate given suspected trafficking levels. Cooperation among law enforcement agencies and prosecutors is primarily informal and ad hoc, and serious legal and bureaucratic obstacles to the effective prosecution of criminals remain. Through September 2007 (latest available statistics), law enforcement agencies in Bosnia-Herzegovina (including the State Investigation and Protection Agency, the State Border Police, Federation Ministry of Interior, Republika Srpska Ministry of Interior and Brcko District Police) have filed 774 criminal reports against 1,284 persons for drug related offenses. These agencies also report having seized 6.8 kg of heroin, 2.7 kg of cocaine, 2.4 kg of amphetamines, 142 kg of marijuana, 6,235 cannabis plants, 5,060 cannabis seeds, 10,280 Ecstasy tablets, 29 grams of methadone, 2,285 tablets of “speed”, and 166 grams of hashish. The State Border Police (SBP), founded in 2000, is now fully operational with 2,199 officers and is responsible for controlling the country’s three international airports, as well as Bosnia’s 55 international border crossings covering 1,551 kilometers. The SBP is considered one of the better border services in Southeast Europe and is one of the few truly multi-ethnic institutions in Bosnia. However, there are still a large number of illegal crossing points, including rural roads and river fords, that the SBP is unable to control. Moreover, many official checkpoints and many crossings remain understaffed. The SIPA, once fully operational, will be a conduit for information and evidence between local and international law enforcement agencies, and will have a leading role in counternarcotics efforts. As of October 2007, SIPA had hired 1,209 of a proposed staff of 1,700.

Cultivation/Production. Bosnia is not a major narcotics cultivator. Officials believe that domestic cultivation is limited to small-scale marijuana crops grown in southern and eastern Bosnia. Bosnia is not a major synthetics narcotics producer or refiner.

Corruption. Bosnia does not have laws that specifically target narcotics-related public sector corruption and has not pursued charges against public officials on narcotics-related offenses. Organized crime, working with a few corrupt government officials according to anecdotal evidence, uses the narcotics trade to generate personal revenue. There is no evidence linking senior government officials to the illicit narcotics trade. As a matter of government policy, Bosnia does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Bosnia is a party to the 1988 UN Drug Convention and is developing bilateral law enforcement ties with neighboring states to combat narcotics trafficking. Bosnia is also party to the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention Against Psychotropic Substances, and the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons. A 1902 extradition treaty between the U.S. and the Kingdom of Serbia applies to Bosnia as a successor state. Bosnia is a party to the UN Convention against Transnational Crime and its protocols against migrant smuggling and trafficking in persons. Bosnia is a party to the UN Convention against Corruption.

Drug Flow/Transit. While most drugs entering Bosnia are being trafficked to destinations in third countries, indigenous organized crime groups are involved in local distribution to the estimated 120,000 drug users in the country. Major heroin and marijuana shipments are believed to transit Bosnia by several well-established overland routes, often in commercial vehicles. Local officials believe that Western Europe is the primary destination for this traffic. Officials believe that the market for designer drugs, especially Ecstasy, in urban areas is rising rapidly. Law enforcement authorities posit that elements from each ethnic group and all major crime “families” are involved in the narcotics trade, often collaborating across ethnic lines. Sales of narcotics are also considered a significant source of revenue used by organized crime groups to finance both legitimate and illegitimate activities. There is mounting evidence of links and conflict among, Bosnian criminal elements and organized crime operations in Russia, Albania, Serbia and Montenegro, Croatia, Austria, Germany, and Italy.

Domestic Programs/Demand Reduction. In Bosnia there are only two methadone therapy centers with a combined capacity to handle about 160 patients. The limited capacity of the country’s psychiatric clinics, also charged with treating drug addicts, is problematic, as the number of addicts and drug-related deaths in the country is rising steadily. It is estimated that between 70 to 80 percent of drug addicts who undergo basic medical treatment are recidivists. The Bosnian government currently pays for the basic medical treatment of drug addicts, but there are no known government programs for reintegrating former addicts into society. Entity and local law enforcement agencies continued a counternarcotics public information campaign that had begun in 2006 with the assistance of the European Police Mission. Law enforcement agencies organized round table discussions and presentations in elementary and high schools about the dangers of drugs. In Sarajevo Canton, police presented re-integration methods for former drug addicts and used official dogs to demonstrate techniques for drug detection. The Viktorija Association conducted counternarcotics campaigns, offered counseling, and provided therapy to recovering drug addicts. The PROI Association maintains a private facility to help drug addicts near Kakanj and expanded its capacity to 20 beds in 2007. During the year PROI presented anti drug messages to students through a drama program in elementary schools throughout Bosnia-Herzegovina. In June PROI organized a race against drugs involving both a fund-raising event and a large counternarcotics abuse demonstration in downtown Sarajevo. With UNICEF support PROI also helped 260 drug addicts receive blood tests to help prevent the spread of HIV/AIDS and Hepatitis.

IV. U.S. Policy Initiatives and Programs

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

Bilateral Cooperation. The USG’s bilateral law enforcement assistance program continues to emphasize task force training, improved cooperation between law enforcement agencies and prosecutors, and other measures against organized crime, including narcotics trafficking. The Department of Justice’s International Criminal Investigative Training Assistance Program (ICITAP) provided specific counternarcotics training to entity Interior Ministries, SIPA and SBP. The USG Export Control and Border Security (EXBS) program provides equipment and training to law enforcement agencies including the State Border Police (SBP) and the Indirect Taxation Administration (ITA) to stop the import of weapons of mass destruction and dual use items. EXBS Assistance increased SBP and ITA’s ability to detect and interdict contraband, including narcotics. The Overseas Prosecutorial Development Assistance Training (OPDAT) program provides training to judges and prosecutors on organized crime-related matters. The Drug Enforcement

Administration (DEA) in Rome maintains liaisons with its counterparts in Bosnian state and entity level law enforcement organizations. The DEA has also sponsored specific narcotic interdiction training in Bosnia.

The Road Ahead. Strengthening the rule of law, combating organized crime and terrorism, and reforming the judiciary and police in Bosnia remain top USG priorities. The USG will continue to focus its bilateral program on related subjects such as public sector corruption and border controls. The USG will assist Bosnia with the full implementation of the planned national counternarcotics strategy and continue to support police reform. The international community is also working to increase local capacity and to encourage interagency cooperation by mentoring and advising the local law enforcement community.

Bulgaria

I. Summary

Bulgaria is a transit country, as well as a producer of illicit narcotics. Strategically situated on Balkan transit routes, Bulgaria is vulnerable to illegal flows of drugs, people, contraband, and money. Heroin distributed in Europe moves through Bulgaria from Southwest Asia and via the Northern route, while chemicals used for making heroin move through Bulgaria to Turkey and the Middle East. Marijuana and cocaine are also transported through Bulgaria. The Government of Bulgaria (GOB) continued to make incremental progress in improving its law enforcement capabilities and customs services; it closed one illegal drug-producing facility and confiscated the amphetamines being produced there. The Bulgarian authorities also increased their efforts to combat heroin trafficking. Legal and structural reforms in law enforcement have been enacted, although effective implementation remains a challenge. The Bulgarian government has proven cooperative, working with many U.S. agencies, and has reached out to neighboring states to cooperate in interdicting the illegal flow of drugs and persons. Nevertheless, Bulgarian law enforcement agencies, investigators, prosecutors and judges require further assistance to develop the capacity to investigate, prosecute and adjudicate illicit narcotics trafficking cases and other serious crimes effectively. Bulgaria is a party to the 1988 UN Drug Convention.

II. Status of Country

In the past year, Bulgaria continued to be primarily a drug transit country and, to a lesser extent, a producer of narcotics. According to NGOs and international observers, Bulgaria continues to be a source of synthetic drug production, and synthetic drugs have overtaken heroin as the most widely used drugs in Bulgaria. Since 2000, heroin use has declined steadily, largely due to increased societal understanding of risks associated with its intravenous use (e.g., HIV/AIDS). This trend continued in 2007 despite the increase in heroin supply. Synthetics are also used as a substitute for cocaine, which is expensive in Bulgaria. Amphetamines are produced in Bulgaria for the domestic market as well as for export to Turkey and the Middle East. The Government of Bulgaria has emphasized its commitment to combat serious crime including drug trafficking. Despite some progress, including the arrest of a notorious underworld boss and eleven members of his importing and trafficking organization operating in the southeast Black sea coastal area, there were no convictions of major figures involved in drug trafficking, or other serious related crimes such as organized criminal activity. Coordination among government agencies has improved and Bulgaria participated in efforts with international drug enforcement authorities. The Bulgarian government also reached out to neighboring states to cooperate in interdicting the illegal flow of drugs and persons. The lack of financing, inadequate equipment to facilitate narcotics searches, widespread corruption, and a cumbersome judicial procedure continue to hamper counternarcotics efforts.

II. Country Actions Against Drugs in 2007

Policy Initiatives. The Bulgarian government has continued to implement the five-year National Strategy for Drug Control adopted by the Council of Ministers in 2003. In 2004, amendments to the Criminal Code abolished a provision that had decriminalized possession of one-time doses of illegal drugs for personal use. The effectiveness of this legislation has been widely disputed as it extended harsh penalties for drug possession to users as well as producers and distributors. 2006 amendments to the Code reduced punishments for possession, taking into consideration the risk level of the substances. Additional measures included engaging NGOs in counternarcotics partnerships. National programs for drug treatment and prevention have been consistently underfunded.

Law Enforcement Efforts. The Customs Agency under the Ministry of Finance and several specialized police services under the Ministry of Interior, including the Chief Directorate for Combating Organized Crime (GDBOP) and Border Police are engaged in counternarcotics efforts. From January to June 2007, Police seized 82 kg of heroin, 26 kg of cocaine, 2.5 kg of amphetamines, 57 kg of dry and 15 liters of fluid precursor chemicals, 140 kg of cannabis and 293,908 tablets of psychotropic substances. During the year, the Customs Agency seized 977 kg of heroin, 2.5 kg of cocaine, 5 kg of marijuana, 53 kg of opium and 1,863 tablets of psychotropic substances. In 2007, GDBOP closed one illegal amphetamine-producing facility and seized over 100 kg of heroin and 143 kg of amphetamines. Bulgarian authorities shared information and developed joint operations with international law enforcement agencies. During the year, cooperation between GDBOP and its foreign counterparts resulted in the seizure of 160 kg of heroin, 3 kg of cocaine and over 200 kg of amphetamines outside the territory of Bulgaria. GDBOP and prosecutors also worked with foreign counterparts to obtain evidence on the use of offshore corporations and bank accounts by Bulgarian money launderers to hide drug proceeds.

Corruption. Despite some progress, corruption in various forms in the government remains a serious problem. During the year 131 government officials, of them 43 police officers, were dismissed over corruption allegations. From January to October 2007, the Prosecution Service has referred to court indictments against 24 police officers involved in possession, production or distribution of narcotics. Bulgaria is a party to the UN Convention against Corruption.

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

Cultivation and Production. The only illicit drug crop known to be cultivated in Bulgaria is cannabis, primarily for domestic consumption, but the extent of this illicit drug cultivation is not known. Experts ascribe opportunistic cultivation of cannabis to the ready availability of uncultivated land and Bulgaria's receptive climate, particularly in the southwestern part. Cannabis is not trafficked significantly beyond Bulgaria's own borders. Recently, there has been a decrease in the indigenous manufacture of synthetic stimulant products, largely due to the efforts of Bulgarian law enforcement. Illegal laboratories have relocated to Eastern Turkey, Syria, Lebanon, and Armenia in order to be closer to consumers and to reduce risks associated with border crossings.

Drug Flow/Transit. Synthetic drugs, heroin, and cocaine are the main drugs transported through Bulgaria. Heroin from the Golden Crescent in Southwest Asia has traditionally been trafficked to Western Europe on the Balkan route from Turkey. The trend of heroin traffic moving by the more circuitous routes through the Caucasus and Russia to the north and through the Mediterranean to the south is strengthening. Other trafficking routes crossing Bulgaria pass through Serbia, Montenegro, Kosovo and Macedonia. In addition to heroin and synthetic drugs, smaller amounts of marijuana and cocaine also transit through Bulgaria. Sporadic cocaine shipments from South America are transported via boat to the Black Sea and Greece, then on to Western Europe. Precursor chemicals for the production of heroin pass from the Western Balkans through Bulgaria to Turkey and the Middle East. Synthetic drugs produced in Bulgaria are also trafficked through Turkey to markets in Southwest Asia. Principal methods of transport for heroin and synthetics include buses, vans, TIR trucks, and cars, with smaller amounts sent by air. Cocaine is primarily trafficked into Bulgaria by air in small quantities, and in motor vehicles, and by maritime vessel in larger quantities.

Domestic Programs/Demand Reduction. In January 2006, the Government approved a two-year National Program to add methadone maintenance as a heroin treatment option to the national healthcare system. There are three state-run methadone programs, which provide treatment free of charge and four private methadone clinics. All seven methadone programs offer treatment to more than 1000 patients. For drug treatment, there are 35 outpatient units and thirteen inpatient facilities nationwide, two of which are specialized psychiatric clinics for alcoholism and drug addictions. None of these facilities has a separate unit for juvenile patients. The Ministry of Education requires that schools nationwide teach health promotion modules on substance abuse. According to NGOs, the modules have not been effective in discouraging drug abuse. According to the Bulgarian National Center for Addictions (NCA), the number of students in grades 9-12 who reported using drugs at least once remained high and stood at 33.2 percent in 2007. Cannabis remained the most widely used drug, with use of cocaine and amphetamines increasing. The NCA engages in prevention campaigns and provides training seminars on drug abuse for students, post-graduates and other groups, including schoolteachers, social workers and journalists. The NCA operates prevention and education centers in 18 out of Bulgaria's 28 administrative districts. The centers, financially supported by the municipalities, have been consistently under-funded which hampers staff retention. Since 2003, the NCA also serves as a focal point and is co-funded by the EU Monitoring Center for Drug Addictions. After EU accession, the NCA has received adequate resources for prevention campaigns, but the other branches of the system for drug treatment and prevention, particularly at local level, continue to face financial constraints and staffing problems. Three universities provide professional training in drug prevention. Specialized professional training in drug treatment and demand reduction has been provided through programs sponsored by UNODC and the WHO.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. DEA operations for Bulgaria are managed from the U.S. Consulate General in Istanbul. The United States also supports various programs through the State Department and USAID. These programs are implemented by the Department of Justice (DOJ) and the Treasury Department to support the counternarcotics efforts of the Bulgarian legal system. These initiatives address a lack of adequate equipment, the need for improved administration of justice at all levels and insufficient cooperation among Bulgarian enforcement agencies. A DOJ resident legal advisor works with the Bulgarian government on law enforcement issues, including trafficking in drugs and persons, intellectual property, cyber-crime and other issues. A Treasury Department representative supported Bulgarian efforts to investigate and prosecute financial crimes, including money laundering. USAID provides assistance to strengthen Bulgaria's legal framework, enhance the capacity of magistrates and promote anticorruption efforts.

The Road Ahead. The U.S. and Bulgaria will continue to cooperate effectively to improve Bulgaria's capacity to enforce narcotics laws. The U.S. encourages the Bulgarian government over the next year to sustain and increase rates of narcotics seizures, while implementing steps to reduce domestic drug production. It also encourages the Bulgarian government to strengthen interagency cooperation and prosecute cases of high-level corruption and organized crime.

Croatia

I. Summary

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

According to current statistics, the amount of available narcotics on the Croatian market increased and the kinds of available drugs broadened during the year, resulting in a greater number of addicts. The number of treated persons in 2006 was 7,427 (out of which 2,000 were treated for the first time), an increase from prior years (e.g. 2005—6,668 persons; 2004—5,768 persons). Of the total number of persons treated in 2006, 82 percent were men. Heroin and other opiates are the drugs of choice in Croatia.

II. Status of Country

Croatia shares borders with Slovenia, Serbia, Montenegro, Hungary, and Bosnia and Herzegovina, and has a 1000 km long coastline (4000 km if its 1,001 islands are considered), which presents an attractive target to contraband smugglers seeking to move narcotics into the large European market. Narcotics smuggling continued to increase along the “Balkan Route” destined for European markets, with the majority transiting through Croatia’s land borders.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In December 2005, Croatia adopted a National Strategy for Narcotics Abuse Prevention for 2006-2012, developed with assistance from the European Monitoring Center for Drugs and Drug Addiction (EMCDDA). The Strategy aims to bring demand and supply reduction efforts in line with EU policies and creates a National Information Unit for Drugs to standardize monitoring and the assessment of drug abuse data in order to facilitate data sharing with the EU’s EMCDDA programs. In February 2006, the Government of Croatia (GOC) adopted the Action Plan on Drug Abuse Control for 2006-2009. The goal of the Action Plan is to achieve equal availability of programs throughout the country targeting primarily children, youth and families.

In June 2006, Parliament adopted changes to the Criminal Code, which increased sentences for possession and dealing of illicit drugs. Croatia also instituted changes to the criminal code, increasing penalties for several other narcotics-related offenses. The minimum penalty for narcotics production and dealing was increased from one to three years. The minimum penalty for selling narcotics by organized groups was increased from three to five years. The minimum penalty for incitement or facilitating the use of illegal narcotics was increased to one year. In addition, punishment for possession of related equipment or precursor chemicals was increased from three months to a mandatory sentence of no less than one year. Other changes to the criminal code permit the police to use such tactics as controlled deliveries, a method that was used this year with international cooperation. Another amendment to the criminal code eases procedures to confiscate assets of organized crime groups by placing the burden of providing evidence about the origins of assets on the defendant rather than the prosecutor, and allowing confiscation of assets acquired during the period of incriminating activity. Croatia continues to cooperate well with other European states to improve the control and management of its porous borders. Authorities describe cooperation on narcotics enforcement issues with neighboring states as excellent.

Law Enforcement Efforts. The Interior Ministry, Justice Ministry and Customs Directorate have primary responsibility for law enforcement issues, while the Ministry of Health has primary responsibility for the strategy to reduce and treat drug abuse. The Interior Ministry's Anti-Narcotics Division is responsible for coordinating the work of counternarcotics units in police departments throughout the country. The Interior Ministry maintains cooperative relationships with Interpol and neighboring states, and cooperates through the South-Eastern Cooperation Initiative (SECI). Croatian police and Customs authorities continued to coordinate counternarcotics efforts on targeted border-crossing points. Police reported the following seizures: Heroin (82 kg in 2006 vs. 52 kg in the first 9 months in 2007) and hashish (12 kg in 2006 vs. 4 kg in the first nine months of 2007, marijuana 202.5 kg vs. 179 kg in the first nine months in 2007, cocaine 5.6 kg vs. 16 kg in the first nine months in 2007, amphetamine 11.6 kg vs. 7 kg in the first nine months of 2007, Ecstasy 16,340 tablets vs. 12,177 tablets in the first nine months of 2007). In 2005, police submitted charges against 5,700 persons for narcotics-associated crimes; in 2006 police initiated criminal charges against 6,017 individuals and in the first nine months of 2007 police initiated criminal charges against 5,041 persons. Crimes associated with the sale or abuse of narcotics make up 10 percent of total crimes recorded. During 2006, 8,346 registered criminal acts were associated with narcotics smuggling and abuse.

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

Agreements and Treaties. Croatia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1972 UN Convention on Psychotropic Substances. Croatia is also a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling, and illegal manufacturing and trafficking in firearms. Extradition between Croatia and the United States is governed by the 1902 Extradition Treaty between the U.S. and the Kingdom of Serbia, which applies to Croatia as a successor state. Croatia has signed bilateral agreements with 34 countries permitting cooperation on combating terrorism, organized crime, smuggling and narcotics abuse.

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

Drug Flow/Transit. Croatia lies along part of the "Balkan heroin smuggling Route." Authorities believe that much of the heroin from Asian sources passes by this route to reach European markets. Although Croatia is not considered a primary gateway, police seizure data indicate smugglers continue to attempt to use Croatia as a transit point for non-opiate drugs, including cocaine and cannabis-based drugs. Cannabis-based drugs have increasingly been identified at road border crossings. Ecstasy and other synthetics are smuggled into Croatia from the Netherlands and Belgium.

Domestic Programs/Demand Reduction. The Office for Combating Drug Abuse in cooperation with relevant ministries, develops the National Strategy for Narcotics Abuse Prevention (most recently in its Strategy for 2006-2012), and is the focal point for agency coordination activities to reduce demand for narcotics. Croatia has eight therapy communities with 32 therapy houses which operate as non-governmental organizations or religious communities, or were established and

registered as social care facilities for addicts. The facilities offer treatment and psychosocial rehabilitation to drug addicts. Therapy communities implement programs of psychosocial rehabilitation, work therapy, family counseling, prevention awareness programs, and cooperate with the Centers for Prevention of Addictions, Centers for Social Welfare, hospitals, clinics, various state bodies, and domestic and foreign humanitarian organizations. Demand reduction programs are coordinated by the Government's Office for Combating Drug Abuse. The Ministry of Education requires drug education in primary and secondary schools within its "healthy lifestyles" courses. Other ministries and government organizations also run outreach programs to reach specific constituencies such as pregnant women. The state-run medical system offers treatment for addicts, but slots are insufficient to accommodate all needing treatment. The Ministry of Health oversees in-patient detoxification programs as well as 21 regional outpatient prevention centers which provide testing, counseling, and referrals. According to GOC statistics, the highest number of treated addicts was registered in Istria, followed by the counties of Zadar, Zagreb, Sibenik, and Dubrovnik. The highest numbers of treated opiates addicts were registered in the county of Zadar, followed by Istria and Sibenik. High rates did not necessarily reflect high drug abuse rates, but rather an efficient system of their inclusion in treatment. The number of treated persons in 2006 was 7,427 (out of which 2,000 were treated for the first time), an increase from prior years (e.g. 2005—6,668 persons and in 2004—5,768 persons). Of the total number of persons treated in 2006, 82 percent were men. As in previous years, addicts were mainly addicted to heroin and opiates. In 2006 the GOC developed therapy guidelines for methadone therapy and in 2007 for buprenorphine. Pharmacotherapy with buprenorphine increased: 18 percent of practitioners used the treatment in 2006, compared with 3 percent in 2005. The increase in therapy is attributable to the coverage by the national health insurance system for such treatments. Methadone therapy increased by 34 percent in 2006 from the prior year, up from 886 persons in 2005 to 1,186 in 2006. The number of deaths in 2006 as a result of narcotic drugs decreased from the prior year by 15 percent. Out of 90 deaths, 81 persons were men and nine were women. Those deaths largely occurred in the city of Zagreb (38 percent), Split county (19 percent) and Istria county (10 percent). In 2006, the GOC spent 64 million kuna (\$12.5 million) for the implementation of the National Strategy for Suppression of Narcotics and its Action Plan, which is an increase of 28 percent from the previous year.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The primary objectives of U.S. initiatives in Croatia have been focused on improving the ability of Croatian law enforcement agencies to work bilaterally and regionally to combat organized crime and narcotics trafficking. Having achieved these two basic objectives, U.S. assistance for police reform efforts under the ICITAP (DOJ) program was refocused on combating organized crime and corruption. In October 2006, Croatian police formed the first joint police-prosecutor task force to target a criminal organization involved in drug trafficking and other illegal activities. The task force yielded several arrests. In addition, Croatian police have been regular participants in training programs at the U.S.-funded International Law Enforcement Academy at Budapest.

Under the Export Control and Border Security (EXBS) program, police and customs officers have been trained this year on border security, tracker training, port security and vulnerability, seaport interdiction, and commodity identification, all of which will assist in preventing drug trafficking through Croatia. Equipment donations and related training for border police officers will further enhance Croatia's ability to detect and interdict shipments. In addition, U.S. Coast Guard dispatched a Mobile Training Team to conduct two consecutive Port Security/Port Vulnerability courses, and also trained two Croatian officers in International Leadership and Management, and International Crisis Command & Control. The DEA's Vienna Country Office has regional responsibility for cooperation with Croatia. The Croatian Criminal Police Directorate Drug

Division has shared intelligence and developed substantial investigations with DEA which have led to large seizures of cocaine (160 kilograms), arrests and the disruption of significant Balkan Drug Trafficking Organizations. Several significant bilateral investigations are still ongoing.

Road Ahead. For 2008, U.S. expert training teams will join in-country U.S. trainers to help Croatian police develop skills in surveillance, management development, witness support, fugitive tracking, and informant management. A resident advisor will continue to assist the Ministry of Interior in improving police and prosecutor cooperation in complex narcotics, corruption, and organized crime cases. Additional training and detection equipment donations planned for 2008 under the EXBS program will have spin-off benefits for Croatia's fight against narcotics trafficking, particularly in the areas of interagency cooperation and border management.

Cyprus

I. Summary

Cyprus has been divided since the Turkish military intervention of 1974, following a coup d'état directed from Greece. Since then, the southern part of the country has been under the control of the Government of the Republic of Cyprus. The northern part is controlled by a Turkish Cypriot administration that in 1983 proclaimed itself the "Turkish Republic of Northern Cyprus (TRNC)," recognized only by Turkey. The U.S. Government recognizes only the Government of the Republic of Cyprus and does not recognize the "TRNC." This report refers to the Government-controlled area unless otherwise specified.

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

II. Status of Country

Cypriots themselves do not produce or consume significant quantities of drugs. The island's strategic location in the eastern Mediterranean creates an unavoidable liability for Cyprus, as Cyprus is a convenient stopover for narcotics traffickers moving from Southwest Asia to Europe. Precursor chemicals are believed to transit Cyprus in limited quantities, although there is no hard evidence that they are diverted for illegal use. Cyprus offers relatively highly developed business and tourism facilities, a modern telecommunications system, and the ninth-largest merchant shipping fleet in the world. This year has seen approximately 2.3 million dollars worth of illegal narcotics proceeds frozen in several bank accounts.

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

Cyprus's small population of soft-core drug users continues to grow. Cannabis is the most commonly used drug, followed by heroin, cocaine, and MDMA (Ecstasy), which are available in major towns. Reports of narcotics overdoses in 2007 were as follows: sixteen confirmed drug related deaths. Of the deaths, eight were the results of an overdose; eight deaths were indirectly related to drugs. The number of overdose/drug-related deaths increased by six as compared to 2006. The use of cannabis and Ecstasy by young Cypriots and tourists continues to increase.

The Government of Cyprus has traditionally adopted a low tolerance toward any use of narcotics by Cypriots and uses a pro-active public relations strategy to remind Cypriots that narcotics use carries heavy penalties. The media reports extensively whenever narcotics arrests are made. The Republic of Cyprus has no working relations with enforcement authorities in the area administered by Turkish Cypriots. The U.S. Embassy in Nicosia, particularly the DEA, works with the Turkish Cypriot community on international narcotics-related issues. Turkish Cypriots have their own law enforcement organization responsible for the investigation of all narcotics-related matters. They have shown a willingness to pursue narcotics traffickers and to provide assistance when asked by foreign law enforcement authorities.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In May 2004, Cyprus became a member of the European Union (EU). Prior to its accession into the EU, Cyprus implemented all the necessary requirements to comply with EU regulations. To meet EU regulations, Cyprus established the Anti-Drug Council, which is responsible for national drug strategies and programs. The Council is chaired by the Health Minister and is composed of heads of key agencies with an active role in the fight against drugs. They are appointed by the Council of Ministers for a period of three years. The Council acts as a liaison between the Republic of Cyprus and other foreign organizations concerning drug related issues, as well as having the responsibility for promoting legislative or any other measures in an attempt to effectively counter the use and dissemination of drugs. Moreover, the Cyprus Anti-Drug Council is the responsible body for the strategic development and implementation of the National Drugs Strategy and the National Action Plan on Drugs aligned with the EU Drugs Strategy. In connection with EU entry, Cypriot authorities also established the Cyprus Police European Union and International Police Co-operation Directorate, which replaces a similar operational unit established in 2002. The Division is responsible for cooperating with foreign liaison officers appointed to Cyprus, including the U.S. Drug Enforcement Administration (DEA), Nicosia Country Office (NCO), as well as Cypriot liaison officers appointed abroad.

The Cyprus Police, Drug Law Enforcement Unit, (DLEU) is the lead police agency in Cyprus charged with combating drug trafficking in Cyprus. The DLEU hosts weekly meetings attended by foreign liaison officers from the United States (DEA), Greece, United Kingdom, Russia, France and Sovereign Base Areas assigned to Cyprus and regional liaison officers not assigned in Cyprus from Australia, Canada, Germany, and Italy with reporting responsibilities for Cyprus. In 2007, DLEU's budget increased slightly which helped support continuing training for its members in combating drug trafficking. The appointment of a new DLEU commander in 2006 has improved morale, arrest and seizure statistics. In late October 2006, the DEA Office of International Training conducted an Asset Forfeiture Training conference in Nicosia, which was attended by more than forty law enforcement personnel. In 2004, Cyprus established two new centers for the detoxification and rehabilitation of drug addicts. A new law enacted in Cyprus provides judges with the discretion to send convicted drug addicts to jail or to one of these centers under certain conditions.

Law Enforcement Efforts. Cyprus aggressively pursues drug seizures, arrests, and prosecutions for drug violations. Cyprus focuses on major traffickers when cases subject to their jurisdiction permit them to, and readily supports the international community in efforts against the narcotics trade.

Cypriot police are generally effective in their law enforcement efforts, although their techniques and capacity remain restricted by tight budgets. Nevertheless, U.S.-Cyprus cooperation is excellent and has yielded important results in several narcotics-related cases. Through the first eleven months of 2007, the Cyprus Police Drug Law Enforcement Unit opened 747 cases and made 761 arrests, an increase of 74 and 83, respectively, from last year. Of those arrested 620 were Greek Cypriots and 241 were foreign nationals. DLEU seized approximately 126 kg of cannabis, 394 cannabis plants, 229 grams of cannabis resin (hashish), 1.565 kg of cocaine, 2,860 tablets of MDMA (Ecstasy), .5 grams of amphetamines, 4.64 kg of opium, and 664 grams of heroin, and 2 tablets of methadone.

Area administered by Turkish Cypriots: The Narcotics and Trafficking Prevention Bureau functions directly under the General Police Headquarters. From January to November 2007, the Turkish Cypriot authorities arrested 255 individuals for narcotics offenses and seized 15.895 kg of hashish, 2.635 kg of heroin, 59 grams of cocaine, 634 kg of opium, 351 cannabis plants, 6332 tablets of Ecstasy and 257 mg of Ecstasy powder. Overall, with the exception of Ecstasy, the police report a decline in drug seizures.

Corruption. As a matter of government policy, Cypriot officials do not facilitate the production, processing, or shipment of drugs, or the laundering of the proceeds of illegal drug transactions in either the Government-controlled area or the area administered by Turkish Cypriots.

Agreements and Treaties. Cyprus is a party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Cyprus is a party to the UN Convention against Transnational Organized Crime and its three protocols, and has signed but has not yet ratified the UN Convention against Corruption. An extradition treaty between the United States and Cyprus entered into force in September 1999. A mutual legal assistance treaty (MLAT) between the United States and Cyprus entered into force on September 18, 2002. Cyprus also became a member of the EU in May 2004.

Area administered by Turkish Cypriots: In 1990, a protocol regarding cooperation in the fields of security, trafficking of narcotics and psychotropic materials, battling terrorism, technical education and social relations was signed between the "TRNC" and the Republic of Turkey. The "TRNC" has no other agreements in this field as Turkey is the only country that recognizes it.

Cultivation/Production. Cannabis is the only illicit substance cultivated in Cyprus, and it is grown only in small quantities for local consumption. The Cypriot authorities vigorously pursue illegal cultivation. The police seized 394 cannabis plants in the first 11 months of 2007.

Area administered by Turkish Cypriots: The import/export, sale, distribution, possession or cultivation of narcotics is viewed as a serious offense and sentences of up to 15 to 20 years are not unusual. There have been no reports of large-scale cultivation of narcotics, although some individuals have planted cannabis for their own personal use. The police seized 351 cannabis plants during the first eleven months of 2007. The seizures were not part of a large-scale cultivation organization.

Drug Flow/Transit. Although Cyprus is no longer considered a significant transit point for drugs, there were several cases of narcotics smuggling in the past year. Cypriot law enforcement authorities continued to cooperate with the DEA office in Nicosia on several international investigations initiated during 2007. Tourism to Cyprus is sometimes accompanied by the import of narcotics, principally Ecstasy and cannabis. Last year, arrests of Cypriots for possession of narcotics with intent to distribute were significantly higher than the number of arrests of non-Cypriots on similar charges, suggesting Cyprus might be becoming a target market for domestic traffickers.

There is no production of precursor chemicals in Cyprus, nor is there any indication of illicit diversion. Dual-use precursor chemicals manufactured in Europe do transit Cyprus to third countries. Such cargoes are unlikely to be inspected if they are manifested as goods in transit. The Cyprus Customs Service no longer has the responsibility of receiving manifests of transit goods through Cyprus. This responsibility now rests with the Cyprus Ports Authority. Goods in transit entering the Cypriot free ports of Limassol and Larnaca can be legally re-exported using different transit documents, as long as there is no change in the description of the goods transported. Since these goods do not enter the customs area of Cyprus, they would only be inspected by Cypriot authorities if there were good intelligence to justify such an inspection.

Area administered by Turkish Cypriots: The majority of hashish comes from Turkey, whereas heroin comes from Afghanistan by way of refineries in Pakistan, Iran, and Turkey. Ecstasy and cocaine come from Turkey, England and South America, respectively. The preferred method of smuggling illegal narcotics is through concealed compartments of vehicles.

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

Area administered by Turkish Cypriots: The Turkish Cypriot community has introduced several demand reduction programs, including regular seminars on drug abuse education for school counselors and teachers.

IV. U.S. Policy Initiatives and Programs

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

The Road Ahead. The USG enjoys close cooperation with the Cypriot Office of the Attorney General, the Central Bank, the Cyprus Police, and the Customs Authority in drug enforcement and anti-money laundering efforts. In 2008, the USG will continue to work with the Government of Cyprus to strengthen enforcement of existing counternarcotics laws and enhance Cypriot participation in regional counternarcotics efforts. DEA regularly provides information and insight to the GOC on ways to strengthen counternarcotics efforts. New laws to empower members of the Drug Law Enforcement Unit in their fight against drug traffickers are currently before Parliament.

Czech Republic

I. Summary

Illegal narcotics are imported to, manufactured in, and consumed in the Czech Republic. While the overall number of drug users in the country is relatively stable, the rates of use for marijuana, Ecstasy, and methamphetamines are among the highest in Europe. Marijuana, grown locally and imported from Holland, is used more than any other drug. Locally produced high-THC content marijuana is exported to neighboring countries, and methamphetamine (known locally as pervitine) is sold for domestic consumption and export. Levels of heroin reaching the Czech Republic have remained stable over recent years, while cocaine use is low. The Czech Republic is a producer of ergometrine, which is then used for the production of LSD. Extensive and ongoing police reforms and recurrent changes in police management have led to understaffing which has hampered the ability of the police to effectively do their job. The Czech Republic is a party to the 1988 UN Drug Convention.

II. Status of Country

Several factors make the Czech Republic an attractive country for groups engaged in the drug trade. These factors include its central location, the current (and hopefully temporary) shift in the role of the police and Customs Service, the relatively short sentences for drug-related crimes, and the low risk of assets confiscation. A new law on public sector compensation has caused many police officers to pursue early retirement, leading to major understaffing. The abolition of the Financial Police has led to a decrease in detection rates of laundered drug money. The decrease in border control mechanisms as part of EU accession in 2004 and entry into the Schengen System at the end of 2007 have made detection of narcotics coming across the border more difficult. The maximum sentence for a drug-related crime is 15 years imprisonment, but often convicted drug traffickers receive only light or suspended sentences. A four-year governmental action plan, “The National Drug Policy Strategy for 2005-2009,” is re-evaluated internally every year for appropriate changes.

According to the annual report of European Monitoring Center for Drugs and Drug Addiction, the rate of marijuana use in the Czech Republic is the highest in Europe, with 24 percent of young adults having used the drug within the previous twelve months. Czechs are also the most likely to have used marijuana in their lifetimes. Consumption of Ecstasy and pervitine was among the highest in the EU.

The “Czech National Focal Point for Drugs and Drug Addiction” is the main body responsible for collecting, analyzing and interpreting data on drug use. According to their annual report the number of drug users was stable in 2006. The report estimates there were 19,700 pervitine and 10,500 opiate users—among the highest percentages of use in the EU. The use of Subutex (an opiate used in the treatment of addiction) was evaluated for the first time and showed 4,300 users.

A 2006 “Health Behavior in School-aged Children” study showed that 25 percent of 15 year old children have tried marijuana, and 19 percent of them used it in the last twelve months. Based on the Czech National Monitoring Center (Focal Point) the situation improved compared to 2002. At that time, 30 percent of polled 15 year-olds reported they had tried marijuana, and 27 percent admitted that they had used marijuana in the last twelve months.

The 2006 Czech Statistical Office study estimates that Czechs spend 6.4 billion crowns (\$366 million) annually on drugs, which is 0.2 percent of Czech GDP. Treatment efforts and activities taken to lower drug demand cost about 1.4 billion crowns (\$80 million) and suppression of supply

and law enforcement cost about 5 billion crowns (\$286 million). The Statistical Office estimates that Czechs consume more than 15 metric tons of drugs annually—10 tons of marijuana, 3.5 tons of pervitine and 2.2 tons of heroin. Czechs also annually consume 1.2 million Ecstasy tablets and over 250,000 LSD tabs.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Drug policy remains a contentious issue in Czech domestic politics. The Greens, one of three parties in the current government, promoted legalization of marijuana as a platform in their election campaign. Indeed, the recently-appointed Minister of Education, Ondrej Liska, has openly championed the decriminalization of marijuana in the near-term. The Criminal Code passed in 2005 for the first time made a sharp distinction between the use of “soft” drugs, such as marijuana and Ecstasy, and “hard” drugs, such as heroin and pervitine. Although a measure that would have decriminalized marijuana failed in Parliament in 2005, the Criminal Code fully envisions a more liberal approach to soft drugs in order to focus resources on drugs considered more damaging. An attempt to decriminalize marijuana is currently before Parliament. It is supported by the Ministries of Interior and Education, but it is not clear whether it will pass.

An important and long-awaited law on social services was passed and came into force in 2006. Among other things, it defines basic types of social services for drug users and identifies drug users as a target group. This is important especially for non-governmental organizations providing such services to drug users and requesting funding from the Ministry of Labor and Social Affairs.

The Governmental Committee for Coordination of Drug Policy is the main body responsible for the Czech National Drug Policy strategy. The strategy document created for 2005–2009 highlights the importance of enforcement operations against organized criminal enterprises and focuses efforts on the reduction of addiction and associated health risks, and the establishment of a certification system for drug prevention programs. The government also controlled the availability of pills containing chemical precursors. The Committee has recently been expanded to include representatives of local governments, medical specialists and NGOs representatives.

The National Drug Headquarters (NDH) is the main organization within the country responsible for major drug investigations. The drug units of the Czech Customs Service are also responsible for tracking drugs, but their roles differ. In addition to Customs common operational work and investigations, they focus on the control of the major port-of-entry into the country located at Prague international airport. Additionally, they use mobile groups to monitor suspicious trucks on highways around the country. This work has become more difficult after the country’s 2004 entry into the EU, when border control checks were reduced. Customs is also responsible for monitoring the Czech Republic’s modest licit poppy crop, highway permits, and trafficking in cigarettes, as well as levying certain taxes and fees. As a result of these additional tasks and changes related to the December 2007 accession to the EU Schengen System, the monitoring of drug trafficking was no longer the highest priority.

The NDH cooperates regularly with the Customs Service based on an agreement signed between the Ministries of Interior and Finance. Discussions continue on whether the NDH and the customs drug unit should be joined under one institution owing to overlapping responsibilities.

The NDH cooperates regularly with other police units including the Unit Combating Corruption and Financial Crimes, as the NDH is responsible for financial investigations following the abolition of the Financial Police in January 2007. Despite its strong reputation, the Interior Minister decided to abolish the Financial Police as part of a broader reform package. The decision has been criticized as having been politically motivated. As a result, the NDH conducts its basic financial investigations alone and, in cases of extensive financial investigations, contacts the Unit Combating Corruption and Financial Crimes.

Law Enforcement. In the first ten months of 2007, the National Drug Headquarters, together with the Customs Service, seized 19.4 kg of heroin; 35,640 Ecstasy pills; 5.4 kg of methamphetamine, 78.3 kg of marijuana, 37 kg of cocaine, and 4,452 cannabis plants. They also uncovered 169 methamphetamine laboratories and 23 marijuana cultivation laboratories.

Among the National Drug Headquarters other significant successes in 2007: In April, after several months of intensive work, the police arrested an Israeli national who was distributing high-quality cocaine in the Czech Republic. He sold the drug in his neighborhood and in Prague clubs and discos for 3000-4000 crowns (\$170-\$230) a gram. The individual was arrested under an international warrant for his criminal activity in the U.S. Moreover, he was actively involved in activities of an Israeli criminal organization located in Spain that distributed Ecstasy produced in the Netherlands to the U.S., Australia, Germany and Spain. The seized cocaine and other drugs had a street value of 4 million crowns (\$230,000).

In June three ethnic Albanians were arrested for the illegal importation of heroin from the Balkans and onward exportation to other European countries. The police confiscated more than 4 kg of heroin with a street value of 4 million crowns (\$245,000).

In September the police arrested two Czechs who ran an Ecstasy drug trafficking ring. The group distributed the drug mainly in Moravia, selling it in Ostrava clubs and discos. During the arrests, the police found over 20,000 Ecstasy pills, with an estimated street value of five million crowns (\$285,000). The pills contained 26 percent of MDMA.

According to police statistics for the first half of 2007, 1,049 people were investigated for drug-related crimes. Police investigated 1,027 suspects for unauthorized production and possession of narcotics, psychotropic substances, and "poisons." Police investigated 128 individuals for drug possession for personal use, and 22 others were investigated for contributing to the addiction of others.

According to the statistics provided by the Ministry of Justice for the same period, the state prosecuted 1,212 suspects for drug-related crimes; 129 were prosecuted for drug possession for personal use and 35 were indicted for spreading addiction. Courts convicted 753 individuals for drug-related offenses, including 57 convictions for drug possession for personal use and five for spreading addiction.

Statistics for the first six months of 2007 show that a majority of convicted criminals (53 percent) received conditional sentences for drug-related crimes, and only one-third of convicted criminals were sentenced to serve time in prison. Only 11 percent of this latter group received sentences higher than 5 years. The majority of those sentenced to serve time in prison (77 percent) received sentences ranging from one to five years. According to 2006 data, higher prison sentences are given to people convicted of production and lower sentences are given for possession.

Corruption. The Czech government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. A current provision in Czech law permits possession of a small amount of certain drugs, but does not give a definition of "small amount". To avoid confusion and to eliminate potential corruption, the Police President and Supreme Public Prosecutor have issued internal regulations that provide guidelines that attempt to define "small amount". While not binding, these guidelines are commonly followed. In 2006 no police officer was charged with drug-related crimes. The Czech Republic signed the UN Convention against Corruption in 2005, but has not yet ratified it.

Agreements and Treaties. The Czech Republic is a party to the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention. A 1925 extradition treaty between the U.S. and the Czech Republic, as

supplemented in 1935, remains in force. U.S. and Czech representatives signed supplements to the U.S.-EU extradition treaty in May 2006.

Drug Flow/Transit. Whereas in the past heroin trafficking in the country was mainly under the control of ethnic Albanian groups importing their product from Turkey, according to the Czech counternarcotics squad and Customs this is no longer the case. The importation of heroin is now mainly organized by Turks who have closer relations with suppliers in Turkey. Heroin is transported to the Czech Republic primarily using modified vehicles, in many cases vehicles importing textiles. Given the fact that Vietnamese immigrants specialize in the textile business in the Czech Republic, they play a role in further distribution. Heroin can be bought for a street price of 600 – 2000 crowns a gram (\$34 – \$115). Police and Customs suspect the Balkan route of heroin trafficking has moved south to Austria and, therefore, the Czech Republic is no longer viewed as a transit country for heroin.

Cocaine abuse is not as widespread as other drugs, but abuse is increasing due to the growing purchasing power of Czech citizens. Cocaine is frequently imported by Nigerians or Czechs through Western Europe from Brazil, Venezuela or, most recently, Argentina. Mail parcels, Czech couriers or “swallowers” are the most common methods of import. This year the Czech Customs Service has noted a significant increase in cocaine imports, especially from Holland. In the first nine months of 2007, they detected 27 kg of the drug, which is four times more than the whole of last year. Customs extended their cooperation with express courier services, which seem to be the most common way of importation. Cocaine can be bought for a street price of 1500 – 3500 crowns a gram (\$85 – \$200)

Pervitine is a synthetic methamphetamine-type stimulant that is popular in the Czech Republic. It can be easily produced in home laboratories from locally available flu pills containing up to 30 mg of pseudoephedrine. The Czech government has been preparing a new law regulating access to those flu pills. It is believed that pervitine is also produced in bigger laboratories from imported ephedrine from the Balkans or Russia, and exported to Germany, Austria and Slovakia. Besides Czech citizens, who are still the main producers of the drug, Vietnamese and Albanians residing in the Czech Republic and Germans are also major pervitine traffickers. The Vietnamese control mainly border areas, selling drugs in market places. Pervitine can be bought for a street price of 400 – 2000 crowns a gram (\$23 – \$115).

Imported Ecstasy tablets remain a favorite drug of the “dance scene.” Ecstasy is trafficked primarily from the Netherlands and Belgium. Ecstasy tablets are smuggled into the country by local couriers. The police report an increase of larger one-time imports organized mainly by Czechs. Import is less risky due to EU open borders. Ecstasy tablets can be bought for a street price of 100 – 500 crowns a gram (\$5.70– \$28.60).

A trend toward larger-scale growth of cannabis plants in hydroponic laboratories continued in 2007. The cultivation is increasingly sophisticated and mainly organized by Vietnamese and Czechs. In the first ten months of 2007, the police detected 23 laboratories. Consumption of cannabis is mainly covered by local production, but is also imported from the Netherlands in small amounts and to a lesser extent from Spain or India. Most smugglers are Czech or Dutch citizens, but local Vietnamese have also become involved in marijuana trafficking. The Vietnamese traffickers focus mainly on hydroponic cultivation of drug containing a high percentage of THC, the effective ingredient. This high TNC-content marijuana is then sold in the Czech Republic and exported to neighboring countries. Marijuana can be bought for a street price of 50 – 300 crowns a gram (\$2.90 – \$17.10).

Salvia Divinorum is a legal drug that is being abused among young people. A salvia plant is relatively easy to buy on the Internet for about 500 crowns (\$25). Toluene, a solvent, is commonly inhaled by poor, younger segments of the population, primarily in the north of the country. The

police also noted the appearance of 4-Methyl-aminorex (“Pink Panther”) pills that were used in the U.S. for dieting, but which are now prohibited in the U.S.

Domestic Programs/Demand Reduction. The main components of Czech demand reduction plans continue to be primary prevention along with treatment and re-socialization of abusers. This strategy entails a variety of programs that include school-based prevention education, drug treatment, and needle exchange programs. Within the context of the National Strategy, the government has established benchmarks for success. Some of these include stabilizing or reducing the number of “problem” (hard drug) users, reversing the trend in the Czech Republic toward rising recreational and experimental drug use, and ensuring the availability of treatment centers and social services.

To provide high-level treatment services all over the country, the National Strategy sets standards that are required of all drug treatment providers. In connection with this effort, the government began a certification process in 2005 for treatment facilities. A system of certifications of specialized primary prevention programs was launched in 2006. All providers of primary prevention programs must obtain certification prior to the end of 2008. Through May 2007, eight organizations applied for the certification of 16 programs. Those programs mostly related to primary prevention offered in basic schools, or programs of timely intervention, and educational programs.

For better orientation, the Czech government produced an online “Map of Help” in 2006 which lists contact information for all drug treatment programs in the Czech Republic, including those providing services by phone and the Internet.

In 2006 there were 90 contact centers and street programs in the Czech Republic. About 26,000 drug users used these services, and more than 3.8 million injection kits were exchanged, which is 600,000 more than in the previous year. Thanks to the successful needle exchange program, the percentage of HIV positive drug users is very low. Drug testing of individuals involved in serious traffic accidents or driving under the influence became mandatory in 2006.

In 2006 the state spent 363 million crowns (\$20 million) on its drug policy. Ninety-five million crowns (\$5 million) were provided from regional budgets and 48 million (\$2.6 million) was contributed from local budgets, similar to amounts from 2005.

The National Focal Point statistics have noted a positive trend: the increasing average age of long-term drug users: 25.3 years in 2006, compared to 23.4 in 2004, and 22 in 2002.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. covers Czech Republic drug issues through the DEA office in Warsaw but cooperation with the Vienna office is also very good. The Legal Attaché maintains close contact with National Drug Headquarters representatives and exchanges information as necessary. The relationship with Czech law enforcement counterparts is cooperative.

The Road Ahead. In the lead-up to Schengen accession at the end of 2007, the Czech Republic focused on the final stage of its accession process to the EU System of open borders. It will continue implementing police reforms to ensure a stable, effective and independent police force and will work on the re-codification of the Penal Code and Criminal Proceedings Code to ensure criminal prosecutions are conducted in a timely manner and sentencing is appropriate and predictable. Discussions about possible decriminalization of marijuana usage will continue. The dialogue between American and Czech officials on law enforcement and border security issues will only increase as the Czech Republic approaches possible entry into the U.S. visa waiver program.

Denmark

I. Summary

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

II. Status of Country

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

III. Country Actions Against Drugs in 2007

Policy Initiatives. Although seldom used, undercover operations are permitted in Denmark with a court order when investigating crimes punishable by terms of more than six years in prison. Informants are used more for intelligence purposes than to secure actual evidence through sting-type operations in criminal investigations. Danish legislation passed in late 2002 requires persons carrying cash or instruments exceeding 15,000 Euros (approximately \$22,000) to report the relevant amount to customs upon entry to or exit from Denmark. This law has led to Danish customs proactively intercepting illegal money.

Law Enforcement Efforts. Over the past three years, there has been a significant increase in cocaine seizures in Denmark. Cocaine investigations are the current top priority of counternarcotics police efforts in Denmark. The Danish National Police commissioner issued a statement that the increase in cocaine seizures can be attributed to "police efforts to fight organized crime and with the systematic police investigations aimed at criminal groups and networks which are involved in drug crime." The police commissioner vowed to continue "goal-oriented and systematic efforts to fight organized crime in close cooperation with the European police unit at Europol and foreign police authorities." Cocaine trafficking in Denmark is controlled primarily by Serbian and West African nationals. Police also targeted members of the Hell's Angels and Banditos biker gangs by increased enforcement of tax laws. Authorities continue to target tax evasion by members of the biker gangs, as biker gangs are major factors in the drug trade. Heroin availability in Denmark has fluctuated based on the heroin production levels in Afghanistan. Balkan, Iranian and Pakistani nationals typically control heroin trafficking in Denmark. Final crime statistics for 2007 are not yet available, but the 2007 year-to-date law enforcement figures show an increase in the quantity of Ecstasy, heroin and cocaine seized by Danish authorities. The number of Ecstasy pills seized increased by 157 percent, from 22,712 pills in 2006 to 58,462 pills in 2007, despite a decline in the number of Ecstasy cases from 540 in 2006 to 274 in 2007. The quantity of heroin seized has also increased significantly, with a 62 percent increase from 28.87 kg in 2006 to 46.96 kg in 2007. The

amount of cocaine seized has increased slightly from 76.22 kg in 2006 to 78.97 kg in 2007. The amount of amphetamines seized in 2007 (45.07 kg) has decreased by 40 percent from 2006 figures (79.44 kg). Similarly, the amount of cannabis seized has decreased from 1035 kg in 2006 to 611 kg in 2007. These fluctuations are most likely attributable to market trends, rather than the intensity of counternarcotics efforts.

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

Agreements and Treaties. Denmark is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. Denmark also is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons, and to the UN Convention against Corruption. The USG has a customs mutual assistance agreement and an extradition treaty with Denmark. Denmark is also a Major Donor to the UN Office on Drugs and Crime (UNODC), with an annual pledge of nearly \$2,000,000.

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

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

Domestic Programs. Denmark's Ministry of Health estimates that there were approximately 27,000 drug addicts in the country. The governmental action plan against drug abuse, built upon existing programs, offers a multi-faceted approach to combating drug addiction. Its components consist of prevention, medical treatment, social assistance, police and judicial actions (particularly against organized crime), efforts to combat drug abuse in the school and prison systems, and international counternarcotics cooperation. In 2005, the Danish government dedicated additional resources to drug treatment programs. As a result, the Ministry of Health enrolled 5,330 new patients in drug treatment programs in 2005 and eliminated the waiting list for drug treatment programs. The number of people in drug treatment programs has increased from 9,438 in 2000 to approximately 13,300 in 2005. Drug treatment for heroin addiction is highest in demand. Of those receiving treatment, 5,525 people received methadone maintenance treatment in 2005. Seventy-five percent of treatment recipients are male. The average age of treatment recipients is 36 years old.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. goals in Denmark are to cooperate with the Danish authorities on drug-related issues, to assist with joint investigations, and to coordinate USG counternarcotics activities with the eight countries of the Nordic-Baltic region. The USG enjoys excellent cooperation with its Danish counterparts on drug-related issues. The DEA office in the U.S. Embassy in Copenhagen coordinates the bilateral cooperation with its Danish counterparts. Additionally, the defense attaché supports counternarcotics missions in Danish waters.

The Road Ahead. Danish enforcement efforts will be strengthened by legislation that authorizes police to use informants and conduct undercover operations. The introduction of visa-free travel

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

Estonia

I. Summary

The closures in Estonia of illegal synthetic drug labs, seizures of narcotic substances and detection of drug trafficking conspiracies, as well as the arrest of record number of Estonian drug traffickers around the world, indicate drug production and transit activity are ongoing in Estonia. It is also an indication of the success of counternarcotics efforts by Estonian law enforcement agencies. Except for the higher HIV-infection rate among intravenous drug users, the drug situation in Estonia is similar to that in other European countries. Estonia is a party to the 1988 UN Drug Convention.

II. Status of Country

Estonia's most popular illegal narcotics include trimethylphenyl-an opiate-synthetic drug "cocktail" ("White Persian,") heroin, Ecstasy, amphetamines, gammahydroxybutyrate (GHB), cannabis and poppy. In the first ten months of 2007, the closure of three illegal synthetic drug labs, along with seizures of production equipment and precursors, indicate that synthetic drugs are produced in Estonia. While some drugs are consumed locally, production is also exported to neighboring countries, as evidenced by the frequent arrests of drug traffickers at the border. Also in 2007, a record number of Estonian drug traffickers were arrested in foreign countries demonstrating the involvement of Estonian drug traffickers in the international illegal drug trade. Seizures of large quantities of narcotic substances by Estonian law enforcement agencies indicate that Estonia is located on a drug transit route in the region.

According to Government of Estonia (GOE) and NGO estimates, there are about 14,000 intravenous drug users (IDUs) in Estonia. Due to its large IDU population, Estonia has the highest growth rate per capita of HIV infections in Europe. As of October 2007, a total of 6,250 cases of HIV have been registered nationwide, 519 of which were registered in 2007. To date, AIDS has been diagnosed in a total of 176 people, 41 of whom were diagnosed in 2007. Male IDUs still account for the largest share of newly registered HIV cases; however, in 2007, young women made up 42 percent of new HIV cases, indicating that the epidemic is spreading to the general population.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In 2007, Estonia continued to upgrade its anti-narcotics legal framework. In March, the Government of Estonia (GOE) approved its 2007-09 Action Plan based on the National Strategy on Prevention of Drug Dependency for 2004-2012, adopted in 2003. The Action Plan sets targets and gives guidelines for implementing organizations to meet the six objectives of the strategy: prevention, treatment and rehabilitation, harm reduction, demand reduction, addressing the problem of drugs in prisons, and overall monitoring and evaluation of the Action Plan. In 2006, the Law amending the Narcotic Drugs and Psychotropic Substances Act (LANDPSA) came into force, harmonizing Estonia's legislation with European Union (EU) narcotics regulations. The LANDPSA also brought domestic law into compliance with the United Nations (UN) Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances.

Also in 2007, Estonia continued to implement its national 2006-2015 anti-HIV/AIDS strategy, which pledges to bring about a steady reduction in the spread of HIV and improve the quality of life of people with the disease. The strategy pays special attention to programs for various at-risk groups, including IDUs, which currently form the largest sub-group within the HIV positive population. Following parliamentary elections in March 2007, the new government coalition reiterated this pledge in its coalition agreement. The GOE plans to focus its prevention efforts on

young people and their parents, with the ultimate goal of reducing the number of new cases of HIV to the European regional average of 50-70 cases per one million people per year, or one-tenth the current rate.

Although the United Nations Global Fund to Fight HIV/AIDS, TB, and Malaria (GF) finished its four-year program in Estonia in September, the GOE has committed to take over all HIV-related activities carried out under Global Fund's \$10.4 million grant. While the Ministry of Social Affairs has overall coordinating responsibility, each cabinet Minister is responsible for HIV prevention, harm reduction and treatment in his or her administrative area (i.e., Ministry of Justice—HIV in prisons; Ministry of Defense—HIV in defense forces; Ministry of Education and Research—HIV prevention in schools and colleges). All ministries report to the governmental committee that coordinates HIV and drug abuse prevention activities, established in 2006. The committee is comprised of representatives from the Ministries of Social Affairs, Education and Research, Defense, Internal Affairs, Justice, and Finance, as well as local governments, the World Health Organization, organizations for people living with HIV/AIDS, and members of the original working groups that drafted the GOE's 2005-2015 anti-HIV/AIDS strategy. The committee reports directly to the Cabinet on a bi-annual basis.

Law Enforcement Efforts. Combating narcotics is a major priority for Estonian law enforcement agencies. Police, customs officials and the border guard maintain good cooperation on counternarcotics activities. Currently, 88 police officers work solely on drug issues. Their primary mission is to destroy international drug rings (rather than catch individual suppliers). From January through September 2007, the Estonian police registered 860 drug-related criminal cases and successfully carried out several counternarcotics operations.

In April 2007, officers of the drug squad of the North Police Prefecture seized more than a kilogram of cocaine and a large amount of Ecstasy tablets estimated to have a street value of \$140,000. This was the largest amount of cocaine ever seized by that jurisdiction. According to the police, the packaging of the drugs clearly indicated the suspect was involved in drug smuggling. In August, two suspects were arrested with 15 doses of gammahydroxybutyrate (GHB). A search of their dwelling uncovered 23 grams of cocaine and three liters of GHB, which corresponds to more than 600 doses. In September, as a result of an extensive operation, the Estonian Central Criminal Police discovered a cache of various narcotics, including the largest amounts of hashish ever confiscated in Estonia. In addition to the 70 kg of hashish, the seizure netted 1,500 grams of cocaine, 300 grams of "White Chinaman"-heroin and several bags of marijuana with a total estimated street value of \$1 million. In October, as a result of long-term surveillance, the Estonian central Criminal Police raided a drug lab and seized 10 liters of liquid amphetamine, lab equipment and chemicals used in amphetamine production. They detained four persons suspected of manufacturing large quantities of amphetamines. The search of one suspect's apartment yielded 15 kg of liquid amphetamine. The total seizure amounted to an estimated 30,000 doses with a total value of \$140,000.

In October, the Central Criminal Police detained a criminal group recruiting young people from Estonia to traffic narcotics from South America. Previously only about seven drug traffickers of Estonian origin were arrested abroad every year. In 2007, 30 people from Estonia have been arrested for drug trafficking—seven detained in Europe and 23 in South American (including 12 in Venezuela.)

Combating the illicit narcotics trade is also a top priority for the Estonian Tax and Customs Board (ETCB). All customs, investigation, and information officers have received special training in narcotics control, and all customs border points are equipped with rapid drug tests. There are about 100 customs officers working on the Estonia-Russian border (part of the European Union's eastern-most border). About 150 Customs officers work in mobile units all over Estonia. There are 14

Customs teams with 18 drug sniffing dogs. In the first six months of 2007, the dogs found approximately ten kg of narcotic substances. All four Customs regions have a designated narcotics control liaison officer, and are supported by a narcotics analyst in the Tallinn headquarters. In May, Estonian Customs Officials—in cooperation with U.S. and Latvian law enforcement agencies—detained an international criminal group of eight people and seized roughly 8 kg of high-quality cocaine with a street value of \$2.1 million. The smugglers brought the drugs to the Estonian coast in a small boat from a freighter sailing in Estonian territorial waters and planned to forward them to other Baltic countries. In July, during X-ray screening, Estonian Customs Officials found 4.2 kg of heroin hidden in the car of a Latvian citizen. This seizure prevented up to 70,000 doses of heroin from reaching the streets.

Corruption. Estonia is a relatively corruption-free country; receiving high scores on international corruption and economic indexes, and out-performing all other new EU member states and some of the original EU members. The GOE does not encourage or facilitate illicit production or distribution of narcotics or psychotropic drugs or the laundering of proceeds from illegal drug transactions. There are no reports of any senior official of the GOE engaging in, encouraging, or facilitating the illicit production or distribution of narcotic substances.

Agreements and Treaties. Estonia is party to the main international drug control conventions: the UN Single Convention as amended by the 1972 Protocol, the UN Convention on Psychotropic Substances (1971), and the 1988 UN Drug Convention. A 1924 extradition treaty, supplemented in 1934, remains in force between the United States and Estonia, and a mutual legal assistance treaty in criminal matters was entered into by the countries in 2000. Estonia is a party to the UN Convention against Transnational Organized Crime and its three protocols. Estonia's domestic drug legislation is consistent with international laws regulating the combat against illicit drugs.

Cultivation/Production. Estonia's cold climate precludes it from becoming a major drug cultivator; however, in northeastern Estonia small amounts of poppies are grown for domestic production of opium. Nevertheless, the closures of drug labs and seized products and precursors in different regions of Estonia demonstrate synthetic narcotics production is ongoing in Estonia. Most of the labs were small and very mobile, making them difficult to detect. In addition to production for domestic consumption, synthetic drugs produced in Estonia are exported to neighboring countries, including the Nordic countries and northwestern Russia.

Drug Flow/Transit. Estonia's geographical position makes it attractive to drug smugglers. Frequent arrests of drug traffickers and seizures of narcotic substances at the border indicate Estonia's involvement in the international drug trade, but also demonstrate the high performance level of Estonian law enforcement agencies. Frequent arrests of Estonian drug traffickers around the world show their involvement in the international drug trade.

Domestic Programs/Demand Reduction. In 2007, Estonia continued to implement its 2004-2012 National Strategy on the Prevention of Drug Dependency. Combating the drug trade and reining in domestic consumption continue to be high priorities for all Estonian law enforcement agencies and for key government ministries. There are more than 60 governmental, non-governmental, and private entities in Estonia working with IDUs to provide services to decrease demand and reduce harm. There are currently five voluntary HIV testing and counseling centers in Estonia funded by the GOE and local governments. A needle exchange program is operational in 23 cities and a number of mobile needle exchange stations are in operation in Tallinn and northeast Estonia. Methadone treatment is provided at six centers in Tallinn and northeast Estonia. Drug rehabilitation services are provided at 14 facilities nationwide, three of which are church-sponsored.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. In 2007, the Estonian Defense Forces (EDF) implemented the first phase of a U.S. Department of Defense (DOD) project entitled “DOD HIV/AIDS Prevention Program” to raise the awareness of military personnel and to assist in the creation of a sustainable EDF HIV/AIDS prevention system. Also in 2007, the U.S. Embassy utilized the Department’s International Visitors Program on HIV to familiarize Estonian experts with U.S. practices in the fight against HIV/AIDS.

In 2007, the Export Control and Border Security program (EXBS) provided a Targeted Risk Management Training in Tallinn for Estonian Customs Agents (September 24-28) and provided over \$100,000 worth of inspection equipment to the Border Guards, Customs Agents, and Rescue Board.

The Road Ahead. In 2008, EXBS will hold a regional conference in the Balkans in which Estonian Customs Agents have been asked to participate as trainers. The U.S. will continue to work with Estonian officials to control drug flows in Europe and from Europe to the U.S.

Finland

I. Summary

Finland is not a significant narcotics-producing or trafficking country. Drug use and drug-related crime rates have been mixed over the past four years, although there was no significant increase in any of the classes of narcotics seized in 2006. Finland's constitution places a strong emphasis on the protection of civil liberties and this sometimes adversely impacts law enforcement's ability to investigate and prosecute drug-related crime. The use of electronic surveillance under the Finnish Coercive Measures Act, such as wiretapping, is generally permitted in serious narcotics investigations. Finnish political culture tends to favor the allocation of resources to demand reduction and rehabilitation efforts over strategies aimed at reducing supply. Finnish law enforcement believes that increased drug use in Finland may be attributable to the wider availability of narcotics within the European Union, increased experimentation by Finnish youth and cultural de-stigmatization of narcotics use.

While there is some overland narcotics trafficking across the Russian border, Finnish law enforcement believes that existing border controls are largely effective in preventing this route from becoming a major trafficking conduit into Finland. Estonian organized crime syndicates, and to a lesser degree, syndicates from other Baltic countries, are believed responsible for most narcotics trafficking into Finland. Estonia's accession to the Schengen Treaty has complicated law enforcement efforts to combat narcotics trafficking through the reduction in border checks of the nearly 5.5 million annual travelers and 800,000 cars, which transit between Helsinki and Tallinn. Asian crime syndicates have begun to use new air routes between Helsinki and Asian cities like Bangkok to facilitate trafficking-in-persons, and there is the possibility that these routes could be used for narcotics trafficking as well.

Finland is a major donor to the UNDCP and is active in counternarcotics efforts within the EU. Finland is a party to the 1988 UN Drug Convention. Finland maintains strong law enforcement and customs relationships with its Baltic neighbors, with Russia and with EU member states in combating the production and trafficking of narcotics in the region.

II. Status Of Country

Narcotics production, cultivation, and the production of precursor chemicals in Finland are very modest in scope. Most drugs that are consumed in Finland are produced elsewhere, and Finland is not a source country for the export of narcotics. Estonia, Russia and Spain are Finland's principal sources for illicit drugs, with Spain representing the origin point within the EU for most cocaine entering Finland. Finnish law criminalizes the distribution, sale and transport of narcotics; the Government of Finland operates with other countries and international law enforcement organizations regarding extradition and precursor chemical control.

The number of drug offences reported to the Finnish law enforcement authorities in 2006 saw a slight decrease when compared with 2005, whereas the total number of aggravated narcotics offences showed a slight rise. The number of persons suspected of aggravated narcotics offences increased by approximately 20 percent when compared with 2005.

The overall incidence of drug use in Finland remains low (relative to many other western countries); however, drug use has increased over the past decade. Cocaine is rare, but marijuana, khat, amphetamines, methamphetamine, synthetic club drugs, Ecstasy, LSD and heroin and heroin-substitutes can be found. Finland has historically had one of Europe's lowest cannabis-use rates. Cannabis seizures have been mixed since 2003, with total numbers of seizures in several areas

increasing, yet with total quantities of cannabis seized having decreased. Ecstasy, GHB, Ketamine (Vitamin K) and other MDMA-type drugs are concentrated among young people and associated with the club culture in Helsinki and other large cities. Social Welfare authorities believe the introduction of GHB and other date rape drugs into Finland has led to an increase in sexual assaults. Changing social and cultural attitudes towards the acceptance of limited drug use also contribute to this phenomenon.

Heroin use began to increase in Finland in the late 1990s, but seizures have continued to decline since 2003. With the exception of a 55 kg seizure of heroin in 2005, seizures have never been larger than 1.6 kg since before 2003. Typically, heroin is smuggled by ethnic groups residing in Scandinavia using vehicles. They pass by way of Germany and Denmark to the rest of Scandinavia.

Abuse of Subutex (buprenorphine) and other heroin-substitutes seems to have replaced heroin abuse to some extent. Possession of Subutex is legal in Finland with a doctor's prescription, but Finnish physicians do not readily write prescriptions for Subutex unless patients are actually in a supervised withdrawal program. Finnish couriers do obtain Subutex from other EU countries, however. Finland witnessed a modest 2 percent increase in the seizure of narcotic medical prescriptions between 2005 and 2006, it also saw an overall 18 percent reduction in the actual volume of such drugs seized.

According to Finnish law enforcement, there are approximately two dozen organized crime syndicates operating in Finland; most are based in Estonia and Russia. Since Estonia's entry into the Schengen Treaty, Estonian travelers to Finland are no longer subject to routine customs inspection at ports-of-entry, making it difficult to intercept narcotics. For instance, a drug dealer in Helsinki can phone a supplier in Tallinn, and within three hours a courier can arrive in Helsinki via ferry with a shipment of drugs. Although Estonian syndicates control the operations, many of the domestic street-level dealers are Finns. Estonian smugglers also organize the shipment of Moroccan cannabis from Southern Spain to Finland. Again, overall amounts are small. Finnish law enforcement reports that cooperation with Estonian law enforcement is excellent, and both countries maintain permanent liaison officers resident in each other's countries.

Finnish law enforcement appears well prepared to address the potential use by Asian crime groups of new air routes from Helsinki to major Asian cities like Bangkok. In 2000, Finland had 4 non-stop flights per week between Finland and Asia. In 2007, Finnair alone was operating 30 non-stops per week to Asia, and expects to operate 37 such flights in 2008. To reduce the likelihood of Asian syndicates' exploiting such routes, Finnish law enforcement has established close cooperation with airline officials and Asian law enforcement to coordinate interdiction efforts, including the posting of liaison personnel in Beijing and Guangzhou.

III. Country Actions Against Drugs In 2007

Policy Initiatives. Finland's comprehensive 1998 policy statement on illegal drugs articulates a zero-tolerance policy regarding narcotics. However, a 2001 law created a system of fines for simple possession offenses rather than jail time. The fine system enjoys widespread popular support and is chiefly used to punish youth found in possession of small quantities of marijuana, hashish, or Ecstasy. There is limited political and public support for stronger punitive measures. In 2005, Parliament passed a law expanding the authority of the Border Guards to cover the entire country (not just immediate border areas), thereby enhancing the Guards' ability to combat narcotics trafficking.

Law Enforcement Efforts. Finnish law enforcement continued to effectively investigate and prosecute instances of narcotics possession, distribution and trafficking. Within Finland, the Finnish Police and Customs have primary responsibility for interdicting and investigating narcotics trafficking and distribution. Within the police, the National Bureau of Investigation (NBI) is

charged with coordinating organized crime investigations, as well as serving as the Finnish focal point for international law enforcement cooperation. The police, as well as the Finnish Border Guards, who interdict narcotics during immigration checks, fall under the Finnish Ministry of the Interior. Customs falls under the Finnish Ministry of Finance, and also maintains responsibility for coordination of Finnish customs narcotics interdiction efforts with other nation's customs services. Finnish judicial authorities are empowered to seize assets, real and financial, of criminals.

During 2006, Finnish law enforcement effectively prioritized narcotics cases through Joint Intelligence Teams and Centers, which comprise representatives of the police, Customs and Border Guards. These centers are located at the national, provincial and local levels, where a broad range of intelligence and analysis capabilities are brought to bear in identifying priority narcotics investigations. For instance, the center responsible for Helsinki includes representatives from the NBI, Helsinki police, Customs, Border Guards, prison authorities and provincial police representatives. In 2006, the Finnish law enforcement community received additional government funding and manpower to pursue a number of interagency, target-oriented narcotics investigations, including the assignment of prosecutors to an investigation from its inception.

During 2006, Finnish Customs deployed a mobile X-ray scanning facility at Helsinki's Western Harbor to provide Customs with the ability to conduct scanning of incoming trucks and containers. Additionally, Customs enhanced its use of narcotics detection canine units at key ports of entry into Finland.

The 2006 Police report on narcotics offenses and seizures is the latest available. In 2006, Finland experienced a decline in the number of drug offenses, dropping from 15,209 in 2005 to 14,286 in 2006. However, the number of aggravated narcotics offenses increased from 654 in 2005 to 794 in 2006. 4,308 individuals were charged in 2006 for the country's 14,286 narcotics offenses, as were 506 for the nation's 794 aggravated offenses. In 2006, 14 percent of the suspects of aggravated narcotics offenses were foreigners; of those, 40 percent were Estonian and 14 percent were Russian.

Authorities estimate that recreational use of cocaine has increased somewhat. While overall amounts of cocaine entering Finland remain extremely low, Finnish law enforcement believes the importation of cocaine will continue to increase. Finnish authorities have asserted that cocaine predominantly enters Finland from Spain. In 2006, cocaine seizures increased to 82 (compared to 73 in 2005) and volume increased to 6.5 kg (from 1.2 kg in 2005). The increased volume can largely be attributed to a single end-of-year seizure made in the Southern Customs District. Additionally, Finnish Customs intelligence identified two Estonians who had entered Finland at the same time but utilizing different routes. One of the two was caught selling a kg of cocaine to a Finn in Helsinki. The other Estonian has not been caught. According to Customs, the man who was apprehended was a courier, while the other Estonian was responsible for arranging the smuggling. In addition to the one kg of cocaine seized by Customs, they believe that another 1.5 kg was successfully put into circulation. Cocaine has not threatened the position of cannabis, amphetamine or Subutex among the most popular drugs.

Finnish authorities have noted an increase in the number and quantity of steroid seizures on the Finnish market. During 2006, Finnish law enforcement agencies seized approximately 200,000 pieces of steroid-type substances, either in tablet form or ampoules. In addition, they seized almost 12 million steroid pills/ampoules as part of a major international case of doping smuggling from China to Russia via Finland.

One potentially worrying trend is that the few smuggling enterprises that do exist are becoming increasingly sophisticated. For instance, consignments of amphetamine have been hidden in trucks, and subsequently buried in remote, locations. The locations are then mapped and sold to criminals in Estonia handling the retail trade in Finland. To counter schemes of this type, the Finnish police

are increasingly dependant on cooperation with their Estonian counterparts—cooperation they describe as outstanding. It is now estimated that 90 percent of amphetamine is imported to Finland from or through Estonia. Finnish law enforcement believes that significant quantities of the amphetamine on the Finnish market are produced in Lithuania by Lithuanian crime groups. According to Finnish law enforcement, Estonian and Lithuanian organized crime groups appear to be working in close cooperation in trafficking amphetamine into Finland

According to Customs officials, there has been an increase in the number of Subutex couriers departing Finland on a regular basis to Estonia and Latvia. However, as the couriers possess valid Subutex prescriptions, Customs authorities are prevented from seizing these legal prescriptions. Suspected courier travel has increased from 30 suspected trips to Estonia and Latvia in early 2003 to a high of 800 suspected couriers by summer 2006. Effective December 21, 2007, changes in EU regulations will prevent Latvian and Estonian pharmacies from filling Subutex prescriptions for Finnish citizens. However, Finnish couriers are likely to attempt to identify other EU sources for Subutex, including France.

Narcotics-related weapons seizures in 2006 were down to 544 weapons seized (versus 674 in 2005). Weapons included firearms, gas weapons and electronic stun devices. Finnish authorities seized almost Euro 900,000 in trafficking-related cash (versus Euro 640,000 in 2005). Finland continued its impressive record on multilateral law enforcement, maintaining liaison officers in ten cities, including six officers in Russia. Finnish law enforcement personnel have continued to conduct criminal narcotics investigations involving Finland abroad, including the investigation of suspects beyond Finland's borders.

In 2006, Finland and Estonia conducted a joint organized criminal investigation aimed at reducing the distribution of amphetamines. The team was headed by a senior member of Finnish law enforcement. The investigation included joint suspect interviews and searches in both countries. The two countries agreed to expand the use and authorities of Joint Investigative Teams, which provided for enhanced levels of cooperation between Finnish and Estonian law enforcement personnel.

Finland also participated in a number of regional and European Union narcotics interdiction efforts, including Operation COMPAS, which involved the inspection of container traffic at European ports and focused on the interdiction of cocaine; PALLAS, which involved 18 EU member states and aimed at interdicting narcotics and chemical precursors; CONQUEST2, which focused on sea inspections of containers originating in heroin producing countries; SUMMER, which focused on interdicting narcotics on cars and passengers between Helsinki, Stockholm and Tallinn; and NORDIC, which involved Finnish, Danish, Norwegian and Swedish cooperation with Germany to target truck traffic departing Germany for Scandinavia.

Corruption. As a matter of government policy, Finland does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Finnish officials do not engage in, facilitate, or encourage the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Official corruption is extremely rare in Finland. There have been no arrests or prosecutions of public officials charged with corruption or related offenses linked to narcotics in Finnish history.

Agreements And Treaties. Finland is a party to the 1988 UN Drug Convention. Finland is also a party to the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Finland is a party to the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling and the UN Convention against Corruption. A 1976 bilateral extradition treaty is in force between the United States and Finland. Finland signed the bilateral instrument of the EU-U.S. Extradition

Treaty in 2004; Parliament's Legal Affairs Committee approved the Treaty in mid-2007, and full Parliamentary ratification is expected by early 2008. Finland has also concluded a Customs Mutual Assistance Agreement with the United States. Finland is a member of the major Donors' Group within the Committee on Narcotic Drugs. The vast majority of Finland's financial and other assistance to drug-producing and transit countries has been via the UNODC.

Cultivation/Production. There were no reported seizures of indigenously cultivated opium, no recorded diversion of precursor chemicals and no detection of illicit methamphetamine, cocaine, or LSD laboratories in Finland in 2006. Finland's harsh climate makes cultivation of cannabis and opium poppy almost impossible. Local cannabis cultivation is believed to be limited to small-scale, indoor hydroponic culture. Seizures by weight of cannabis plants have fluctuated over the past several years, dropping slightly to 36 kg in 2006. Between July and December 2006, Finnish law enforcement agencies seized a total of 4,630 cannabis plants in 401 cases. The majority of cultivation cases were very small, with an average of 1 to 10 plants per seizure. One significant seizure in 2006 involved 800 plants being cultivated outdoors in West Finland. The distribution of 22 precursor chemicals listed by international agencies is tightly controlled.

Drug Flow/Transit. Medical narcotics (including Subutex), amphetamine and methamphetamine represent the majority of police seizures in Finland. Finland is not a major transit country for narcotics. Most drugs trafficked into Finland originate or pass through Estonia. Finnish authorities report that their land border with Russia is well guarded on both sides to ensure that it does not become a major transit route.

Domestic Programs/Demand Reduction. According to the Development Center for Social Affairs and Health, there are approximately 21,000 registered drug users in Finland, with some 10,000 undergoing treatment. Despite these low numbers, the Ministry of Health and Social Services has stated that the Government must do more to reduce demand. The central government gives substantial autonomy to regional and municipal governments to address demand reduction using general revenue grants, and often relies upon the efforts of Finnish NGOs. Finnish schools continued to educate students about the dangers of drugs. Finland's national public health service offered rehabilitation services to users and addicts. Such programs typically use a holistic approach that emphasizes social and economic reintegration into society and is not solely focused on eliminating the subject's use and abuse of illegal drugs. The government has been criticized for its failure to provide adequate access to rehabilitation programs for prison inmates. An additional challenge in Finland in terms of treatment is that there is no substitute treatment for amphetamine in Finland.

IV. U.S. Policy Initiatives And Programs

Policy Initiatives And Bilateral Cooperation. The U.S. has worked with Finland and the other Nordic countries through multilateral organizations in an effort to combat narcotics trafficking in the Nordic-Baltic region. This work has involved U.S. assistance to and cooperation with the Baltic countries and Russia.

The Road Ahead. The U.S. anticipates continued close cooperation with Finland in the fight against narcotics. Finnish law enforcement is expected to maintain its willingness to work with relevant U.S. law enforcement agencies, and is well positioned to exchange law enforcement information and collaboratively pursue narcotics traffickers and international organized criminal entities involved in the manufacture and distribution of narcotics.

France

I. Summary

France continues to be a major transshipment point for drugs moving through Europe. Given France's shared borders with trafficking conduits such as Spain, Italy and Belgium, France is a natural distribution point for drugs moving toward North America from Europe and the Middle East. France's presence in the Caribbean, its proximity to North Africa, and its participation in the Schengen open border system, contribute to its desirability as a transit point for drugs, including drugs originating in South America. France's own large domestic market of predominantly cannabis users is attractive to traffickers as well. Specifically, in descending order, cannabis originating in Morocco (and to a lesser extent, Algeria), cocaine from South America, heroin originating in southwest Asia, and Ecstasy (MDMA) originating in the Netherlands and Belgium, all find their way to France.

Seizures of amphetamines and methamphetamine in France remain relatively inconsequential. Increasingly, traffickers are also using the Channel tunnel linking France to Great Britain as a conduit for drugs from Continental Europe to the UK and Ireland. Although the total number of seizures reported in 2006 (latest published figures) declined by 6.73 percent from 2005 levels (to 78,287), the gross total of the quantity of seizures of cocaine (HCL), Heroin, Khat, AND MDMA all increased, whereas certain cannabis products, cocaine base ("crack" form) and LSD all decreased. Drug trafficking and possession arrests decreased in 2006 by 8.16 percent to 110,486. This represents a significant cumulative decrease from 2004 when 121,526 arrests occurred. France is a party to the 1988 UN Drug Convention.

II. Status of Country

Cannabis users are the largest group of drug users in France, according to official French government statistics. By contrast, users of the next most popular drugs, heroin and cocaine, account for approximately 4 percent and 2 percent of the total number of drug abusers respectively. France's drug control agency, the Mission Interministerielle de la Lutte Contre la Drogue et la Toxicomanie (MILDT, or the Interministerial Mission for the Fight Against Drugs and Drug Addiction), is the focal point for French national drug control policy. Created in 1990, the MILDT (which received its current name in 1996) coordinates the 19 ministerial departments that have direct roles in establishing, implementing, and enforcing France's domestic and international drug control strategy. The MILDT is primarily a policy organ, but cooperates closely with law enforcement officials. The French also participate in regional cooperation programs initiated and sponsored by the European Union.

Since the mid-1990s, death by drug overdose has declined dramatically from 564 reported deaths in 1994 to 57 deaths during 2005. Possession of drugs for personal use and possession of drugs for distribution both constitute crimes under French law and both laws are regularly enforced. Penalties for drug trafficking can include up to life imprisonment. French narcotics agencies are effective, technically capable and make heavy use of electronic surveillance capabilities. In France, the counterpart to the DEA is the Office Centrale pour la Repression du Traffic Illicite des Stupefiants (OCRTIS), also referred to as the Central Narcotics Office (CNO). French authorities report that France based drug rings appear to be decreasingly focused on a single activity, and are increasingly involved in other criminal activities such as money laundering and clandestine gambling.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In late 2004, France launched a five year action plan called “Programme Drogue et Toxicomanie” (Drug and Addiction Program) to reduce drug use among the population and lessen social health damage caused by the use and trafficking of narcotics. A full assessment of the program is expected to be published during 2008, when it reaches the end of its planned duration. Depending upon the result of this assessment, a new program will be introduced. The 2004 program’s successes include launching a 38 million Euro (approx. \$50.5 million) national information campaign on cannabis use in 2005 as well as a increased options in France’s medical treatment for cannabis and heroin users/addicts. The program also provided funding (up to 1.2 million Euros (approx. \$1.6 million)) for France’s contributions to EU and UN counternarcotics programs in four priority areas: Central and Eastern Europe, Africa, Central Asia and Latin America/Caribbean.

While France’s bilateral counternarcotics programs focus on the Caribbean basin, special technical bilateral assistance has also been provided to Afghanistan through France’s Development Agency (AFD). Ten million Euros went to training Afghan counternarcotics police and to fund a crop substitution program that will boost cotton cultivation in the Afghan provinces of Konduz and Balkh.

Law Enforcement Efforts. In 2007, French authorities made several important narcotics seizures:

On January 18, 2007, French customs officials at the port in the northern city of Dunkerque seized 356 kg of heroin, a record for the seizure of this drug in France. The heroin, which was valued at approximately 10 million Euros (approx. \$13 million), was being transported in a truck originating from Turkey and bound for Great Britain.

On March 9, 2007, French customs authorities seized 490,000 Ecstasy pills from the car trunk of a British national near Dunkerque. The suspect was reportedly working with drug traffickers in Brussels, and agreed to transport the drugs from Belgium to Great Britain. The estimated resale value of the Ecstasy seized was reported to be 735,000 Euros (\$967,157).

With the help of the OCRTIS and French and British customs authorities, on August 7, 2007, French maritime authorities conducted an important operation which led to the seizure of approximately 600 kg of cocaine from a sailing boat in the English Channel. The boat which originated in the Caribbean was headed to a port in northern Europe. The value of the cocaine seized is estimated to be between 16 and 18 million Euros (approx. \$22-\$24.85 million).

During 2007, French authorities also conducted frequent operations involving the seizure of cannabis. On September 10, 2007, French customs agents in the southern city of Montpellier seized 618 kg cannabis resin. The cannabis, which is estimated to be worth around 1.2 million Euros (approx. \$1.65 million) was packaged in 20 sacks that were covered by several barrels of hay.

Another operation, on October 13, 2007, led to the seizure of over 2 tons of cannabis resin by French customs agents in the northern city of Arras. The cannabis with an estimated resale value of over 4.3 million Euros (approx. \$6.1 million) was found concealed in several canvas sacs inside a truck en route from Spain to Germany.

Corruption. As a matter of government policy, France is firmly committed to the fight against drug trafficking domestically and internationally. The government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities.

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

1972 Protocol, and a 1971 agreement on coordinating action against illegal trafficking. France and the U.S. have an extradition treaty and an MLAT, which provides for assistance in the prevention, investigation, and the prosecution of crime, including drug offenses. In 2004, bilateral supplemental extradition and mutual legal assistance instruments were concluded in order to implement agreements in these areas between the U.S. and the EU, which will enhance cooperation further once they enter into force. The U.S. also has a Customs Mutual Assistance Agreement (CMAA) with France. France is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation/Production. French authorities believe that the cultivation and production of illicit drugs is not a significant problem in France. France cultivates opium poppies under strict legal controls for medical use, and produces amphetamines as pharmaceuticals. The government reports its production of both products to the International Narcotics Control Board (INCB) and cooperates with the DEA to monitor and control these products. According to authorities, the majority of illicit drugs produced in France come from smaller home laboratories.

Drug Flow/Transit. France is a transshipment point for illicit drug to other European countries. These traffickers move heroin from both Southwest and Southeast Asia (of Burmese origin) to the United States through West Africa and France, with a back-haul of cocaine from South America to France through the United States and West Africa. New routes for transporting heroin from southwest Asia to Europe are developing through Central Asia and Russia and into Belgium and the Netherlands. West African drug traffickers (mostly Nigerian) are also using France as a transshipment point for heroin and cocaine. These traffickers move heroin from both Southwest and Southeast Asia (primarily Burma) to the United States through West Africa and France, with a back-haul of cocaine from South America to France through the United States and West Africa. Law enforcement officials believe these West African and South American traffickers are stockpiling heroin and cocaine in Africa before shipping it to final destinations. There is no evidence that significant amounts of heroin or cocaine enter the United States from France. Most of the South American cocaine entering France comes through Spain and Portugal. To counter this flow, France joined six other European countries to form the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon, which should bolster EU capacity to protect its southwestern flank. In addition, officials are seeing an increase in cocaine coming directly to France from the French Caribbean, giving impetus to the creation of the Martinique Task Force: a joint effort with Spain, Colombia and the UK. France also has seconded a Liaison Officer to Joint Interagency Task Force South to coordinate maritime counternarcotics operations in the Caribbean Basin. Most of the Ecstasy in or transiting France is produced in the Netherlands or Belgium.

Domestic Programs/Demand Reduction. MILDT is responsible for coordinating France's demand reduction programs. Drug education efforts target government officials, counselors, teachers, and medical personnel, with the objective of giving these opinion leaders the information they need to assist those endangered by drug abuse in the community. In an effort to combat the consumption of cannabis in France, which has consistently increased over the past 20 years, in October of 2007, Etienne Apaire, the President of MIDLT (since September 2007) announced a new government policy aimed at cannabis users. Beginning in 2008, the state will force those arrested for cannabis use to take a two day class on the dangers of cannabis consumption. The cost of the class, 450 Euros (approx. \$660.00), will be paid by the drug user. France's current law (dating from 1970) includes stiff penalties for cannabis use including up to a year prison sentence and a 3750 Euro (approx. \$5,515) fine though the penalties are rarely, if ever, applied. This new measure is intended to be a more effective approach towards the prevention of cannabis use.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives/Bilateral Cooperation. U.S. and GOF counternarcotics law enforcement cooperation remains excellent. During 2007, the DEA's Paris Country Office and the French Office Central Pour la Repression Du Trafic Illicite Des Stupefiants (OCRTIS), continued to routinely share operational intelligence and support one another's investigations. The DEA and the OCRTIS shared intelligence was developed from a program which identifies orders for precursor chemicals placed from French companies for exportation outside of France. This program resulted in the identification and seizure of dozens of illicit MDMA and Methamphetamine laboratories located both within the United States and France as well as many other countries around the world.

Additionally, during 2007, the OCRTIS and the DEA cooperatively conducted a controlled delivery of over two tons of pseudoephedrine to the Democratic Republic of the Congo. The subsequent investigation of this shipment confirmed that the shipment was intended for illegal reshipment to Mexico for suspected use in the clandestine manufacture of methamphetamine. Further investigation, resulted in the seizure of additional shipments of ephedrine products in the DRC, totaling nearly 10 tons, and in the identification of Mexican nationals involved in coordinating the diversion of these shipments from Africa to Mexico. In March of 2007, the OCRTIS seized the equivalent of over 1.3 million dollars U.S. in cash drug proceeds. Information developed from the French investigation was shared with the DEA and several other countries' law enforcement services, which has led to a number of valuable investigative links. The DEA and the OCRTIS regularly exchange information relating to suspected airline internal drug couriers traveling internationally, and other routine law enforcement information that leads to arrests and drug seizures.

The Road Ahead. The United States will continue its cooperation with France on all counternarcotics fronts, including through multilateral efforts such as the Dublin Group of countries coordinating narcotics assistance and the UNODC.

Georgia

I. Summary

Georgia has the potential to be a transit country for narcotics flowing from Afghanistan to Western Europe. In 2007, however, there were no western-bound, significant seizures of narcotics. Subutex, a licit opiate used for maintenance treatment of heroin addicts, continues to flow from Western Europe into Georgia, though cooperation with international law enforcement, especially in France, is beginning to affect the ease with which Subutex had previously entered the country. Separatist territories not controlled by the Government of Georgia (GOG)—South Ossetia and Abkhazia—also provide additional routes for drug flow and other contraband. There is little or no exchange of information on trafficking between the de facto governments of these territories and the GOG. Anecdotal evidence indicates a sizable domestic drug problem in Georgia.

In 2007, the GOG adopted a national Anti-Drug Strategy, increased penalties for drug offenses and passed new counternarcotics legislation. The GOG also is continuing receiving assistance from the United States Government and the EU to increase Georgia's border security. Statistics on seizures, arrests, and prosecutions for narcotics-related crime are kept by the Ministry of Interior. Statistics on the number of drug abusers in the country vary widely, though the National Forensics Bureau maintains statistics on the number of persons tested for driving under the influence of drugs and alcohol. State-supported treatment falls well below demand, but received increased funding in 2007. Georgia is a party to the 1988 UN Drug Convention.

II. Status of Country

Georgia's geography and transit status between Europe and Asia make it a potential narcotics trafficking route. Asian-cultivated narcotics destined for Europe may enter Georgia from Azerbaijan via the Caspian and exit through the northern Abkhaz or southern Ajaran land and water borders. Thinly staffed ports of entry and confusing and restrictive search regulations make TIR trucks (long-haul trucks carrying nominally inspected goods under Customs Seal) the main means for westward-bound narcotics trafficking in the region. Judging from Ministry of Internal Affairs (MOIA) statistics, there were no significant seizures of drugs moving west in 2007.

Licit drugs, especially Subutex, are trafficked from Europe in small quantities via "used-car trade routes," where vehicles purchased in Western Europe are driven through Greece and Turkey destined for Georgia. Subutex, used as an intravenous drug, is popular due to a lower price in comparison to heroin, a longer high, and a wide profit margin for dealers. However, anecdotal evidence obtained from drug treatment centers suggests that Subutex use is beginning to decrease; law enforcement officials credit increased law enforcement cooperation with Western Europe.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In February, the Georgian Parliament adopted a comprehensive national Anti-Drug Strategy. The "Advisory Council on Drug Policy," which includes the Ministry of Health, MOIA, NGOs, doctors, and jurists, developed the strategy, which addresses prevention, treatment based on epidemiological evidence, and interdiction of drugs and precursors.

In his annual address to Parliament in March, President Saakashvili called for tougher counternarcotics legislation and specifically proposed asset forfeiture. New counternarcotics legislation was adopted by the Georgian Parliament in July. The new law outlines specific penalties to be levied against narcotics offenders, including: forfeiture of illegally obtained assets, deprivation of the right to hold a driver's license, engage in a medical, legal or pedagogical

profession, serve in a budgetary capacity in a government agency, be elected to public office, or purchase, maintain or carry arms. Previous amendments to the criminal code increased penalties for transshipment and intensified monitoring of drug users. These amendments included a year longer prison sentence for repeat offenders and for anyone who illegally transships narcotics while serving as a public official. Businesses are also subject to liquidation and fines.

Law Enforcement Efforts. The Special Operations Department of the MOIA is the lead agency for fighting drug trafficking. The Georgian Border Police also play a role, though far smaller. The Border Police reported five seizures of narcotics at border points in 2007, one by the Coast Guard. Most arrests for cultivation are believed to be small plots intended for personal use.

In the first nine months of 2007, drug related cases increased threefold in comparison to the same period in 2006. Law enforcement credits increased arrests and seizures of Subutex to strong cooperation with French law enforcement in the first half of 2007. Seizures and arrests related to Subutex dropped significantly over the summer months, putting 2007 Subutex statistics on track to level out with 2006 numbers by the end of the year. According to MOIA statistics:

| Activities | 2006 (Jan-Sept) | 2006 | 2007 (Jan-Sept) |
|--------------------|-----------------|-------------|-----------------|
| Drug-related cases | 2,038 | 3,542 | 6,165 |
| Felonies | 1,357 | 1,926 | 1,531 |
| Contraband | 27 | 41 | 58 |
| Dealings | 90 | 137 | 137 |
| Cultivation | 95 | 100 | 77 |
| Heroin seizure | 4.79 kg | 5.62 kg | 6.79 kg |
| Marijuana seizure | 11.14 kg | 11.28 kg | 1.35 kg |
| Opium seizure | 0 | 218 g | 123 g |
| Cocaine | 0 | 0 | .558 g |
| Subutex | 4,539 pills | 9,562 pills | 7,913 pills |
| Methadone | 0 | 17.1 g | 83.4 g |

Corruption. As a matter of policy, the GOG neither encourages nor facilitates illicit drug production, distribution, or the laundering of drug profits. No senior officials are known to be engaged in such activities. Rather, the GOG declared war against corruption after the 2003 Rose Revolution and remains publicly committed to this effort. Statistics from the World Bank and other organizations indicate that there has been a dramatic decrease in corruption across the government. The GOG is continuing civil service, tax and law enforcement reforms aimed at deterring and prosecuting corruption. Despite these efforts, however, corruption allegations still surface.

Agreements and Treaties. Georgia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substance and the 1961 UN Single Convention as amended by the 1972 Protocol. In September 2006 Georgia ratified the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling

Cultivation and Production. Estimates by the GOG on the extent of narcotics cultivation within the country are unreliable and do not include the unrecognized separatist regions outside the central

government's control (South Ossetia and Abkhazia). A small amount of low-grade cannabis is grown for domestic use, but there are no other known narcotics crops or synthetic drug production in Georgia. Although Georgia has the technical potential to produce precursor chemicals, it has no known capacity for presently producing them in significant quantities. In fact, many factories that could produce precursors closed after the collapse of the Soviet Union.

Drug Flow/Transit. The GOG has no reliable statistics on the volume of drugs transiting through Georgia. MOIA figures appear to indicate the absence of significant seizures from 2004-2006, and the first nine months of 2007. This, for some, is proof that Georgia is indeed not a transit country; others point to inadequate policing and/or possible corruption. Even those who argue that drugs transit Georgia to Western markets believe that Georgia is a secondary route. For their part, counternarcotics police report that a lack of scanning equipment and canines trained in drug detection severely undermine their capability to properly examine vehicles at border points of entry. Intelligence has shown an increase in heroin trafficking along the Northern Black Sea route due to successes by Turkish law enforcement. The use of the Northern Black Sea route lends itself to multiple modalities, including TIR trucks transiting Georgia and embarking Roll-On/Roll-Off ferries at the Port-of-Poti and disembarking at western Black Sea ports. This information is corroborated with recent Ukrainian seizures at the Port of Illichivsk, Ukraine, a destination port for Georgian ferries.

Domestic Programs/Demand Reduction. There are no widely accepted figures for drug dependency in Georgia, and more generally, statistics in this subject area are poorly kept. Some sources put the number of drug users between 240,000 and 350,000. Such calculations are, however, at best, a guess. They result from multiplying known users by a coefficient to account for the covert, hidden nature of the problem and poor record keeping. The Ministry of Justice's National Forensic Bureau maintains annual statistics on persons tested for drug abuse. In the first 9 months of 2007, the number jumped to 9,581 persons, compared to a total of 5,779 in 2006.

According to the UNODC Southern Caucasus Anti-Drug Program (SCAD), in 2007 the GOG increased funding for demand reduction and treatment efforts. 150,000 GEL (\$89,820) was allotted for treatment and rehabilitation, while 300,000 GEL was allotted for substitution treatment (methadone). This funding increase is a welcome change following 10 years of continually reduced budgets for demand reduction and treatment programs. In 2006, just 50,000 GEL (\$28,730) had been allocated to demand reduction. With government support, a handful of private clinics provide treatment, which is in great demand. Since private clinics are prohibited by law from procuring methadone for substitution therapy, the government purchases and imports the drug for use by the clinics.

IV. U.S. Policy Initiatives and Programs

Bilateral Programs. In 2007, the USG continued direct assistance on procuracy (State's Attorney) reform, anticorruption efforts, money laundering, writing a new criminal procedure code, upgrading the forensics lab, creating regional evidence collection centers, building a police academy and introducing a new curriculum, fighting human trafficking, and equipping the patrol police with modern communication equipment.

The Road Ahead. Adopting tougher counternarcotics legislation and increasing funding for demand reduction and treatment activities demonstrate the Government's commitment to carrying out its new counternarcotics strategy. Increased international cooperation with European law enforcement is also an encouraging trend.

Germany

I. Summary

Although not a major producer of illicit drugs, Germany is a consumer and transit country for narcotics. The government actively combats drug-related crimes and focuses on prevention programs and assistance to drug addicts. In 2007, Germany continued to implement its Action Plan on Drugs and Addiction, which it launched in 2003, with a specific focus on prevention. Cannabis is the most commonly consumed illicit drug in Germany. Organized crime continued to be heavily engaged in narcotics trafficking. The Federal Health Ministry publishes an annual report on licit and illicit drugs and addiction, and the Federal Office of Criminal Investigation (BKA) publishes an annual narcotics report on illicit drug-related crimes, including data on seizures, drug flows, and consumption. The most recent complete German figures available for narcotics cover calendar year 2006. Germany is a party to the 1988 UN Drug Convention.

II. Status of Country

Germany is not a significant drug cultivation or production country. However, Germany's location at the center of Europe and its well-developed infrastructure make it a major transit hub. Ecstasy moves from the Netherlands to and through Germany to Eastern and Southern Europe. Heroin is trafficked to Germany from Turkey and Austria. Cocaine moves through Germany from South America and the Netherlands. Organized crime continues to be heavily engaged in narcotics trafficking. Germany is a major manufacturer of pharmaceuticals, making it a potential source for precursor chemicals used in the production of illicit narcotics, although current precursor chemical control in Germany is excellent.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Germany continues to implement the Federal Health Ministry's "Action Plan on Drugs and Addiction" adopted by the cabinet in 2003. The action plan establishes a comprehensive multi-year strategy to combat narcotics. The key pillars are (1) prevention, (2) therapy and counseling, (3) survival aid as an immediate remedy for drug-addicts, and (4) interdiction and supply reduction. Germany also abides by the EU Drugs Action Plan. Germany is actively involved in a large variety of bilateral, European and international counternarcotics fora, including bilateral programs with Poland and France, the European Horizontal Group on Drugs, the European Monitoring Center for Drugs Addiction, at the Council of Europe and at the UN level. From January through July 2007, Germany held the EU Council Presidency and hosted a number of counternarcotics conferences, thereby continuing to develop and deepen the EU's drug and addiction policy. Germany also sponsors counternarcotics development programs in numerous countries. The National Inter-agency Drug and Addiction Council that had been established in 2004 advises the government with regard to the implementation of measures against drugs and addiction. The government continued to focus on demand reduction in the consumption of cannabis and to offer a variety of treatment and awareness raising programs in 2007. Research on cannabis consumption by juveniles was conducted in 2007.

Law Enforcement Efforts. Counternarcotics law enforcement remains a high priority for the BKA and the Federal Office of Customs Investigation (ZKA). German law enforcement agencies scored numerous successes in seizing illicit narcotics and arresting suspected drug dealers. According to the most recent publicized analyses, the overall amount of seized narcotics increased in 2006 compared to 2005, but the number of narcotics-related seizures remained about the same. In 2006, the three largest singular seizures of hashish and the largest seizure of cocaine in the last three

years occurred. In 2006, the number of heroin seizures remained about the same compared to 2005, but the amount increased by 12 percent (879 kg). Cocaine seizures increased significantly in 2006, namely by 59 percent compared to 2005. With regard to amphetamine and methamphetamine, increases in seizures and amounts were registered in 2006. Seizures in Ecstasy continued to decrease in 2006. The amount of seized cannabis increased by 29 percent in 2006 compared to 2005. The majority of narcotics traffickers are German nationals, followed by Turkish nationals. The Frankfurt/Main Airport Customs Office seized 490 kg of illicit drugs in the first half of 2007, compared to 618 kg in the first half of 2006. The Frankfurt/Main Airport is Europe's second busiest passenger airport and a major freight hub. Peru, Brazil, India, Venezuela and Argentina were the most frequent countries of prior transit for the illicit drugs seized in the first half of 2007.

Corruption. As a matter of government policy, Germany does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. No cases of official corruption have come to the USG's attention.

Agreements and Treaties. A 1978 extradition treaty and a 1986 supplemental extradition treaty are in force between the U.S. and Germany, and an MLAT will enter into force upon exchange of instruments of ratification. There is a Customs Mutual Legal Assistance Agreement (CMAA) between the U.S. and Germany. In addition, Germany is party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Germany is a party to the UN Convention against Transnational Organized Crime and its protocols on migrant smuggling and trafficking in persons. Germany has signed but has not yet ratified the UN Corruption Convention.

Cultivation and Production. Germany is not a significant producer of hashish or marijuana. The BKA statistics reported seizure of seven synthetic drug labs in Germany in 2006.

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

Domestic Programs/Demand Reduction. The Federal Ministry of Health continues to be the lead agency in developing, coordinating, and implementing Germany's drug policies and programs. The National Drug Commissioner at the Federal Ministry of Health coordinates Germany's national drug policy. Drug consumption is treated as a health and social issue. Policies stress prevention through education. The Ministry funds numerous research and prevention programs. Addiction therapy programs focus on drug-free treatment, psychological counseling, and substitution therapy. A heroin-based maintenance treatment research project to treat seriously ill, long-term opiate addicts was largely completed in 2005. The study found this treatment to be a very effective program for seriously ill, long-term addicts. A number of cities are continuing the treatment for project participants with special approval of the federal government. This project has triggered a debate whether to create a legal basis to allow such treatments in general. In 2006, there were approximately 23 medically controlled "drug consumption rooms" in Germany supplementing therapy programs to offer survival aid. German federal law requires that personnel at these sites provide medical counseling and other professional help and ensure that no crimes are committed. Evaluations of these programs are conducted regularly. Drug-related deaths have been decreasing for several years. In 2006, they dropped from by 2.3 percent compared to 2005, making 2006 the year with the lowest number of drug-related deaths (1,296) since 1989. 19,319 first-time users of illicit drugs were registered in 2006, a decrease by 3.4 percent compared to 2005. First-time use of

Ecstasy, heroin, cocaine, and crack decreased in 2006, while the first-time use of methamphetamine and amphetamine increased.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. German law enforcement agencies work closely and effectively with their U.S. counterparts in narcotics-related cases. Close cooperation to curb drug trafficking continues among DEA, FBI, ICE (Immigration and Customs Enforcement) and their German counterparts, including the BKA, the State Offices for Criminal Investigation (LKAs), and the Federal Office of Customs Investigation-ZKA. German agencies routinely cooperate very closely with their U.S. counterparts in joint investigations to stop the diversion of chemical precursors for illegal purposes (e.g., Operations Crystal Flow and Operation Prism). A DEA Diversion Investigator is assigned to the BKA headquarters in Wiesbaden to facilitate cooperation and joint investigations. The DEA Frankfurt Country Office facilitates information exchanges and operational support between German and U.S. drug enforcement agencies. The BKA and DEA also participate in exchange programs to compare samples of cocaine and MDMA pills.

The Road Ahead. The U.S. will continue its close cooperation with Germany on all bilateral and international counternarcotics fronts, including the Dublin Group, a group of countries that coordinates the provision of counternarcotics assistance, and the United Nations Office on Drugs and Crime (UNODC).

Greece

I. Summary

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

II. Status of Country

With an extensive coastline border, numerous islands, and land borders with other countries through which drugs can be transported, Greece’s geography has established it as a favored drug transshipment country on the route to Western Europe. Greece is also home to the world’s largest merchant marine fleet. It is estimated that Greek firms own one out of every six cargo vessels and control 20-25 percent of cargo shipments worldwide. The utilization of cargo vessels is the cheapest, fastest and most secure method to transport multi-ton quantities of cocaine from South America to distribution centers in Europe and the United States. Greece is not a significant source country for illicit drug production, and in general, the marijuana produced is usually destined for the domestic market. However, in late November 2007, a high profile police action in a small town on the island of Crete uncovered an organization selling locally grown marijuana and hashish to coffee houses in Amsterdam. Hellenic authorities also recently arrested an individual who was mailing anabolic steroids, which were later found to have originated in Russia, from Greece to the United States. (Use of anabolic steroids is legal in Greece, but it is illegal to ship them to countries where they are categorized as a controlled substance.) The investigation is ongoing.

III. Country Actions Against Drugs in 2007

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

Law Enforcement Efforts. Several notable joint U.S./Hellenic counternarcotics investigations occurred during 2007 with significant arrests and seizures. Drug trafficking organizations in the Balkan region, including Greece, usually transport southwest Asian (SWA) heroin from the Middle East and Turkey to Western Europe. Recent investigations and trends indicate more frequent cocaine seizures by Hellenic authorities.

During May 2007, Hellenic authorities seized 25 kilograms of cocaine hidden under coal contained in a maritime container. This shipment originated in South America.

During June 2007, the Athens Country Office and Hellenic Authorities concluded a ten-month investigation of a large-scale international cocaine trafficking organization. Five individuals were arrested after the seizure of 26 kilograms of cocaine and the discovery of a clandestine cocaine laboratory. This investigation confirmed DEA intelligence that international drug trafficking organizations are now shipping cocaine base to clandestine laboratory locations in Europe where it is converted into cocaine hydrochloride.

On July 12, 2007, the Hellenic Coast Guard (HCG), in cooperation with the Hellenic Customs Service (HCS), seized 52 kilograms of cocaine from a ship near Patras, Greece. The cocaine was secreted within two (2) boxes of bananas and originated in Ecuador.

On July 24, 2007, the Special Control Service, (YPEE) seized 19.6 kilograms of cocaine hidden within a container of sugar sent from Bolivia via Greece with an ultimate destination of Albania. The cocaine was found located inside the wooden pallets used to transport sacks of sugar.

On November 11, 2007, YPEE seized approximately 80 kilograms of cocaine that was hidden inside the doors and the frame of the container which had originated in Ecuador. A few months earlier, this organization had shipped 80 kilograms of cocaine via this method which was seized in Croatia.

Corruption. Officers and representatives of Greece's law enforcement agencies are generally under-trained, underpaid, under-appreciated, and overworked. According to numerous press reports, corruption in law enforcement is not uncommon. Transparency International's corruption rating of Greece places it in the lowest ranks of European Union member states. Prime Minister Karamanlis has made anti-corruption a key element of his party's program, and the government has taken steps to implement anti-corruption measures.

As a matter of government policy, Greece neither encourages nor facilitates illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances or the laundering of proceeds from illegal drug transactions. No known senior official of the GOG engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

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

Cultivation/Production. Cannabis is the only illicit drug produced in Greece, with the single exception of a clandestine cocaine laboratory discovered in July. Cannabis is cultivated in relatively small amounts and apparently intended for local consumption. However as cited above, it was discovered in November that an organization on Crete was selling marijuana and hashish for a number of years in parts of Western Europe.

Drug Flow/Transit. Greece is part of the "Balkan Route" and as such is a transshipment country for Southwest Asian heroin, coming primarily from Afghanistan via Turkey, hashish and marijuana coming predominantly from the Middle East and Africa. Metric ton quantities of marijuana and smaller quantities of other drugs (principally synthetic drugs) moving east are smuggled across the borders from Albania, Bulgaria, and the Republic of Macedonia. Hashish is off-loaded in remote

areas of the country and transported to Western Europe by boat or overland. Larger shipments are smuggled into Greece in shipping containers, on bonded Trans-International Routier (“TIR”) trucks, in automobiles, on trains, and in buses. Some Southwest Asian heroin is smuggled into the United States but there is no evidence that significant amounts of narcotics are entering the United States from Greece. There also has been some suggestion that Turkish-refined heroin is traded for Latin American cocaine, however to date there is no proof.

Domestic Programs (Demand Reduction). Drug addiction continues to climb in Greece. According to the National Documentation Center for Narcotics and Addiction run by the Mental Health Research Institute of the Medical School of the University of Athens, 9.1 percent of the Greek population between 12 and 64 years of age report that they have used an illegal substance one or more times in their life. The most commonly used substances are chemical solvents, marijuana, and heroin. There has been a surge in the illegal use of tranquilizers and, to a lesser extent, Ecstasy pills, that reflects developments in the growing European synthetic drug market. The GOG estimates that there are between 20,000 and 30,000 addicts in Greece of whom about 19,000 are addicted to heroin, of whom 9,500 use injecting heroin, with the addict population growing. Recent enforcement trends indicate a rise in the distribution and use of cocaine within Greece and in Europe in general. Cocaine use has tripled in Europe over the past decade.

The Organization Against Narcotics (OKANA) is the state agency that coordinates all national drug treatment policy in Greece. It has 55 therapeutic rehabilitation centers, of which 33 offer “drug free” programs, seven offer methadone substitution programs, and 10 offer buprenorphine substitution programs. The average number of addicts treated in 2005 was 4,248, and the total number of those who received therapeutic treatment was slightly less than 6,000. OKANA has 69 prevention centers in 48 of the 52 regions in Greece, and treated 3,275 addicts in “drug free” therapeutic programs in 200 and 597 in substitution programs. 3,257 persons were registered in waiting lists for substitution programs. OKANA plans to extend its program to other regions and to open it to more addicts, but its plans are threatened by strong local reactions against the establishment of such treatment centers. In June 2005, the Mayor of Athens, in collaboration with the national broadcasting organization and the drug rehabilitation organization KETHEA, opened four narcotics prevention centers in Athens. The centers offer prevention, support and awareness services, and refer addicts to rehabilitation/detoxification centers in Greece.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. DEA officers work with the Greek police to support coordination of regional counternarcotics efforts. As reported above, in June 2007, DEA officers and the Greek police closely coordinated a ten-month investigation of a large-scale international cocaine trafficking organization resulting in the arrest of five individuals and the seizure of 26 kilograms of cocaine along with the discovery of a clandestine cocaine laboratory. In March, DEA and Greek Police attended a seminar sponsored by the U.S. Consulate General in Thessaloniki Greece designed to promote cross-border cooperation in regional anti-smuggling efforts.

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

Hungary

I. Summary

Hungary continues to be a primary narcotics transit country between Southwest Asia and Western Europe due to its combination of geographic location, a modern transportation system, and the unsettled political and social climate in the neighboring countries of the former Yugoslavia. Since the collapse of communism in Europe, Hungary has become a significant consumer of narcotics as well. Drug abuse, particularly among persons under 40 years of age, rose dramatically during the nineties and continues to increase. The illicit drugs of choice in Hungary are heroin, marijuana, amphetamines, and Ecstasy (MDMA). Although the abuse of opium-poppy straw, barbiturates and prescription drugs containing benzodiazepine is growing, their share in total drug abuse is declining. In the lead up to its accession to the European Union in May 2004, Hungary adopted and amended much of its narcotics-related legislation to ensure harmonization with relevant EU narcotics law. Since 2004, the Ministry of Social Affairs and Labor has been the lead ministry in all matters related to narcotics issues. Hungary continues to expand the collection and reporting efforts of its National Narcotics Data Collection Center. The Center was established in February 2004 to report valid, comparable and reliable data on drug abuse trends to the European Monitoring Center for Drugs and Drug Addiction. Hungary met Schengen Standards for border control and joined the Schengen area on December 21, 2007. Hungary is a party to the 1988 UN Drug Convention.

II. Status of Country

Hungary continues to be a primary transit route for illegal narcotic smuggling from Southwest Asia and the Balkans into Western Europe. Traditional routes in the Balkans that had been disrupted due to instability in the former Republic of Yugoslavia are again being utilized to transport narcotics. Hungarian Ministry of Justice and Law Enforcement and Border Guard officials reported narcotics smuggling to be especially active across the Ukrainian, Romanian and Serbian borders. Foreign organized crime, particularly from Albania, Turkey, and Nigeria, controls the transit and sale of narcotics in Hungary. Concurrently, Hungarian drug suppliers and criminal networks are getting stronger as well and involve an increasing number of immigrants and ethnic minorities in the transport, sale, and distribution of narcotics. Officials report the increasing seriousness of Hungary's domestic drug problem, particularly among teens and those in their twenties.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Legislation passed in spring 2007 enabled law enforcement to streamline its process in charging an individual for possessing drugs for commercial use when the amount seized is over a certain threshold. There is an individual threshold set for each situation depending on the drug seized and the circumstances of the individual at the time of arrest. The Drug Prevention Coordination Committee, created in 1998, facilitates the implementation of the country's national counternarcotics strategy and coordinates among different ministries and national authorities to combat drug abuse. A National Narcotics Data Collection Center (NDCC), established in 2004, in the National Epidemiological Center of the National Public Health Network, is charged with the compilation of an annual report of data for the European Monitoring Center for Drugs and Drug Addiction. The National Drug Prevention Institute (NDPI) was set up in 2000 to provide technical and financial support for drug action teams in cities with populations over 20,000. The NDPI encourages the creation of local fora composed of officials of local government institutions, law enforcement agencies, schools and non-governmental organizations to create local drug strategies customized for local needs. The GOH has employed programs for combating drug use at schools since 1992, however, given the shortage of police trainers and funding, there continue to be

problems with increasing drug dealing at schools. Research findings from the NDCC as well as the Ministry of Social Affairs and Labor indicate that the rate of experimentation and use of narcotics is steadily increasing. One in five youth have tried marijuana; one-third of these are under the age of fourteen. The drugs of choice for youth are marijuana, Ecstasy, and to a lesser extent LSD.

Law Enforcement Efforts. Hungary met Schengen standards for border control by the end of December 2007, and joined the Schengen area. The Hungarian Border Guards were merged with the Hungarian National Police and greater cooperation, information sharing, and efficiency in border interdiction is expected. Preliminary data indicate that seizures of Ecstasy and cocaine continued to increase between 2006 and 2007. Accession to the European Union (EU) provided Hungarian border guards and national police forces with greater access to modern electronic detection equipment provided by the European Union to certain high-threat border posts. This equipment was initially installed in 2003, and has continued to result in improved border interdiction of all types of contraband. Expanded investigative authorities and cooperation between the Hungarian border guards and the Hungarian national police, coupled with investigative agreements with neighboring countries, have also played a significant role in increasing Hungary's ability to interdict shipments of narcotics. Despite these successes, Hungary continues to be a significant transshipment point for narcotics destined for, and sent from, Western Europe. The Hungarian Ministry of Finance and the national headquarters of the Customs and Finance Guard supported anti-narcotics and anti-smuggling activities as well. These groups jointly planned and staged actions related to crime and border security that were specifically designed to prevent drug trafficking and a wide range of illicit transit and smuggling activities.

In connection with Hungary's accession to the European Union, the Hungarian Ministry of Interior had prepared a unified drug interdiction strategy for the Hungarian National Police and Border Guards for the Period 2005-2012 in line with the requirements of the EU drug strategy. The stated goals of this strategy are to guarantee the security of society, combat the illegal production and smuggling of drugs and precursors, facilitate joint actions with the EU member countries, as well as combat production, trading and consumption of synthetic drugs.

According to the Ministry of Social Affairs and Labor, the number of criminal drug cases has continued to increase. Much of the increase is attributed to the transition from penalty-based court and social systems to treatment-based court and social systems, which are alleged to have eliminated negative individual consequences for drug use. The cooperation between the Hungarian National Police (HNP) and the U.S. Drug Enforcement Administration (DEA) Office in Vienna, Austria, has slowly improved. Number and quantity of seizures by the Police and Customs of illicit drugs for 2006, as reported by the Institute for Forensic Sciences, are below:

| Illicit Drug | Seizures | Quantity |
|-------------------------|----------|----------|
| Herbal cannabis (kg) | 1540 | 266.5 |
| Cannabis plant (pieces) | 50 | 3529 |
| Cannabis resin (kg) | 67 | 3.0 |
| Heroin (kg) | 144 | 131.1 |
| Cocaine (kg) | 113 | 7.3 |

| | | |
|----------------------|-----|---------|
| Amphetamines (kg) | 368 | 21.81 |
| Methamphetamine (kg) | 11 | 0.013 |
| Ecstasy (tablet) | 145 | 13,8278 |
| LSD (dose) | 13 | 2148 |

Corruption. As a matter of government policy, Hungary does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. No cases of official corruption have come to the USG's attention. The Hungarian Government aggressively enforces its narcotics-related laws. In addition, it takes administrative steps (e.g., the regular re-posting of border guards) to reduce the temptation for corruption whenever it can. On the other hand, it is difficult to assess accurately the scope and success of Hungarian efforts to combat corruption, when the GOH treats corruption-related information and prosecutions as classified national security information.

Agreements and Treaties. Hungary is party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. A mutual legal assistance and an extradition treaty between the U.S. and Hungarian Governments have been in force since 1997. These agreements have paved the way for closer cooperation between U.S. and Hungarian law enforcement agencies. In addition, in December 2006 the Hungarian National Assembly ratified the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. The United States and Hungary have a bi-lateral extradition treaty and mutual legal assistance treaty in effect. Hungary is a party to the UN Corruption Convention.

Cultivation/Production. GOH authorities report that marijuana is cultivated in western Hungary with seeds being transported in from Slovakia; Ecstasy and LSD may also be manufactured locally, however, to date no production laboratories have been discovered. All other illegal narcotics are smuggled into Hungary, not produced in Hungary.

Drug Flow/Transit. The Hungarian National Police report that synthetics are transported into Hungary from newly established labs in Serbia. They also report that the source of synthetics and cocaine is the Netherlands and of heroin Turkey and Albania via Romania. Long-term resident Albanians, Turks and Nigerians are involved in trafficking. Budapest's Ferihegy International Airport continues to be an important stop for cocaine transit from South America to Europe. Synthetic drugs such as Ecstasy are transported into Hungary, frequently via car from the Netherlands and other Western European countries.

Domestic Programs/Demand Reduction. Hungarian ministry officials report the drug abuse is significantly higher among youth between the ages of 12-25 and truly addicted drug abusers are more commonly found in the 25-34 age group. The majority of addicted drug abusers are male, with an average age of 25 years, and use amphetamines, heroin, or Ecstasy. Drug prevention programs are taught to teachers as part of the normal teacher education training. Public schools in Hungary include several drug prevention and health promotion programs in their normal education program. The life skills program is the largest of the counternarcotics programs and was developed in the early nineties with INL assistance through USIA. Through 2005, the fifteen year program has trained nearly 12,000 teachers and educators. Community-based prevention efforts are primarily focused on the teen/twenties age group and provide information about the dangers of

substance abuse while emphasizing active and productive lifestyles as a way of limiting exposure to drugs.

There are approximately 230 healthcare institutions that care for drug patients in Hungary. The Ministry of Health continues to establish and fund drug outpatient clinics in regions where such institutes are not yet available. The 2003 amendment to Hungarian counternarcotics legislation was designed to shift the focus of criminal investigations from consumers to dealers. Before this amendment was enacted, Hungarian civil rights advocates claimed that the Hungarian narcotics law, among the toughest on users in Europe, subjected even casual users to stiff criminal penalties, while addicts were often exempted from prosecution. The 2003 amendment called the “diversion program” allowed police, prosecutors, and judges to place drug users in a 6-month government-funded treatment program or mandate participation in a counseling program instead of prison. Drug addicts are encouraged to attend treatment centers while casual users are directed to prevention and education programs. The amendment also provided judges with more alternatives and flexibility when sentencing drug users.

Due to the continued increase in the rate of drug use as well as drug-related crime in Hungary, the GOH has become dissatisfied with the results of the treatment-focused deterrence system and is currently considering a return to the punishment-based deterrence system. As a result, the constitutional court has begun to scale back treatment programs in its sentencing guidelines and focus again on prison sentences. However, the State Secretary for Drug Affairs has reconfirmed the GOH commitment to maintaining treatment programs, as an alternative to simple prison time for drug abusers. The number and proportion of drug users (including abusers of pharmaceuticals and inhalants) treated based on institution type in 2006 as reported by the Ministry of Health is below:

| Institution Type | All Patients: Number/% | New Patients: Number/% |
|---|-----------------------------------|-----------------------------------|
| Addiction treatment centers | 3,557/22.98 | 1,247/21.98 |
| Specialized outpatient treatment centers | 6,505/42.02 | 2,856/50.34 |
| Child and youth psychiatric care centers | 32/0.21 | 20/0.35 |
| Psychiatric care centers | 415/2.68 | 246/4.34 |
| Psychiatric & addiction-treatment inpatient departments | 4,971/32.11 | 1,304/22.99 |
| Total | 15,480/100.0 | 5,673/100.0 |

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The primary USG focus in support of the GOH counternarcotics efforts is through training and cooperative education at the International Law Enforcement Academy (ILEA). In addition, the U.S. DEA maintains a regional office in Vienna, Austria, that is accredited to Hungary to work with local and national Hungarian authorities. Health professionals in Budapest continue to benefit from training received in 2003 from doctors from the University of California, San Diego, who provided instruction to 200 drug treatment professionals in Budapest who continue

to provide advice and assistance to hospitals and clinics throughout Hungary to acquaint other medical professionals with American experiences in the field of diagnosis and treatment of drug addict offenders within the criminal justice system.

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

Iceland

I. Summary

Icelandic authorities do not have to confront significant levels of drug production or transit. Their focus is thus on stopping importation and punishing distribution and sale, with a lesser emphasis on prosecuting for possession and use. Overall seizures and narcotics offenses declined slightly during 2007, though authorities made record-setting seizures of amphetamines (24 kg) cocaine (3.7 kg) and ephedrine (220,000 tablets). Along with the government, secular and faith-based charities organize abuse prevention projects and run respected detoxification and treatment centers. Iceland is a party to the 1988 UN Drug Convention.

II. Status of Country

Illegal drugs and precursor chemicals are not produced in significant quantities in Iceland. The harsh climate and lack of arable soil make the outdoor cultivation of drug crops almost impossible. Icelandic authorities believe that the production of drugs, to the extent it exists, is limited to marijuana plants—now grown in quantities adequate to satisfy virtually all domestic demand—and the occasional small-time amphetamine laboratory. Most illegal drugs in Iceland are smuggled in through the mail, inside commercial containers, or by airline and ferry passengers. The chief illicit drugs entering Iceland, mainly from Denmark, are cannabis and amphetamines, with the latter becoming increasingly common during recent years as part of a trend of stimulant drug use that also involved heightened levels of cocaine in circulation. According to authorities there were 97 cases of importation of drugs and precursors in 2007 (latest available National Commissioner of Police figures through December 27). Icelandic officials raised concerns during the year that drug smuggling into Iceland could be tied to eastern European and Baltic organized crime groups, and said publicly that investigation and interdiction efforts were being redirected accordingly. Results of the first Youth in Europe – Drug Prevention Program study on prevention efforts demonstrated that controlled substance use is less widespread among Icelandic adolescents compared to adolescents in nine European cities that also participate in the program.

III. Country Actions Against Drugs in 2007

Policy Initiatives. The Public Health Institute of Iceland, established in 2003, is responsible for alcohol and drug abuse prevention programs on behalf of the government. Programs are funded through an alcohol tax, with allocations overseen by the independent national Alcohol and Drug Abuse Prevention Council (ADAPC). The institute collects data; disseminates information on use of intoxicants; supports health improvement projects; and funds and advises local governments and non-governmental organizations working primarily in prevention. During the year it made grants worth roughly \$940,000 to a total of 63 groups and projects across the country. The institute is part of the Nordic Council for Alcohol and Drug Research, which promotes and encourages a joint Nordic research effort on drug and alcohol abuse. Authorities have documented a substantial upward trend in narcotics violations over the past several years (from 1816 in 2005, to 2098 in 2006, and 1842 as of December 27, 2007). While one explanation may be escalating drug use, another is a 2002 National Commissioner of Police decision to increase enforcement against possession. Police nationwide have intensified surveillance in public places and initiated searches of suspicious individuals, while also improving interdiction training for border police and customs officials.

The Youth in Europe – Drug Prevention Program that is based on the conclusions of an Icelandic research program on drug prevention expanded to a total of 15 cities this year. The Icelandic

program, Drug Free Iceland 1997-2002, was launched by the City of Reykjavik and resulted in a substantial reduction in teen drug use between 1998 and 2004. The European program, Youth in Europe, has been based on key results from the Icelandic project and emphasizes the importance of organized leisure activities, as well as time spent with parents, as the Icelandic study showed that these reduced the likelihood of drug use. The program is sponsored by the pharmaceutical company Actavis Group, headquartered in Iceland, and is administered and coordinated by the City of Reykjavik, the University of Iceland, and Reykjavik University.

Law Enforcement Efforts. In 2007, KEF authorities made 54 seizures compared to a total of 49 in 2006. Nationwide drug seizure highlights include:

-- In January, Reykjavik Metropolitan police arrested a man and confiscated between 300 and 400 cannabis plants.

-- In February, police arrested a couple that was driving a car in northern Iceland on charges of possessing roughly 700 grams of hashish.

-- In February, Reykjavik Metropolitan police arrested a man and seized roughly 30,000 steroid tablets and ampules in his home and elsewhere.

-- In February, Icelandic Customs seized the largest ever attempted shipment of smuggled ephedrine tablets, 220,000 tablets.

-- In February, KEF police arrested two women with 680 grams of cocaine hidden both internally and on their person.

-- In February, Reykjavik Metropolitan police arrested a man and confiscated 3.7 kg of cocaine from a recently imported car that he had just taken delivery of. This is the largest seizure of cocaine ever in Iceland. Police arrested three more individuals in connection with the case.

-- In March, Reykjavik Metropolitan police arrested a man in his home and confiscated 700 grams of hashish and 50 MDMA tablets.

-- In April, customs officials stopped a Dutch couple arriving at KEF and confiscated 1.1 kg of cocaine that they had hidden on their person, and internally.

-- In April, Sudurnes police arrested a man with approximately 700 doses of LSD in his possession.

-- In June, KEF police arrested a man for smuggling 2 kg of cocaine in his luggage.

-- In August, KEF police arrested a 16-year-old girl and a 28-year-old man for importing 500 grams of cocaine that they had concealed internally.

-- In September, Reykjavik Metropolitan police confiscated 1.8 liters of liquid cocaine, the equivalent of 600 grams of powder cocaine, which came in an express delivery from the United States.

-- In September, a major police operation led to a confiscation of 40 kg of narcotics, the largest quantity ever in a single seizure: 24 kg of amphetamines (also a record), 14 kg of Ecstasy tablet powder, and 1,800 Ecstasy tablets. SWAT Police, the Icelandic Coast Guard, and members of the Narcotics Department of the Reykjavik Metropolitan police stormed a sail boat docked at a harbor in a small town in eastern Iceland where they made the seizure. The operation was a cooperative effort between the Icelandic police and Europol. The investigation extended to other parts of the country and the European mainland. Police arrested five Icelanders in connection with the case.

-- In November, Keflavik Customs seized 5 kg of amphetamines and approximately 500 g of cocaine in an express delivery from Germany. This is the largest confiscation of hard drugs ever found in an express delivery to Iceland.

-- In December, KEF police arrested a German man for importing 23,000 Ecstasy pills in his luggage. This is the largest seizure of Ecstasy pills where Iceland is the destination country.

During the year, police seized nearly 8 kg of hashish, 32 kg of amphetamines, 6 kg of cocaine, 1.8 kg of liquid cocaine, 1,700 units of LSD, 25,927 Ecstasy pills, 14 kg of powder for Ecstasy production, and confiscated approximately 1,118 cannabis plants (latest available National Commissioner of Police figures). In 2007, KEF authorities seized a total of 23,410 Ecstasy pills, 350 g of hashish, 5.7 kg of cocaine, and 5.3 kg of amphetamines.

The National Police Commissioner and the Sudurnes (formerly Keflavik Airport) Police Commissioner have expressed concern about attempts at infiltration into Iceland by Eastern European gangs and criminals from the Baltic States. In the past, police have cooperated with Nordic officials to prevent the entry of biker gang members suspected of attempting to expand their criminal operations to Iceland. In November police and border guards prevented the entry of eight members of Hell's Angels, who came to Iceland to celebrate the eleventh anniversary of Fafnir, an Icelandic biker gang. Customs and police deployed drug-sniffing dogs to popular outdoor festivals on a holiday weekend in early August to deal with drug distribution among attending youths.

Corruption. There were no reports of narcotics-related public corruption in Iceland. The country does not, as a matter of government policy, encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior official of the government is known to engage in, encourage, or facilitate the illicit production or distribution of such drugs or substances, or to be involved in the laundering of proceeds from illegal drug transactions. In May, a former guard at Iceland's main prison, Litla-Hraun, was given a six month-suspended sentence for attempting to smuggle hashish and amphetamines into the prison for sale to inmates in 2006, and money laundering on the job as a public official. The guard, a temporary summer hire, admitted to having made eight attempts at smuggling drugs into the prison.

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

Drug Flow/Transit. Authorities consider Iceland a destination country for narcotics smuggling rather than a transit point.

Domestic Programs/Demand Reduction. Heroin abuse is virtually unknown in Iceland. Cannabis is the prevalent drug among persons under 20, while older addicts are partial to injecting morphine. Ecstasy, cocaine (but not crack cocaine), and particularly amphetamines are popular on the capital region's weekend club scene. Most alcohol and drug abuse treatment is taken on by SAA, the National Center of Addiction Medicine. Individuals with less acute problems may turn to Samhjalp, a Christian charity that uses faith-based approaches to treating addiction, and Gotusmidjan, a treatment center for individuals, 15-20 years old, is operated in conjunction with the Government Agency for Child Protection. SAA was founded in 1977 by a group of recovered addicts who wished to replicate the rehabilitation services they had received at the Freeport Hospital in New York. SAA now receives roughly two thirds of its annual budget from the government and makes detoxification and inpatient treatments available free to Icelandic citizens. While there can be waiting lists for long-term addicts, especially men, there is no wait for teenagers. SAA's main treatment center estimate for the number of admitted patients in 2007 is around 2,300. The National Hospital annually admits some 300 drug addicts (often those with complicating psychiatric illnesses).

The Directorate of Customs continued with its national drug education program, developed in 1999 and formalized in an agreement with the national (Lutheran) church in 2003, in which an officer accompanied by a narcotics sniffing dog informs students participating in confirmation classes about the harmful effects of drugs and Iceland's fight against drug smuggling. Parents are invited to the meetings in order to encourage a joint parent-child effort against drug abuse. The Directorate of Customs and the national church launched an educational website in February, which expounds the message of the program, including drug awareness, information about the Directorate of Customs, and healthy living.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. DEA has enjoyed good relations with Icelandic law enforcement authorities on information exchanges.

The Road Ahead. The DEA office in Copenhagen and the Regional Security Office in Reykjavik have developed good contacts in Icelandic law enforcement circles for the purpose of cooperating on narcotics investigations and interdiction of shipments. In the past year the Embassy's Regional Security Office has facilitated contacts between U.S. law enforcement agencies and Icelandic authorities on implementing advanced screening techniques, scrutinizing identity documents, and developing intelligence on traffickers. The USG's goal is to maintain the good bilateral law enforcement relationship that up to now has facilitated the exchange of intelligence and cooperation on controlled deliveries and other areas of mutual concern. The USG will continue efforts to strengthen exchange and training programs in the context of its ongoing effort to improve law enforcement, homeland security, and counterterrorism ties with Iceland.

Ireland

I. Summary

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

II. Status of Country

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

III. Country Actions Against Drugs in 2007

Policy Initiatives. The GOI continued to implement the National Drug Strategy for 2001-2008. Its goal is to “to significantly reduce the harm caused to individuals and society by the misuse of drugs through a concerted focus on supply reduction, prevention, treatment and research.” Since the 2003 launch of a National Awareness Campaign on Drugs, substance abuse programs have become part of every school curriculum in the country. The campaigns feature television and radio advertising, and lectures by police, supported by an information brochure and website, all designed to promote greater awareness of and communication about drug issues. Regional Drug Task Forces (RDTF), set up to examine narcotics issues in local areas, were operational throughout the country.

In March 2007, the Minister for Community, Rural, and Gaeltacht Affairs announced a 16 percent increase in funding to tackle drug misuse. The increased funding enables a doubling of the amount available for the roll-out of action plans of the RDTFs, the implementation of 67 projects in Local Drugs Task Force areas, and the implementation of initiatives under the Young People's Facilities and Services Fund. The National Advisory Committee on Drugs (NACD) and the National Drug Strategy Team (NDST) published a Cocaine Briefing Paper in March. It contained 13 recommendations which are being followed up with the appropriate Government Departments and Agencies and monitored through the Inter-Departmental Group on Drugs (IDG). The Criminal Justice Act 2007 was signed into law on May 10. The Act contains a number of changes to the criminal justice system, including increased Garda detention powers, changes to existing provisions in relation to the right to silence, and the introduction of mandatory sentencing for a range of drug related offences. A Program for Government, agreed by Government parties on June 12, committed the GOI to implementation of the recommendations of the Working Group on Drugs Rehabilitation, including providing extra detox beds and dedicated community employment places. Two cocaine-specific treatment centers will be established and several approved pilot cocaine projects will be supported. The Government will support the development of projects by local and regional Drugs Task Forces and targeted Garda counternarcotics use programs in schools and third-

level institutions, and will continue to use the Young People’s Facilities and Services Fund to assist in the development of youth facilities and services in disadvantaged areas. In October, the Minister for Justice, Equality and Law Reform announced that Ireland is one of seven countries participating in a new Portugal-based Maritime Analysis and Operations Centre-Narcotics (MAOC-N) to monitor drug trafficking in the Atlantic Ocean. The Centre will focus primarily on transatlantic drug smuggling routes from Latin America and increasingly from Africa. In November, the Minister for Justice, Equality and Law Reform, published the Policing Priorities for the Irish Police for 2008. The top priority is to tackle gun crime, organized crime and drugs.

Accomplishments. Prosecutions increased in 2006, the majority of which were for drug possession, which has risen steadily since 2003, and accounted for 73.2 percent of the total drug offences prosecuted in 2006. The number of simple possession offences increased from 7,432 in 2005 to 8,556 in 2006. The number of supply offences leading to a prosecution in 2006 was 2,525, representing 21.6 percent of the total number of offences prosecuted. The Irish Police continued to cooperate closely with other national police forces. In October, Irish Police arrested three men for their part in an international drug-dealing network which involved the importation of cocaine from South America via the postal system, following information from Belgian authorities.

Law Enforcement Efforts. Although official statistics are not yet available for 2007, the Irish Police confirmed that drug-related arrests remained roughly constant over the previous three years. There are normally 7,000-8,000 arrests annually, including the approximately 450 arrests made by the Garda National Drug Unit (GNDU) each year. The GNDU’s arrests tend to include most of the large seizures, but local police also have had success. For example, the Irish Police and the Irish Customs Service seized 1,525 kilograms of cocaine (valued at Euro 105 million, the largest ever seizure in the State) off the coast of Cork on July 2. The seizure followed the capsizing of a rigid inflatable boat. Police believe that the UK was the intended destination for the shipment. Six arrests (five British nationals and a Lithuanian national) were made in relation to this ill-fated smuggling operation. The six are to be tried in 2008. The drugs originated in South America and had been transported via the Caribbean through Spain on the U.S. flagged catamaran “Lucky Day.”

Police sources said, contrary to widely-held perceptions, the value of cocaine seizures decreased in 2006 while the value of heroin seized increased fourfold to almost Euro 26 million. Sources said the rise in the amount of heroin being offered for sale was directly related to the large opium crops in Afghanistan.

A breakdown of the type and quantity of drugs seized by police in 2006 follows.

Garda Seizures Of Main Drugs 2006

Source: Garda Annual Report 2006

| Type of drug | Quantity | Cases |
|----------------------|---|-------|
| Cannabis | 289,292 grams | 511 |
| Cannabis Resin | 6,951,803 grams | 3,300 |
| Cannabis Plants | 606 plants | 42 |
| Heroin (Diamorphine) | 128,097 grams | 1,115 |
| Ecstasy MDMA | 146,013 tablets, 106 grams, 1,500 milliliters | 769 |
| Ecstasy MDEA | 9 tablets | 2 |

| Type of drug | Quantity | Cases |
|--------------------------|---|-------|
| Ketamine | 21 grams | 5 |
| Amphetamines | 37,922 grams 6,399 tablets | 236 |
| Cocaine | 190,193 grams | 1,324 |
| Diazepam | 35,500 tablets, 4 grams | 129 |
| Flunitrazepam (Rohypnol) | 197 tablets | 8 |
| Flurazepam | 417 capsules | 22 |
| Temazepam | 9 tablets | 6 |
| Alprazolam | 91 tablets | 10 |
| Methadone | 2,336 milliliters | 23 |
| Dihydrocodeine | 339 tablets | 8 |
| Ephedrine | 106 tablets, 6 capsules, 1375 milliliters | 4 |
| Methylamphetamine | 136 grams | 20 |
| Dimethyltryptamine | 2,000 milliliters, 37 grams | 4 |
| LSD | 1,528 units | 1 |

In January, officers from the Garda National Drugs Unit arrested a man and seized Ecstasy tablets worth Euro 1.8 million in Dublin. In February, a man was arrested after the seizure of cannabis worth Euro 1.2 million in Dublin. Two men were arrested in May, after six kilograms of heroin with a potential street value of Euro 1.2 million was seized in Dublin. In June, police seized 10 kilograms of cocaine and 420 kilograms of cannabis with an estimated street value of Euro 3.5 million after a raid in a west Dublin industrial estate. In August, 1.1 MT of cannabis (valued at Euro 13 million) was discovered by customs officials in Dublin Port on board a freight consignment from South Africa. Also in August, Police seized cocaine valued at almost Euro 1 million and arrested one man in Co. Louth. Also in August, two men were arrested when cannabis, heroin, cocaine, and Ecstasy, estimated to be worth Euro 6 million, were found in Dublin after a major planned search operation by Police. In October, members of the Special Detective Unit (SDU) seized over eight kilograms of heroin, with an estimated street value of Euro 2 million in Dublin. Also in October, Police seized 200 kilograms of cannabis worth an estimated Euro 1.5 million during raids in Dublin.

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

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

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

Drug Flow/Transit. Among drug abusers in Ireland, cocaine, cannabis, amphetamines, Ecstasy (MDMA), and heroin are the drugs of choice. A Council of Europe report on organized crime, published in January 2005, reported that Ireland had the highest rate of Ecstasy and amphetamine use in Europe and the second highest rate of cocaine abuse. The UN Office on Drugs and Crime (UNODC) World Drug Report 2007, published in June, placed Ireland in joint fifth place (out of 32 European countries) for cocaine use and in joint tenth place for Ecstasy use. South American cocaine, available in Ireland, comes primarily from Colombia and other countries in Latin America and the Caribbean. Heroin, cocaine, Ecstasy, and cannabis are often hidden in cars in either Spain or the Netherlands, and then driven into Ireland, by gang members posing as tourists, for distribution around the country. This distribution network is controlled by 6 to 12 Irish criminal gangs based in Spain and the Netherlands. Herbal cannabis is primarily imported from South Africa.

Domestic Programs/Demand Reduction. There are 7,390 treatment sites for opiate addiction, exceeding the GOI's National Drug Strategy target of 6,500 treatment sites. The Strategy also mandates that each area Health Board have in place a number of treatment and rehabilitation options. In January 2005, the ten health boards were replaced by a single entity, the Health Service Executive (HSE), which manages Ireland's public health sector. Since September 2005, health care is now provided through four HSE regions and 32 local health offices. For heroin addicts, there are 65 methadone treatment locations. The treatment centers treat 8,000 of Ireland's approximately 14,000 heroin addicts, 12,000 of whom live in Dublin. A total of 1,363 individual prisoners received methadone in Irish prisons, accounting for about 9 percent of the total population (12,157) sent to prison in 2006. In 2004, the GOI undertook an evaluation of drug treatment centers' to determine whether they were effective in reducing drug use. Four pilot projects to tackle cocaine use were announced in January 2005, following a number of reports indicating that abuse of the drug has increased substantially in recent years. The four projects are aimed at different types of drug users in Dublin's inner city and Tallaght and will differ in their approaches to dealing with cocaine abuse. The projects will include diversionary therapies aimed at mainly intravenous users, group drug counseling, individual drug counseling, and cognitive behavior therapy.

IV. U.S. Policy Initiatives and Programs

U.S. Policy Initiatives. In 2007, the United States continued legal and policy cooperation with the GOI, and benefited from Irish cooperation with U.S. law enforcement agencies such as the DEA. Information sharing between U.S. and Irish officials continued to strengthen law enforcement ties between the countries.

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

Italy

I. Summary

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

II. Status of Country

Italy is mainly a narcotics transit and consumption country. Law enforcement officials focus their efforts on heroin, cocaine, and hashish. Although Italy produces some precursor chemicals, they are well controlled in accordance with international norms, and are not known to have been diverted to any significant extent. Law enforcement agencies with a counternarcotics mandate are effective.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Italy continues to combat narcotics aggressively and effectively. In March 2006, Italy adopted a tougher new drug law that eliminates distinctions between hard and soft drugs, increases penalties for those convicted of trafficking, and establishes administrative penalties for lesser offenses. All forms of possession and trafficking are illegal but punishment depends on the severity of the infraction. Stiff penalties for those convicted of trafficking or possessing drugs include jail sentences from six to 20 years and fines of over \$300,000. The law provides alternatives to jail time for minor infractions, including drug therapy, community service hours, and house arrest. Some center-left political parties vowed to overturn this legislation once elected to office in May 2006, but the Prodi government, a center-left coalition of eight parties, has not done so. In April 2007, Minister of Health Livia Turco issued a decree that allows medicines derived from cannabis to be used in drug therapies to relieve severe and chronic pain. Minister of Social Solidarity Ferrero, who is designated as the GOI's overall drug coordinator, has publicly campaigned for new guidelines that raise the minimum amount of narcotics possession allowed, before punitive measures can be applied. Any proposal to change existing law would require consultation with other ministers (including the Justice and Interior Ministers), approval by the full cabinet, and a vote in parliament. In late October 2007, the lower house of the Italian parliament began to review the government's proposal to amend the law. At the multilateral level, Italy has contributed an average of \$12 million to UNODC, over the last several years, making it one of the largest donors to the UNODC budget. Italy has supported key U.S. objectives at the UN Commission on Narcotic Drugs (CND), and chairs the Dublin Group for Central Asia.

Law Enforcement Efforts. From January 1 to September 30, 2007, Italian authorities seized 1,516.9 kilograms of heroin; 2,981.1 kilograms of cocaine; 14,080.5 kilograms of hashish; 2,835.9 kilograms of marijuana; 1,515,147 marijuana plants; 305,195 doses and 5.8 kilograms of amphetamines; and 3,510 doses of LSD. In November 2006, a multilateral investigation involving DEA Rome, the Italian National Police (INP), the Italian Guardia di Finanza (GdF), as well as Colombian and Spanish authorities, successfully dismantled a major international cocaine trafficking and money laundering organization operating in South America and Europe. INP and

GdF personnel arrested 34 members of this organization, significantly impacting the drug trafficking and money laundering activities of several Italian organized crime groups.

In December 2006, a joint investigation between DEA Rome and the Italian Carabinieri, as well as law enforcement counterparts in France, Spain, Germany, Ecuador, and Colombia, culminated in the arrest of 90 members of a significant international drug trafficking organization responsible for multi-hundred kilogram cocaine shipments from South America to Italy. During the investigation, over 1,200 kilograms of cocaine, 4,800 kilograms of hashish and weapons were seized in Italy and other countries. The Carabinieri arrested 50 individuals in Italy and seized in excess of \$25 million in trafficker-owned assets. In January 2007, GdF officials in Trieste, Italy seized 110 kilograms of heroin (valued at \$70 million) from a truck, which had arrived on a ferry boat from Turkey. In May 2007, a joint DEA Milan and GdF money laundering investigation resulted in the identification and seizure of over \$6.2 million in drug proceeds from bank accounts in the U.S.

The fight against drugs is a major priority of the National Police, Carabinieri, and GdF counternarcotics units. The Italian Central Directorate for Anti-Drug Services (DCSA) coordinates the counternarcotics units of the three national police services and directs liaison activities with DEA and other foreign law enforcement agencies. Working with the liaison offices of the U.S. and western European countries, DCSA has 19 drug liaison officers in 18 countries (including the U.S.) that focus on major traffickers and their organizations. In 2006, DCSA stationed liaison officers in Tehran, Iran and Tashkent, Uzbekistan; in 2007 they added liaison officers in Kabul, Afghanistan, and Islamabad, Pakistan. Investigations of international narcotics organizations often overlap with the investigations of Italy's traditional organized crime groups (e.g. the Sicilian Mafia, the Calabrian N'drangheta, the Naples-based Camorra, and the Puglia-based Sacra Corona Unita). During a two-year investigation leading to a major drug bust in early 2005, Italian officials confirmed that a number of these organized crime groups were linked to drug trafficking. Additional narcotics trafficking groups include West African, Albanian, and other Balkan organized crime groups responsible for smuggling heroin into Italy. Colombian, Dominican, and other South American trafficking groups are involved in the importation of cocaine. Italian law enforcement officials employ the same narcotics investigation techniques used by other western countries. Adequate financial resources, money laundering laws, and asset seizure/forfeiture laws help ensure the effectiveness of these efforts.

Corruption. As a matter of government policy, Italy does not encourage or facilitate the illicit distribution of narcotics or the laundering of proceeds from illegal drug transactions. We have no information that any senior official of the Government of Italy engages in, encourages, or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Corruption exists in Italy although in the area of counternarcotics it rarely rises to the national level and it does not compromise investigations. When a corrupt law enforcement officer is discovered, authorities take appropriate action.

Agreements and Treaties. Italy is a party to the 1961 UN Single Convention as amended by its 1972 Protocol, as well as the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Italy has signed, but has not yet ratified, the UN Corruption Convention. In August 2006, Italy ratified the UN Convention Against Transnational Organized Crime and its three protocols. Italy has bilateral extradition and mutual legal assistance treaties with the U.S. In May 2006, the U.S. and Italy signed bilateral instruments on extradition and mutual legal assistance to implement the U.S.-EU Agreements on Extradition and Mutual Legal Assistance signed in 2003.

Cultivation Production. There is no known large-scale cultivation of narcotic plants in Italy, although small-scale marijuana production in remote areas does exist, although mainly for domestic consumption. No heroin laboratories or processing sites have been discovered in Italy since 1992. However, opium poppy grows naturally in the southern part of Italy, including Sicily. It

is not commercially viable due to the low alkaloid content. No MDMA-Ecstasy laboratories have been found in Italy.

Drug Flow/Transit. Italy is a consumer country and a major transit point for heroin coming from southwest Asia through the Balkans enroute to western and central Europe. A large percentage of all heroin seized in Italy comes via Albania. Albanian heroin traffickers work with Italian criminal organizations as transporters and suppliers of drugs. Heroin is smuggled into Italy via automobiles, ferryboats and commercial cargo. Albania is also a source country for marijuana and hashish destined for Italy. Italy maintains a liaison office in Albania to assist Albanians in interdicting narcotics originating there and destined for either Italy or other parts of Europe. Almost all cocaine found in Italy originates with Colombian and other South American criminal groups and is managed in Italy mainly by Calabrian-based organized crime groups. Multi-hundred kilogram shipments enter Italy via seaports concealed in commercial cargo. Although the traditional Atlantic trafficking route is still in use, stepped-up international scrutiny and cooperation are forcing traffickers to use alternative avenues. Italian officials have detected traffickers using transit ports in West Africa where drugs are off-loaded to smaller fishing vessels that ultimately reach Spain and other Mediterranean destinations. Cocaine shipments off-loaded in Spain and the Netherlands are eventually transported to Italy and other European countries by means of land vehicles. Smaller amounts of cocaine consisting of grams to multi-kilogram (usually concealed in luggage) enter Italy via express parcels or airline couriers traveling from South America. Ecstasy found in Italy primarily originates in the Netherlands and is usually smuggled into the country by means of couriers utilizing commercial airlines, trains or land vehicles. Italy is also used as a transit point for couriers smuggling Ecstasy destined for the United States. A method used in the past by trafficking groups has been to provide thousands of Ecstasy tablets to couriers in Amsterdam concealed in luggage. The couriers then travel by train or airline to Italy; the EU's open borders make this journey somewhat less risky. Hashish comes predominately from Morocco through Spain, entering the Iberian Peninsula (and the rest of Europe) via sea access points using fast boats. As with cocaine, larger hashish shipments are smuggled into Spain and eventually transported to Italy by vehicle. Hashish also is smuggled into Italy on fishing and pleasure boats from Lebanon.

Catha Edulus (aka Khat) is a shrub grown in the southern part of Arabia and Eastern Africa, primarily in the countries of Yemen, Somalia, and Ethiopia. The leaves of this plant contain the alkaloids cathine and cathinone (chewed for stimulant effects), which are controlled substances in Italy and the U.S. Italy is one of several European countries used by East African trafficking organizations for the transshipment of khat to major urban areas across the U.S. These organizations primarily use international parcel delivery systems and airline passenger luggage to transport multi-kilogram to multi-hundred kilogram quantities of khat. Italian law enforcement officials continue to cooperate with DEA in joint investigations targeting these groups in Italy and the U.S.

Domestic Programs/Demand Reduction. The GOI promotes drug prevention programs using abstinence messages and treatment aimed at the full rehabilitation of drug addicts. The Italian Ministry of Health funds 544 public health offices operated at the regional level; the Ministry of Interior supports 730 residential, 204 semi-residential facilities, and 183 ambulatories. Of the 500,000 estimated drug addicts in Italy, 176,000 receive services at public agencies. Others either are not receiving treatment or arrange for treatment privately. The Prodi government continues to promote more responsible use of methadone at the public treatment facilities. For 2005, the Italian government budgeted \$141 million for counternarcotics programs run by the health, education, and labor ministries. Seventy-five percent of this amount is for regional programs and the remaining 25 percent is for national programs.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. and Italy continue to enjoy exemplary counternarcotics cooperation. In January 2006, the Director of the Italian Central Directorate for Anti-Drug Services (DCSA) met with senior DEA leadership at DEA headquarters in Washington, DC, in furtherance of bilateral operations. In January 2007, DCSA hosted a working group conference of law enforcement counterparts from Europe, Africa, and the Middle East as part of the DEA's annual International Drug Enforcement Conference (IDEC). DEA and DCSA personnel continue to conduct intelligence sharing and coordinate joint criminal investigations on a daily basis. Based on the October 1997 International Conference on Multilateral Reporting in Lisbon, Portugal, the DEA Headquarters Chemical Section and DCSA continue to exchange pre-shipment notifications for illicit drug precursor chemicals. During 2007, DEA continued the Drug Sample Program with the GOI, which consists of the analysis of seized narcotics to determine purity, cuttings agents, and source countries. From January-October 2007, DEA received approximately 72 samples of heroin, cocaine, and Ecstasy. DEA has expanded this program to the countries of Slovenia, Croatia and Albania. The sample collection from these countries and others in the Balkans is essential in determining production methods and trafficking trends that ultimately impact Italy. DEA independently conducted drug awareness programs at international schools in Rome and Milan. DEA also provided training to Italian counterparts in the areas of asset forfeiture and drug law enforcement operations. In 2007, the U.S. Coast Guard dispatched two Mobile Training Teams to conduct courses in Advanced Small Boat Operations and Seaport Security/Anti-Terrorism. Italy is a charter member of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon, which should bolster EU capacity to protect its southwestern flank.

The Road Ahead. The USG will continue to work closely with Italian officials to break up trafficking networks into and through Italy as well as to enhance both countries' abilities to apply effective demand reduction policies. The USG will also continue to work with Italy in multilateral settings, such as the Dublin Group of countries that coordinate counternarcotics, and UNODC policies.

Kazakhstan

I. Summary

In Kazakhstan, during the first nine months of 2007, there was an increase in the number of drug-related crimes, an increase in the volume of seized drugs, and a decrease in the number of registered female and underage drug addicts. Kazakhstan significantly increased counternarcotics operations. The Government of Kazakhstan (GOK) encouraged law enforcement agencies, NGOs, political parties and the media to join together to combat drugs. The number of people arrested for drug-related crimes in 2007 increased 13.4 percent. Cannabis-type drugs (hashish and marijuana) accounted for 95 percent of total seizures. Heroin seizures decreased by 1.7 percent. Kazakhstan continues implementation of two large-scale programs to combat corruption and drug trafficking announced by President Nazarbayev. Strengthening the borders, especially in the south, is a priority for the government. The GOK is devoting more attention and resources to interagency cooperation in the fight against drug supply and demand. Law enforcement services acknowledge that, without the assistance of civil society, NGOs, and the mass media, they will not be able to effectively combat the problem of narcotics. Kazakhstan is a party to the 1988 UN Drug Convention.

II. Status Of Country

Kazakhstan's geographic location, extensive development of its transportation infrastructure, the openness of borders with most neighboring countries, and the stability of the social and economic situation in the country have made Kazakhstan a major transit country for narcotics and psychotropic substances from Southwestern and Southeastern Asia to Russia and Europe. The main source of drugs is Afghanistan. Crimes related to the trafficking and sales of narcotics are taking on an increasingly dangerous transnational character. In response, law enforcement officers in Kazakhstan are developing relationships with their colleagues in Uzbekistan, Tajikistan, Turkmenistan and Kyrgyzstan.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In November 2005, President Nazarbayev signed a decree approving a strategy to combat drug addiction and trafficking for 2006-2014. The purpose of the strategy is to create a full-scale system in which both the government and civil society counteract the problems of drug addiction and narco-business. The most important segments of the strategy include the dissemination of counternarcotics information; the strengthening of interagency and international cooperation in the fight against drug addiction and narco-trafficking; the strengthening of state agencies, including medical treatment centers; the improvement of legislation; the improvement of personnel training; and the development of educational programs.

The 2006-2008 "Astana-Drug Free City" program, announced by President Nazarbayev in September 2006, focuses on demand reduction, treatment of drug addiction, and combating drug trafficking. The Ministry of Internal Affairs (MVD), jointly with other law enforcement agencies, is charged with implementing this program. As a result of the program, law enforcement agencies in Astana reported 192 drug-related crimes this year, a figure 25.5 percent higher than last year. One hundred nineteen of the crimes related to the sale of drugs. Police closed 45 "drug markets" and two locations used by addicts to take pills, inject drugs, and smoke marijuana. As a result of special operations implemented in Astana 58.484 kg of drugs have been seized this year.

In order to avoid such incidents, the Ministry of Internal Affairs proposed legislation to allow for the destruction of drugs immediately after confiscation, leaving only small samples for evidentiary use. The MVD also submitted a draft law to improve criminal and criminal procedural legislation, and legislation on protection of witnesses and operative and investigative activity. In response to historic focus on quantity of seizures the MVD is working with the Procurator General's Office to prevent the inflation of seizure statistics and to improve the efficiency of law enforcement agencies. The MVD also submitted a draft law to increase the penalties for drug possession, large volume sales, and sales to minors. The draft also foresees increasing penalties against the owners of bars and clubs allowing the illegal use of drugs in their establishments.

Law Enforcement Efforts. Kazakhstan's law enforcement agencies seized 21,787 kg of drugs in the first nine months of 2007, compared with 22,549 kg during the same period last year. This figure includes 20,467 kg of marijuana (2.5 percent decrease), 378 kg of heroin (1.7 percent decrease), 197 kg of opium (47.2 percent decrease), and 187 kg of hashish (9.7 percent decrease). Cannabis-type drugs (hashish and marijuana) accounted for 95 percent of total seizures.

The GOK has also taken measures to deter narco-trafficking through its territory, including the establishment of internal checkpoints and strengthening border controls. These new measures, and the implementation of demand reduction programs, may have caused a decrease in narco-trafficking, also resulting in the decrease in total seizures. During the reporting period, all law enforcement agencies reported 8,271 drug-related crimes, up from 7,960 during the same period in 2006. Of these, MVD reported 7,807 crimes, the Committee for National Security (KNS) reported 258 and the Customs Control Committee (CCC) reported 192. Since the beginning of 2007, nine organized criminal groups were reportedly dismantled by law enforcement bodies. The Kazakhstani Supreme Court reported that in the January-September period, courts had 9,467 criminal cases related to illegal drug trafficking in process; 5,915 cases were disposed of. Of these disposed cases, 6,112 people were convicted, 13 acquitted, and the cases against 54 people were dropped. The Committee on the Criminal Penitentiary System (CCPS) of the Ministry of Justice conducted programs to stop the flow of narcotics into correctional and pre-trial detention facilities. During the first nine months of this year, CCPS discovered 179 narcotics deliveries into correctional facilities. As a result, 26.516 kg of drugs, including 6.468 kg of heroin and 19.422 kg of cannabis-type drugs, were seized.

Uzbekistan President Islam Karimov proposed the idea of a Central Asia Regional Information Coordination Center (CARICC) during the visit of UN Secretary-General Kofi Annan to Uzbekistan in October 2002. CARICC, which will be based in Almaty, will be the focal point for communication, analysis and exchange of operational information on transnational crime and will assist in organizing and supporting the coordination of joint operations to combat narcotics among member countries (Azerbaijan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Uzbekistan and Kazakhstan). According to the Ministry of Foreign Affairs, 50 specialists will work in CARICC. According to recent information, the agreement establishing CARICC has been signed by all member-countries except for Russia. In order to prepare for full operation of CARICC, a pilot phase was launched on November 1, 2007. During this phase, personnel will be selected and the premises provided by the Government of Kazakhstan will be renovated. CARICC will be officially opened when all countries have signed and their parliaments have ratified the agreement.

Corruption. While it is difficult to determine the extent to which narco-trafficking has corrupted law enforcement officials, it is certain that some instances of corruption have hampered the country's efforts against drugs. All state agencies were mandated to take measures to combat corruption. One case illustrative of corruption, was a police official in the eastern Kazakhstan city of Semey sentenced to ten years in jail for his involvement in the sale of large amounts of narcotics. The official, who had worked in the police for 15 years, was arrested after attempting to force a young woman to sell 25 grams of heroin and pay him 35,000 KZT (\$300). The young

woman contacted the KNB, which organized an undercover operation. Police officers in the northern city of Pavlodar were found to have replaced 100 kg of heroin, stored as evidence, with baking soda and salt. Official representatives of the Procurator General's Office announced that, throughout the country, approximately 500 kg of seized drugs, including 29 kg of heroin and around three kg of opium were lost or stolen, while in government custody. As a matter of policy, however, the Kazakhstan government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Kazakhstan is party to the 1988 UN Drug Convention and has signed the Central Asian counternarcotics Memorandum of Understanding with UNODC. The Kazakhstan national anti-narcotics law, passed in 1998, specifically gives provisions of international anti-narcotics agreements precedence over national law.

Cultivation/Production. In addition to drug transit through the territory of Kazakhstan, marijuana cultivation in the Chu Valley represents an indigenous source of drugs. Marijuana grows naturally on an estimated 138,000 hectares of the Chu Valley. Each year the MVD, jointly with other law enforcement bodies, conducts a country-wide operation, "Operation Mak" (Russian for "poppy") aimed at stopping drug-related crimes and detecting and eliminating drug cultivation. This year the operation was conducted from May 25 through October 20 and reported 4,016 drug related crimes vice 3,621 last year. Of these crimes, 1,561 were related to the sale of narcotics. Operation Mak resulted in the detention of 2,428 offenders, including 50 citizens of foreign countries. Eighteen tons of drugs were seized (12.6 percent more than last year), including 49.414 kg of heroin and 17.967 tons of marijuana were up-rooted and destroyed. In an interview with "Liter" newspaper, the Head of the Division on Combating Drugs of Almaty city said that the cost of a kilo of marijuana is approximately 70,000 KZT (\$578)—a significant price increase over the past, which he attributed to the success of Operation Mak in the Chu Valley.

Drug Flow/Transit. The main flow of drugs, including heroin and opium, enters Kazakhstan from Central Asia and Afghanistan. Drug couriers are mainly residents of Central Asian countries drawn into illicit activities by poverty and high unemployment rates. Couriers rely on vehicles and trains to smuggle the majority of the narcotics into Kazakhstan. During the past year, law enforcement agencies have reported an increase in the seizure of European-produced synthetic drugs, such as Ecstasy and LSD. Recently, Russia has also become a source of synthetic drugs.

Domestic Programs. According to official statistics for the first nine months of 2007, there are 54,902 registered drug addicts in Kazakhstan. This represents a 0.4 percent increase from last year. Of the total, 7,085 were using synthetic dugs. There were 34,534 opiate users and 11,329 consumers of cannabis-type drugs (hashish, marijuana). The number registered as drug addicts under the age of 18 has decreased by 13.5 percent (4,652 registered last year vice 4,029 registered this year). The number of registered drug addicts 14 years old and younger has decreased by 28 percent. The number of registered drug addicts between the ages of 18 and 30 decreased by 2.5 percent. To effectively implement the demand reduction program in Kazakhstan, educational institutions conduct roundtable meetings with representatives of the Procuracy, the MVD, employees of mental hospitals, and others to define interagency actions on prevention of drug addiction. To decrease drug demand among the population, the public affairs sections of various agencies, including MVD and the Ministry of Culture and Information, disseminate information to citizens on the dangers of narcotics and report drug seizures through the mass media on a regular basis. Video clips and interactive programs are shown on TV and interviews are published in the newspapers. The MVD has launched a new campaign which involves cellular phone companies, the mass media, and other parts of society to distribute information in the form of booklets and audio and video clips asking the population to assist police by reporting crimes. The MVD has instituted help-lines and special boxes for the collection of information in Astana. Anyone can now

submit information on locations where drugs are sold and consumed. Moreover, the MVD has plans to pay rewards for information.

The MVD is working with the Ministry of Health to establish a system for the psychological rehabilitation and reintegration of drug addicts. The National Scientific and Practical Center of the Ministry of Health was established in 2001 within the framework of the Program on Combating Drug Addiction and Drug Trafficking. The Center develops, tests, and implements new methods of treatment, rehabilitation, and prevention. However, the number of doctors working with drug addicts has been decreasing over the past three years.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. A key USG goal is to develop a long-term cooperative relationship between law enforcement agencies of the United States and Kazakhstan. This relationship will enhance the professional skills Kazakh officers and improve the organization and management of Kazakhstani law enforcement services, thereby improving their ability to fight drug trafficking, drug consumption, and terrorism. A USG priority area in Kazakhstan is on border security programs. In 2007, a professional relationship was established between the Kazakhstani Military Institute of the Committee for National Security, which trains border guards, and the U.S. Border Patrol Academy. It is expected that a proposed student and faculty exchange program will further this relationship.

The Road Ahead. The USG will continue to provide technical assistance, equipment, and training to law enforcement and security services to improve the effectiveness of searches of trucks and trains. The USG will also work with training academies to improve curriculum and training methods.

Kyrgyz Republic

I. Summary

The Kyrgyz Republic continues to have only very modest domestic production of illicit narcotics or precursor chemicals, but it is a major transit country for drugs originating in Afghanistan and destined for markets in Russia, Western Europe, and to a limited extent, America. The Government of the Kyrgyz Republic (GOKG) attempts to combat drug trafficking and prosecute offenders. The GOKG has been supportive of international and regional efforts to limit drug trafficking and has initiated major initiatives to address its own domestic drug use problems. The GOKG recognizes that the drug trade is a serious threat and is focused on secondary and tertiary drug-related issues such as money laundering, drug-related street crime and corruption within its own government.

Drug abuse continues to be a serious issue in Kyrgyzstan. While the GOKG has been a supporter of counternarcotics programs, it is still struggling to deliver a clear and consistent counternarcotics strategy to either the Kyrgyz people or the international community.

Due to a change in leadership at the DCA (Specialized drug enforcement force) in August 2005, it appeared there was a positive change in direction for the DCA. After a period of readjustment of personnel and tactics, the DCA began a strong enforcement effort, exceeding agreed targets set for seizures during the second half of 2006.

In February 2007, the leadership of the DCA was again changed. The former Director, was elevated to Minister of the Interior, and a new DCA Director, took the reins of the DCA. Some top officials were lured away with the new minister, while others took positions within the MOI. The personnel turnover appeared to hamper DCA effectiveness. The Kyrgyz Republic is a party to the 1988 UN Drug Convention.

II. Status of Country

The Kyrgyz Republic shares a common border with China, Kazakhstan, Uzbekistan and Tajikistan. Mountainous terrain, poor road conditions, and an inhospitable climate for much of the year make detection and apprehension of drug traffickers more difficult. Border stations located on mountain passes on the Chinese and Tajik borders are snow covered and un-staffed for up to four months of the year. These isolated passes are some of the most heavily used routes for drug traffickers. Government outpost and interdiction forces rarely have electricity, running water or modern amenities to support their counternarcotics efforts. The Kyrgyz Republic is one of the poorest successor states of the former Soviet Union, relying on a crumbling infrastructure and suffering from a lack of natural resources or significant industry. Unlike some of its Central Asian neighbors, the Kyrgyz Republic does not have a productive oil industry or significant energy reserves. The south and southwest regions—the Osh and Batken districts—are the primary trafficking routes used for drug shipments from Afghanistan. The city of Osh, in particular, is the main crossroads for road and air traffic and a primary transfer point for narcotics into Uzbekistan and Kazakhstan and on to markets in Russia, Western Europe and the United States. The Kyrgyz Republic is not a major producer of narcotics itself; however, cannabis, ephedra and poppy grow wild in many areas.

III. Country Actions Against Drugs in 2007

Policy Initiatives. With U.S. assistance, the Kyrgyz Republic established its first inter-agency counternarcotics Mobile Interdiction Teams (MOBITS) in an effort to stem the trafficking of narcotics along its borders with Tajikistan and Uzbekistan.

Law Enforcement Efforts. The Drug Control Agency (DCA) was established in 2003 with the assistance of the U.S. Government and UNODC. It has become a lead agency that coordinates all drug enforcement activities in the Kyrgyz Republic. To stop illegal transnational organized drug crime, the DCA continues to work with its counterparts in Russia, Kazakhstan, Tajikistan, and Uzbekistan. From May to December 2006, the DCA participated in training/mentoring programs coordinated by the U.S. embassy narcotics office with the objective of increasing seizures of drugs in transit. The seizure goal agreed on to stimulate DCA's efforts was 225kg of illicit narcotics. For the period of May to December 2006 the DCA made 70 seizures. The seizure breakdown as follows: 153kg of heroin, 170kg of opium, 583kg of marijuana and 26kg of hashish. This was a grand total of 934kg of illicit narcotics. The approximate street value was almost \$900,000. Though this was a substantial amount of narcotics, more work is required in the area of heroin and opium seizures. All arrestees during this special operation were prosecuted and received jail time. Since the beginning of 2007, the DCA has conducted six joint "controlled delivery" operations targeted on organized crime drug lords. In 2007, the DCA registered 87 seizures, but the amount of drugs seized in each case diminished. As of September 30, 2007 the DCA had seized 117kg of heroin, 26kg of opium, 673kg of marijuana, 5kg of Psychotropics and .33kg of hashish.

Kyrgyz officials have emphasized coordination among enforcement units (Ministry of Interior, National Security Service, Customs, and Border Guard) to increase effectiveness in the field of combating drugs. As a result, joint operations are now being conducted at railroad stations, airports, and major highways. The DCA believes that drugs are being delivered to the southern part of the country by well-organized criminal groups and, in some cases, law enforcement officers are involved in this process. To combat this, U.S. Central Command (CENTCOM), the Nebraska National Guard, U.S. Customs, DEA and INL launched the initial phase of the MOBITS Assistance Project. In August 2007, 32 Kyrgyz law enforcement officers from the DCA, Ministry of the Interior, Customs Service and Border Guards were trained and completely equipped to form the first of four planned MOBITS Teams. The team was deployed in September 2007, after the completion of five weeks of training. Its mission is to identify drug trafficking targets and to seize all the illicit narcotics it can. These teams patrol remote southern areas between fixed border posts along the Kyrgyz border with Tajikistan and Uzbekistan.

Corruption. Corruption remains a serious problem and a problem for effective law enforcement. In 2007, several Kyrgyz law enforcement officials were apprehended while trafficking narcotics in Kyrgyzstan. The Kyrgyz DCA now possesses a relatively good reputation, and its staff goes through a very thorough vetting procedure and receives substantial salary supplements from the U.S./UN counternarcotics project. The MOBITS Units are also thoroughly vetted.

Agreements and Treaties. The Kyrgyz Republic is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol and the 1971 UN Convention on Psychotropic Substances. The Kyrgyz Republic is also a party to the UN Corruption Convention and the UN Convention Against Transnational Organized Crime and its protocols on migrant smuggling and trafficking in persons. It is also a party to the Central-Asian Counternarcotics Protocol, a regional cooperation agreement backed by the UN.

Cultivation/production. While there is no significant commercial production of drugs in Kyrgyzstan, cannabis and ephedra grow wild over wide areas, especially in the Chui valley region, and around Lake Issyk-Kul. In the past, Kyrgyzstan was a major producer of licit opium, and was the Soviet Union's main source of ephedra plant for decades. However, with skyrocketing opiate imports from Afghanistan, it has become less risky and easier to import drugs from Afghanistan via Tajikistan than to produce them locally. The Kyrgyz government carries out yearly eradication campaigns against illicit crops. Despite sporadic cases of drug cultivation, this problem, compared to that of drug trafficking and drug transit, has little impact on the general drug abuse problem.

Drug Flow/Transit. Despite improved law enforcement efforts, there has been no appreciable impact on the transit of Afghan narcotics through the Kyrgyz Republic. Illicit opium cultivation in Afghanistan is still high. Due to a very limited and rudimentary transportation system, traffickers mostly utilize lengthy overland routes leading through Afghanistan's neighboring countries. A significant share of the drugs smuggled through Central Asia in 2007 entered the region through Tajikistan. Together with Uzbekistan, Kyrgyzstan represents the main conduit for onward smuggling of opiates. Following a pattern observed across the Central Asian region in 2007, the share of opiates seized in Kyrgyzstan increased significantly. In particular, the southern border provinces of Osh and Batken again experienced a high flow of drugs in 2007. This is the area where the MOBITS Teams will be present and active. In the last few years, trafficking activities have increased on the long and mountainous border between the Tajik Garm region and Batken in Kyrgyzstan. Onward smuggling through the Kyrgyz Republic takes drugs mainly to the Uzbek part of the Fergana valley, and across the Northern border into Kazakhstan.

Domestic Programs/Demand Reduction. Existing economic problems and budget constraints prevent the Government of the Kyrgyz Republic from effectively addressing the rapidly deteriorating drug abuse and HIV/AIDS problem. Insufficient allocation of budget funds hampers successful implementation of prevention and treatment programs as well as training of professional staff. Although, for the past few years, funding for international financial and technical assistance programs to address HIV/AIDS problems in Central Asia has increased considerably, the GOKR have devoted insufficient attention to the conceptual and strategic development of a modern drug treatment service provision system capable of stemming drug abuse and/or a HIV/AIDS pandemic. The programs for drug users in the Kyrgyz Republic are conducted by state institutions in partnership with civil sector organizations. UNODC also has a number of drug assistance programs. The UNODC completed a regional demand reduction program, "Diversification of HIV Prevention and Drug Treatment Services for Injection and other Drug Users in Central Asia." This four-year project sought to improve and further develop a range of HIV prevention and drug treatment services for injection drug users in selected localities in Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Efforts included outreach, low-threshold services and in-patient provision of HIV/AIDS prevention education, access to condoms and sterile injection equipment, counseling, detoxification, treatment and rehabilitation. Emphasis was placed on the replication of existing successful initiatives in the region, in-service training through exchanges among organizations in the region and training seminars organized at the regional and national levels. However, 2007 was the final year for this project.

USAID worked to reduce demand for illegal drugs by supporting work with vulnerable populations through its five-year Drug Demand Reduction Program (DDRP) that was completed this September 30, 2007. Focused in the Fergana Valley in Kyrgyzstan, DDRP worked with target populations, including vulnerable youth, prostitutes, and prisoners. DDRP aimed to increase these groups' access to and use of quality drug demand reduction services, social support, and other healthy alternatives to heroin/opiate use. The project used an evidence-based public health approach, drawing on regional and international experience in drug prevention and treatment. Vulnerable youth were the primary focus of an "ABC" program, which focuses on abstinence, faithfulness to one partner, and condom use through a social marketing campaign, as well as peer-to-peer HIV education.

IV. U.S. Policy Initiatives and Programs.

Road Ahead. The DCA currently has good momentum toward becoming a solid and respected drug enforcement force for the Kyrgyz Republic. DCA should continue to benefit from U.S. narcotics assistance delivered through the U.S. Embassy in Bishkek. An additional enhancement to U.S. counternarcotics programs has been the assistance of the Nebraska National Guard in

providing assessment, training and guidance to the DCA. The Guard's presence on the ground is of great value in forming working relationships with the DCA. Another initiative is the assignment of two liaison officers (former U.S. counternarcotics officers) to work with the MOBITS headquarters and to provide guidance, mentoring and technical assistance to the MOBITS teams. The most significant initiative in terms of funding is the MOBITS Interdiction Teams. This \$1 million project will give Kyrgyz law enforcement entities the capability to strike anywhere and apprehend drug traffickers while they are in the act of transporting narcotics.

Latvia

I. Summary

Drug use in Latvia is characterized by continued prevalence of synthetics, though cannabis is also popular. Heroin and cocaine can also be found. Recreational drug use has shifted to synthetic stimulants (including a newer drug, peperzine) due to their low cost, as well as national information campaigns highlighting the dangers of intravenous drug use. There are no significant changes in narcotics use, market or price (although there is a tendency for prices to rise after a major drug seizure) in Latvia and most of this activity is concentrated in Riga. Latvia is party to the 1988 UN Drug Convention.

II. Status of Country

Latvia itself is not a significant producer of precursor chemicals, but Customs officials believe that a significant quantity of diverted “pre-precursors” originate in neighboring countries, such as Russia, Belarus, Lithuania, and Estonia and transit Latvia en route to other countries. Control of some cocaine smuggling through the Baltic region is directed by Latvian organized crime groups, though Russian (specifically Moscow), and Lithuania are the most likely ultimate markets. Heroin is usually sold at “retail” only to people known to the seller and is generally not available in public places, though selling tactics and methods constantly change. Amphetamines are distributed in venues that attract youth, such as nightclubs, discotheques, gambling centers and raves. Organized crime groups also engage in both wholesale and retail trade in narcotics. Recreational drug use has increased, albeit relatively insignificantly, with Latvia’s growing affluence and increased accessibility of drugs.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Latvia is in the third year of its State Program for the Restriction and Control of Addiction and the Spread of Narcotic and Psychotropic Substances (SPRCASNPS), which was approved by the Cabinet of Ministers for the years 2005 to 2008. This national strategy lists as its priorities: reducing the spread of drug abuse, especially among young people; increasing the possibilities for rehabilitation and re-socializing for drug addicts; reducing crime related to drug abuse and distribution, as well as drug trafficking; eliminating and preventing the harm caused to the general development of the Latvian state by drug addiction and drug related crime.

In 2006 a program called “HIV/AIDS prevention and care among injecting drug users and in prison settings in Estonia, Latvia and Lithuania” was initiated with UN funding. The goal of the project is to establish a favorable environment in all project countries to better implement HIV/AIDS prevention and care activities among injection drug users and in prisons through addressing normative policy, capacity building and programmatic aspects of national HIV/AIDS prevention activities. The program is scheduled to last from 2006 to 2010.

Law Enforcement Efforts. Drug related crime rose 65 percent, from 700 cases in 2006 to 1078 cases in 2007. In 2007 the total amount of narcotic and psychotropic drugs seized rose by 54 percent from 2006. The amounts of hashish and ephedrine seized were the only two drugs that did not change significantly from last year. Seized amounts of amphetamines dropped by 50 percent and methamphetamine seizures were slightly down. All other seizures increased significantly. Poppy straw doubled, heroin was about ten times higher, and marihuana rose from 3.8 kg to 47.6 kg. The most significant increases were in seizures of Ecstasy, which rose from 2,299 tablets in 2006 to 91,905 tablets in the first nine months of 2007, cocaine, a seven fold weight increase from 2006, and LSD, which saw an extraordinary decrease in 2006, but has experienced another peak in

2007. Peperzine, a newer drug from Western Europe, is not yet illegal in Latvia; however, it is confiscated as misuse of a prescription drug. The marked improvement in seizures, according to an official in the Latvian State Police, is due to better experience among police officers and improved international contacts.

Corruption. Latvia's Anti Corruption Bureau (KNAB) was established in 2003 to help combat and prevent public corruption. According to a KNAB official, the bureau has not found any senior-level Latvian officials to be involved in, encouraging, or facilitating narcotic crimes or the laundering of proceeds from illegal drug transactions. The USG also has no evidence of drug-related corruption at senior levels of the Latvian government. As a matter of government policy, Latvia does 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.

Agreements and Treaties. Latvia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. A 1923 extradition and a 1934 supplementary extradition treaty currently are in force between the U.S. and Latvia. The United States and Latvia are parties to a mutual legal assistance treaty which entered into force on September 17, 1999. On December 7, 2005, Latvia and the United States signed a new extradition treaty and Mutual Legal Assistance protocol. The Latvian Saeima ratified the new extradition treaty in May 2007, but the U.S. Senate has not yet ratified it. Latvia is a party to the UN Convention against Corruption, and to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms.

Drug Flow/Transit. Cocaine is being smuggled through the Baltic region by Latvian organized crime groups, though much of it goes through the port of St. Petersburg (with command and control in Latvia) or through Latvia en route to Russia. Most of the cocaine in the region probably goes to Russia (specifically Moscow), and Lithuania where the market is large and prices are high. Latvian groups send tens of kilograms at a time hidden in commercial vessels from Guayaquil, Ecuador to St. Petersburg, and some groups drive vehicles with concealed cocaine overland from the Benelux countries to Latvia and Lithuania. Latvia is not a primary transit route for drugs destined for the United States. Most drugs transiting Latvia are destined for the Nordic countries or Western Europe. Heroin transiting Latvia is Afghan in origin and comes via the "Northern Route" (former Soviet Central Asia) and not the Balkan Route.

It is important to note that Latvia became a Schengen country on December 21, 2007, thus opening its borders to Western Europe. The Latvian State Police reported that the greatest rise in narcotics trafficking in Latvia occurred when it became an EU country in 2004. They do not expect the change after Schengen to be as marked.

Domestic Programs/Demand Reduction. The current national strategy addresses demand reduction, education, and drug treatment programs. Since its passage by the Cabinet of Ministers, the following objectives have been achieved: establishment of a co-ordination mechanism for institutions involved in combating drug addiction (involving eight ministries); establishment of a system for monitoring court directed treatment for addicted offenders; holding educational events for teachers and parents, as well as updated educational materials and informative booklets; inclusion of information on drug addiction in school curriculums; establishment of a pilot program for teaching prevention of drug addiction, alcohol abuse and smoking; pilot programs on drug addiction for local governments; education programs for members of the armed forces; mechanisms for information exchange amongst relevant institutions; and an increase in the number of employees in the regional offices of the Organized Crime Enforcement Department under the State Police. Legislation and amendments to current legislation continue to be passed with the objective of further regulating and raising barriers to addictive drugs and activities. In addition to

the State Narcotics Center, Latvia has established four regional narcotics addiction treatment centers in Jelgava, Daugavpils, Liepaja, and Straupe. There are rehabilitation centers in Riga and Rindzele, and youth rehabilitation centers in Jaunpiebalga and Straupe. In 2006, 910 patients were discharged from in-patient rehabilitation programs. Equally, there were 443 first treatment demands in outpatient programs. It is important to note that, because not all patients who receive treatment are registered as drug users, as many as one third of patients may not be accounted for among registered drug users.

IV. U.S. Policy Initiatives and Programs.

Bilateral Cooperation. The United States offers assistance on liaison programs in Latvia that focus on investigating and prosecuting drug offenses, corruption, and organized crime. At this time, the DEA has multiple cocaine cases ongoing involving Latvians, and one heroin case, as well as two drug-related money laundering cases. In 2007, the U.S. Coast Guard dispatched a Mobile Training Team to conduct a Maritime Operations & Planning course, and trained officers in International Leadership and Management, International Crisis Command & Control, and International Maritime Officer. Both the U.S. and Latvia help each other with other support as needed.

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

Lithuania

I. Summary

Synthetic drugs and cannabis are the most popular illicit narcotics in Lithuania. Lithuania also remains a source country for synthetic drugs, as well as a transit route for heroin and other illicit drugs. Although the government increased funding for drug prevention and control programs, the number of reported overdose cases increased. The seizure of narcotics reflected the strengthened counternarcotics efforts by law enforcement agencies. Lithuania is a party to the 1988 UN Drug Convention.

II. Status of Country

According to the Criminal Police Bureau, synthetic drugs (amphetamines and methamphetamines) and cannabis are the most popular narcotics in Lithuania. The relatively low price of synthetic drugs is one of the main causes behind their popularity. In 2007, police intercepted several shipments of locally produced amphetamines, closed down an illicit synthetic drugs laboratory, and intercepted heroin, hashish, and cocaine smuggled to and through Lithuania.

The number of people seeking initial treatment for drug addiction has decreased according to the most recent data, falling from 12.3 cases per 100,000 inhabitants in 2004 to 9.4 cases per 100,000 inhabitants in 2006. Nearly 79 percent of registered drug addicts are younger than 30 years old, and 80 percent are men. Approximately seventy-six percent of the registered 1,273 people living with HIV contracted the disease through intravenous drug use. The NCD's survey (2004) of drug use in Lithuania showed that 8.2 percent of Lithuania's residents had used some drug at least once in their lifetime, with those 15-34 years old significantly more likely than those 35-64 years old to have tried drugs. 7.6 percent of the Lithuanian population reported having used cannabis at least once in their lifetime. According to the NCD, a significant increase in drug overdoses, especially cocaine overdoses, was reported over the past few years. In 2004, six cases of cocaine overdose were registered, in 2005 the number of cases was 17, and the number of cocaine overdose cases grew to 40 in 2006. Law enforcement officials in Lithuania believe that the consumption of poppy straw and poppy straw extract in Lithuania has decreased. They base this estimation on the decrease in seizures from 167 kg of poppy straw and 184 liters of poppy straw extract in 2005 to 51 kg of poppy straw and 48 liters of poppy straw extract in 2006.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Lithuania's Ministry of Interior, Ministry of Education and Science, Ministry of Health, Ministry of Justice, Ministry of Social Security and Labor, NCD (Narcotics Crime Division), police, and other institutions worked to implement the National Program on Drug Control and Prevention of Drug Addiction for 2004-2008. The key objectives of the strategy are: prevention of drug abuse among young people, drug supply reduction, care for drug addicts, international and inter-institutional co-operation in the field of drug demand and drug supply reduction and development of coordination systems at the local and national levels. Lithuania increased funding to the National Drug Prevention and Control Program from 14.6 million LTL (\$5.84 million) in 2006 to 17.8 million LTL (\$7.12 million) in 2007, an increase of more than 200 percent.

Law Enforcement Efforts. Lithuanian law enforcement officials recorded 1,198 drug-related crimes as of October 2007, a slight decrease from the 1,393 during the same period in 2006. As of October 2007, police and customs in cooperation with other countries' law enforcement agencies had seized 5.251 kg of hashish, 38 kg of cannabis seeds, 351 units of the cannabis planting stock,

21,853 Ecstasy tablets, 27.3 kg of methamphetamines, , and 100 liters of the precursor chemical benzyl methyl ketone (BMK). Lithuanian authorities also seized small quantities (less than five kg each) of, cocaine, LSD, hallucinogenic mushrooms, various psychotropic drugs, and other precursors.

Lithuania worked effectively with international partners to break up drug smuggling operations in 2007, making important seizures in cooperation with Belarusian, French, Norwegian, Swedish, Estonian, Latvian, Russian, and Polish law enforcement partners. In January, Lithuanian and Belarusian law enforcement officers dismantled a network of synthetic drug dealers and confiscated 4,500 Ecstasy pills. In July Lithuanian officers arrested a man with a cargo of over 40 kg of cannabis at the border with Poland. They suspected that the cannabis was brought from Belgium. In October, Lithuanian officers arrested two Lithuanian citizens with 3 kilograms of amphetamines in Estonia in a joint operation with Latvian and Estonian colleagues. In 2007, the police shut down one laboratory producing high-quality amphetamines and confiscated 1,089 ml of safrole from the laboratory site. In September, customs officers began using SCUBA gear to inspect the underwater portions of the hulls of ships for drugs, guns, and other illegal goods at the Klaipeda sea port.

As of November 1, the Lithuanian court system adjudicated 726 drug-related cases and convicted 775 persons. Sentences for trafficking or distribution of drugs range from fines to fourteen years of imprisonment.

Corruption. Narcotics-linked corruption does not appear to be a major problem in Lithuania. Lithuania does not, as a matter of policy, encourage or facilitate illicit production of drugs or the laundering of proceeds from the illegal drug trade. Lithuania has established a broad legal and institutional anticorruption framework. However, media, NGOs, and public opinion polls expressed the view that corruption was a lingering problem. There were no reports of drug-related corruption involving Lithuanian government officials.

Treaties and Agreements. Lithuania is a party to the 1988 UN Drug Convention, the 1971 UN Convention against Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Lithuania also is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling, and illegal manufacturing and trafficking in firearms. An extradition treaty and mutual legal assistance treaty are in force between the United States and Lithuania. Lithuania ratified the UN Convention against Corruption in 2006.

Cultivation/Production. Laboratories in Lithuania produce amphetamines for both local use and export, according to the Lithuanian Ministry of Interior. Law enforcement agencies regularly find and destroy small plots of cannabis and opium poppies used to produce opium straw extract for local consumption. As of October 2007, police, in cooperation with customs agents, eradicated 295 square meters of poppies and 153 square meters of cannabis.

Drug Flow/Transit. According to Lithuanian law enforcement agencies, Lithuanian-produced synthetic drugs have been intercepted en route to Sweden and Norway and also passing through Germany, Poland, and Denmark. Customs agents have stopped drugs entering Lithuania from all sides: cocaine, Ecstasy, and other synthetic drugs arriving mostly from or via Western Europe; and heroin arriving from Central Asia via Russia and Belarus. Domestically grown poppy straw serves nearby markets in Lithuania, in Russia's Kaliningrad region, and in Latvia.

Domestic Programs (Demand Reduction). The Ministry of Education and Science continued implementation of the Program on Prevention of Use of Alcohol, Tobacco and Psychoactive Substances approved in 2006. The Program was adapted to each age range and integrated into school curricula, accounting for at least 5-6 hours per school year. Lithuania operates five national

drug dependence centers and ten regional public health centers. Several programs aim to reduce drug consumption through education programs and public outreach, especially in schools. The Prisons Department operates a rehabilitation center for incarcerated drug addicts, and spent around 0.7 million LTL (280,000 USD) in 2006 to purchase equipment and fund activities to prevent drug trafficking, train officials, and educate inmates. The NCD, police, and Ministry of Education and Science implemented targeted drug prevention programs involving parents, teachers, communities and at-risk-youth. The NCD continued implementation of the education project targeted at reducing the use of narcotics in bars and clubs and provided narcotics control and prevention training for members of municipal drug control commissions.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Law enforcement cooperation continues to be an area of great success, a result of several years of legal reform and law enforcement training. In 2007, the U.S. Coast Guard trained four Lithuanian officers in International Leadership and Management, and International Crisis Command & Control, International Maritime Officer, and Damage Control. The United States has successfully cooperated with the Lithuanian authorities in numerous investigations involving fraud, narcotics trafficking, money laundering, and other crimes.

The Road Ahead. The United States will continue cooperating with Lithuanian institutions to support drug prevention activities and fight against narcotics trafficking.

Macedonia

I. Summary

Macedonia is neither a major producer nor a major regional transit point for illicit drugs. The Government of Macedonia (GOM) made some progress in combating drug trafficking in the reporting period—illicit drug seizures in Macedonia significantly increased during the first 10 months of 2007, compared to the previous year, including a major seizure of nearly 500 kg of cocaine at the Kosovo-Macedonia border in January. Domestic use of illicit drugs continued to grow. Macedonian law enforcement authorities cooperated closely with regional counterparts, including the UN Mission in Kosovo (UNMIK), in counternarcotics operations. Such operations in some cases were hindered by ineffective interagency coordination and planning, although there were some modest improvements in interagency coordination compared to the previous year. Macedonia is a party to the 1988 UN Drug Convention.

II. Status of Country

Macedonia lies along one of several overland routes used to deliver Afghan heroin (through Turkey and Bulgaria) to Western Europe. Hashish and marijuana produced in Albania travel along the same routes to Turkey, where they are exchanged for heroin that is then transported to Western European markets. Synthetic drugs on the Macedonian market are smuggled in from neighboring Bulgaria and Serbia. A favorable climate in southern Macedonia encourages small amounts of marijuana cultivation mainly for personal use. According to government sources, there were no reports of the production of precursor chemicals or synthetic drugs in Macedonia. A major seizure of nearly 500 kg of cocaine in January 2007 suggested that, unlike previously, cocaine is being transported to or through Macedonia in increasing quantities. According to MOI sources, trafficking in synthetic drugs appeared to increase in 2007, but seizures were not higher than in 2006. Macedonia produced, on approximately 500 hectares, licit poppy straw and poppy straw concentrate, but in quantities insufficient for the country's pharmaceuticals industry. As a result, some poppy straw was imported under license.

III. Country Actions against Drugs in 2007

Policy Initiatives. Macedonia's National Anti-drug Strategy, approved in 2006, was followed, in May 2007, by the government's adoption of a National Action Plan for implementing that strategy.

Law Enforcement Efforts. According to MOI statistics, in the first ten months of 2007, criminal charges were brought against 326 persons (slightly less than in the preceding year), including twelve juveniles and one police officer. Those charges involved 282 actual cases of illicit drug trafficking, or 33 cases more than in 2006. In 2007, police seizures of cocaine and hashish were on average significantly higher than in the previous year. Seizures of other drugs, such as heroin, marijuana, and other psychotropic substances were slightly lower or the same as during the previous year. Some MOI sources believe trafficking in some synthetic drugs, such as Ecstasy, actually rose in 2007, as evidenced by lower prices for such narcotics, reflecting an increased supply on the market.

The MOI reported the following quantities of drugs and psychotropic substances seized in the first nine months of 2007:

- cocaine: 486 kg (compared to less than 300 grams in 2006);
- heroin: 60 kg (two and a half times less than in 2006);

- marijuana: 208 kg (30 per cent less than in 2006);
- cannabis: 4413 plants seized (a significant increase from the 142 plants seized and destroyed the previous year);
- hashish: 851 grams (compared to only 16 grams in 2006);
- raw opium: one kg (compared to three kg of opium seized in 2006); and
- Ecstasy: 1,862 pills (slightly more than the 1,377 seized in 2006).

In January 2007, Macedonian authorities—in cooperation with UNMIK and the United States Drug Enforcement Administration (DEA)—seized nearly 500 kilograms of cocaine which allegedly had originated in Venezuela and was destined for Greece. The May 2005 Witness Protection Law and legislation, passed in 2006, that enhanced the ability of prosecutors to use wiretaps as evidence in criminal proceedings, were used to positive effect in several counternarcotics cases. The Customs Administration continued to strengthen its intelligence units and mobile teams. Police officials claimed cooperation with their Customs colleagues improved compared to past years. In late November, a Macedonian court convicted the two defendants involved in the major cocaine seizure case on drug smuggling charges and sentenced them to 14.5 years in prison each.

Corruption. Corruption is pervasive in Macedonia, with low salaries and high unemployment fostering graft among law enforcement officials. However, public perceptions of the degree of corruption in Macedonia decreased in 2007, and public confidence in the government's ability to combat corruption rose. A recent poll, in which 44 percent of the respondents said they had paid bribes, indicates that the problem remains acute. The judiciary remains weak and is frequently accused of corruption. As a matter of policy and practice, the Government of the Republic of Macedonia does not encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Macedonia is a party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. A 1902 Extradition Treaty between the United States and Serbia, applies to Macedonia as a successor state. Macedonia is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. In April 2007 Macedonia acceded to the UN Convention against Corruption.

Cultivation/Production. Macedonia is neither a major cultivator nor producer of illicit narcotics. There are no reports of local illicit production or refining of heroin or illegal synthetic drugs. Only one pharmaceutical company in the country was authorized to licitly cultivate and process poppy for medicines. Authorized poppy production, some 500 hectares in 2007, is monitored by the Ministry of Health, which shares production data regularly with the Vienna-based International Narcotics Control Board. Marijuana cultivation in southeast Macedonia continued to present a challenge to authorities, although MOI sources reported only small quantities of the drug were cultivated, mostly for personal consumption.

Drug Flow/Transit. Macedonia is on the southern branch of the Balkan Route used to ship Afghan heroin to the western European consumer market. The quantity of synthetic narcotics trafficked to Macedonia in 2007 appeared to increase, largely due to the low cost of such drugs on the street in Macedonia. Most synthetic drugs aimed at the Macedonian market originated in Bulgaria and Serbia, and arrived in small amounts by vehicle. As noted above, Macedonian authorities seized a shipment of nearly 500 kilograms of cocaine, destined for Greece, at a border crossing with Kosovo.

Domestic Programs/Demand Reduction. Official Macedonian statistics regarding drug abuse and addiction are unreliable, but the government estimated there were between 7,000-8,000 drug users

in the country. The most frequently used drug was marijuana, followed by heroin and Ecstasy. There were an estimated 1,000 cocaine users in the country in 2007, according to official sources. Treatment and rehabilitation activities are carried out in the one state-run outpatient medical clinic for drug users that dispenses methadone to registered heroin addicts. There are also seven specialized local centers for methadone substitution treatment, which treat 1,550 drug addicts. One of the seven centers is located in the largest prison in the country (with over 60 percent of the total prisoner population). Of the 1,500 prisoners in the country's main prison, an estimated 600 were identified as drug addicts. Macedonian health officials acknowledged that rehabilitation centers were overcrowded. The Ministry of Health announced the opening of four more rehabilitation centers in Skopje, and seven in the smaller towns, including along a major internal drug supply route. In-patient treatment in specialized facilities consisted of detoxification accompanied by medicinal/vitamin therapy, as well as limited family therapy, counseling and social work. Follow-up services after detoxification, or social reintegration programs for treated drug abusers, were inadequate. Educators and NGOs continued to support programs to increase public awareness of the harmful consequences of drug abuse, targeting drug use among youth in particular.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. During 2007, DEA agents worked with the Macedonian police to support coordination of regional counternarcotics efforts, including a major cocaine seizure in January 2007. MOI police, the financial police, Customs officers, prosecutors, and judges continued to receive USG-funded training in anti-organized crime operations and techniques. USG representatives continued to provide training, technical advice, equipment, and other assistance to Macedonian Customs and MOI Border Police units.

The Road Ahead. Macedonia's porous borders, and the influence of regional narcotics trafficking groups, will continue to make the country an attractive secondary route for the transit of illegal drugs. DEA officials continue to expect increased use by traffickers of Macedonia as a "warehousing" base during transshipments. The United States Government, through law enforcement training programs, will continue to strengthen the ability of Macedonian police, prosecutors and judges to monitor, arrest, prosecute, and sanction narcotics traffickers. In cooperation with EU and other international community partners, the U.S. will press for full implementation of the national counternarcotics action plan. USG law enforcement training agencies in Macedonia will focus on working with GOM counterparts to use the Wiretapping Law and other legislative tools to strengthen the ability of prosecutors to successfully pursue counternarcotics cases. The USG will continue to work with the GOM and international partners to strengthen Macedonia's criminal intelligence system, and to improve the government's ability to provide reliable statistics on drug use, arrests, prosecutions, and convictions of traffickers.

With the passage of wiretapping legislation in November, USG law enforcement training agencies in Macedonia can now focus on working with GOM counterparts to implement the law in order to strengthen the hand of prosecutors in counternarcotics cases. The USG will continue to work with the GOM and our international partners to strengthen the criminal intelligence system, and to improve the government's ability to provide reliable statistics on drug use, as well as on arrests, prosecutions and convictions of traffickers.

Moldova

I. Summary

Moldova continues to grow as a drug-transit country and drug-related crime rates continue to increase. The number of criminal proceedings initiated in 2007 increased noticeably from 2006. Moldova is not a significant producer of narcotics or precursor chemicals. Despite the fact that widespread poverty makes Moldova a relatively unattractive market for narcotics sales, drug usage within Moldova remained a concern. The number of officially registered addicts increased during the first nine months of 2007 by over ten percent. Moldova is a party to the 1988 UN Drug Convention.

II. Status of Country

Moldova is an agriculturally rich nation with a climate favorable for cultivating marijuana and poppy. Annual domestic production of marijuana is estimated at several hundred kg. Authorities regularly seize and destroy illicitly cultivated hemp and poppy plants. The market for domestically produced narcotics remains small, largely confined to local production areas. Geopolitical changes and Moldova's proximity to the European Union resulted in increased imports of synthetic drugs. The smuggling of narcotic or psychotropic substances is a significant problem for Moldova. Investigations conducted in 2007, revealed increased cases involving narcotic substances of synthetic origin, such as methamphetamine, amphetamine, and Ecstasy (MDMA) as well as diverted licit opiates such as codeine. According to the Moldovan Ministry of Interior (MOI), domestic drug traffickers remain closely connected to organized crime in neighboring countries. Moldovan authorities also reported an increase in homemade drugs. Control over the movement of licit narcotic and psychotropic substances, as well as precursors, is carried out by the permanent Drug Control Committee of the Ministry of Health.

III. Country Actions Against Drugs in 2007

Policy Initiatives. The Moldovan Ministry of Interior is responsible for counternarcotics law enforcement. The Anti-Drugs Unit has 78 officers nationwide. The Anti-Drugs Unit continues to strengthen its efforts to counter narcotics activity based on the following GOM actions:

- Government Decision no. 314, passed on March 17, 2007. This decision approved the National Plan of Action for the years 2007-2009 to prevent drug abuse and drug smuggling. It covers the activities of the MOI and Ministry of Health;
- European Union (EU)-Moldova Plan of Action for 2005-2007; signed on February 22, 2005, in Brussels. The Plan of Action encourages political and economic interdependence between Moldova and the EU. The approval of the plan required Moldovan State Institutions (MOI, etc.) to assume responsibility for implementation of activities in their respective areas and to provide monthly, quarterly and semi-annual progress reporting;
- Ministry of Interior Decision no. 201, passed on July 6, 2005. This decision approved the Anti-Drugs Unit's Plan of Action for 2005-2007; and
- MOI Basic Organizational Measures Plan for 2007. This is a reoccurring annual plan that defines the activities of each MOI department.

Pursuant to its mission of curbing the increasing threat of transnational crime, in April 2006, the MOI established the Department of Operative Service (DOS). The DOS was created to ensure effective cooperation among existing GOM law enforcement authorities in combating trans-border

crimes. The Anti-Drugs Unit and other law enforcement agencies drafted a Common Action Plan to combat the trafficking of drugs (and precursors) through railway transportation. This plan involved the MOI, Information and Security Service, Customs Service, Border Guards Service and Ministry of Transportation and Roads.

Law Enforcement Efforts. Moldovan authorities registered 1,985 drug-related cases in the first nine months of 2007, compared with 1,691 cases during the same timeframe in 2006. During 2007, approximately 380 kg of narcotic substances were seized. Ninety-five kg of poppy straw and ten liters of liquid opium were seized, compared to 332 kg of poppy straw and 22 liters of opium seized for the same period in 2006.

Marijuana seizures constituted 230 kg, compared to 708 kg seized during 2006. Heroin seizures increased considerably in 2007: 1,676 grams seized during the first nine months of 2007 compared with twelve grams during the same period in 2006. Synthetic drug seizures also increased significantly from 2006 (with the exception of methamphetamine): 3,710 pills of prescription drugs, compared to 1,134 pills during 2006; 31,265 Ecstasy pills, compared to 237 pills in 2006; 189 ml of methamphetamine and 881 grams of amphetamine, compared to 2,100 ml and 405 grams in 2006.

During the first nine months of 2007, the MOI identified 154 cases of illegal trafficking of psychotropic substances and 16 cases of medical personnel prescribing narcotic and psychotropic substances or precursors in violation of the law (law on illegal movement and prescription of narcotic and psychotropic substances or precursors). As a result of this activity, over 3,000 pills (compared to over 2,500 pills during 2006) and over 5,000 ml of psychotropic substances containing ephedrine used for producing methamphetamine were seized.

Fifty-six boxes of drugs, warehoused by traffickers before attempting to smuggle them into prisons, were discovered, seized, and those involved prosecuted. By the end of 2007, 192 offenders, including seven penitentiary officials (out of 231) involved in the above crimes, were identified and apprehended.

Moldova will need to invest significant resources in education, border control enhancements, and further law enforcement initiatives if it hopes to stem the growth of its drug abuser population. However, Moldova remains the poorest country in Europe, and given its poverty and the scarcity of government resources, significant additional government investment quickly is unlikely.

In response to Moldova's call for international monitoring of the border, in December 2005, the EU dispatched a Border Assistance Mission (EUBAM) to help stem the flow of illegal trade between Ukraine and Moldova, to crack down on smuggling, strengthen customs procedures, and facilitate cross-border cooperation.

Corruption. Corruption, at all levels, is a major systemic problem within Moldova, but there has been some improvement. The Center for Combating Economic Crimes and Corruption (CCECC) is the law enforcement agency responsible for investigating corruption allegations, including those related to narcotics. The CCECC has been accused of political bias in targeting its investigations, although not specifically with regard to narcotics cases. The Government of Moldova (GOM), as a matter of policy, does not encourage or facilitate the production or distribution of drugs or money laundering from illegal drug transactions.

On October 9, 2007, the Millennium Challenge Corporation's Threshold Country Program officially launched its implementation phase in Moldova. With a two-year budget of \$24.7 million in MCC assistance, Moldova seeks to reduce corruption in the public sector through judicial reform, reform of health care, tax, customs and police agencies, and reform of the CCECC. The Department of Justice (DOJ) Office of Overseas Prosecutorial Development, Assistance and Training will provide technical assistance and training to reform the CCECC; and DOJ's

International Criminal Investigative Training Assistance Program will provide technical assistance and training to the Ministry of Interior and the Customs Department.

Agreements and Treaties. Moldova is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention. Moldova is a party to the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling.

During the reporting period, the GOM signed a number of treaties which strengthened Moldovan law enforcement's ability to combat illegal drugs:

- February 12, 2007, The Hague—signing of the Strategic Cooperation Agreement between Moldova and Europol;
- February 12, 2007, Brussels—signing of the Memorandum of Understanding between the Ministry of Interior of Moldova and the Federal Police Service of the Kingdom of Belgium; and
- June 20, 2007, Chisinau—signing of the Cooperation Agreement between the Governments of Moldova and the Slovak Republic on cooperation in combating organized crime.

Each of these treaties established the legal basis for cooperation with foreign partners on various law enforcement initiatives, including narcotics control. These treaties also articulated the mechanisms to be used to exchange information between the signing parties.

Cultivation/Production. Each year, between June and August, the MOI launches a special law enforcement operation called “Operation Poppy.” This operation targets illicit poppy, hemp and marijuana fields for eradication, and re-emphasizes all other counter drugs efforts. As a result of Operation Poppy this year, 829 criminal cases were initiated (out of 1,737 during the entire year). The cases included the following: 258 cases of cultivation of poppy plants, resulting in eradication of 15,275 kg of raw material; 77 cases of cultivation of cannabis, resulting in eradication of 22,126 kg of raw material; 230 cases of illicit marijuana smuggling, resulting in 51 kg seized; 57 cases of illegal trafficking in poppy straw, resulting in 36.3 kg of dried poppy straw seized; 67 cases of illegal movement of opium extract, resulting in 2,098 ml of substance seized; 9 cases of heroin smuggling, resulting in 1,606 grams seized; 46 cases of illegal circulation of narcotic and psychotropic substances, resulting in 1,446 pills seized. In total, 1,890 persons were held liable for committing administrative drug-related offenses (i.e., cultivation of poppy and cannabis in small quantities).

Drug Flow/Transit. Seizures of illicit narcotics in 2007 continue to indicate that Moldova remains primarily a trans-shipment country for narcotics. Information provided by the MOI indicates that two of the predominant heroin routes are from Ukraine through Moldova to Western Europe and from Turkey through Romania/Moldova into Russia and near-by states.

Domestic Programs/Demand Reduction. As of October 2007, the number of officially registered addicts in the Republic of Moldova was 9,700. This number represents an increase of nearly 11 percent compared to the same period in 2006 (8,750). In 2007, the MOI organized a National Press Conference on the topic of “Drug Addiction—Ways of Prevention.” The MOI also publicized, through high profile media releases and on its internet site, information on cases involving the apprehension and arrest of drug traffickers. The MOI has augmented its collaboration with local public administrations. From August to September 2007, four meetings took place in different parts of the country involving representatives of public administration, education and health departments, narcotic drug specialists, local council representatives, prosecutors and local police to discuss drug abuse prevention and counternarcotics activities.

Private drug treatment is an option only for the wealthiest of drug abusers. The Moldovan government and NGOs continued to provide limited information about narcotics and conducted some education and communication campaigns. Neither NGOs nor government offered drug treatment adequate for those already addicted.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Ongoing USG training and equipment initiatives are designed to improve the abilities of police to investigate and infiltrate organized crime and narcotics enterprises. The U.S. also offers assistance, including customs and border improvement programs aimed at strengthening Moldovan border control. Even if not specifically related to narcotics, these programs clearly have a “spin-off effect” of reducing the general illegal flow of goods through Moldova, including narcotics. During 2007, the U.S. Government (USG) financed basic and specialized law enforcement training programs (via the Department of State’s Bureau of International Narcotics and Law Enforcement Affairs) which included narcotics enforcement modules, as well as additional support through training and donation of equipment. The USG supported visits to the U.S. for Moldovan police officers, prosecutors, judges, anti-corruption and customs officers for various capacity-building and development programs. These programs focused on enhancing techniques related to combating corruption, money laundering, illicit drug trafficking and organized crime.

The Road Ahead. The U.S. and Moldova will continue to work together within the framework of several different U.S. assistance programs to improve the capacity of Moldovan law enforcement to target illicit movement of goods and persons through Moldovan territory.

Montenegro

I. Summary

Organized crime groups use Montenegro as a transit country for cannabis from Albania and Kosovo, and smaller amounts of other narcotics from the Middle East and Latin America, destined for the western Balkans and Western Europe. A small domestic market for illegal drugs exists. The Government of Montenegro is implementing a comprehensive action plan against illegal drugs, and is seeking close law enforcement relationships with other states in the region. Montenegro became an independent state in June 2006, and is in the process of becoming a signatory to relevant international conventions and agreements. Montenegro is a party to the 1988 UN Drug Convention, as a successor state of the Union of Serbia and Montenegro.

II. Status of Country

The Government of Montenegro estimates that only a small percentage of the illegal drugs entering the country are for the domestic market, although the police and press report that domestic drug addiction rates have been rising. Crimes connected with narcotics also have increased, and currently 50 percent of all Montenegrin prison inmates have been convicted for narcotics-related offenses. Protection of its borders is a national priority for Montenegro, and the United States and other international donors support those efforts; in particular, U.S. donations of ocean and lake patrol craft have been effective in interrupting water-borne smuggling.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Changes passed by the Parliament in 2006 to the domestic criminal surveillance law will allow the use of improved methods and additional technical means in investigating crimes, including drug trafficking. The adoption in 2004 of the new Criminal Code and Criminal Procedure Code included antinarcotics provisions meeting objectives in the 1988 UN Drug Convention, and included Montenegro's first Law on Witness Protection, creating a specialized police unit for this purpose as well. In 2007, Montenegro continued discussions with neighboring states on regional cooperation in witness protection. The Montenegrin Government is also in the process of drafting a National Strategy for Suppression of Drugs, which is supposed to be adopted by the end 2007 or in early 2008.

Law Enforcement Efforts. Training of police officers in techniques for combating organized crime and financial crimes remains central to coursework at the national police training center, re-established as a professional Police Academy in October 2006. Montenegro has retained a separate counternarcotics service in the police force, and plans to coordinate its efforts with the police surveillance unit, border police, the customs service, and the domestic intelligence service.— During 2007, police filed 327 criminal charges against 455 individuals for narcotics-related violations.

Police seized:

- 278.7 kg of marijuana
- 9.1 kg of heroin
- 9 grams of hashish
- 409.47 grams of cocaine
- 2421 tablets of Ecstasy

-- 902.88 grams of precursor chemicals

During the year, the police did not record any significant cases of either the production of synthetic drugs or growing of plants used to produce drugs.

Corruption. Corruption and the perception that corruption is tolerated are common in Montenegro, and affect both law enforcement and the judiciary. The Government attempts to identify, prosecute and punish instances of official corruption, but does not specify whether the acts underlying specific disciplinary actions and prosecutions are narcotics-related or not. Laws that criminalize corrupt activities by government employees address narcotics-related corruption. The Government has criminalized the production and distribution of narcotic and psychotropic drugs as well as the laundering of proceeds from illegal drug transactions, and enforces these laws. As a matter of government policy, the GOM 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. Montenegro is a party to the UN Convention against Corruption.

Agreements and Treaties. Montenegro became an independent state in June 2006, and has succeeded to a number of multilateral treaties to which the State Union of Serbia and Montenegro was a party or signatory, including the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention, as amended by the 1972 Protocol. Montenegro is also party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Drug Flow/Transit. Organized crime groups use Montenegro as a transit point for drug smuggling, due to the country's central location, topography—both coastal and mountainous—and its past reputation as a facilitator of smuggling. Cannabis is smuggled from producers in Albania and Kosovo, en route to the Western Balkans and Western Europe; heroin from Southwest Asia transits Albania and Kosovo, crossing Montenegro before being transported further into Western Europe. The Montenegrin police report that increased drug use accompanies the summer influx of tourists along Montenegro's coast.

According to the police, Montenegro is also a transit country for cocaine from Latin America. A joint action by Montenegro, Serbia, and Italy at the end of 2004 into the first half of 2005 seized 200 kg of cocaine from Latin America before it could be smuggled into Western Europe. In January 2007, Macedonian police on the Macedonia-Kosovo border seized 438 kgs of cocaine which had originally entered Montenegro through the port of Bar from Columbia.

Domestic Programs/Demand Reduction. The Government plans to re-convene its expert group to update its 2003-2006 action plan to combat drug use among children and youth. The group includes participants from the Interior Ministry, Ministry of Health, Ministry of Culture, Education Ministry, Justice Ministry, Labor and Social Welfare Ministry, Customs service, local governments, and NGOs. The Government has recognized the potential problem of drug use—especially synthetic drugs—among foreign tourists, and the effect upon Montenegro's tourism sector, which is a central pillar of the economy.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The Government of Montenegro works closely with the United States and EU countries in reforming and improving its law enforcement and judicial capacity. The United States has provided extensive technical assistance, equipment donations, and training, to the police, customs service, and judiciary. Several U.S. Departments have programs that directly and indirectly support counternarcotics activities in Montenegro, including the Department of Justice (ICITAP and OPDAT programs funded by the State Department), Department of Defense (Defense Threat Reduction Agency), Department of the Treasury, and Department of State (Export Control

and Border Security/EXBS, and SEED foreign assistance funding of Justice, Treasury, and DHS programs). The U.S. Department of Homeland Security (U.S. Coast Guard) through the Montenegro Border Security Program has also provided assistance in the past.

Netherlands

I. Summary

With its extensive transportation infrastructure and the busiest maritime port in Europe, the Netherlands continues to be a major distribution point for illicit drugs to and from Europe. A significant percentage of the cocaine consumed in Europe enters through the Netherlands, and the country remains an important producer of Ecstasy (MDMA), although production seems to be declining quickly. The successful five-year strategy (2002-2006) against the production, trade and consumption of synthetic drugs was positively assessed at the end of 2006, and a new long-term plan was endorsed by Parliament in June 2007. According to the Dutch National Police, the number of Ecstasy tablets seized in the U.S. that could be linked to the Netherlands dropped significantly from 0.85 million in 2005 to only 5,390 tablets in 2006. Operational cooperation between U.S. and Dutch law enforcement agencies is excellent, despite some differences in approach and tactics. During his May 2007 visit to The Hague, U.S. ONDCP Director Walters praised the Dutch for their efforts to curb the Ecstasy trade, noting that synthetic drug exports from the Netherlands to the U.S. have “largely dried up.” The Netherlands actively participates in DEA’s El Paso Intelligence Center (EPIC). The 100 percent controls at Schiphol airport on inbound flights from the Caribbean and some South American countries have resulted in a dramatic decline in the number of drug couriers from those countries. Dutch popular attitudes toward soft drugs remain tolerant. The Government of the Netherlands (GONL) and the public view domestic drug use as a public health issue first and a law enforcement issue second. The Netherlands is a party to the 1988 UN Drug Convention.

II. Status of Country

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

III. Country Actions Against Drugs in 2007

Policy Initiatives. Major Dutch Government policy initiatives in 2007 include:

Cannabis

According to the Justice Ministry’s Crime Prevention Plan, which was submitted to Parliament in November 2007, the fight against illegal cannabis cultivation, which began in 2006, will be stepped up over the next few years. Investigations will particularly focus on fighting the criminal organizations behind the cannabis plantations. According to the report, the National Taskforce on Organized Cannabis Cultivation will be set up in early 2008; law enforcement services, local and provincial governments, energy companies, housing corporations, insurance companies, and tax and welfare services will participate in the taskforce. The objective is to achieve a visible reduction in large-scale hemp cultivation by 2011.

In November 2007, the Justice Ministry’s Scientific Investigation and Documentation Center (WODC) published a report assessing the government’s intensified fight against cannabis

cultivation. The WODC's principal conclusions were that the integrated approach appeared to be productive, but, assuming that demand for cannabis would not change significantly, changes might occur in the organization of cannabis cultivation. The WODC anticipated increased measures by producers to conceal plantations and a shift in cultivation to safer locations in rural areas. The WODC also advised the government to step up controls on illegal activities of so-called "grow" shops, which sell, among other things, equipment for hemp cultivation. According to the WODC, some 6,000 cannabis plantations were dismantled in both 2005 and 2006, or about 500 per month. In response to the WODC report, Justice Minister Hirsch Ballin informed Parliament that the WODC's recommendations would be used to develop a broad action plan to fight organized cannabis cultivation.

In September 2007, the Rotterdam municipality approved the Mayor's proposal to close 18 "coffeeshops" located within 250 meters of a secondary school or college of higher professional education as of June 1, 2009. In July 2007, The Hague Mayor Deetman decided to close seven coffeeshops because they were located too close to schools. By 2011, all local governments should have enforced the "distance criteria."

In July 2007, Maastricht Mayor Leers agreed with coffeeshop owners to move eight of the 15 coffeeshops out of the city center to three sites on the city outskirts, close to the Belgian border. Neighboring Belgian cities decided to take legal action against the plan, arguing that, under the Schengen treaty, EU member-states are not allowed to cause any public nuisances in neighboring countries resulting from their drug policies. In 2006, Maastricht began a trial project to offer local residents special access passes to coffeeshops. The Netherlands allows the sale of small quantities of cannabis in coffeeshops under rigorous controls and conditions. The objective of the Maastricht trial is to cut down on drug tourism from neighboring countries. As a test case, a coffeeshop owner started a legal procedure against the Maastricht city council to assess whether the trial project is in line with EU law. The case is still pending. If the results of the case force no changes, the experiment will be expanded.

According to the annual THC Content study by the Trimbos Institute for Mental Health and Addiction, the THC content in Dutch-grown cannabis ("Nederwiet") dropped from 17.5 percent in 2006 to 16 percent in 2007, and that of imported cannabis from 18.7 percent in 2006 to 13.3 percent in 2007. The average price for one gram of "Nederwiet" rose almost 20 percent compared to 2006 to 7.30 euros in 2007. According to the study, the rise in price and decline in THC content were due probably to intensified police investigations into cannabis cultivation.

An amendment to the Opium Act making it easier for local governments to close down premises where drugs are sold illegally became effective on November 1, 2007. Under the law, mayors no longer have to prove that such premises are causing a serious public nuisance, which, in practice, can be very difficult. This authority already applies to public places, such as coffeeshops.

In November 2007, Health Minister Klink informed Parliament that he wants to extend by five years the availability of medicinal cannabis for scientific research and the development of a medicine. He indicated that medicinal cannabis should ultimately be a normal registered drug. In 2006, a Dutch company began to develop such a drug. Since 2003, doctors have been allowed to prescribe medicinal cannabis for chronically ill patients. The Health Ministry's Bureau for Medicinal Cannabis (BMC) buys the cannabis from two official growers.

Bilateral law enforcement cooperation treaties with Germany and Belgium/Luxembourg became effective in 2006. Measures have been taken to reduce drug trafficking in border regions. Cross-border surveillance has been intensified and license numbers of drug tourists are being exchanged.

In October 2007, Health Minister Klink and Justice Minister Hirsch Ballin sent Parliament a letter announcing their decision to ban sales of fresh "magic mushrooms" as of early 2008. The

unpredictable impact of human consumption of hallucinogenic mushrooms and related risky behavior, and the fact that most EU countries also have such a ban in place were cited as the reasons for the ban. According to the Minister, the number of incidents involving “magic mushrooms” has risen significantly over the past few years, particularly in Amsterdam, where the number of incidents rose from 55 in 2005 to 128 in 2006, and 110 in January-October 2007. Sales of dried hallucinogenic mushrooms were banned in the Netherlands some time ago.

Cocaine Trafficking

Justice Minister Hirsch Ballin stated in the seventh (and final) progress report assessing the Schiphol drug policy, published in late 2006, that despite the dramatic decline in the number of cocaine couriers arrested at the Amsterdam airport, the 100 percent controls of inbound flights from the Netherlands Antilles and Suriname would continue indefinitely. In 2006, the number of drug couriers arrested on these flights dropped to 928, from more than 2,000 in 2005. Netherlands-bound drug couriers increasingly appear to transit the Dominican Republic and Mexico as they attempt to traffic Colombian cocaine to the Netherlands. In June 2007, an X-ray machine was installed at Schiphol airport to enable selected passengers on flights from the Netherlands Antilles, Aruba, Suriname and Venezuela to be screened on site. Previously, these drug scans took place in Schiphol’s detention center.

In December 2006, the KMar military police was instructed by the Justice Ministry to stop sharing the Schiphol “black list” of couriers intercepted at the airport with DEA The Hague for privacy reasons. The Ministry indicated that, since Dutch policy requires the names to be removed from the list after three years, entering the names into DEA database without a sunset provision would be contrary to Dutch law. To date, this issue has not been resolved and the suspension continues. DEA The Hague continues to supply the KMar at Schiphol with international trend information on routes being utilized by drug couriers.

In September 2007, Justice Minister Hirsch Ballin signed a cooperation agreement with six other EU member-states to combat South American “drug” vessels trying to get to Europe through West African ports. The agreement provides for joint actions by the Coast Guard, Navy and Air Force, and the exchange of information. The new Maritime Analysis and Operations Center for Narcotic Drugs (MAOC-N) is open and operating in Lisbon.

In September 2007, a Rotterdam Customs drug-sniffing dog found 1,674 kg of cocaine hidden in a container with coffee from Costa Rica. The drugs had a street value of more than 40 million euros. International cooperation between the National Crime Squad (NR) and the National Prosecutor’s office and authorities in Brazil and Uruguay resulted in the dismantling of an international drug and money laundering organization in September 2007. The NR arrested four people, including the main suspect, after a Brazilian investigation led to the discovery of an additional 485 kg of cocaine in Uruguay.

After a tip by the Rotterdam “Hit and Run Container” team (HARC – an interagency squad that includes the sea-port police, customs, and the FIOD-ECD fiscal and economic information service, and the public prosecutor’s department), Colombian authorities in August 2007 seized a container with 4,000 kg of cocaine (at an estimated street value of 180 million euros), underway from Peru to Rotterdam. Shortly before, the HARC team had found 40 kg of cocaine hidden in wooden beams, shipped from Brazil to Rotterdam in a container. The investigation of that case uncovered the possibility of a second shipment by the same group.

Ecstasy

The Government’s successful five-year strategy (2002-2006) against the production, trade and consumption of synthetic drugs was assessed positively at the end of 2006 by the Justice Ministry’s independent research center (WODC). The WODC concluded that:

- Cooperation among investigation and enforcement services has been improved;
- Dozens of investigations were initiated, leading to the arrest of hundreds of suspects;
- More than 20 million Ecstasy tablets and thousands of liters of chemical precursors were seized;
- 130 production labs were dismantled.
- There were indications that synthetic drugs production has dropped but has not been eliminated.

In May 2007, Justice Minister Hirsch Ballin sent Parliament a policy memorandum, “Continued Measures against Synthetic Drugs as of 2007,” outlining the Dutch government’s objectives and strategies to combat Ecstasy and other synthetic drugs over the next several years. The new policy measures include enhanced law enforcement efforts to combat the production and trade of synthetic drugs, vigorous drug use prevention and information efforts, and closer international cooperation. The plan was approved by Parliament in June, and is currently being implemented. According to a report by the Dutch national police, the Netherlands has successfully moved away from being the world’s leading MDMA-Ecstasy producing country. The police noted a shift in production to Belgium and countries such as Canada and Australia. (For more details on seizures, see section on cultivation/production.)

In April 2007, a joint investigation by DEA The Hague and the National Crime Squad (NR) into an MDMA trafficking organization resulted in the seizure of some 460 kg of MDMA and the arrest of five defendants. The investigation is ongoing.

In May 2007, the NR seized 800 kg of MDMA powder, 2.5 million MDMA tablets, 270 kg of amphetamine, and 210 kg of hashish in a warehouse at an industrial site in the south of the country.

Heroin

In July 2007, the Justice Minister informed Parliament that the program under which incarcerated addicts are offered treatment in detention centers, if necessary under coercion, would be expanded from 3,000 to 6,000 addicts per year in 2011. According to the Justice Ministry, some 30 to 40 percent of the prison population has addiction problems, often in combination with other (mental) disorders.

In 2007, a joint investigation by DEA The Hague and the National Crime Squad (NR) into an international heroin trafficking organization led to the seizure of some 24 kg of heroin and the arrest of 12 defendants in The Netherlands. The investigation also led to the seizure of some 300 kg of heroin in Turkey and the arrest of suspects in Turkey, Austria and Germany. The investigation is ongoing.

In October 2007, Justice Minister Hirsch Ballin denied press allegations that 160 kg of heroin seized by the police in a Turkish drug investigation had disappeared. He also denied use of controlled deliveries and of criminal undercover agents, as had been reported by a national TV program.

Law Enforcement Efforts. The Health Ministry coordinates drug policy, while the Ministry of Justice is responsible for law enforcement. Matters relating to local government and the police are the responsibility of the Ministry of Interior. At the municipal level, policy is coordinated in tripartite consultations among the mayor, the chief public prosecutor and the police.

The Dutch Opium Act prohibits the possession, commercial distribution, production, import, and export of all illicit drugs. Drug use, however, is not an offense. The act distinguishes between

“hard” drugs that have “unacceptable” risks (e.g., heroin, cocaine, Ecstasy), and “soft” drugs (cannabis products). Trafficking in “hard drugs” is prosecuted vigorously and dealers are subject to a prison sentence of up to 12 years. When trafficking takes place on an organized scale, the sentence is increased by one-third (up to 16 years). Sales of small amounts of cannabis products (under five grams) are “tolerated” (i.e., not prosecuted, even though technically illegal) in “coffeeshops” operating under regulated conditions (no minors on premises, no alcohol sales, no hard drug sales, no advertising, and not creating a “public nuisance”). Commercial production and distribution of cannabis is illegal and is vigorously prosecuted.

The National Crime Squad (NR) has proved very effective in drug investigations; cooperation with DEA is close and effective. The co-location of DEA special agents with the NR office in The Hague, which focuses on cocaine investigations, and in Helmond, which focuses on synthetic drugs and precursor chemicals, continued in 2007; co-location has proved productive for both DEA and the NR. Since co-location began at the NR office in The Hague, DEA and the NR have jointly conducted nine major international drug trafficking investigations, which led to the arrest of 45 defendants in the Netherlands and the seizure of approximately 6,600 kg of cocaine by Dutch law enforcement authorities.

In May 2007, the Netherlands became a full member of DEA’s International Drug Enforcement Conference (IDEC) at the annual conference in Madrid, Spain. The Dutch delegation to IDEC consisted of an NR official and a senior prosecutor from the National Public Prosecutor’s office. The Dutch are expected to participate in all IDEC conferences in the future. The Netherlands will host the Synthetic Drug Enforcement Conference (SYNDEC III) in November 2007. The DEA delegation will include staff from DEA The Hague, DEA Brussels and DEA Headquarters. In June 2007, the DEA Chief of International Programs participated in the Pearls in Policing Conference on Police Leadership hosted by the National Dutch Police Force (KLPD) in The Hague. This conference, attended by some 40 senior international law enforcement officials, discussed the challenges faced by international law enforcement in the 21st century.

In 2007, DEA and the KLPD began joint clandestine laboratory training. DEA personnel traveled to The Hague for specialized training on MDMA clandestine laboratories and KLPD officers were provided specialized training on methamphetamine labs at the DEA Academy in Virginia. In addition, Dutch authorities provided equipment to the DEA Academy to set up an operational MDMA lab for use in training DEA agents and other U.S. law enforcement officers. DEA The Hague and KMar’s financial unit at Schiphol airport have also begun to cooperate on joint money laundering cases and cash courier seizures. In 2007, this new program led to the seizure of more than \$2 million in narcotics proceeds, and the arrest of a DEA fugitive from 1997, who was arrested at Schiphol with 1.2 million Euros in cash.

All foreign law enforcement assistance requests continue to be sent to the DINPOL (International Network Service), a division of the KLPD. The DINOPOL has assigned two liaison officers to assist DEA and other U.S. law enforcement agencies. Since the reorganization of the NR, the DINOPOL has allowed DEA and other liaison officers to contact two of the five NR offices directly with requests. In addition, DEA has been allowed to contact regional police offices on a case-by-case basis. This policy has permitted better coordination during ongoing enforcement actions, such as controlled deliveries and undercover operations. Under Dutch law enforcement policy, prosecutors control most aspects of an investigation. Dutch police officers must get prosecutor concurrence to share information directly with foreign liaison officers on a police-to-police basis. This can hamper the quick sharing of information, which could be used proactively in an ongoing investigation. However, the quick sharing of police-to-police information is improving as a result of the increased access for DEA agents with NR units. Dutch law enforcement has also become much more willing to undertake controlled delivery operations with DEA without an MLAT. In fiscal year 2004, the Dutch did not accept any requests from DEA for controlled

delivery operations. In FY 2006, U.S. law enforcement proposed 31 controlled deliveries to the Dutch, of which five were accepted and one was successful. Most of these controlled deliveries are small amounts of cocaine (less than five kilograms) contained in parcels being sent from South America or the Caribbean (Source: KLPD National Police Force):

| Drug Seizures | 2005 | 2006 |
|-------------------------------|-------------|-------------|
| Heroin (kg) | 902 | 984 |
| Cocaine (kg) | 14,603 | 10,581 |
| Ecstasy (tablets) | 1,854,487 | 4,118,252 |
| Ecstasy(powder and paste)(kg) | 430 | 664 |
| Synthetic drug labs | 19 | 23 |
| Amphetamine (kg) | 1,576 | 633 |
| Amphetamine (tablets) | 980 | 38,077 |
| LSD (doses) | 625,000 | 22,599 |
| LSD (tablets) | 2,482 | |
| Methadone (tablets) | 13,752 | 11,559 |
| Cannabis resin (kg) | 5,484 | 4,622 |
| Marijuana/"Nederwiet" (kg) | 4,237 | 6,641 |
| Hemp plants | 1,672,103 | 1,570,006 |
| Dismantled hemp plantations | 5,630 | 5,201 |

Corruption. The Dutch Government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior official of the Dutch Government engages in, encourages or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Press reports of low-level law enforcement corruption appear from time to time but the problem is not believed to be widespread or systemic. In September 2007, three Schiphol Customs officers were arrested on suspicion of having played a role in cocaine trafficking through the airport. So far this year, the KMar military police at Schiphol arrested 17 employees of businesses located at the airport for drug trafficking.

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

Cultivation and Production. Although commercial (indoor) cultivation of hemp is banned, about 80 percent of the Dutch cannabis market is Dutch-grown marijuana ("Nederwiet"). The Justice Ministry announced in November 2007 that the fight against illegal cannabis cultivation, which

began in 2006, will be stepped up over the next few years. The investigations will particularly focus on fighting the criminal organizations behind the cannabis plantations. According to a report by the National Police Force, 5,201 cannabis plantations were dismantled in 2006, about the same as in 2005.

The National Crime Squad (NR) synthetic drug unit concluded in its 2006 report that the Netherlands has long been considered the world's largest MDMA producer, followed at some distance by Belgium. However, the NR noted countries like Canada and Australia appear to be taking over at least some of the production. The Netherlands still has a leading position as a producer of amphetamine, predominantly destined for the European market. The NR seized almost no BMK and PMK chemical precursors in 2006, which is attributed to successful investigations in preceding years. The total number of Ecstasy tablets seized in the U.S. that could be linked to the Netherlands dropped significantly from 850,000 in 2005 to only 5,390 tablets in 2006. The number of registered Ecstasy tablets seized in the Netherlands totaled 4.1 million in 2006 compared to 1.85 million in 2005.

According to the 2006 NR report, 2006 MDMA seizures around the world that could be associated with the Netherlands totaled 5.7 million tablets and 72 kg of MDMA powder, as compared to over 13 million tablets and 23 kg of MDMA powder in 2005. MDMA (powder and paste) seizures in the Netherlands in 2006 rose to 664 kg from 430 kg in 2005. The NR also reported seizing 20,605 LSD paper doses, 385,205 MCPP tablets, and 5,000 methamphetamine tablets in 2006. The number of dismantled production sites in the Netherlands for synthetic drugs rose to 23 in 2006 from 18 in 2005. Of the 23 production sites dismantled, 9 were for amphetamine and 5 for Ecstasy production, and 7 were meant for Ecstasy tableting.

Drug Flow/Transit. The Netherlands remains an important point of entry for drugs to Europe, especially cocaine. The Dutch government has stepped up border controls to combat the flow of drugs, including the successful Schiphol Action Plan. Cocaine seizures in the Netherlands dropped from 14,603 kg in 2005 to 10,581 kg in 2006. Of the 2006 seizures, more than 4,500 kg were seized in the port of Rotterdam. Some 4,479 kg were seized at Schiphol, of which 3,238 kg from passengers and 1,241 kg in air cargo. Because of stronger controls at Schiphol, traffickers have diverted to other European airports or alternative routes. The government has expanded the number of container scanners in the port of Rotterdam and at Schiphol airport. Controls of highways and international trains connecting the Netherlands to neighboring countries have also been intensified.

Demand Reduction. The Netherlands has a wide variety of demand and harm-reduction programs, reaching about 80 percent of the country's 24,000-46,000 opiate addicts. The number of opiate addicts is low compared to other EU countries (about 3 per 1,000 inhabitants); the number has stabilized over the past few years; the average age has risen to 40; and the number of overdose deaths related to opiates has stabilized at between 30 to 50 per year. Needle supply and exchange programs have kept the incidence of HIV infection among intravenous drug users relatively low. Of the addicts known to the addiction care organizations, 75 percent regularly use methadone.

According to the 2006 National Drug Monitor, out-patient treatment centers registered some 31,510 drug users seeking treatment for addiction in 2005, compared to 30,745 in 2004. The number of cannabis addicts seeking treatment rose to 6,100 in 2005 from 5,500 in 2004, the number of opiate addicts seeking treatment rose slightly from 14,000 in 2004 to 14,200 in 2005, and the number of cocaine users seeking help dropped slightly from 10,000 in 2004 to 9,800 in 2005. About 65 percent of addicts seeking help for cocaine problems are crack cocaine users.

Below are the latest available statistics on drug use among the general population ages 15-64, 2001 and 2005 of percent reporting life-time use and last-month/current use (Source: National Drug Monitor 2006, Trimbos Institute):

| | Lifetime Use | | Last-Month Use | |
|--------------------|--------------|------|----------------|------|
| | 2001 | 2005 | 2001 | 2005 |
| Cannabis | 19.5 | 22.6 | 3.4 | 3.3 |
| Cocaine | 2.1 | 3.4 | 0.1 | 0.3 |
| Heroin | 0.2 | 0.6 | 0.0 | 0.0 |
| Amphetamine | 2.0 | 2.1 | 0.0 | 0.2 |
| Ecstasy | 3.2 | 4.3 | 0.3 | 0.4 |

Prevention. Drug prevention programs are organized through a network of local, regional and national institutions. Programs target schools in order to discourage drug use among students, and use national mass media campaigns to reach the broader public. The Netherlands requires school instruction on the dangers of alcohol and drugs as part of the health education curriculum. The “healthy living” project developed by the Netherlands Institute of Mental Health and Addiction (the Trimbos Institute) continues to run in about 75 percent of Dutch secondary schools. At the request of the Health Ministry, the Trimbos Institute each year carries out drug information campaigns. The 24-hour national Drug Info Line of the Trimbos Institute has become very popular. In August 2007, Trimbos warned the Dutch public against the use of cocaine mixed with atropine, which caused one death and several overdose cases throughout the country.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. and Dutch law enforcement agencies maintained excellent operational cooperation, with principal attention given to countering the Netherlands’ role as a key source country for MDMA/Ecstasy entering the U.S. The U.S. Embassy in The Hague has made the fight against the Ecstasy threat one of its highest priorities. Dutch law enforcement has dramatically improved its acceptance of controlled delivery operations with the DEA, but continues to resist use of criminal undercover agents in investigations of drug traffickers. Law enforcement officials are also reluctant to acknowledge the involvement of large, international drug organizations in the local drug trade and do not use their asset forfeiture laws in conjunction with drug related investigations as often as the U.S. does. Bilateral law enforcement cooperation continues to expand under the “Agreed Steps” commitments fight drug trafficking. DEA The Hague has also noted improved and expedited handling of drug-related extradition requests. The U.S. is also working with the Netherlands to assist Aruba and the Netherlands Antilles in countering narcotics trafficking. The 10-year FOL agreement between the U.S. and the Kingdom for the establishment of Forward Operating Locations (for U.S. enforcement personnel) on Aruba and Curacao became effective in October 2001. Since 1999, the Dutch Organization for Health Research and Development (ZonMw) has been working with NIDA on joint addition research projects. The Netherlands deploys warships to the Caribbean, where they conduct counternarcotics missions under the tactical control of Joint Interagency Task Force South. A Netherlands military officer, assigned to the JIATF South staff, also assists in coordinating this counternarcotics operational support.

The Road Ahead. U.S.-Dutch bilateral law enforcement cooperation is expected to intensify in 2008, particularly through DEA’s access to the two NR drug units in The Hague (cocaine) and Helmond (Ecstasy). In addition, in November 2007, DEA was given access to the new NR International Intelligence Center in Woerden. This center will be utilized to share strategic

intelligence and to coordinate multilateral international drug trafficking investigations. During the bilateral “Agreed Steps” law enforcement consultations in The Hague in October 2007, the U.S. and the Netherlands agreed to continue operational cooperation in international drug trafficking investigations. We expect the follow-up to the Dutch government’s successful Ecstasy Action Plan, which is currently being implemented, to further improve Dutch counter narcotics efforts.

Norway

I. Summary

Norway's illicit drug production remained insignificant in 2007. Norway tightly controlled domestic sales, exports and imports of precursor chemicals, limiting the potential for synthetic drug production ever to emerge in Norway. In 2007, the number of drug seizures fell moderately, but the volume of drugs seized rose significantly, with the volume of seized amphetamines up 78 percent. Cannabis accounted for 40 percent of the total number of seizures, followed by amphetamines (some 23 percent) and benzodiazepines (17 percent). Other drugs (including methamphetamine) made up about 20 percent of the seizures. The police continued to step up efforts to track and intercept drugs in transit through Norway. Norway is a party to the 1988 UN Drug Convention.

II. Status of Country

Norwegian illicit drug production remained insignificant in 2007 mainly due to Norway's tight regulations governing domestic sales, exports and imports of precursor chemicals and the country's unfavorable climatic conditions for vegetal-drug production. However, Norway remained a significant market and transit country for drugs produced in Central/Eastern Europe and elsewhere.

III. Country Actions against Drugs in 2007

Policy Initiatives. The Norwegian Ministry of Health and Social Care continued its narcotics and alcohol abuse treatment and prevention reform program in 2007, publishing several policy documents and brochures dealing with narcotics and alcohol abuse and their treatment (e.g., *Drugs and Alcohol in Norway*). The Ministry reiterated in reports that the national government, represented by the regional health enterprises, has the ultimate responsibility for treatment and prevention of narcotics and alcohol abuse. The Ministry acknowledged that the principal aim of state centralization of drug treatment policy is to provide improved and uniform health and counseling services for drug and alcohol abusers countrywide.

In May 2007, the Ministry opened a national electronic database on drugs and alcohol prevention and treatment as a guideline for local governments. In 2007, the Ministry continued to encourage the use of drug injection control rooms (in Oslo) for drug addicts. The rationale for the injection rooms is to remove the pressure on drug addicts to feed their addictions by crime and to provide addicts with sterilized injection needles in a controlled environment. The rooms have been criticized in the local press for encouraging drug abuse. A recent Conservative Party initiative to extend the use of injection control rooms to all counties in Norway was rejected on cost grounds as too expensive. In September 2007, the Liberal Party proposed using heroin for maintenance of long-term addicts in drug treatment programs but narcotics officials in the Ministry of Health and Social Care considered the proposal irrelevant, since there are alternative maintenance programs for drug rehabilitation in place in Norway.

A joint multi-party narcotics action committee continued its review of government narcotics policy. According to the committee's mandate, it will evaluate preventative strategies and propose drug rehabilitation and treatment alternatives. The committee is also mandated to study the premises behind current narcotics policy and propose any appropriate long-range policy changes.

In 2007, the Norwegian Police Directorate (PD), a part of the Ministry of Justice and Police, continued to enforce the PD's 2003-2008 counternarcotics action plan, with narcotics police following up by carrying out an increasing number of countrywide and border drug raids. The PD has at its disposal modern equipment (e.g., one helicopter; drug scanner machinery at borders). The

2003-2008 action plan carries forward plans and initiatives to meet the objectives of the 1988 UN Drug Convention. The PD thus focuses on reducing domestic drug abuse, identifying and curbing illicit drug distribution, and curbing drug abuse among drivers of motor vehicles. The PD announced a more comprehensive drugs of abuse list in 2007.

In other developments, the PD continues to support the so-called Verdal (a small community in the county of north Trondelag) Initiative, where the local community has introduced measures to curb narcotics use locally. In addition, Norway has introduced a mapping system aimed at detecting new abuse patterns. The so called “Early Warning System” has been introduced in the big towns of Bergen, Oslo and Drammen and it is primarily aimed at youth and young adults. Indicators are compiled, and officials seek contact with affected youths and subcultures, with the objective of identifying and responding to any emerging drug abuse issues. The PD also supports various local counternarcotics rehabilitation actions that emerged in 2007.

Norway’s customs and excise directorate (CED) continued its counternarcotics efforts. The CED has now been equipped with mobile x-ray scanners that can detect drugs, illegal firearms and alcohol in vehicles passing major border crossings. The CED continued implementing its own counternarcotics plan aimed at curbing drug imports, and seizing illicit drug money and chemicals used in narcotics production. The CED coordinates its efforts with the police and the Coast guard.

Law Enforcement Efforts. According to statistics compiled by the Norwegian police crime unit (KRIPOS), the total number of drug seizures in 2007 declined by 10.8 percent to an estimated 23,170 cases from 25,963 in 2006. However, the narcotics police and customs agents noted that the volume of drugs seized rose significantly, with the amount of amphetamines seized up 78 percent. The authorities made some big drug hauls: (a) the seizure of 110 kg of amphetamines from a Norwegian-Dutch drug gang in May 2007; and (b) the seizure of more than 140 kg of amphetamines by customs agents patrolling Norway’s southern border with Sweden in two incidents in September/October 2007. The police and customs agents said they continue to focus attention on drug “wholesalers” rather than individual abusers. Of the seizures made in 2007, cannabis accounted for 40 percent, amphetamines 23 percent, benodiazepines 17 percent, and other drugs accounted for 20 percent of total seizures.

The market in Norway for methamphetamine remains limited, and is estimated at less than 500 kg per year. The methamphetamine seizures accounted for less than 5 percent of the 2007 seizures. In 2006 (the most recent year for which figures were available), the number of persons charged with narcotics offenses rose 11 percent to about 41,700—compared with 37,567 in 2005—reflecting increased police vigilance, and probably increased abuse as well. In order to discourage the use of narcotics substances, Norwegian law enforcement authorities have continued to make coordinated raids at border crossings against smuggling rings and to impose heavy fines relating for narcotics offenses. In a move to improve law enforcement, the Ministry of Justice and Police has given permission to use technical means to monitor the conversations of narcotics offenders.

Corruption. Neither the government, as a matter of policy, nor senior government officials engage in, encourage, or facilitate illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Norway is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Norway is also a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms, and the UN convention against corruption. Norway has an extradition treaty and customs agreement with the U.S. Norway remains a member of Interpol, the Dublin group, and the Pompidou group. In October 2007, Norway signed a narcotics cooperation accord with Russia to help combat the flow of drugs from Russia and Afghanistan.

Cultivation/Production. Very small quantities of Norwegian-grown hashish/cannabis concealed as potted or cultivated plants in private premises were the only illicit drug cultivation detected in Norway this year. While there is concern that narcotics dealers may establish mobile synthetic drug laboratories, few significant seizures of such labs occurred in 2007.

Drug Flow/Transit. According to KRIPOS, the 2007 inflow of illicit drugs remained significant in volume terms with amphetamines, cannabis, heroin, benzodiazepines, and Ecstasy topping the list. Most illicit drugs enter Norway by road from other European countries including Lithuania and the other Baltic states (e.g., amphetamines), Russia (e.g., methamphetamine), Poland, the Netherlands, Belgium, Germany, Morocco via Spain, Central Asia, the Balkans and other countries in Eastern Europe and Afghanistan. In the past, some drugs have been seized in commercial vessels arriving from Europe and Central/South America.

Domestic Programs (Demand Reduction). Government ministries and local authorities continue to initiate and strengthen counternarcotics abuse programs. According to the Ministry of Health and Social Care, a reduced number of drug-related deaths during 2007 suggest that these programs have been successful. While the maximum penalty for a narcotics crime in Norway is 21 years imprisonment, penalties for carrying small amounts of narcotics are not severe.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. DEA officials consult with their Norwegian counterparts, and continue to cooperate on drug related issues.

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

Poland

I. Summary

Poland has historically been a transit country for drug trafficking. However, with Poland's recent entry into the Schengen zone of borderless travel and as economic conditions improve, it has become a more significant transit country, while continuing to be a producer of amphetamines. Illicit drug production and trafficking are often tied to organized crime, and, although Polish law enforcement agencies have been successful in breaking up organized crime syndicates involved in drug trafficking, criminal activities continue to become more sophisticated and global in nature. Cooperation between the USG and Polish law enforcement is good. Poland is a party to the 1988 UN Drug Convention

II. Status of Country

Poland has historically been a transit country for drug trafficking; however, improving economic conditions and increased ease of travel to Western Europe have increased its significance as a transit country and a producer of amphetamines. Cooperation between USG officials and Polish law enforcement has been consistent and Poland's EU accession accelerated the process of GOP diligence on narcotics policy.

III. Country Actions Against Drugs in 2007

Policy Initiatives. The 2006 expenditures on the National Program for Counteracting Drug Addiction totaled approximately \$103.5 million dollars (321 million PLN based on an average exchange rate for 2006). This figure includes expenditures of the National Bureau for Drug Addiction, National AIDS Center, the Institute of Psychiatry and Neurology, the Border Guards, the National Health Fund, Customs Service, Provincial and Communal Governments, various training programs, and many other associated expenses. The National Plan was enacted into law in 2005 to ensure legislative commitment to counternarcotics, and the Ministry of Health is also seeking to codify its National Plans on HIV and AIDS. Administrative control for counternarcotics programs remains somewhat decentralized. Demand reduction programs are managed jointly by the National Bureau for Drug Addiction and provincial and communal governments, with the idea that this model improves the system's ability to target local populations. Other GOP elements involved in counternarcotics efforts include the police, Border Guards, and National Health Fund.

After the Polish accession to the European Union in May 2004, Poland ceased to receive EU funding to combat narcotics. Today, some support for counternarcotics activities comes from general EU funds for equipment and communication and additional funding for implementation of the Schengen zone, which Poland joined on December 21, 2007.

Law Enforcement Efforts. In 2007, the Polish National Police (PNP) cooperated with the DEA in several narcotics investigations targeting trafficking organizations that import controlled substances into Poland. They also worked cases focused on organized crime gangs that export controlled substances to the United States. Polish law permits the use of informants, telephone taps, and controlled deliveries to fight international crime, and a witness protection program is in place. Cooperation between the Polish police and Border Guards is good, especially on controlled deliveries. Poland works with Interpol and EUROPOL to combat transnational narcotics trade. Poland also cooperates with several neighboring countries on counternarcotics programs, including Project Eagle, a program of Polish-Swedish cooperation on trafficking of amphetamines. Poland also has bilateral programs in place with Russia to improve cooperation on the expert level for the

prosecution of narcotics cases, which have been implemented in cases on P2P smuggling through Lithuania, Ukraine and Belarus.

In 2007, the Polish police closed down 12 amphetamine labs with additional successes achieved by other Polish special services agencies. Twenty percent of the labs closed were run by foreigners, including individuals from Greece and Germany. One sign of the success of local law enforcement in uncovering amphetamine labs is the relocation of labs from Warsaw to more remote, rural areas. In 2006, 28,634 suspects were detained for questioning in drug-related cases and there was evidence of over 70,000 drug-related transactions. In October 2007, 50 kg of heroin was seized during shipment from the former Soviet Union to the Netherlands. With new legislation in effect, sentences for trafficking narcotics have been raised to a maximum of 15 years. All forms of possession are now punishable. The new possession laws doubled the number of criminal cases per year from approximately 30,000 to 60,000.

Agreements and Treaties. Poland is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention, as amended by the 1972 Protocol. An extradition treaty and MLAT are in force between the U.S. and Poland. Poland is party to the UN Convention on Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and illegal manufacturing and the UN Convention Against Corruption. Poland is also a member of the Dublin Group of countries coordinating narcotics assistance policies.

Drug Flow/Transit. Synthetic drugs, particularly amphetamines, are manufactured in Poland in small-scale kitchen operations. The quality of amphetamines in Poland tends to be high as a result of double distillation, making Polish amphetamines competitive with the cheaper, large-scale production amphetamines from Belgium or the Netherlands. Sixty percent of Polish-produced amphetamines are exported to Scandinavia. Precursors for amphetamines are not locally available and must be imported from other countries. The profitability of amphetamine trade remains low. The majority of money and foreign participation is in the cocaine traffic. Heroin, hashish, cocaine, and Ecstasy frequently transit the country, destined for Western Europe. Ecstasy prices in Poland in 2007 ranged from 15 to 40 PLN per pill and pills can be bought wholesale for 8 PLN (\$1 = 2.46 Polish Zloty).

Opium, originating from Afghanistan, is also frequently shipped through Poland, destined for Western Europe. Sea-based shipments of narcotics have also been seized. A shipment of 1.3 tons of Colombian cocaine destined for Szczecin, Poland was seized in December 2006 in Sweden.

Domestic Programs. The National Bureau for Drug Addiction has a comprehensive plan for reducing drug addiction and programs to discourage new users. Currently, the GOP estimates the drug user population in Poland to be between 35,000 and 70,000 people. The Bureau is working with the Polish parliament to support new programs for recreational users, in addition to traditional programs such as the residential programs that target addicts. Demand reduction efforts such as government-prescribed school counternarcotics programs and programs intended to empower parents to talk with their children about drugs have proven to be successful, and preliminary figures show a decrease in the consumption of all drugs, with the exception of amphetamines in the 16 and older age group: while the number of potential users in this age group is decreasing because of demographic factors, the total number of addicts is growing. Treatment efforts, such as drug-free residential programs have continued to grow, almost doubling capacity from 1,600 beds in 1999 to 2,500 beds today. One of the residential programs in use is a Methadone program, in which an opiate derivative is used to stabilize addicts and slowly wean them off of opiates, while minimizing the risk of HIV infection. HIV first appeared in Poland in 1988 and now Poland has 20,000 cases of HIV, a low number attributable to the early implementation of needle exchange programs. Poland also has a robust harm reduction program, including the “Discotech” program which works

with club owners to provide free bottled water at “Rave-prone” dance parties to reduce drug-induced dehydration illnesses, and consequence training, which helps addicts learn how to care of themselves and provides information on treatment options available when they choose to seek treatment. For 2008, the Bureau is working on a leaflet on date-rape drugs and a campaign against driving under the influence of drugs, as preliminary data shows that approximately 150,000 drivers operate vehicles while impaired.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Bilateral cooperation between the U.S. and Polish counternarcotics players remains strong, especially since the stationing of two DEA officers in Warsaw in 2005. One of the challenges to cooperation on a policy-level remains the high turn-over of managerial-level counterparts. Additionally, the GOP finds that our efforts to collaborate on some judicial issues are less than wholly productive owing to differences in how our legal systems operate. Nonetheless, DEA and LEGATT find that there is good cooperation on a working level. Their Polish counterparts comment that these offices are a focal point of their bilateral and multilateral cooperation.

The Road Ahead. With the expansion of the Schengen zone on December 21, 2007, and Poland’s geographical location on the Afghan heroin trafficking route, it is likely that Poland’s role as a transit country will persist in the near future. Both bilateral and regional cooperation on counternarcotics issues will continue to play an important role in improving the fight against narcotics trafficking.

Portugal

I. Summary

Although Portugal saw a significant decline in drug seizures from South America from the previous year, it continues to be a key transit spot for narcotics entering Europe. For example, seizures of cocaine decreased from 30.4 metric tons in the first six months of 2006 to 5.2 metric tons during the same period in 2007. In the first half of 2007, seizures of heroin also diminished by 45 percent. Hashish seizures increased significantly from around 3.6 metric tons to 15.1 metric tons. U.S.-Portugal cooperation on drugs has included visits to Portugal by U.S. officials and experts, and consultations on the newly established Maritime Analysis Operations Center for Narcotics (MAOC-N), located in Lisbon. Portugal is party to the 1988 UN Drug Convention.

II. Status of Country

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

III. Country Actions Against Drugs in 2007

Policy Initiatives. Portugal decriminalized drug use for casual consumers and addicts on July 1, 2001. The law makes the "consumption, acquisition, and possession of drugs for personal use" a simple administrative offense. In 2007, the Portuguese Parliament approved a law allowing police to test drivers' saliva for driving under the influence of narcotics and/or alcohol. If the road-side sample is positive, drivers must then undergo a blood test at a health establishment to confirm the results. Drug testing prior to the new law had to be done at a health care establishment, making the process more complicated for both drivers and law enforcement officers.

Law Enforcement Efforts. Portugal has seven separate law enforcement agencies that deal with narcotics: the Judicial Police (PJ), the Public Security Police (PSP), the Republican National Guard (GNR), Customs (DGAIEC), the Immigration Service (SEF), the Directorate General of Prison Services (DGSP), and the Maritime Police (PM). The PJ is a unit of the Ministry of Justice with overall responsibility for coordination of criminal investigations. The PM report to the Ministry of Defense and the other entities are units of the Ministry of the Interior. According to a 2007 semi-annual report prepared by the PJ, the Portuguese law enforcement forces arrested 3,331 individuals for drug-related offenses in the first six months of 2007 as "traffickers/consumers." Most were Portuguese citizens, followed by a number of nationalities, including Cape Verdeans (208), Bissau-Guineans (48), Brazilians (44), Venezuelans (38), Spaniards (27), and Angolans (21). The 2007 PJ semi-annual report indicates a significant decrease in the cocaine seized in the first half of 2007 compared to the first half of 2006. Cocaine seizures fell from 30.4 metric tons to just 5.2 metric tons in the first half of 2007. Also over the first six months of 2007, compared to the same timeframe in 2006, hashish seizures jumped four-fold to 15.1 metric tons, Ecstasy seizures decreased by 54,998 pills and heroin seizures declined by 36 kilograms. The 2007 PJ report indicates over 1 million Euros in cash, the equivalent of over 24,000 Euros in foreign currency, and more than 300 vehicles, 1,000 cell phones, and 121 weapons have been seized. On May 25, 2007 PJ officials seized a container with 2.2 tons of cocaine transiting Port of Leixoes in Northern

Portugal destined for Spain with a tip off from Spain's National Police. PJ officers arrested two suspected narco-traffickers and 16,000 individual doses of heroin in the largest narcotics seizure in Madeira's history on September 26, 2007.

Corruption. As a matter of government policy, Portugal does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. Although the PJ did have a corruption and theft incident in 2007, the force conducted a full investigation and charged suspects with the crime. In July, a senior PJ officer in the counternarcotics unit was arrested for diverting over 100,000 Euros seized in a drug investigation for private use. In April, a PSP Lieutenant and an agent working in Amadora, a suburb of Lisbon, also were investigated for using seized drugs from one investigation as evidence against other, unrelated suspected drug dealers.

Agreements and Treaties. Portugal is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Portugal is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. In September 2007 Portugal ratified the UN Convention against Corruption. A Customs Mutual Assistance Agreement (CMAA) has been in force between Portugal and the U.S. since 1994. Portugal and the U.S. are parties to an extradition treaty from 1908. Although this treaty does not cover financial crimes or drug trafficking or organized crime, certain drug trafficking offenses are deemed extraditable in accordance with the terms of the 1988 UN Drug Convention.

Drug Flow/Transit. Portugal's long, rugged coastline and its proximity to North Africa offer an advantage to traffickers who smuggle illicit drugs into Portugal. In some cases, traffickers are reported to use high-speed boats in their attempts to smuggle drugs into the country and some traffickers use the Azores islands as a transshipment point. The U.S. has not been identified as a significant destination for drugs transiting through Portugal.

Domestic Programs. Responsibility for coordinating Portugal's drug programs was moved to the Ministry of Health in 2002. The Government also established the Institute for Drugs and Drug Addiction (IDT) by merging the Portuguese Institute for Drugs and Drug Addiction (IPDT) with the Portuguese Service for the Treatment of Drug Addiction (SPTT). The IDT gathers statistics, disseminates information on narcotics issues and manages government treatment programs for narcotic addictions. It also sponsors several programs aimed at drug prevention and treatment, the most important of which is the Municipal Plan for Primary Prevention. Its objective is to create, with community input, locality-specific prevention programs in thirty-six municipal districts. IDT runs a hotline and manages several public awareness campaigns. Regional commissions are charged with reducing demand for drugs, collecting fines and arranging for the treatment of drug abusers. A national needle exchange program was credited with significantly reducing the spread of HIV/AIDS and hepatitis, although HIV infections resulting from injections are still a major concern in the Portuguese prison system. In November 2006, Lisbon city officials approved plans for legalized assisted narcotics consumption centers or "shoot houses" to open in late 2007 but the heated internal debate has stalled plans to open. Portugal is implementing its National Drugs Strategy: 2005-2012, with an intermediary impact assessment scheduled for 2008. It builds on the EU's Drugs Strategy 2000-2004 and Action Plan on Drugs 2000-2004 and focuses on reducing drug use, drug dependence and drug-related health and social risks. The system will include prevention programs in schools and within families, early intervention, treatment, harm reduction, rehabilitation, and social reintegration measures. Drug demand reduction measures take into account the health-related and social problems caused by the use of illegal psychoactive substances and of poly-drug use in association with legal psychoactive substances such as tobacco, alcohol and medicines. The program aims at strengthening cooperation among all security forces within Portugal as well as within the 27 EU member states. The program also will intensify law

enforcement cooperation with important source countries for drugs found in Portugal, including countries in Africa and South America.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. DEA-Madrid is responsible for coordinating with Portuguese authorities on U.S.-nexus drug cases. The Portuguese Customs Bureau cooperates with the U.S. under the terms of the 1994 CMAA.

In late 2006, Portugal was selected to host an international counternarcotics information sharing initiative, the Maritime Analysis and Operation Center Narcotics (MAOC-N), which was officially launched on September 30, 2007. The MAOC-N coordinates law enforcement information and resources among participant nations (Portugal, United Kingdom, France, Spain, Italy, Netherlands and Ireland) by sharing intelligence on narcotics shipments and by deploying the appropriate national assets to stop the traffickers. The Center's main focus is to combat the importation of cocaine from South America to Europe, especially maritime routes in the North Atlantic and Center-West (Western Africa) areas, but also targets air transport. The MAOC-N is implementing some methods used by the U.S. Joint Interagency Task Force-South in Key West, Florida. It has assistance of two U.S. Liaison Officers observers, one each from the Joint Interagency Task Force (South and European Command), and the United States has observer status in the group. From April 1 until November 1, 2007, MAOC-N coordinated ten maritime operations, which located and seized a total of 18.9 metric tons of cocaine.

The Road Ahead. Portugal and the U.S. will use their excellent cooperative relationship to improve narcotics enforcement in both countries.

Romania

I. Summary

Romania is not a major source of illicit narcotics. However, Romania serves as a transit country for narcotics and lies along the well-established Northern Balkan route used to move opiates derivatives such as opium, morphine base and heroin from Afghanistan to Central and Western Europe. It is a developing route for the transit of synthetic drugs from Western and Northern Europe to the East. Romania recently begun to produce a small amount of amphetamines and also is used as a transit point for South American cocaine destined for Western Europe, especially through Constanta. In 2007, Romania made several major drug seizures. Romania worked to implement its 2005-2008 National Anti-Drug Strategy. Romania is a party to the 1988 UN Drug Convention.

II. Status of country

Romania lies along what is commonly referred to as the Northern Balkan Route, and is, therefore, a transit country for narcotics, mainly heroin and opium, moving from Southwest Asia, principally Afghanistan, through Turkey and Bulgaria and onward toward Central and Western Europe. Romania also lies along a developing route for the transit of synthetic drugs from Western and Northern Europe to the East, and is a source for some synthetic drugs. A large amount of precursor chemicals transit Romania from West European countries toward Turkey. Romania increasingly is becoming a storage location for illicit drugs prior to shipment to other European countries. Heroin and marijuana are the primary drugs consumed in Romania, however, the use of synthetic drugs such as MDMA (Ecstasy) increased among segments of the country's youth. Officials also predict an increase in domestic heroin consumption. Much of this increase is tied to growth in disposable incomes among Romanian youth.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Romania continues building an integrated system of prevention and treatment services at the national and local level, with 47 Anti-Drug Prevention and Counseling Centers throughout the country. The General Directorate for Countering Organized Crime and Anti-Drug (DGCCOA) operates at both the central and territorial level, with 15 brigades assigned next to the local Appeal Courts and 41 county offices for combating narcotics and organized crime. Joint teams of police and social workers carry out educational and preventative programs against drug consumption. Romania plays an active role in the Bucharest-based Southeast European Cooperative Initiative (SECI) Center's Anti-Drug Task Force.

Law Enforcement Efforts. In the first semester of 2007, Romanian authorities seized 165.78 kilograms of illegal drugs, including 117.65 kilograms of heroin, 45 kilograms of cocaine, 38.02 kilograms of cannabis, 3.31 kilograms of hashish and 18,559 amphetamine and derivates pills. During the first semester of 2007, 2674 individuals were investigated for drugs and precursor trafficking, possession and consumption. This was an increase of 136.84 percent compared with the same period in 2006. 393 individuals were indicted, 246 are being held under preventive arrest. The Romanian Courts convicted 328 individuals. Of these, 313 received prison sentences.

Corruption. Corruption remains a serious problem within the Romanian government, including within the judiciary and law enforcement branches. The code of ethics for police officers provides strict rules for the professional conduct of law enforcement and specifically addresses corruption, use of force, torture, and illegal behavior. Unlawful or abusive acts may trigger criminal or disciplinary sanctions. In conjunction with the code of ethics, the government created a permanent

commission within the Ministry of the Administration and Interior to monitor compliance with the code of ethics. Also, the anti-corruption unit within the Ministry of the Administration and Interior conducted several internal undercover operations targeting police officers. As a matter of government policy, Romania does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions as a matter of government policy. Senior Romanian officials do not engage in, encourage, or facilitate the illicit production or distribution of dangerous drugs or substances, or launder the proceeds from illegal transactions.

Agreements and Treaties. Romania is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, and the 1971 UN Convention on Psychotropic Substances. The 1924 extradition treaty, 1936 supplementary extradition treaty, and 2001 mutual legal assistance treaty are currently in force between Romania and the United States. The U.S. and Romania concluded a new extradition treaty and a protocol to the mutual legal assistance treaty in September 2007. These instruments form the basis for a fully modernized law enforcement relationship with Romania and implement obligations under the US-EU extradition and mutual legal assistance agreements. The President transmitted both instruments to the Senate for advice and consent to ratification in January 2008. Romania is a party to the UN Convention against Transnational Organized crime and its three protocols, and the UN Convention against Corruption.

Cultivation/Production. Romania is not a significant producer of illicit narcotics; however, there is a small amount of domestic amphetamine production.

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

Domestic Programs. While consumption of narcotics in Romania has historically been low, this appears to be slowly changing. The Romanian government has become increasingly concerned about domestic drug consumption. Approximately, 870 drug prevention programs were initiated during the first semester of 2007, including programs against drug consumption in families, in schools or in the community. These were conducted in cooperation with local authorities, NGO's, religious organizations and private companies. Detoxification programs are offered through some hospitals, but treatment is severely limited. These programs are hampered by a lack of resources and adequately trained staff. During October-November 2006, the Interior Ministry enacted two decisions aimed at improving treatment for drug users. One decision refers to case management and the second provides for customized care plans for recovering drug users.

IV. U.S. Policy Initiatives and Programs.

Bilateral Cooperation. In 2006, the United States provided \$1,724,000 in assistance to further develop Romania's cyber-crime and counter narcotics capabilities, reform the criminal justice system, combat emerging crimes and counter official corruption. In 2007, Romania also benefited in 2007 from approximately \$1,329,000 in U.S. assistance to the SECI Center for Combating Trans-border Crime, which more broadly supports the twelve participating states in the Balkan region and focuses on trans-border crime, including the narcotics trade. The U.S. is a permanent observer country at the SECI Center and has recently approved two permanent DEA positions. These DEA officers will assist in coordinating narcotics information sharing, maintain liaison with

participating law enforcement agencies, and coordinate with the DGCCOA on case-related issues. A Resident Legal Advisor from the U.S. Department of Justice also is assigned to the SECI Center, providing guidance on drug trafficking investigations.

The Road Ahead. The U.S. and Romania will strive to develop their cooperation and move into new areas of interest to both sides. Drug crime seems to be increasing in Romania. The United States stands ready to assist Romania and nearby countries in meeting this growing challenge.

Russia

I. Summary

Trafficking in opiates from Afghanistan and their abuse were major problems facing Russian law enforcement and public health agencies in 2007. The Ministry of Health (MOH) estimates that up to six million Russians (of a population of 143 million) or 4.2 percent take drugs on a regular basis. Russian officials estimate that about 10,000 people die annually of drug overdoses and another 70,000 deaths are considered drug-related. There are estimates that nearly 70 percent of new HIV cases can be attributed to intravenous drug use and 90 percent of injection drug users are Hepatitis C positive.

The Federal Drug Control Service (FSKN) reported that the sharp post-Soviet increases in the number of drug users has begun to stabilize. The Government of Russia (GOR) has begun to take steps to address the public health issues associated with drug use. Health education programs in schools and outreach programs for youth and other vulnerable populations are beginning to incorporate messages concerning the harmful effects of drug use and the links between injecting drugs and HIV/AIDS. However, government-supported drug addiction treatment programs are ineffective and not widely available. Russia is a party to the 1988 UN Drug Convention.

II. Status of the Country

Russia is both a transshipment point and a user market for heroin, opium, marijuana, Ecstasy and other dangerous illegal substances including a synthetic injectable opiate comprised of a mixture of heroin and tri-methylfentanyl called "White China." Opiates in Russia originate almost exclusively in Afghanistan, and are often ultimately destined for Europe. The 7000-kilometer Russian border with Kazakhstan is roughly twice the length of the U.S.-Mexican border and poorly patrolled. Retail distribution of heroin and other drugs within Russia is carried out by a variety of criminal groups which include, but are not limited to Russian Organized Crime, Central Asian, Caucasian, Russian/Slavic, and Roma groups.

III. Country Actions Against Drugs In 2007

Policy Initiatives. The FSKN, originally established in 2003 as the State Committee for the Control of Traffic in Narcotic and Psychotropic Substances (GKPN), was restructured in 2004 to become the Federal Drug Control Service (FSKN). The FSKN has 35,000 employees, with branch offices in every region of Russia. Since its creation the FSKN has stressed the importance of attacking money laundering and other financial aspects of the drug trade. The money laundering division of the FSKN cooperates closely with the Ministry of the Interior (MVD), the Federal Security Service (FSB), and the Federal Customs Service (FTS), but its main partner is the Federal Service for Financial Monitoring (FSFM). The FSKN has also continued its efforts to implement effective monitoring of the chemical industry. Prior to the creation of FSKN, precursor chemicals and pharmaceuticals were governed by a patchwork of regulations enforced by different agencies. Production, transportation, distribution, and import/export of controlled substances now require licensing from FSKN.

On October 19, 2007, President Vladimir Putin signed a decree establishing the State Anti-Narcotics Committee. The stated purpose of the newly-established governmental steering body is to develop proposals for the President on national anti-narcotics policy, to coordinate the activities of various government agencies, and to participate in international drug enforcement cooperation efforts. The Committee is chaired by the FSKN Director and is comprised of seven federal ministers, 14 heads of federal services, a Ministry of Foreign Affairs representative, vice speakers

from the Duma and the Federation Council, and other officials. Anti-narcotics commissions will be established at the regional level and will be headed by the heads of regional administrations.

Internationally, President Vladimir Putin has authorized the FSKN to station 50 officers in foreign states to facilitate information sharing and joint investigations. The FSKN planned to open liaison offices in ten countries in by2008: Austria, Afghanistan, Iran, Kazakhstan, Kyrgyzstan, China, the U.S., Tajikistan, Ukraine, and Uzbekistan. The GOR has also indicated that its drug liaison officer in Kazakhstan will also work with the Central Asian Regional Information and Coordination Centre (CARICC), which is being established by the UN Office on Drugs and Crime and will be based in Almaty, Kazakhstan. CARICC will serve as a regional focal point for communication, analysis and exchange of operational information in “real time” on cross-border crime, as well as a center for the organization and coordination of joint operations. CARICC includes Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan in addition to Russia.

On February 7, 2006, amendments to the Criminal Code reduced the minimum punishable amounts of illegal drugs a user can possess before he/she is subject to prosecution. This reversed legislation adopted in November 2003 that reduced the sentence for possession of drugs for “personal use” from a maximum of three years in jail to a fine. The 2006 amendments eliminated the category of “average dose” and defined the quantities of “large” and “especially large” amounts of drugs to be used in determining sentences for drug-related crimes as follows (amounts in grams): poppy straw (20/500), hashish (2/25), heroin (0.5/2.5), marijuana (6/100), opium (1/25), and methadone (0.5/2.5).

Russian legislators continue to press for harsh penalties for drug traffickers. At the end of 2007, a bill was pending before the Duma that would amend the criminal code to criminalize imports into Russia of synthetic analogs of narcotic substances, shift the authority to investigate such offenses from the Customs Service to FSKN, and stiffen the penalty from a fine to seven years in prison.

Law Enforcement Efforts. Through November 2007, the MVD registered 216,062 crimes related to illicit drug trafficking, the identification of 96,692 perpetrators, and 134,370 cases referred for prosecution. The following table reflects total drug seizures for 2006 and the first nine months of 2007 by all law enforcement agencies in Russia (all figures are in kg; Source: FSKN):

| Substance | 2006 | Jan-Sept. 2007 |
|-------------------------|--------|----------------|
| Hashish | 678 | 1,300 |
| Marijuana | 16,353 | 12,000+ |
| Poppy Straw | 1,671 | 20,000+ |
| Opium | 238 | 417 |
| Heroin | 1,981 | 1,337 |
| Cocaine | 21 | 155 |
| Psychotropic substances | 521 | 397 |

| | | |
|---------------------|-------|--------|
| Precursor chemicals | 1,699 | 10,192 |
| Synthetic drugs | 178 | 194 |

According to the FSKN, seizures have pushed up the price of almost every kind of drug across Russia. The average retail price for a gram of heroin in 2007 was \$56.00 versus \$ 51.54 in 2006. The average price in 2005 was \$40, in 2004 it was \$30 and in 2003 it was \$20. The wholesale price for a kilogram of heroin in 2007 is about \$26,000. Prices ranged from about \$11,300 to about \$75,200 per kilogram depending on quality and distance from Russia's border with Kazakhstan.

Clandestine amphetamine labs are occasionally reported in Russia. In November 2007, the FSKN reported that 100 grams of amphetamines, 300 tablets of methamphetamine and numerous rocket propelled grenades were discovered in a laboratory in the Rostov Region. The investigation resulted in the arrest of a 25-year-old post-graduate chemistry student from a local university who was alleged to be in control of the drug-production site. The FSKN also reported that, in 2007, six (6) kg of tri-methylfentanyl were seized at a clandestine laboratory in St. Petersburg. A seizure operation at a clandestine laboratory in Moscow region resulted in the discovery of tri-methylfentanyl, along with methadone and amphetamines. Further investigation by Russian authorities revealed that the chemical process for producing the seized drugs had been shortened dramatically, indicating that laboratory operators had an extensive background in chemistry and were very familiar with the chemical conversion process. The FSKN reports that a majority of tri-methylfentanyl seizures occur in small amounts (300-600 grams) in the northwest and western parts of Russia.

Although MDMA (Ecstasy) tablets produced in Russia are of poor quality, the low prices (as little as \$5 per tablet) are attractive to Russian youth compared to the \$20 typically charged for each tablet for MDMA from abroad (primarily The Netherlands and Poland). The St. Petersburg area is considered the primary gateway for foreign-produced MDMA smuggled into Russia. In 2007, Russian authorities seized 1.6 kg of MDMA from two Lithuanians in Voronezh, Russia—a city approximately 500 miles south of Moscow: an example of traffickers from the Baltic States entering the country from St. Petersburg and making drug deliveries not just to Moscow, but to some of the more remote parts of the country as well.

On November 1, 2007, FSKN and FSB agents seized ten (10) tons of acetic anhydride (AA) and arrested three subjects in Dzerzhinsk – a town approximately 250 miles east of Moscow where the only AA-producing factory in Russia is located. The seized precursors were said to be just part of a much larger delivery to drug traffickers in Afghanistan. Russian authorities believed that the AA was to be shipped by truck to Afghanistan, by way of Tajikistan and disguised as a solvent used in plastic production, as well as mosquito repellent.

Cocaine abuse is not widespread, but is increasing. Disposable incomes in Russia have risen steadily over the past few years, while cocaine prices have remained static, making the drug more affordable to a growing number of potential users. Cocaine is easily obtained in Moscow and St. Petersburg. Cocaine is frequently brought into Russia through the ports of St. Petersburg, and to a lesser extent Novorossiysk. Sailors aboard fruit carriers and other vessels operating between Russia and Latin America provide a convenient pool of potential couriers. In an example of effective international law enforcement cooperation, the U.S. Drug Enforcement Administration (DEA) and Russian law enforcement agencies conducted operations which resulted in several significant seizures, totaling more than 124 kg of cocaine and \$127,200 in U.S. currency during the first nine months of 2007. Each of these seizures involved Latvian, Ukrainian and Russian crewmembers aboard banana vessels smuggling multi-kilogram cocaine shipments from South America to St.

Petersburg. Another less common smuggling method involves couriers traveling on commercial flights bringing cocaine into Russia, often through third countries in Europe, as well as the U.S.

FSKN officials have also pointed to the use of the Internet to sell illegal drugs. According to the FSKN, Russia is home to hundreds of websites which market illegal drugs both in Russia and abroad. The FSKN has reported that it is attempting to develop technology to interrupt web-based drug trafficking.

Russia now has a legislative and financial monitoring structure that facilitates the tracking, seizure, and forfeiture of all criminal proceeds. Russian legislation provides for investigative techniques such as wiretapping, search, seizure and the compulsory production of documents. Legislation passed in 2004, entitled “On Protection of Victims, Witnesses and Other Participants in Criminal Proceedings” extends legal protection to all parties involved in a criminal trial. Prosecutors or investigators may recommend that a judge implement witness protection measures if they learn of a threat to the life or property of a participant in a trial. Steps taken to protect a program participant could include personal and property protection, change of appearance, change of identity, relocation, and transfer to a new job. The GOR has issued implementing regulations and provided money from the federal budget for implementation of the legislation. The Presidential Administration has submitted cooperating witness legislation to the Duma, where it is expected to win passage.

In 2006, asset forfeiture laws were reinstated to Russian legislation, enabling the courts to seize the property of a convicted drug trafficker if it is demonstrated that the property was purchased with drug proceeds.

Corruption. Evidence indicates the scope and scale of official corruption in Russia have grown markedly in the past several years. There were no reported cases of high-level narcotics-related corruption. In May 2006, five FSKN officers were accused of extortion and detained in Moscow. The case remains under investigation. Over the period October 2006 to October 2007, criminal proceedings were initiated against 16 FSKN officers. This included the general in charge of the FSKN’s Department of Operative Support, who was charged with abuse of power and illegal wiretapping for profit. There is no indication that these charges were drug-related.

As a matter of government policy, however, the GOR does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No GOR senior officials were known to engage in, encourage, or facilitate the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Russia is party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The U.S.-Russia Mutual Legal Assistance Treaty (MLAT), entered into force on January 31, 2002. Russia is a party to the UN Corruption Convention and the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling.

The GOR has signed over 30 bilateral agreements on counternarcotics cooperation including a Memorandum of Understanding with the U.S. Drug Enforcement Administration to enhance bilateral cooperation to combat illegal drugs and their precursor chemicals. In October 2007, the Russian FSKN and the European Union’s Monitoring Centre on Drugs and Drug Addiction signed a Memorandum of Understanding to promote the exchange of information and technical expertise on the use of illegal drugs.

Cultivation/Production. There are no official statistics on the extent of opium cultivation in Russia, and the USG has no evidence to suggest that more than 1,000 hectares of opium are

cultivated. There are small, illicit opium poppy fields ranging in size from one to two hectares in Siberia, in the Central Asian border region, and in the Omsk-Novosibirsk-Tomsk area. Typically the opium fields are small backyard plots or are located in the countryside concealed by other crops. Cannabis grows wild throughout Russia and is also cultivated in quantities ranging from a few plants to plots of several hectares. Every year, Russian authorities carry out the “Operation Poppy” eradication effort, aimed at illicit cannabis and poppy cultivation. Primary cannabis cultivation areas are Primorye, Altay, as well as Amur Oblast and the Republic of Tuva. In 2007, FSKN officials reported stepped-up efforts to eradicate cannabis being grown on national park land around Sochi, the site of the 2014 Olympic Winter Games.

Drug Flow/Transit. Opiates (and hashish to a lesser degree) from Afghanistan are smuggled into Russia through the Central Asian states along the “Northern Route.” The FSKN estimates that 60 MT of heroin (are smuggled into Russia annually from Afghanistan. Contraband is typically carried in vehicles along the region’s highway system that connects populated areas of southwestern Russia and western Siberia. Smuggling vehicles often utilize cover loads such as onions, cabbage, watermelons and honey. Couriers sometimes use the region’s passenger trains and incidents involving internal body carriers or “swallowers” are also common.

To disrupt this trafficking, each year since 2003, law enforcement agencies of the member states of the Collective Security Treaty Organization-CSTO (Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan) have participated in “Operation Canal.” Operation Canal’s operations are bi-annual, weeklong interdiction blitzes during which extra personnel are stationed at critical junctures on the Russian border and in Central Asia to conduct increased searches of suspected drug smugglers and inspections of their vehicles for drugs, drug proceeds and precursor chemicals. In 2007, Operation Canal blitzes took place from August 28 to September 3 and again from November 26 to December 3. The 2007 operations included observers from Azerbaijan, China, Latvia, Lithuania, Mongolia, Poland, the U.S. Drug Enforcement Administration (DEA), Uzbekistan, Ukraine, Finland, Estonia, as well as officers from FSFM and INTERPOL. As a result of these two week-long operations, the Russian FSKN reported that law enforcement agencies from the CSTO seized 890 kilograms of heroin, 1,348 kilograms of hashish, 35 kilograms of synthetic drugs, 1,366 weapons, 26,105 rounds of ammunition, and precursor chemicals. Russia and the other member nations of the Shanghai Cooperation Organization (SCO) have also attempted to use the SCO as a vehicle to combat narcotics trafficking in Afghanistan and Central Asia.

An example of the volume of opiates being smuggled into Russia was the May 2007 seizure of 436 kilograms of heroin in Moscow. This very significant seizure was one of the largest in recent years and followed other large seizures in Moscow, including a July 2006 seizure of 242 kg of heroin, an October 2006 seizure of 158 kg of heroin, and two seizures in August 2005 of 165 kg of heroin and 156 kg of heroin, respectively.

The Russian cities of Yekaterinburg, Samara, Omsk, and Novorossisk have also emerged as hubs of trafficking activity. A 362 kilogram heroin seizure was recorded in Orenburg in 2005.

The seizure of 20 tons of poppy straw in St. Petersburg in October 2007, which took place aboard a vessel that originated in The Netherlands, also demonstrated the importance of St. Petersburg as a major smuggling gateway not just for cocaine shipments, but for all types of drugs.

Synthetic drugs manufactured in Russia and elsewhere in Europe (The Netherlands and Poland) flow in both directions across Russia’s western borders. Again, much of this smuggling activity appears to be concentrated in the northwest area around St. Petersburg.

FSKN officials continue to allege a significant increase in drug trafficking into Russia following the withdrawal of Russian border guards from the Afghan/Tajik border in 2005. Russian forces had

been stationed in Tajikistan after the dissolution of the Soviet Union, but departed after the expiration of the agreement governing their presence.

Domestic Programs/Demand Reduction. Russian authorities are attempting to implement a comprehensive counternarcotics strategy that combines prevention, treatment, and law enforcement. A federal program, was launched in September 2005, aimed at reducing by 2010, the scale of drug abuse in Russia by 16-20 percent compared to the 2004 level, a reduction of the drug user population by 950-1,200 persons. FSKN is tasked with demand reduction among its other responsibilities and has recently begun a large-scale public awareness campaign. With support from the USAID “Healthy Russia 2020” project and the U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs (INL), demand reduction messages are being incorporated into a Ministry of Education-sanctioned health education curriculum for high school students and training materials for teachers.

Healthy Russia also established a peer-to-peer outreach program that targets youth approximately 15 to 18 years of age through vocational schools, youth clubs, NGO activities, summer camps and other special programs set up by regional governments to reach teenagers at greatest risk. These programs have been tested in Orenburg (one of the top ten regions most affected by HIV/AIDS in Russia) and Ivanovo (the eighth poorest oblast in Russia) and have been expanded to Irkutsk and Sakhalin, two oblasts on the key drug trafficking routes. The peer-to-peer program encourages youth to discuss the impact of substance abuse and introduces life skills to avoid drug use. In 2006, the FSKN and National Health League launched a preventive program, called Health Wave—Take Care of Yourself, aimed at children’s health and prevention of drug addiction in four cities (Samara, Saratov, Volgograd, and Astrakhan).

According to the FSKN, in February 2007, there were 400,000 officially registered drug addicts in Russia’s treatment centers. However, a Human Rights Watch study (November 2007) concluded that the effectiveness of treatment offered at state drug treatment clinics “is so low as to be negligible” and constitutes a “violation of the right to health.” New models of cognitive therapy are being implemented in treatment centers in St. Petersburg, but substitution therapy (such as programs using methadone or buprenorphine) has not been fully explored, and remains illegal and politically sensitive. The U.S. National Institutes of Health has begun work with Russian research facilities in St. Petersburg to explore alternative drug treatment regimens acceptable to the GOR. A sign of progress is that the MOH has requested a special report on medication-assisted drug therapy. In 2007, the USAID partner, Trans Atlantic Partners Against AIDs, financed a study tour to China for a small group of leading Russian politicians, activists, governmental officials, and narcotics experts to observe the Medication Assisted Therapy (MAT) program for treating HIV-positive clients who are also chronic substance abusers, particularly injection drug users.

IV. U.S. Policy Initiatives and Programs

Policy Objectives. The principal U.S. counternarcotics programmatic goal in Russia is to help strengthen Russia’s law enforcement capacity, both to meet the challenges of international drug trafficking into and across Russia, and to help improve cooperation of Russian law enforcement authorities with U.S. law enforcement agencies. The U.S. also promotes programs to reduce demand for narcotics and advocates for more effective treatment programs for drug users.

Bilateral Accomplishments. In 2002, the U.S. through the Bureau for International Narcotics and Law Enforcement Affairs (INL) negotiated a Letter of Agreement (LOA) with the GOR allowing direct assistance to the GOR in the area of counternarcotics and law enforcement assistance. Three on-going projects include the “Southern Border Project,” an effort that will eventually lead to the establishment of drug interdiction units along the Russian-Kazakh border in the Siberian cities of Orenburg, Chelyabinsk, Omsk, Saratov and Kurgan; the “Northwest Customs Project,” which

provides technical assistance to the Federal Customs Service in St. Petersburg and Kaliningrad; and the “Southern Seaports Project,” which includes technical assistance to the Federal Customs Service at the Caspian and Black Sea seaports of Astrakhan, Novorossiyk and Sochi. As part of the NATO-Russia Council’s counternarcotics project, DEA and Russian trainers will conduct six training courses for Afghan and Central Asian counterparts at the Domodedovo training centre of the Ministry of the Interior in Moscow. These training courses will assist the Afghan and Central Asian police entities to combat major heroin organizations. The U.S. is also providing technical assistance in support of institutional change in the areas of criminal justice reform, mutual legal assistance, anticorruption, and money laundering.

The Road Ahead. The GOR places high priority on counternarcotics efforts and has indicated a desire to deepen and strengthen its cooperation with the United States and other countries. The USG will continue to encourage and assist Russia to implement its comprehensive, long-term national strategy against drug trafficking and use with multidisciplinary sustainable assistance projects that combine equipment and technical assistance.

Serbia (includes Kosovo)

(The report on Kosovo is appended at the end of this report.)

I. Summary

The Republic of Serbia is a major transit country for narcotics and other drugs along the Balkan smuggling corridor from Turkey to Central and Western Europe. In 2007, Serbia took measures to improve its capacity to combat drug trafficking through new legislation and law enforcement initiatives that tightened enforcement against narcotics, corruption, and organized crime, and included legislation authorizing asset seizure. Serbia's drug laws are adequate, but the judicial system is weak and implementation is problematic. While Serbia realized record-setting successes with drug interdiction and seizures, nonetheless, organized crime groups still exploited Serbia's inadequate border controls and law enforcement to move heroin, cocaine, marijuana, and synthetic drugs. A small amount of smuggled narcotics remains in Serbia for domestic consumption. As Yugoslavia's successor state, the Republic of Serbia is a party to the 1988 UN Drug Convention.

II. Status of Country

Serbia is a transit country for the movement of narcotics. The ability of organized crime groups to exploit the porous borders and weak judicial structures also threatens public safety and the integrity of public institutions. The Ministry of Interior's (MUP) Drug Smuggling Suppression Department notes that Serbia's southwestern Sandzak region, located between Montenegro and Kosovo and on the heroin smuggling route connecting Afghanistan to Western Europe, is the key area in the country for narcotics trafficking. The Sandzak, nicknamed Europe's "heroin stash" by narcotics experts, continues to be a storage site for large quantities of narcotics. According to the MUP, drug smugglers frequently use Serbia's highways, especially Corridor 10, which runs southeast to north from Bulgaria and Macedonia to Croatia and Hungary. The Serbian government estimates that relatively small amounts of narcotics remain in the country for domestic consumption. Heroin is by far the most prevalent narcotic, although this year the MUP has seen an increase in trafficking of cocaine, from Albania, Montenegro, and as far away as South Africa.

III. Country Actions against Drugs in 2007

Policy Initiatives. In November 2007, Serbia's State Prosecutor announced the creation of a special team to draft a law on asset seizure to increase law enforcement authorities' ability to combat narcotics smuggling, organized crime, and corruption. Articles 246 and 247 of the General Crime law regulate penalties for drug crimes, including production, trafficking, and usage of narcotics. A newly implemented law on chemical substance and production for synthetic drugs, based on European standards, requires the Ministry of Health to monitor precursor chemicals used by companies operating in Serbia. The law allows the MUP to investigate possible misuse of precursor chemicals by companies or individuals. Serbia hosts counternarcotics liaison officers from Bulgaria, Romania, Croatia, Italy, and other countries; a program the MUP credits for improving regional counternarcotics coordination.

Law Enforcement Efforts. The MUP's Drugs Smuggling Suppression Department is Serbia's key coordination body for combating drug-related crime. The Department is responsible for coordinating cooperation and information exchanges with 33 police precincts located throughout Serbia, as well as with the Customs Administration, the Ministry of Justice, and Interpol. The Drug Smuggling Department is currently developing a database for crimes, arrests, and seizures related to heroin, cocaine, marijuana, synthetic drugs, and chemical precursors. Officers in the MUP

participate in workshops organized by the OSCE, the Southeast Europe Cooperative Initiative's (SECI) Center for Combating Trans-border Crime, and other international organizations.

Serbia interdicted a record amount of narcotics in 2007. In October, in a single seizure, the Serbian Customs Administration seized approximately 163 kg of heroin at a Serbia-Bulgaria border crossing. The drugs were found in a false compartment of a truck, likely originating in Afghanistan, bearing Turkish plates, with a Turkish driver. The vehicle was hauling a cargo of furniture and appliances under diplomatic cover, with destinations of Austria, France, and Netherlands. Members of Serbia's border crossing team had received training and equipment from the U.S. Export and Related Border Security (EXBS) program, which in this case clearly contributed to their success in making this narcotics seizure.

Serbia's MUP and Customs Administration both keep data on total seizures. The MUP reports that from January to November of 2007 Serbian law enforcement made 3,795 drug seizures, including 11 kg of cocaine, 377 kg of heroin, and 700 kg of marijuana. These data do not include seizures from municipal police, but do include the Customs Administration's reports of seizures at the border. Serbia's Customs Administration reports that, in the first 11 months of 2007, its border officials intercepted 42.2 kg of opium, 203 kg of heroin, 2.5 kg of cocaine, 136 kg of marijuana, and 57,460 tablets of anabolic steroids at Serbian border crossings.

Sentencing for drug law violations is generally weak. According to a Justice Ministry report, of the 8,658 persons convicted for violations of Article 246 of the Penal Code in 2007 (related to production, storage, and sale of narcotics) 6,141 (71 percent) received suspended sentences. During the same period, 2,397 arrests (28 percent) resulted in prison sentences. In the Belgrade District Court, 98 percent of drug arrests led to prison sentences. The low conviction/jail-time rate outside Belgrade, in part, results from the large number of underage offenders, many of whom claim the drugs in their possession were for personal use. There are no specific drug-crime sentencing guidelines, and courts render judgments on a case-by-case basis. Major narcotics dealers rarely appear in court in Serbia. This is primarily because enforcement agencies are only beginning to grasp the "enterprise theory" to their criminal investigations. The result is that investigations are often truncated, focusing on the "low-lying fruit": users, street dealers and border seizures instead of following the financial proceeds back to the major dealers. This is slowly changing and is best evidenced in Serbia's increasingly more comprehensive (albeit non-drug-related) organized crime cases.

Corruption. Corruption within Serbia's law enforcement agencies responsible for counternarcotics remains a serious problem. According to a June 2007 report by a Norwegian research institute (Chr. Michelsen Institute's "Serbia 2007: Overview of Problems and Status of Reforms"), corruption in Serbia's legal system including police, prosecutors and courts, "distort(s) the enforcement of the law and by implication undermine(s) trust in the law and justice system itself." The report also notes that law enforcement officials "are subject to systematic incentives to engage in corrupt behavior... [and] police officers are often poorly compensated, their actions are difficult to monitor, and police organizational culture often tends to protect corrupt officers." An official at the Customs Administration said poor pay for its border inspectors aggravates this problem.

No evidence exists that the Serbian government encourages illicit production or distribution of narcotics, or launders proceeds from illegal drug transactions.

Agreements and Treaties. Serbia became the legal successor state to the State Union of Serbia and Montenegro on June 3, 2006. All international treaties and agreements continue in force, including the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the UN Convention against Transnational Organized Crime, and its protocols against trafficking in persons and migrant smuggling. The 1902 extradition treaty between the United States and the Kingdom of Serbia

remains in force between the U.S. and Serbia. Serbia is also a party to the UN Convention against Corruption.

Drug Flow/Transit. Serbia sits directly on the Balkan narcotics trafficking route. It is estimated that a high percentage of the world's heroin travels along this route. Heroin grown and processed in Afghanistan is smuggled through Turkey and Bulgaria into Serbia, and onward into Western Europe. Small amounts of heroin stay in the country, but Serbia primarily serves as a transit point. Cocaine from South America is smuggled into Serbia via Spain, Italy, and Greece, while synthetic drugs such as Ecstasy typically originate in the Netherlands and are can be used in exchanges for other narcotics, including heroin.

Domestic Programs (Demand Reduction). Experts from the Belgrade Institute on Drug Abuse have estimated that there are approximately 60,000-80,000 drug users in Serbia. A task force composed of the Ministries of Health, Education and Sport, Interior, and Justice is developing a National Strategy for the Fight against Drugs. Serbia is currently piloting a demand reduction program in prisons that offers privileges to inmates in exchange for abstinence from drugs. A failed drug test results in expulsion from the program.

IV. U.S. Policy Initiatives and Programs

Bilateral and Multilateral Cooperation. The Serbian Government works closely with the U.S. and EU countries to reform and improve its law enforcement and judicial capacity. The U.S. has provided extensive technical assistance and equipment donations to the police, customs services, and judiciary. Several USG agencies have programs that directly or indirectly support counter narcotics activities in Serbia, including the Department of Justice (ICITAP), Department of Homeland Security, Department of Defense, Department of the Treasury, and Department of State. The Departments of State and Justice have also been instrumental in supporting the new Organized Crime Court and the new Special Court for Organized Crime and War Crimes. The programs are aimed at professionalizing the police and customs services, improving the ability of Serbia to prosecute corruption and organized crime, including money laundering and illicit trafficking, and increasing the ability of the judiciary to effectively address serious crime. The Serbian Customs Administration praised the U.S.-sponsored International Railroad Interdiction Training (IRIT) that its officers received in El Paso, Texas.

The Road Ahead. The United States will continue to support the efforts of Serbian law enforcement to combat narcotics smuggling in the region. During the next year the United States will press for additional progress in Serbian justice sector reform, including tougher sentences for major narcotics dealers and coordinated efforts to combat organized crime. Serbia needs to improve its demand reduction programs. To stem the flow of narcotics through the Western Balkans, the United States will continue to assist Serbia in improving the skill set and professionalism of its law enforcement agencies. Training the USG has provided to date has paid off: In the past year, Serbian law enforcement cocaine seizures increased nearly 70 percent—from 6.5 to 11kg, and heroin interdictions hit record levels.

Kosovo

I. Summary

Kosovo is primarily a transit point for heroin originating in Turkey and Afghanistan and destined for Western European countries, and it also has a small and reportedly growing domestic narcotics market. Kosovo faces serious challenges in its battle against narcotics trafficking. Its borders are porous, there is reported corruption among its Border Police and Customs officers, and its unique

status under UNSCR 1244 as a United Nations-administered territory prevents it from entering into most bilateral, multilateral and international agreements, including the 1988 UN Drugs Convention. Kosovo's final status is currently under negotiation, and the United States and the European Union intend to continue providing rule of law technical assistance, training and equipment donations, which will help Kosovo to more effectively combat narcotics trafficking.

II. Status of Narcotics Situation in Kosovo

Kosovo is a transit point for Afghan heroin moving to Western Europe by way of Turkey. Narcotics traffickers capitalize on weak border control in Kosovo. The Kosovo Border Police is a young service, lacks basic equipment, and only has a mandate to patrol the "Green Border" (area where there are no official, manned borders or administrative boundary line gates) from two to three kilometers beyond the actual border and administrative boundary lines. NATO's Kosovo Force (KFOR) has roving teams that patrol the green border up to the actual border and administrative boundary lines, but traffickers easily take advantage of numerous passable roads leading into Kosovo that lack border or administrative boundary line gates. Moreover, narcotics interdiction is not part of KFOR's mandate; they seize narcotics they happen to encounter while performing their duties, but they do not actively investigate narcotics trafficking. Kosovo Border Police and Customs agents are susceptible to corruption. Kosovo officials are attempting to tackle the problem, but United Nations Mission in Kosovo (UNMIK) officials believe some officers allow narcotics shipments to pass through the border and administrative boundary gates.

Kosovo is not a significant narcotics producer, but Kosovo police have found cases of small-scale marijuana cultivation, mostly in the form of plants mixed in with corn crops or cultivated in back yards. They have also found some uncultivated marijuana plants growing in rural areas. There have been reports of seizures of large quantities of precursor chemicals in Kosovo. However, Provisional Institutions of Self-Government (PISG) and UNMIK officials have found no direct evidence of narcotics refining laboratories.

Information on domestic narcotics consumption is not systematically gathered, but PISG and UNMIK officials agree that there is a growing local market and that illegal drug use is on the rise. The Ministry of Health believes levels of narcotics consumption among teenagers and university-aged young adults, the primary users, are comparable to those in most Western European countries. Drugs of all types, including heroin, are reportedly available in Kosovo. Cocaine abuse cases increased in 2007, but the vast majority of addicts referred for treatment were heroin users.

III. Kosovo Actions Against Drugs in 2007

Policy Initiatives. The Government of Kosovo is just beginning to address the narcotics problem, and there is no national counternarcotics strategy. The Kosovo Police Service (KPS) and Ministry of Health, however, reported that they are advocating for creation of an inter-ministerial committee or working group, coordinated through the Office of the Prime Minister or Deputy Prime Minister, to draft such a plan. As of October 2007, no inter-ministerial body had been created to address narcotics.

With an eye toward eventual EU accession, Kosovo sent a representative from the Ministry of Health to an EU conference on "Tackling the Drug Problem in the Western Balkans" in September 2006, and determined a number of priorities for action based on the EU Drugs Strategy 2005-2012. The priorities included evaluation of the current situation, definition of a counternarcotics strategy and action plan and creation of implementation structures such as inter-ministerial working groups. Because of the Kosovo budget cycle and the fact that the priorities were identified late in 2006, officials were unable to formally address them in 2007. Individual ministries, however, pressed forward with counternarcotics initiatives in accordance with EU goals. The Ministry of Health

reported that it included in its strategic plan and budget request for 2008-2013 goals of accurately assessing the extent of the drug problem in Kosovo, developing a national strategy for preventing drug use among adolescents and youths, creating regular mechanisms for monitoring drug use levels among adolescents and youths, and increasing services to drug addicts. Similarly, the Ministry of Interior Affairs reported that it is working to increase Kosovo's narcotics investigation capacity and help it meet European Partnership Agreement Program (EPP) goals by training counternarcotics officials, procuring technical equipment and strengthening inter-agency cooperation.

Law Enforcement Efforts. The counternarcotics competency was transitioned from UNMIK to KPS in May 2006, and narcotics-related arrests have reportedly increased since the KPS took control. From January to August 2007, the KPS arrested 612 people on narcotics charges and filed 221 narcotics-related cases. According to KPS statistics 96 percent of offenders were male. In the same period, they confiscated 15.3 kg of heroin, 2.2 kg of cocaine, 21.7 kg of marijuana, 61 grams of Ecstasy, and 4 kg of other narcotic substances. Prior year UNMIK police statistics were roughly similar as to drugs and magnitudes. From January through mid-October, they reported 251 narcotics-related cases; 94 percent of those arrested were male. They also reported the seizure of 11.7 kg of heroin, 22.9 kg of marijuana, 1.9 kg of cocaine and 61 hits of Ecstasy.

KPS counternarcotics officers face many challenges. They lack basic equipment and resources, and undercover operations are complicated by technical issues. The Serb-controlled Mobtel mobile telephones and land lines are beyond their reach. Kosovo's small size also hampers undercover work because communities are tight-knit and everyone knows who is working on counternarcotics. The KPS also noted a decline in effectiveness after it decentralized the counternarcotics division in 2005. They had hoped to return to a centralized system in 2007, but still remained decentralized as of October 2007. The KPS Department of Organized Crime's director reported that coordination between the headquarters and regions improved in 2007 and that decentralization is less of a problem today.

Illicit Cultivation. Kosovo is not a significant narcotics producer, but the KPS has found some evidence of small-scale marijuana cultivation. According to UNMIK Police statistics, there were 32 cases of marijuana cultivation from January through mid-October, totaling 21,075 plants. Most cases involved marijuana planted together with corn in rural areas, but there were some cases of plants cultivated in gardens. There have been a few reports of seizures of large quantities of precursor chemicals in Kosovo, but PISG and UNMIK officials have found no direct evidence of narcotics refining labs.

Corruption. There have been no arrests for high-level narcotics-related corruption in Kosovo. There are reports of corruption among Border Police and Customs officers, but the KPS and UNMIK Customs Service say they are attempting to address it. Cases reportedly tend to involve officers turning a blind eye to narcotics trafficking or accepting bribes to allow narcotics to get through border or administrative boundary line gates. KPS officials see the potential for problems due to the officers' low salaries and lack of benefits, and they believe corruption exists in the regional counternarcotics offices. As a matter of government policy, however, Kosovo does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the proceeds from illegal drug transactions.

Agreements and Treaties. Due to its unique status as a UN-administered entity Kosovo is not a party to the 1988 UN Drug Convention or any other international conventions or protocols. The United Nation Administration in Kosovo concluded that it could neither bind Kosovo to any new agreement nor apply the treaties and agreements to which Serbia was a party. If the international legal status of Kosovo changes such change may allow Kosovo to enter into binding international

agreements. Kosovo's existing constitutional framework calls on it to respect the principles of UN conventions.

Kosovo is unable to enter into most binding bilateral or multilateral agreements, but it participated in a UN Office on Drugs and Crime (UNODC) meeting in Vienna as an observer in 2007, and it cooperates and exchanges information with countries in the region through informal bilateral and multilateral meetings. For example, KPS counternarcotics officials met with their Albanian counterparts in March and their Macedonian counterparts in August, and they plan to meet with Montenegrin counternarcotics officials as soon as practicable.

Drug Flow/Transit. Kosovo is a transit point for heroin from Afghanistan, most of which is destined for Western European countries, including Switzerland, Germany, the United Kingdom, Italy, Norway and Sweden. Kosovars regularly travel to these countries to visit relatives living in them, and UNMIK and KPS officials believe much of the drug trade is managed through family/clan networks. Most drugs illegally enter Kosovo overland from neighboring countries. Officials believe one major route is from Turkey, through Bulgaria and Macedonia, and another is also from Turkey, but through Bulgaria and Serbia. There are reports of collaborative arrangements between Kosovo Serb and Kosovo Albanian criminal groups for drug trafficking, and UNMIK Police believes there is a connection between drug trafficking and human trafficking. Anecdotal evidence suggests the drugs are broken down into smaller quantities in Kosovo before heading to Western Europe. UNMIK officials report a lot of small movements of narcotics, such as two to five kg on one person or 10 to 20 kg in a bag on a bus. The major transit points are Gjilan, Prizren and Mitrovica. As of October, the highest number of seizures was in Pristina (58) and the lowest number was in Ferizaj (17).

Domestic Programs. Kosovo lacks an overall policy for dealing with existing and potential narcotics-related problems, but the PISG is increasingly aware of the dangers of narcotics. The Ministries of Health and Education run some domestic prevention programs, and community police officers visit schools throughout Kosovo to educate students about the risks associated with drug use. Non-governmental organizations assist with some of these efforts.

There are no reliable estimates for the number of drug addicts in Kosovo. Drug treatment is provided by the Pristina University Hospital Psychiatry Department, but only one doctor and one nurse are devoted to treating drug addicts. They offer detoxification programs for motivated patients, but they report disappointing results due to the fact that many of the addicts are poor and unemployed so recidivism is high at the end of the program. There are no other structured drug treatment programs. Methadone is not prescribed because the law does not authorize its use. Some addicts receive anti-anxiety medication or anti-depressants to relieve withdrawal symptoms, while the most severe, agitated patients receive anti-psychotics. The Pristina University Hospital Psychiatry Department says that, on average, three to four people are in in-patient treatment at any given time, and the overwhelming majority of them are heroin addicts. The number of addicts receiving out-patient treatment is reportedly much higher, but the hospital declines to give a figure. Other regional medical centers' psychiatry wards reportedly do what they can to assist drug addicts, but they do not devote staff to their treatment.

The Pristina University Hospital Psychiatry Department notes that the number of patients is increasing and it sees an urgent need for a genuine drug treatment program, which has more and better trained staff, offers individual and group therapy, and is separate from the psychiatric ward. It also wants to expand its services to include a "maintenance program" based on a Swiss model. It would medically administer narcotics to addicts who do not want to undergo a detoxification program in order to reduce the legal and social costs to the state that come from the addict committing crimes to finance his or her habit. In October, the Pristina University Hospital Psychiatry Department presented a strategic plan for 2008 to 2013, including these goals, to the

Ministry of Health; it is pending approval. Hospital officials consider construction of a separate drug treatment facility a priority because they believe only the most severe cases ever reach them due to a dual stigma of patients being labeled drug addicts and erroneously viewed as mentally ill after seeking treatment in the psychiatric ward.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Kosovo cooperates with the United States on counternarcotics issues to the extent possible, but Kosovo's unique political status hampers bilateral cooperation. Kosovo cannot legally enter into most bilateral, multilateral or international agreements, including extradition treaties, until its final status is resolved.

In 2007, the U.S. Department of Justice conducted extensive training for prosecutors in the new Kosovo Special Prosecutors Office (KSPO), which handles narcotics trafficking and other sensitive crimes. Projects included translating a U.S. Drug Enforcement Administration (DEA) recognition manual on drugs and drug precursors and bringing an American drug task force prosecutor to Pristina to give the KSPO and KPS a two-hour presentation on narcotics prosecutions and informant handling. In past years, the United States Government has also provided technical assistance and equipment donations that directly or indirectly support counternarcotics work in Kosovo. The United States Government also funds and contributes the largest contingent of police officers (over 200) in the UN Mission in Kosovo, including monitors and mentors of KPS officers working on counternarcotics efforts.

The Road Ahead. Kosovo's final status is currently under negotiation, and the United States will continue to provide rule of law assistance to Kosovo for the foreseeable future. The EU is planning a rule of law mission under the auspices of the European Security and Defense Policy (ESDP). The U.S. is coordinating its rule of law assistance goals and priorities for Kosovo with the EU, and will continue to provide training, technical assistance and equipment, which directly or indirectly supports counternarcotics work, to the KPS and Kosovo's criminal justice sector. The U.S. will also continue to contribute police officers to the civilian police mission in Kosovo, including some with special counternarcotics skills.

Slovakia

I. Summary

Slovakia lies near the western end of the historic Balkan drug transit route, which runs from southwest Asia to Turkey and on to other western European countries. Slovak Police reported no significant changes in the field of narcotics control or use in 2007. All forms of narcotics remain available in Slovakia and interest in synthetic drugs, particularly in pervitin, an Eastern European slang name for locally made methamphetamine, continues to rise. Slovakia is a party to the 1988 UN Drug Convention.

II. Status of Country

Interest in synthetic drugs, especially pervitin and Ecstasy, has driven an increase in local illicit drug processing and production, as well as in the trade of precursors including ephedrine and pharmaceuticals from which ephedrine can be extracted. Slovak police attribute the rising interest in synthetic drugs to their low price, accessibility and the greater effect they provide in comparison to more traditional stimulants such as cocaine. Cannabis is the most commonly abused narcotic in Slovakia. Local cannabis production is on the increase, especially hydroponically grown cannabis with sharply increased THC content. Police believe consumer interest in hydroponically grown cannabis, attributable to increasing experience with higher-THC varieties imported from Western Europe, has driven growth in this sector. Marijuana cultivation in Slovakia remains predominantly the preserve of local criminals who serve the local market. Officials believe the market for heroin and cocaine is saturated, and prices for these drugs are decreasing. Heroin is mostly imported from Balkan countries by organized groups of ethnic-Albanian criminals, working in concert with ethnic-Turkish groups that transport the narcotics from the place of production. The same ethnic-Albanian groups largely control the trade in cocaine, which is of South American origin. Police suspect increasing imports of cocaine which transits Africa on its way to Europe are reaching the Slovak market. For all drugs, regional differentiation in consumption continues to diminish. Narcotics use is spread over the whole territory of the Slovak Republic.

III. Country Actions Against Drugs During 2007

Policy Initiatives. In 2005, the “National Program for the Fight against Drugs 2004-2008” was developed into action plans for specific ministries and regional authorities in accordance with the “Action Plan of the EU for the Fight Against Drugs.” At the same time, the Slovak Republic Government Office issued an instruction setting out the activities of regional authorities in the field of narcotics, and unifying procedures for establishing regional coordination commissions for narcotics issues. A new Penal Code and Code on Criminal Procedure became effective on January 1, 2006. The most important change contained in the new Penal Code concerns criminal liability for the possession of drugs for personal consumption. Specifically, Sections 171 and 135 of the new Penal Code set out maximum sentences of three years incarceration for possession of up to three doses of any narcotic substance, and up to five years for possession of 4-10 doses. Possession of more than 10 doses is considered possession for other than personal consumption and is punishable by 10-15 years imprisonment.

Law Enforcement Efforts. The National Anti-Narcotics Unit of the Police Presidium employs 30 people to cover the Bratislava (capital) region. Responsibility for anti-narcotics programs outside the capital belongs to the Office for the Fight Against Organized Crime, which includes three distinct offices for Western, Central and Eastern Slovakia. The National Anti-Narcotics Unit includes three sections: the Street-sales Section, the Section for Major Cases (including all trans-

national cases) and the Joint Police-Customs Section. In 2006, 1,952 drug-related criminal cases were brought to court in Slovakia, an increase of almost 20 percent over 2005. In 2006, the Police seized: 2.4kg of heroin, 81.63 kg of marijuana (herb), 614.48 kg of marijuana (wet), 961.83 grams of cocaine, and 8,477 tablets of pervitin.

Corruption. As Slovakia has received more investments from abroad and the post-Socialist rule of law has matured, incidences of corruption have fallen. Nevertheless, corruption remains a concern in both the public and private spheres. As a matter of policy and by all accounts in practice, the Government of Slovakia does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Slovakia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Slovakia is also a party to the UN Convention against Transnational Organized Crime and its three protocols and the UN Convention against Corruption. A 1925 Extradition Treaty, as supplemented in 1935, remains in force between Slovakia and the United States. The U.S. and Slovak representatives signed supplements to the EU-U.S. Extradition Treaty in 2006.

Cultivation/Production. Marijuana is the most commonly cultivated illicit drug in Slovakia due to strong demand and a suitable climate. Hydroponic (laboratory) cultivation of marijuana has become more popular recently in response to consumer demand for a product with a higher THC content. The majority of marijuana is grown in family homes or rented agricultural buildings. The continuing increase in marijuana use is attributed to ease of access, low prices, and the persistent belief that it is not a harmful narcotic. The number of small semi-portable drug laboratories used to produce pervitin and other synthetic drugs continues to rise. Police believe that Slovakia's domestic market for synthetic drugs is served exclusively by domestic production, which benefits from low costs of inputs and relative ease of production. The greatest challenge in pervitin production is acquiring the precursor ephedrine. Police have discovered cooperative arrangements among organized groups of criminals that import pervitin precursors when supplies are scarce and re-export ephedrine, synthesized from medicines from Slovakia when supplies are readily available.

Drug Flow/Transit. Foreign criminal groups with local contacts, especially ethnic-Albanian and Turkish groups, are thought to be responsible for most transshipments. Drugs, including heroin from Central Asia, cocaine from South America and hashish from Morocco pass through Slovakia on the final leg of the so-called Balkan drug transit route. Ethnic Albanian groups dominate the heroin trade, though ethnic Roma groups are thought to share in street-level sales. Due to the high price of imported drugs, it is believed that only relatively small quantities of transit drugs remain in Slovakia for domestic consumption. In 2005, sales of heroin to Slovak consumers stagnated. This is thought to be a consequence of cheaper and more readily available synthetic drugs from local suppliers.

Domestic Programs (Demand Reduction). The National Program for the Fight against Drugs (NPFDD) 2004-2008 is primarily directed at activities to reduce drug demand. The National Strategy also defines key ministries for the implementation of prevention, including the Ministry of Education, Ministry of Health and Ministry of Labor, Social Affairs and Family. Drug-use prevention is an integral part of the education process at schools. Positions for Drug Prevention Coordinators have been created at many schools, and Pedagogical and Psychological Counseling Centers have been established in each district. Since 2006, these centers have included programs that focus on preventing social pathologies related to drug use, training courses for peer activists, teacher training, and methodological assistance to school psychologists and educational counselors.

2006 saw a decrease in the number of drug users in treatment in Slovakia. 1,927 drug users including 13 foreigners were treated in 2006; this figure includes patients treated in general medical facilities. These were mostly users of heroin, pervitin, and marijuana.

A study conducted by the National Monitoring Center for Drugs estimates the number of problem drug users, defined as users of injected drugs, and long-term regular opiate and/or pervitin users, at between 18,900 and 34,500 (approximately 4.89 per 1000 inhabitants). Experience with pervitin use remains relatively limited although trends are upward in comparison with earlier surveys. The lifetime prevalence of pervitin use in Slovakia's population increased from 0.6 percent (2002) to 1.5 percent (2004) and decreased in 2006 (1.2 percent). In 2006, the most commonly sought treatment was for opiates (42 percent), followed by pervitin (22.6 percent). Among patients seeking treatment for the first-time, however, stimulants (pervitin) were the most common concern, followed by opiates.

From 2000 to 2006, lifetime prevalence of marijuana use in Slovakia's population (15-64 years) increased from 11.7 percent to 16.1 percent. Cocaine is used only rarely in Slovakia and is believed to be used recreationally by a small group of people. In 2006, 20 cocaine users were in treatment. In 2006, treatment was provided by 6 specialized treatment centers for drug dependency, departments of psychiatric hospitals and facilities, and by offices of psychiatrists specialized in drug addiction treatment. Social reintegration and residential care for clients having received medical treatment were provided by 18 accredited social reintegration centers. The National Monitoring Centre for Drugs is concerned by insufficient coverage of needle and syringe exchange programs. In 2006, such services were provided by 7 organizations in 10 cities. The challenge is to maintain the long-term sustainability of these programs in the face of financial instability, shortage of personnel, and lack of client interest. A substitution treatment register still does not exist in Slovakia. From 1997 to 2005, methadone maintenance was available only in the capital, Bratislava. In 2006, three new substitution programs were created, two methadone maintenance programs in Bratislava and Banska Bystrica (Central Slovakia) and one buprenorphine (Subutex) program in Kosice (Eastern Slovakia).

IV. U.S. Policy Initiatives and Programs Policy Initiatives

Bilateral Cooperation. The Regional DEA Office in Vienna shares information with the Slovak Police Presidium on operational issues of mutual interest, and has offered training for Slovak counterparts in the past.

The Road Ahead. The U.S. will continue to work with the Government of Slovakia to fight drug transit through Slovakia and to assist with drug treatment in Slovakia itself.

Slovenia

I. Summary

Slovenia is neither a major drug producer nor a major transit country for illicit narcotics. The Government of Slovenia (GOS) is aware that Slovenia's geographic position makes it an attractive potential transit country for drug smugglers, and it continues to pursue active counternarcotics policies. Slovenia's preparation for full Schengen membership, which it achieved on December 21, 2007, resulted in a continued intensive focus on border controls in 2007. Slovenia is a party to the 1988 UN Drug Convention.

II. Status of Country

Heroin from Afghanistan, which transits Turkey, continues to be smuggled via the "Balkan Route" through Slovenia to Western Europe. Cannabis was the leading confiscated drug in 2007, replacing heroin at the top spot. Slovenia's main cargo port, Koper, located on the North Adriatic, is a potential transit point for South American cocaine and North African cannabis destined for Western Europe. Drug abuse is not yet a major problem in Slovenia, although authorities keep a wary eye on heroin abuse, due to the availability of the drug. Data on national programs to prevent drug use and reduce demand are unavailable due to an ongoing effort at the Ministry of Health to overhaul its statistical databases.

III. Country Actions Against Drugs in 2007

Policy Initiatives/Accomplishments. The reduction of the supply of illicit drugs is one of the national police priorities in Slovenia. In order to ensure an efficient fight against drug trafficking, Slovenia is implementing its own national program against drugs to supplement the 2005-2008 EU strategy and action plan. Slovenia is tackling illicit drugs and related criminal offenses by conducting appropriate criminal police operations that include cooperation and information exchange at the national level as well as at the regional and international levels. Slovenia takes part in all relevant international and European fora that aim to combat organized crime groups that are involved in illicit drugs.

Law Enforcement Efforts. Law enforcement agencies seized 783 tablets of Ecstasy in the first 10 months of 2007 compared with 2,523 in the first 11 months of 2006. In 2007 authorities seized slightly less than 59 kg of heroin, compared to slightly less than 134 kg of heroin seized in 2006. In addition, police netted a little more than 118 kg of marijuana in 2007, compared to just over 45 kg of marijuana in 2006. Police also seized 8,254 cannabis plants in the first ten months of 2007, compared to 1,516 cannabis plants seized in 2006. Through mid-October police seized over 4 kg of cocaine, roughly the same amount police seized in the same period in 2006. Police also seized approximately 0.75 kg of amphetamines and slightly more than 1,000 individual tablets of amphetamines in the first 10 months of 2007.

Corruption. As a matter of government policy, the GOS does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. There is no indication that senior officials have encouraged or facilitated the production or distribution of illicit drugs. Corruption among police officials is very uncommon.

Agreements and Treaties. Slovenia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The 1902 extradition treaty between the United States and the Kingdom

of Serbia remains in force between the United States and Slovenia as a successor state. Slovenia is a party to the UN Convention against Transnational Organized Crime and its three protocols.

Drug Flow/Transit. Slovenia is on the “Balkan Route” for drugs moving from Afghanistan, through Turkey, a traditional refining center for heroin, and then onward to Western Europe. Some heroin is thought to transit on so-called “TIR” trucks, long-haul trucks inspected for contraband at their place of embarkation, and then sealed by customs authorities before their voyage to a final destination. In addition, Slovenia’s preparation to become a full member of the Schengen agreement on the free movement of people, which it realized on December 21, 2007—in order to enable its citizens to travel freely to most neighboring countries and elsewhere in the European Union without border checks—resulted in a continued intensive focus on border controls in 2007.

Domestic Programs. Slovenians enjoy national health care provided by the government. These programs include drug treatment. The Ministry of Health is in the process of upgrading its databases and altering its methodology for tracking drug abuse and treatment, so no statistics for 2007 are currently available.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Slovenian law enforcement authorities have been willing and capable partners in several ongoing U.S. investigations.

The Road Ahead. Based on the high quality of past cooperation, the USG expects to continue joint U.S.-Slovenian law enforcement investigation cooperation into 2008.

Spain

I. Summary

While Spain remains a major transshipment and consumption area for cocaine imported into Europe from South and Central America, Spanish National Police, Civil Guard, and Customs Services, along with autonomous regional police forces, maintained an intense operational tempo during 2007 and as of early November were on track to seize near-record amounts of cocaine. These services also carried out increased enforcement operations throughout Spain to arrest distributors of synthetic drugs, such as LSD and Ecstasy (MDMA). Spain continues to be the largest consumer of cocaine in the European Union, with 3 percent of its population consuming it on a regular basis (20 percent of all European consumers live in Spain), and over 50 percent of new patients admitted to Spanish drug treatment/rehabilitation centers during the year were cocaine addicts.

Spain is also the number one consumer of designer drugs and hashish among EU nations. The Spanish government ranks drug trafficking as one of its most important law enforcement concerns and continues to maintain excellent relations with U.S. counterparts. During a series of visits in 2007 from high-level USG officials, Spain and the U.S. discussed ways Spain could engage more robustly in Latin America, both on an operational level and on the capacity development side. In May, Spain hosted the 25th-annual International Drug Enforcement Conference (IDEC)—the first time this DEA-Sponsored event has been held outside of the Western Hemisphere—and Spanish officials highlighted during the conference our outstanding bilateral cooperation in the fight against narcotics. Spain is a party to the 1988 UN Drug Convention.

II. Status of Country

Spain remains the principal entry, transshipment, and consumption zone for the large quantities of South American cocaine and Moroccan cannabis destined for European consumer markets, and is also a major source and transit location for drug proceeds returning to South and Central America. Colombia appears to be Spain's largest supplier of cocaine from Latin America, although information available suggests an increase in shipments of illicit cocaine from Bolivia. Bolivian cocaine is transshipped through Venezuela and Argentina by vessel or plane to the Iberian Peninsula.

Spain also faces a sustained flow of hashish from its southern neighbors, Morocco and Algeria. Maritime smuggling of hashish across the Mediterranean Sea is a very large-scale business. Spanish police continued to seize multi-ton loads of Moroccan hashish, some of which is brought into Spain by illegal immigrants. The majority of heroin that arrives in Spain is transported via the Balkan route from Turkey. The Spanish National Police has identified Turkish trafficking organizations that distribute the heroin once it is smuggled into Spain. Illicit refining and manufacturing of drugs in Spain is minimal, although small-scale laboratories of synthetic drugs such as LSD are discovered and destroyed each year. MDMA-Ecstasy labs are rare and unnecessary in Spain as MDMA labs in the Netherlands prefer shipping the final product to Spain. However, the Ecstasy trafficking trend has been to use cities in Spain as transshipment points for small shipments to the U.S. to foil U.S. Customs inspectors who are wary of packages mailed to the U.S. from Belgium or the Netherlands.

Spain's pharmaceutical industry produces precursor chemicals; however, most precursors used in Spain to manufacture illegal drugs are imported from China. There is effective control of precursor shipments within Spain from the point of origin to destination through a program administered under the National Drug Plan (Spanish acronym PNSD).

III. Country Actions Against Drugs in 2007

Policy Initiatives. Spain's policy on drugs is directed by Spain's National Drug Plan, which currently covers the years 2000 to 2008. The strategy, approved in 1999, expanded the scope of law enforcement activities and permitted the sale of seized assets in advance of a conviction and allowed law enforcement authorities to use informants. The strategy also outlined a system to reintegrate individuals who have overcome drug addictions back into Spanish society. The strategy also targets money laundering and illicit commerce in chemical precursors and calls for closer counternarcotics cooperation with other European and Latin American countries.

In October 2007, the Ministry of Health released a report claiming that consumption of cannabis and cocaine among Spaniards between the ages of 14 and 18 had gone down for the first time since 1994. 29.8 percent of those surveyed admit to having sampled cannabis in the last 12 months (36.6 percent in 2004) and 2.3 percent admit to regular cocaine use (3.8 percent in 2004). Overall, 3 percent of the Spanish population regularly consumes cocaine. Spain is a UNODC Major Donor and a member of the Dublin Group, a group of countries that coordinates the provision of counternarcotics assistance.

Law Enforcement Efforts. The Spanish law enforcement agencies responsible for narcotics control are the Spanish National Police and the Civil Guard, both of which fall under the domain of law enforcement and civil security matters within the Ministry of Interior. The Spanish Customs Service, under the Ministry of the Treasury, also carries a mandate to enforce counternarcotics legislation at Spain's borders and in Spanish waters. Spanish officials at the Ministry of Interior report that drug enforcement agencies had seized 22 MT of cocaine as of the end of September 2007.

Many of the more significant seizures and arrests this past year were a direct result of the excellent cooperation between the U.S. DEA Madrid Country Office and Spanish authorities. For example, in June, Spanish police seized a ship headed to Galicia that was transporting 4,000 kg of cocaine, arresting six crew members and six other individuals involved with the trafficking network in Spain. The operation was the result of an initial report by DEA offices in Mexico and Madrid. Large-scale cocaine importation in Spain is principally controlled by Colombian drug traffickers, though Galician organizations also play an important role in the trafficking of cocaine into and within the country. Hashish trafficking continues to increase, as does the use of the drug in Spain. Hashish trafficking is controlled by Moroccan, British, and Portuguese smugglers and, to some extent, nationals of Gibraltar and the Netherlands. Spanish Civil Guard investigations have uncovered strong ties between the Galician Mafia in the northwest corner of Spain and Moroccan hashish traffickers. Hashish continues to be smuggled into Spain via commercial fishing boats, cargo containers, fast Zodiac boats, and commercial trucks. Spanish authorities recorded two large hashish seizures in August, when the Civil Guard seized 5,549 kg and arrested nine people in Gerona and Seville, and in October, authorities intercepted 4,600 kg and arrested 19 people in southwest Spain. It is believed that the hashish originated in North Africa and was transported by a large vessel.

Spanish law enforcement officials have detected a worrying rise in the amount of heroin trafficked through the country in the past couple of years, even though actual seizures were down in 2007. Heroin smuggled into Spain originates principally in Afghanistan and passes to Spain by way of Turkey; it is usually smuggled into Spain by commercial truck or private vehicle through the Balkan Route or from Germany or Holland.

| Seizures: | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 (Tentative) |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------------|
| Heroin (kg) | 631 | 275 | 242 | 271 | 174 | 454 | 197 |
| Cocaine(MT) | 34 | 18 | 49 | 33 | 48 | 47 | 34 |

Corruption. Spain's Organized Crime Intelligence Center (CICO) coordinates counternarcotics operations among various government agencies, including the Spanish Civil Guard, National Police, and Customs Service. Under their guidance, law enforcement cooperation appears to function well. Spain does not encourage nor facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. There is no evidence of corruption of senior officials or their involvement in the drug trade, but there have been isolated cases involving corrupt law enforcement officials who were caught facilitating drug trafficking. A prominent example of this occurred in mid-October when the "Jefe de Estupefacientes" (Chief of Narcotics) of the Mostoles Police Station near Madrid was arrested and accused of drug trafficking.

Agreements and Treaties. Spain is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol and the 1971 UN Convention on Psychotropic Substances. Spain is also a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling. A 1970 extradition treaty and its three supplements govern extradition between the U.S. and Spain. The U.S.-Spain Mutual Legal Assistance Treaty has been in force since 1993, and the two countries have also signed a Customs Mutual Assistance Agreement.

Cultivation/Production. Coca leaf is not cultivated in Spain. However, there has been concern in recent years that clandestine laboratories in Spain and some West African countries have been established for the conversion of cocaine base to cocaine hydrochloride. Some cannabis is grown in country, but the seizures and investigations by Spanish authorities indicate the production is minimal. Opium poppy is cultivated licitly under strictly regulated conditions for research, and the total amount is insignificant. The DEA is in the process of considering an amendment to its regulations to update the list of nontraditional countries authorized to export narcotic raw materials (NRM) to the United States. This change would replace the former "Yugoslavia" with Spain and would, once it takes effect, allow Spain to join the other "non-traditional" NRM exporters, Australia, France, Hungary, and Poland, as the only countries allowed to supply approximately 20 percent of the NRM required annually by the U.S. Traditional exporters India and Turkey get preferred access to 80 percent of the NRM market. Spain is not a significant production zone for synthetic drugs. While not a significant producer of MDMA/Ecstasy, minor production of the drug has been reported in Spain.

Drug Flow/Transit. Spain is the major gateway to Europe for cocaine coming from Colombia, Bolivia, Peru, and Ecuador. Traffickers exploit Spain's close historic and linguistic ties with Latin America and its wide, unprotected coastlines to transport drugs for consumption in Spain or distribution to other parts of Europe. DEA information suggests a developing trend for Colombian cocaine to be sent first to Africa and then smuggled northward into Spain. Spanish police report that the country's two principal international airports, Madrid's Barajas and Barcelona's El Prat, play expanding roles as the entry point for much of the cocaine trafficked into and through Spain, and there continues to be a substantial number of body cavity smugglers arriving by air. This year has seen an increase in the amount of cocaine entering Spain via commercial flights from Venezuela. Spain's international airports in Madrid and Barcelona are also a transit point for passengers who intend to traffic Ecstasy and other synthetic drugs, mainly produced in Europe, to the United States. These couriers, however, are typically captured before they leave Spain or when they arrive in the U.S. Spain remains a major transit point to Europe for hashish from Morocco, and Spain's North African enclaves of Ceuta and Melilla are principal points of departure. Spanish law enforcement has disrupted many drug shipments through its use of the Integrated External Surveillance System (Spanish acronym SIVE), deployed on its southern coast. The Spanish Civil

Guard initiated the SIVE system to control the growing flow of illegal maritime drug trafficking, mainly African hash, especially around the coasts of Cadiz and Malaga.

Domestic Programs/Demand Reduction. The national drug strategy identifies prevention as its principal priority. In that regard, the government continued its publicity efforts targeting Spanish youth. PNSD closely coordinates its demand reduction programs with the Spanish National Police, Civil Guard, Ministry of Health, and Ministry of Public Administration. Spain's autonomous communities provide treatment programs for drug addicts, including methadone programs and needle exchanges. Prison rehabilitation programs also distribute methadone. The government contributes over 4 million Euros to assist private, nongovernmental organizations that carry out drug prevention and rehabilitation programs.

IV. U.S. Policy Initiatives And Programs

Bilateral Cooperation. The United States continues to improve the current excellent bilateral and multilateral cooperation in law enforcement and demand reduction programs it has with Spain. Through a series of visits this year from high-level USG officials, such as the Commanders of both SOUTHCOM and JIATF-S and the INL Acting A/S, Spain and the U.S have agreed to engage more robustly in Latin America, both operationally and on the capacity development side, to help stem the flow of narcotics coming to the Iberian Peninsula. In that regard, Spain has seconded a Liaison Officer to the JIATF South staff. In 2007, DEA coordinated with the Spanish government to host the annual IDEC conference in Madrid. This was the first time IDEC was held in Europe. DEA Administrator Tandy participated in the 2007 IDEC conference in Madrid and built on a successful visit she conducted to Spain in September 2006. During a joint press conference with the DEA Administrator, the Spanish Minister of Interior highlighted our close bilateral cooperation in the area of counternarcotics. DEA continues to work very closely with its Spanish law enforcement counterparts, which has resulted in numerous successful joint investigations. DEA has also conducted training courses in undercover operations and financial investigations for its Spanish counterparts, which were very well received by the Spaniards. Spanish government officials routinely tell us that Mexico is a strategic priority and we believe there are areas for joint cooperation in that country. The U.S. urges Spain to become a leader among EU member states in the fight against narcotics and the opening of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon should bolster EU capacity to protect its southwestern flank.

Road Ahead. With drug traffickers targeting Spain in a major way and its government reaching out to us for assistance, the U.S. will continue to coordinate closely with Spanish counternarcotics officials. Spain will continue to be a key player in the international fight against drug trafficking and seeks to maintain momentum from its successful hosting of the IDEC. The U.S. and Spain are natural partners in Latin America, and are intent on developing a partnership there for the benefit of Latin America as well as Spain and the U.S.

Sweden

I. Summary

Sweden is not a significant illicit drug producing, trafficking or transit country. The fight against illegal drugs is an important government priority and enjoys strong public support. There are an estimated 26,000 illegal drug addicts in Sweden, out of a total population of 9 million. The overall quantities of narcotics seized in 2007 did not change significantly from 2006. Amphetamine and cannabis remain the most popular illegal drugs. Cocaine and anabolic steroid usage, the quantity of Internet ordered narcotics, and the estimated size of the cannabis market all increased in 2007. To combat these trends, Swedish law enforcement and customs entities have been active in various domestic and international counternarcotics projects, including with the Drug Enforcement Administration (DEA) and Federal Bureau of Investigation (FBI).

The majority of narcotics in Sweden is smuggled via other EU countries, West Africa, and the Balkans. In 2007, authorities made the largest single khat seizure in Swedish history; khat use remains restricted to Somali, Ethiopian and Yemeni immigrant communities. Limited residential cultivation of cannabis is known to occur and a limited number of small kitchen labs for the production of methamphetamine and anabolic steroids exist. Sweden is not believed to have any industrial-scale narcotics laboratories and residentially produced narcotics are mainly for personal use. Sweden is a party to the 1988 UN Drug Convention.

II. Status of Country

Relative to other European countries, Sweden (both government and society) is highly intolerant of illegal drugs. Sweden places strong focus on prevention and education. According to government statistics, 10 percent of the adult population (15-75 years old) has tried drugs, and the number of drug users is twice as high among men as women. Consistent with 2006 levels, Sweden has approximately 26,000 serious drug addicts (i.e. regular intravenous use and/or daily need for narcotics). Some 25 percent of the serious drug users are women, and since 2004 the number of young women abusing anabolic steroids has steadily increased.

Police and government officials state that the annual number of deaths related to drugs is difficult to estimate but place the figure at approximately 200, which represents an approximate 20 percent decrease from 2006. Authorities attribute the drop in the death rate to the increased use of subutex, a medicine used for maintenance of heroin addicts during detoxification and treatment.

The government-sponsored Organization for Information on Drugs and Alcohol (CAN) reports that the overall number of young people who have used drugs is comparable to last year's levels. The percentage of high school students (aged 15-16 years old) who claim to have been offered drugs increased from 19 percent in 2006 to 20 percent in 2007. High school-aged boys who claim to have tried drugs decreased one percentage point to six percent; the corresponding statistic for high school-aged girls remained at five percent. Approximately 60 percent of those who try drugs for the first time use cannabis. Amphetamine and Ecstasy were the second and third most commonly used drugs.

There are regional differences in drug use. The use of narcotics is predominately concentrated in urban areas, while narcotics use in rural areas is low but growing. The police have observed a countrywide increase in the use of cocaine and especially in medium-sized cities such as Orebro and Vasteras. Previously considered a "luxury" drug, and mainly used in fashionable bars and restaurants, cocaine has become more common due to a significant drop in price. A few years ago, one gram of cocaine cost \$200; today the street price is \$80. The shift from heroin to cocaine

among some addicts is attributed to this price decrease. The cocaine market in Sweden has long been dominated by South American narcotics and smugglers; however, the increased activity of other criminal groups in the cocaine trade, including Balkan networks, has led to greater competition and the overall price decrease. Law enforcement entities have noted also that West African networks once heavily involved with heroin smuggling are now cooperating with South American smugglers in the cocaine trade.

Cannabis is one of the most commonly used narcotics in Sweden. A recent investigation uncovered approximately 140 cannabis smuggling networks and police have increased their estimate of the amount of cannabis in the country at any given time to 25 tons.

National Drug Policy Coordinator, Björn Fries, has stated that the use of khat is an insufficiently acknowledged drug problem in Sweden. Khat, which is a leaf and is chewed, is often smuggled into the country embedded in fruit and vegetable packages; its use is predominantly restricted to immigrant communities from Somalia, Ethiopia and Yemen.

According to customs reports, there has been an increase in the ordering of illicit drugs over the Internet. Cannabis is the drug most commonly Internet-ordered drug. Other Internet-ordered drugs confiscated by customs include Ecstasy, heroin, steroids and illegal pharmaceuticals such as Tramadol. Most packages originate in Spain, the Netherlands, South America and the Baltic region. Combating the Internet narcotics trade is a counternarcotics priority and Swedish law enforcement is coordinating closely with Interpol and Europol to develop methods to prevent teenagers from purchasing drugs online.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In April 2006, the parliament approved a National Action Plan on Narcotic Drugs, which runs through 2010. Demand reduction and restriction of supply figure prominently in the plan, and the plan includes provisions to increase treatment for detainees with drug addictions. Four ministries share the primary responsibility for drug policy: the Ministry of Health and Social Affairs, the Ministry of Justice, the Ministry of Finance and the Ministry for Foreign Affairs. Together, officials from these ministries form an independent working group called The Government's Coordination Body in Drug Related Issues (SAMNARK), which coordinates the implementation of the Action Plan.

In September 2006, the government established an investigative commission to review current narcotics legislation and to make recommendations on how to strengthen it. The commission is also considering proposals for harsher penalties for dope-related crimes and expects to release its results in late 2008. The government has a National Drug Policy Coordinator in charge of implementing the National Action Plan and coordinating national policy. In 2007, the Mobilization Against Drugs (MOB) Task Force was granted \$5 million to combat social drug usage at restaurants, investigate Internet narcotic sales and improve rehabilitation services. However, the MOB and the position of National Drug Policy Coordinator will be terminated in 2008, and the government is currently making plans to create a new organization for counternarcotics coordination. The new organization will consist of two ministerial staff members that will coordinate government counternarcotics activity and a council consisting of researchers and relevant authorities. The National Board of Health and Welfare and the Swedish National Institute of Public Health will be responsible for implementing the organization's action plans.

In February, The National Board of Health and Welfare developed national guidelines and recommendations to standardize municipal level treatment and improve overall rehabilitation services on the local level. However, in September, the Board published a report stating that some Swedish counties do not offer heroin addicts a sufficient level of treatment and lack clear treatment and rehabilitation guidelines. In April, the government allocated \$30 million to municipal drug

preventive measures, concentrating on welfare programs for children of drug abusers and school information campaigns.

Since 2004, Sweden's National Cannabis Project has focused on combating the organized criminal aspect of the cannabis trade. The project will end in January 2008 and will be replaced by an action group based in Malmo. In 2007, the MOB financed a \$120,000, one-year project coordinating police, customs and prosecutor activity targeting cocaine smuggling from South America and West Africa. Sweden also participates in a Denmark led project targeting West African cocaine and heroin networks.

Continued cooperation with Baltic countries, where significant drug trafficking routes exist, constitutes an ongoing and important element in Sweden's counternarcotics efforts. Sweden cooperates in country specific customs and law enforcement coordination projects with Lithuania and Poland and, until December 2007, with Estonia. In 2007, Sweden participated in the Baltic Sea Task Force, combating illegal labs and chemical precursors in Estonia, Latvia, Lithuania and Poland. As part of this task force, police authorities met monthly to discuss methods of moving forward on counternarcotics projects.

Fighting drugs remains a high priority area for Sweden's official development assistance. The Swedish International Development Authority (SIDA) allocated approximately \$150,000 in 2007 for multilateral and bilateral UN normative instrument projects against drugs and tobacco.

Law Enforcement Efforts. During the year authorities did not uncover any major drug processing labs. Police reported 52,915 narcotics-related crimes from January to September 2007 period. This represents a seven percent increase compared to the corresponding period of 2006. Approximately 30 percent of the arrests under the Narcotics Act led to convictions, which on an average resulted in six months in jail. The majority of the crimes involved consumption and possession.

In September, Swedish police conducted a raid called "Raw Deal" against illegal trade of steroids on the Internet. The raid was coordinated with similar police raids in Germany, Canada, Mexico and the U.S. During the raid, police seized steroids, cannabis, heroin and amphetamine. The operation is considered to be the most extensive Internet drug operation to date, and the operation is on-going.

In February, police seized a record breaking 31.1 kg shipment of khat. In response, the Prosecutors Office has begun investigating usage trends and the possibility of lowering the legal 400 kg quantity needed to constitute an aggravated drug offense.

In the last seven years, steroid use has increased 30 percent. Together with the Doping Call Center, police have started investigating the growing trend of steroid users taking other narcotics and prescription pharmaceuticals to counteract the negative side effects of steroid use. The majority of steroid users who mix with other drugs are between 18-25 years old and authorities suspect that steroids may be acting as a gateway drug. The investigation is on-going.

Narcotic seizure reporting mechanisms changed between 2006 and 2007. Law enforcement authorities believe the transition process likely resulted in incomplete reporting in 2007 but noted they believe seizures and overall drug smuggling levels were roughly on a par with 2006.

Amounts seized per substance per year in kilograms:

| (January-September) | 2007 | 2006 | 2005 |
|---------------------|-------|------|------|
| Cannabis | 848 | 419 | 774 |
| Amphetamine | 227.6 | 243 | 326 |

| | | | |
|---------------------------|---------|--------|--------|
| Heroin | 13.5 | 73 | 13 |
| Cocaine | 15.7 | 25 | 17 |
| Khat | 5,000 | 4,400 | 4,227 |
| Ecstasy (number of pills) | 102,111 | 95,334 | 83,818 |

Number of drug seizures by Swedish Authorities:

| (January-September) | 2007 | 2006 | 2005 |
|---------------------|-------|-------|-------|
| Cannabis | 4,822 | 4,632 | 4,769 |
| Amphetamine | 4,154 | 4,294 | 4,323 |
| Heroin | 477 | 499 | 534 |
| Cocaine | 412 | 528 | 320 |
| Ecstasy | 120 | 160 | 268 |
| Khat | 146 | 234 | 210 |

Corruption. As a matter of policy, the Swedish government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities. The Swedish government actively discourages and combats the production and distribution of narcotics and no senior officials are known to encourage or facilitate the narcotics trade. Swedish law covers all forms of public corruption and stipulates maximum penalties of six years imprisonment for gross misconduct or taking bribes. The Narcotics Act contains severe penalties for the use and/or production of illegal narcotic substances.

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

Cultivation/Production. No major illicit drug cultivation/production was detected during the year. During the first six months of 2007, the police uncovered 33 illegal cannabis cultivation sites in Stockholm, Gothenburg, Uppsala and Halmstad. The cultivators were mostly young males, 20 to 30 years old and using instructions found on the Internet. Ten small steroid labs were shut down in 2007. Sweden is not believed to have any industrial-scale narcotics laboratories and residentially-produced narcotics are mainly for personal use. Some legal cultivation of cannabis for use in fibers occurs in Sweden, as allowed for under EU regulations on the cultivation of flax and hemp for fiber.

Drug Flow/Transit. Drugs mainly enter the country concealed in commercial goods, by air, by ferry, and by truck over the Oresund Bridge linking Sweden to Denmark. The effectiveness of customs at Stockholm's Arlanda airport is believed to have resulted in an upward trend of smuggling by truck and ferry. An estimated 70 percent of all seizures are made in the southern part of Sweden. Most of the seized amphetamine originates in Poland, the Netherlands, and Baltic countries. Seized Ecstasy comes mainly from the Netherlands; cannabis from Morocco and

southern Europe; and khat from the Horn of Africa via Amsterdam and London. Cocaine often comes through Spain and the Baltic region or directly from South America in freight containers. The route for heroin is more difficult to establish, but according to police information, a West African network has established a route to Sweden via Portugal and Spain. West African smugglers are also more likely to carry heroin and cocaine into Sweden in suitcases or in their personal property. Scandinavian countries have joined efforts in an attempt to combat these networks. In 2007, law enforcement did not seize any drugs intended for the U.S. market.

Domestic Programs and Demand Reduction. The National Institute of Public Health and municipal governments are responsible for providing compulsory drug education in schools. In April, the government allocated \$30 million to municipal drug preventive measures, concentrating on welfare programs for children of drug abusers and school information campaigns. Several NGOs are involved in drug abuse prevention and public information programs to counter drug abuse.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. Swedish cooperation with U.S. law enforcement authorities continues to be excellent. In the last year, U.S.-Swedish cooperation to combat the sale of steroids over the Internet resulted in 12 arrests and the seizure of steroids, cannabis, heroin and amphetamine.

The Road Ahead. The U.S. will continue to pursue enhanced cooperation with Sweden and the EU.

Switzerland

I. Summary

Switzerland is both a consumer market and transit route for illicit narcotics, but it is not a significant producer of most illicit drugs, with the exception of hemp/marijuana. Nevertheless, in 2006 (NB: Throughout this report, the latest official statistics available are for 2006) total reported drug arrests reached 47,001, down 5 percent from the 49,450 cases recorded last year. Drug arrests peaked at just over 50,000 in 2004. Cocaine seizures increased significantly 25 percent to 354 kg (2005: +44 percent; 2004: +91 percent) and Ecstasy seizures increased 7.1 percent to 216,000 pills (2005: +75 percent; 2004: +480 percent). Seizures in 2007 by cantonal police were another record, but the pace of increase in seizures of both cocaine and Ecstasy seem to be slowing down, perhaps indicating a plateau in abuse of these two stimulants. Many drug smugglers belong to Swiss-based foreign criminal networks from Africa and the Balkans. The Swiss public continues its strong support for the government's four-pillar counternarcotics policy of preventive education, treatment, harm reduction, and law enforcement.

The politics of drug liberalization at the federal level have changed recently, putting the brakes on the cannabis legalization movement. A new drug bill aimed at decriminalizing cannabis use for Swiss adults, concentrating enforcement efforts against other drugs, and making permanent a pilot heroin maintenance program for drug addicts was rejected by parliament in June 2004. A month later, the public lobby "For the Protection of Youth against Drug Criminality" initiated a new ballot initiative demanding the decriminalization of cannabis, including the possession, consumption, and purchase for personal use. Supporters include well-known legislators from the whole political spectrum, physicians, scientists, prevention professionals, business leaders, as well as law enforcement and hemp industry representatives. The group collected 105,994 signatures and formally registered its referendum at the Federal Chancellery on January 13, 2006. In December, the federal government expressed its opposition to the project but said the initiative would be put to referendum in 2009-2010. A zero tolerance law against driving while under the influence of drugs (cannabis, heroin, cocaine, Ecstasy) entered into effect on January 1, 2005. Switzerland is a party to the 1988 UN Drug Convention.

II. Status of Country

In a country of approximately seven and a half million people, about half a million Swiss residents are thought to use cannabis at least occasionally. Roughly 30,000 people are addicted to heroin and/or cocaine, and more than 7.2 percent of the population uses a narcotic substance regularly. While reported arrests for Ecstasy consumption decreased by 11 percent in 2006, the use of other drugs increased compared to 2005. Cannabis, cocaine, and heroin still remain popular among drug addicts. Swiss statistics show that cocaine consumption among youngsters is on the rise. Police are also concerned about the continuing trend by casual users to mix cannabis and other drugs. An international survey recently found that Swiss teenagers smoke more cannabis than their peers in more than 30 other European countries, with one in three Swiss 15-year-olds smoking pot at least once within the past year. There are an estimated total of 250,000 people who regularly smoke cannabis-nearly twice as many as a decade ago. Drug trafficking-related arrests almost doubled from 97 to 182 cases, but deaths due to drug consumption (overdoses) decreased from 211 to 193. The Swiss Federal Police published a report on narcotics activities in 2005. It is available at: www.fedpol.admin.ch/fedpol/de/home/dokumentation/statistiken.html

III. Country Actions Against Drugs in 2007

Policy Initiatives. Since January 1, 2002, jurisdiction for all cases involving organized crime, money laundering, and international drug trafficking shifted from the cantons to the federal prosecutor's office in Bern. According to the federal prosecutor's office, the number of investigative magistrates increased to 25 in 2006. Beginning January 1, 2002, it became illegal to advertise products that contain narcotic or other psychotropic substances without government certification. Violators who put human lives at risk face fines up to \$158,079 (SFr 200,000) or imprisonment. Heroin maintenance prescription programs originally intended to end in December 2004 have been extended until 2009. The Swiss Federal Office for Public Health believes that its heroin prescription program has a direct impact on drug-related crime: around 70 percent of addicts earned money from illegal activities at the time they entered the program, compared with 10 percent after 18 months in the program. The heroin prescription program has many detractors. Following the release of the "Zurich Drugs and Addiction Policy Report," made public on August 12, 2004, Zurich authorities admitted that they had been so busy tackling the open heroin scene that other areas of addiction had been overlooked. After concentrating on the heroin problem for the past ten years, the city said it wanted to be more active in other areas, such as encouraging the reintegration into society of drug addicts. A pilot project for the distribution of cocaine under prescription is underway, but it is not being supported for the time being by the Swiss Federal Office of Public Health in Bern. However, the Swiss government is backing other pilot projects in Bern and Basel aimed at distributing Ritalin, a substitute for narcotic drugs. The City of Zurich has also offered, over the last five years, the possibility for youngsters to test their drugs outside nightclubs. In September 2006, the city decided to open an office, open daily, which should provide the same services and is sponsored by the Swiss Federal Office of Public Health and the city budget. Swiss and German authorities continue to cooperate under a bilateral police agreement signed on June 22, 2004, aimed at increasing bilateral cooperation at border checkpoints. The main goal of the agreement is to facilitate police cooperation to more effectively deal with drug and weapons smuggling. Document specialists from both countries also assist border guards to use improved techniques to detect forged travel documents. The Swiss-German border crossing at Basel/Larach is one of the busiest in Europe, with 70 million people crossing per year.

Law Enforcement Efforts. According to the Swiss Federal Police, there are three types of organized criminal groups in the country: the West African networks involved in the cocaine traffic; Albanian bands dealing in heroin and prostitution; and the money laundering networks working from the former Soviet republics. Noticing that many resident aliens, suspected (but not convicted) of drug dealing, travel from canton to canton, several cantonal authorities increasingly ban convicted drug dealers, resident in another canton, from visiting their cantons. They also prohibit convicted drug dealers from visiting certain areas, like railway stations (difficult) and schools (possible). If picked up by police, these dealers (mainly refugees from Eastern Europe and sub-Saharan Africa) are fined and "deported" to their canton of residency. If picked up again, they are jailed. Deportation of foreign drug dealers to their home country is difficult because they often hide their true country of origin from the police (NB: cantonal police are responsible for deportations, not the Federal Office of Migration). When looking at cross-border cocaine smuggling, the Swiss Federal Police believe that many criminals involved use the train to connect the Swiss drug market with Holland or Spain. Their nationalities range from Swiss, Italians, Lebanese, West-African, South-East Europe, South American, to the Dominican Republic. The "mules" generally originate from Africa, Brazil, the Dominican Republic or Europe. To give a sense of drug abuse developments in Switzerland, some important drug-related enforcement operations are described below:

- In November 2006, the Vaud police dismantled a cocaine network involving twelve Nigerians, and seized SFr. 140,000 and 800 grams of cocaine. The

investigation started a few months prior to the arrest when other Nigerians were arrested in Nyon and Yverdon with 1.1 kg of cocaine and SFr. 46,000. Later, the police dismantled the entire regional network and arrested 12 dealers and wholesalers. Three other African dealers holding “B” resident permits were also arrested, with 45 grams of cocaine and SFr. 95,000. Finally, a drug smuggler from Romania was arrested in Yverdon with 700 grams of cocaine in his stomach. He was to deliver it to a Nigerian drug dealer, who was also arrested with SFr. 18,000.

- In November 2006, a ship container containing 57 kg of cocaine was discovered in Basel. The cocaine was hidden on a ship loaded with coffee that originated from Anvers, Belgium, and had reached Basel over the Rheine River. It appears that the drug was imported from Columbia and was originally destined for Holland and ended up in Basel by mistake. Its market value is estimated at SFr. 5 million.
- In November 2006, the Basel-Am-Rhein border post arrested three Serb/Bosnian women aged 33-46. They were traveling in a German car and carried stolen driving licenses. Border guards discovered 16 kg of cocaine worth SFr. 1.3 million in their car, their biggest seizure of the year.
- In December 2006, the Zurich police arrested 20 people involved in a large-scale Ecstasy trafficking network operating from Switzerland to the United States.
- In December 2006, a Vaud cantonal judge determined that the cantonal revenue service could keep SFr. 3.34 million found during a Swiss-U.S. anti-narcotic operation. The funds were discovered in a Swiss bank account in Lausanne and belonged to Columbian narco-traffickers. These revenues will be used to finance anti-narcotic operations and drug prevention training. The Vaud counternarcotics taskforce code-named STRADA increased the number of drug related arrests significantly.
- In March, the Lausanne police in canton Vaud dismantled a Brazilian cocaine ring and seized 5 kg of cocaine, worth SFr. 1.2 million. The main perpetrators purchased the drug in Brazil where it is sold at SFr. 6 per gram, and trafficked it using false-bottom suitcases. While 16 people were involved in the ring, seven remain in custody for drug smuggling and other criminal offences. In 2006, the Lausanne police seized 6.3 kg of cocaine, while Vaud police seized 4.8 kg for the entire canton.
- In March, the Geneva police seized 220 kg of Khat at the Mategnin border post, the largest quantity ever. A car with Vaud license plate was about to enter Switzerland from France, but turned back when it spotted the police. The car was later stopped at another checkpoint. The Somali driver and his accomplice had taken some of the Khat themselves to fortify them for the long drive from Holland. The defendant is a well know drug trafficker. The Khat was originally imported from Africa. Cross-border arrests are easy on the Swiss/French border since Switzerland and France signed a hot pursuit agreement which enables police of both countries to pursue and arrest across the border. The Somali driver was convicted and served a 60 day sentence.
- Last year Swiss customs intercepted 193 kg of cocaine and 59 kg of heroin at the country's borders. Also uncovered were 95 kg of cannabis and around 50,000 doses of drugs such as Ecstasy and LSD. Swiss officials believe Europe is

currently awash with trafficked cocaine, smuggled in by highly professional gangs from traditional regions such as South America and the Caribbean, but more and more from West African countries. International anti-smuggling operations have already been carried out, with large amounts of illegal substances being confiscated at Airports. Swiss police and customs often face sophisticated smugglers who conceal drugs in double suitcases or conceal the drugs presence via electronic equipment.

- In July, the Ticino police dismantled a cocaine network and arrested 25 dealers and fined 250 of their clients. One kilogram of cocaine and SFr. 160,000 were also confiscated. The drug traffickers were mostly African asylum seekers who delivered drugs to Ticino from northern parts of Switzerland.
- In August, a total of 150 kg of heroin valued over 33 million U.S. dollars was seized at the Swiss-Austrian border in the canton of St Gallen. During a routine check at the Diepoldsau border post, the Swiss police discovered 30 packs of heroin, hidden on a Turkish truck. It was the largest amount of heroin ever seized in Switzerland. The 150 kg of heroin, packed in 500 grams black plastic bags, was heading for Zurich. The two Turkish drivers on the truck were also arrested. Swiss and Austrian police conducted searches in Zurich and Vienna, while the Turkish police also started their investigations locally.
- In August, Swiss customs discovered at the Chiasso border post 270 kg of marijuana hidden in a tourist bus returning from the Balkans through Italy. The drug (220 small packages) was hidden in the fuel tank. The two drivers were arrested and handed over to the Ticino police.
- In August, Swiss customs in Chiasso arrested a young Italian woman traveling on the Amsterdam-Milan train and carrying 50,000 Ecstasy pills.
- Late October, a Zurich district court handed down severe prison sentences of 9-11 years in prison against two drug smugglers involved in the illegal import of 195 kg of heroin. The main organizer a 41 year-old Swiss-Brazilian national, used a Swiss 75-year old lady to carry the drug hidden in art objects. She was sentenced to a two years suspended sentence.
- During 2006, cocaine seizures by Swiss border police increased from 167 kg a year ago to 193 kg, and heroin from 57 kg to 59 kg. Most of the drug seizures took place at airports. The total number of drug related arrests at the border decreased from 3,192 in 2005 to 2,563 in 2006. Across Switzerland five to ten percent of police time is spent fighting drugs. In 2005, a new undercover law went into effect. Under this law, undercover operations can only be authorized at the federal prosecutor's level. Previously, this authority rested at the cantonal law enforcement level.

Geneva police authorities complain that the city's number one problem is drug trafficking. The Geneva drug scene is controlled by many nationalities depending on the type of drug. Large numbers of drug dealers or traffickers destroy their identity papers and apply for asylum to avoid repatriation to their home country. Dealers from Algeria, Guinea and Serbia Montenegro are the most problematic in this regard. Cocaine arrives, in general, to Geneva from South America, via Amsterdam and Zurich. Drug mules hide the drug in their stomach to avoid easy detection when they take the train. The Geneva market is controlled by traffickers originating in West Africa (Benin, Sierra Leone, Guinea-Bissau, and Guinea-Conakry) who come from nearby France and the apply for asylum. In March, Geneva undercover officers arrested a 27-year old cocaine dealer from

Mali. After objecting fiercely to police search, three doses of drugs were found in his mouth. Because of a lack of space in the overcrowded Geneva prison and few repatriation agreements, most African dealers are released on the street. The Geneva Drug Task Force reports that 300 young hashish drug dealers from Morocco operate on the streets of Geneva. Many of them reportedly are violent, commit theft, and have been known to stab other drug dealers. In order to evade repatriation, many of them applying for asylum destroy their identity papers and claim they are Palestinians or Iraqis. Police forces regret there are no repatriation agreements with Morocco and Algeria. A successful repatriation agreement with Nigeria helped send back many traffickers. The average monthly earnings of a drug dealer in Geneva are about SFr. 4,000. Geneva police statistics on drug-related arrests show that 98.5 percent of drug dealers were foreigners.

Corruption. As a matter of government policy, Switzerland does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities. In June, the Geneva police arrested a 50-year old employee of the Cantonal Population Office on the ground he stole 600-700 blank working permits and sold them to an Albanian cocaine network for SFr. 60,000. The judgment is still pending.

Agreements and Treaties. Switzerland and the United States cooperate in law enforcement matters through bilateral extradition and mutual legal assistance treaties. Switzerland is a party to the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Switzerland is also a party to the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

Cultivation and Production. Switzerland is not a significant producer of illicit drugs, with the exception of illicit production of high THC-content cannabis/hemp. After years of abuses in Hemp shops selling a variety of cannabis products, a federal court ruled in March 2000 that selling hemp products with a THC level above 0.3 percent was a violation of the narcotics law regardless of how the shop had labeled the hemp. Since then, police operations in all cantons have targeted the illegal production, traffic and sale of cannabis products. Today, hemp plantations and shops no longer operate in the open but have moved underground. Illicit cultivation of high TNC content hemp has collapsed, which has led to an increase in prices and reduced availability. In 2007, Switzerland saw an increase of smuggling cases involving cannabis (both resin and herb), showing that contrary to earlier years, domestic cannabis production no longer meets the demand of the Swiss market. Surveys among pupils in 2006 suggest that cannabis consumption is slightly decreasing (corroborated findings on consumption are due in 2009). In the past few years, there have been no important cases of domestic production of Ecstasy or other synthetic drugs in Switzerland.

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

Domestic Programs. Switzerland focuses heavily on prevention and early intervention to prevent casual users from developing a drug addiction. Youth programs to discourage drug use cost \$6 million annually according to the Swiss Federal Office of Public Health. Swiss authorities made 230 kilograms of heroin available for registered addicts through the Heroin-assisted treatment (HAT) program. Three-quarters of those enrolled in the program were male. The number of slots available in “heroin treatment centers” increased from 1389 to 1429. With 1308 patients by December 2006, the heroin distribution program is currently running at 91 percent of capacity. A total of 135 drug addicts entered the program during 2006. The average participant is 35 year old and most are male. The Medical treatment costs approximately SFr. 33 million, or SFr. 51 per day per person. Twenty percent of the costs were paid for by the cantons, while 80 percent was paid by the individual’s health insurance. Average time in heroin treatment is 2.92 years. Of the 173

persons who terminated the heroin prescription program, 63 percent opted for the methadone-assisted programs, or an abstinence therapy. In early 2005, Switzerland took part in an international pilot study, the implementation of the Multidimensional Family Therapy (MDFT) for adolescents with a cannabis problem. MDFT was developed at Miami University and has been used successfully in many instances in the U.S. More information on the Heroin-assisted treatment (HAT) program is available at:

<http://www.bag.admin.ch/themen/drogen/00042/00629/00798/01191/index.html?lang=en>

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation/Policy Initiatives. On March 15, 2004, Switzerland and the U.S. joined forces to curb the rise in illegal sales of prescription drugs over the Internet. The two countries called for international action in a resolution presented at the annual session of the UN Commission on Narcotic Drugs in Vienna. The joint resolution stated that every country should introduce and enforce laws against the sale of narcotics and psychotropic drugs over the Internet.

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

Tajikistan

I. Summary

Tajikistan is not a producer of illicit narcotics, but it is a major transit country for heroin and opium from Afghanistan. A significant amount of opium/heroin is trafficked, primarily using land-based routes, through Tajikistan, onward via the “Northern Route”—through Central Asia to Russia and west and east Europe. Approximately 40 percent reaches Russia; 30 percent goes to Europe; and there is evidence of Afghan opiates bound for China via Murghab in eastern Tajikistan. Chinese border police and the Tajik Drug Control Agency conducted a joint study of the drug flow of Afghan opiates from Tajikistan to China in October 2007. They estimated that approximately 5 percent of Afghan opiates entering Tajikistan exit to China. There is no evidence of a significant amount of Afghan heroin transiting Tajikistan to the United States; estimates are that 3 percent of narcotics transiting Tajikistan go to the United States and 3 percent through Africa to South America. The Tajik Government is committed to fighting narcotics; however, corruption within the Tajik government continues to complicate counternarcotics efforts. Increasingly, corrupt officials at the highest levels thwart law enforcement efforts as drug investigations strive to move up the chain of organized criminal groups. So far, no anti-corruption efforts by the Government of Tajikistan (GOT) have had a significant impact on the corruption problem.

Tajikistan is ill equipped to handle the myriad social problems that stem from narcotics trade and abuse. Tajikistan’s medical infrastructure is inadequate to address the population’s growing need for addiction treatment and rehabilitation. Still, the GOT continues to implement counternarcotics activities, yielding more seizures than all other Central Asian states combined. Tajikistan coordinates its activities with all major donors and surrounding countries. Tajik law enforcement continues to make arrests and seizures for mid- to low-level cases and there has been increased cooperation between Russia and Tajikistan on such cases. There continue to be opportunities for more solid cooperation between -Kazakhstan, the Kyrgyz Republic and, most importantly, Afghanistan. Tajikistan is a party to the 1988 UN Drug Convention, as well as the UN Convention against Corruption.

II. Status of Country

Geography and economics continue to make Tajikistan an attractive transit route for illegal narcotics. The Pyanj River (Amu Darya in Afghanistan), which forms most of Tajikistan’s border with opium-producing Afghanistan, is thinly guarded and difficult to patrol. Traffickers can easily cross the border at numerous points without inspection due to the lack of adequate border control. Tajikistan’s non-criminal economic opportunities are limited by a lack of domestic infrastructure and complicated by the fact that its major export routes must transit neighboring Uzbekistan. In the past, Uzbekistan closed its border to combat a “perceived instability” from Tajikistan, although borders have remained open for the last three years. Criminal networks that came to prominence during the 1992-97 Tajik civil war, continued instability in Afghanistan, rampant corruption, low salaries, a poorly trained legal cadre and dysfunctional legal system, and the government’s lack of revenue to adequately support law enforcement efforts hamper rule of law and the government’s efforts to combat illegal narcotics flows. With the average monthly income in the country at around \$40, high unemployment, poor job prospects, and massive economic migration to Russia, the temptation to become involved in narcotics-related transactions remains high.

In-country cultivation of narcotics crops is minimal. However, the Government of Tajikistan has recently indicated that it is investigating the possible existence of small mobile processing labs to

refine Afghan opiates near the southern border area in Shurabad district near Yol and Sarigor and in the east near Khorog in Gorno-Badakhshan.

There were no seizures of illegal precursors in 2007. A lack of proper screening equipment and related training, and the absence of salary incentives for seizures of precursor chemicals, mean the possible illicit transit of such chemicals goes undetected. The small amount of licit precursor chemical imports, closely monitored by the Tajik government, is destined generally for five in-country industrial sites that use such chemicals. The GOT does not have the capability to monitor or intercept precursor chemicals illegally transiting Tajikistan to Afghanistan. Part of the reason for the lack of seizures and information is that the Tajik government has a customs inspection agreement with Uzbekistan and Kyrgyzstan that prohibits inspection of sealed trucks (TIR) bound for a non-Tajikistan destination, many of which could be carrying licit and illicit precursor chemicals. There were no seizures of illegal precursors in 2007.

III. Country Actions against Drugs in 2007

Policy Initiatives. With the final withdrawal of Russian border troops from the Tajik-Afghan border in October 2005, Tajik forces are solely responsible for patrolling and maintaining the border. In January 2007, the Tajik State Committee for Border Protection (SCBP) was subsumed under the new State Committee for National Security (SCNS). This merger has had major ramifications for border management and for international security assistance programs across the board. For example, the Committee has barred the Ministry of Interior and the Drug Control Agency access to the border within 3 to 10 kilometers. A planned U.S.-funded initiative to provide salary supplements to border guards on the Tajik-Afghan border was canceled due to diminished transparency and disagreements on control of the project with the leadership of the State Committee for National Security. The SCNS also adopted a policy to minimize contact with Afghanistan, actively supported keeping the \$39 million U.S.-funded bridge at Nizhniy Pyanj closed for two months after its completion, and resisted allowing joint Tajik-Afghan border guard training. Although President Rahmon, in early 2007, announced a revision of the Criminal Procedure Code, efforts to move forward on substantive revision have been stalled. The SCNS is however interested in creating mobile interdiction-type teams within their organization and would possibly work with the Ministry of Interior (MOI) and Drug Control Agency (DCA) using these teams as long as SCNS maintained operational command and control.

President Rahmon also created a new Commission on Anti-Corruption in 2007. However, to date, the Commission has not conducted any meaningful investigations. The fear is that the anti-corruption agency will become more a tool for political reprisals than for fighting corruption. The Presidential Office's Drug Control Agency (DCA) continued to implement a number of U.S.-funded programs to strengthen drug control capacity, including: development of three mobile interdiction and investigative teams; construction of a new gym and shooting range facilities; renovation of regional facilities; training and equipment for a national law enforcement communications network; and salary supplement programs. The new DCA mobile response and deployment teams have improved DCA's ability to collect information more widely; however, the DCA's overall operational capacity significantly decreased in 2007. Much of this was due to reshuffling of DCA personnel, which has been a serious problem in the Tajik government especially since the last Presidential elections in November 2006. At present, law enforcement efforts connected to drug trafficking are limited to interdiction and arrest of low level drug "mules", with no meaningful investigation and prosecution of organized drug criminals and criminal organizations. Given the extent of corruption in Tajikistan and the lack of transparency in the legal system, investigators are reluctant to investigate organized criminals for fear of retribution by high-level officials. There is an absence of political will to investigate and prosecute organized crime.

Law Enforcement Efforts. During the first 9 months of 2007, the DCA, Border Guards and MOI reported the following seizures:

| Agency | Heroin | Opium | Cannabis |
|---------------|----------|----------|----------|
| MOI | 1,071 kg | 1,461 kg | 472 kg |
| DCA | 405 kg | 926 kg | 234 kg |
| Border Guards | 117 kg | 189 kg | 356 kg |
| Totals | 1,593 kg | 2,576 kg | 1,062 kg |

In 2007, the DCA conducted 117 operations. Of those operations two were conducted in coordination with Russian and Kyrgyz counterparts. On August 12, 2007, at the initiative of Russia, jointly with the Drug Control Agency, several active members (all Tajik) of an international organized crime group were detained and 46 kg 360 grams of heroin were seized. On October 3, 2007, the Tajik Drug Control Agency and Kyrgyz Drug Control Agency detained several Tajik and Kyrgyz organized criminals in Osh City and seized a total of 54 kg 747 grams of raw opium. Total drug seizures by all Tajik law enforcement agencies in 2007 (January to October) decreased from 3,747,705 kg (4.1 short tons) in 2006 to 3,095,936 kg seized in 2007.

A recent negotiation to add one DCA team in Murgab and another MOI team in Kulob with U.S. assistance may add significantly to capacity and reduce chemical and product movement in the next year. The Border Guards Department is still hampered by considerable corruption at the lower levels and its Soviet top-down management style. Substantive information on border guard activity has been unavailable since the Department moved to the State Committee for National Security. On the whole, law enforcement and security ministries dealing with border smuggling and organized crime have demonstrated greater capacity and willingness to be proactive in comparison to previous years. Much needs to be done in training and capacity building to reinforce this trend by Tajik forces.

Tajikistan seizes roughly 80 percent of all drugs captured in Central Asia and stands third worldwide in seizures of opiates (heroin and raw opium). Although drug seizures are significant, the lack of a conspiracy law severely limits law enforcement's ability to target upper echelon drug traffickers. Corruption continues to hinder law enforcement investigations, and so far no major narcotics trafficker has been apprehended and brought to trial. Such a move would require the full backing of the Presidential Administration and the possible prosecution of government officials charged with narco-related corruption. The government of Tajikistan did not provide information on any inter-agency joint operations conducted in 2007. In general obtaining statistical information on operations, seizures and arrests has become more difficult. In 2007, the United States provided upgrades to existing database software utilized by the DCA and MOI analytical centers. These upgrades were provided in part to organize statistical criminal information, but also to better track complex investigations. The United States continues to push the Tajik government to focus on investigations and prosecutions, rather than just seizures and arrests, as a true measure of improvement of law enforcement and rule of law. However, so far, information from the Prosecutor General's Office and the various law enforcement agencies is inconsistent.

Corruption. As a matter of government policy, the Tajik Government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances and has continued to seek international support in augmenting its efforts to combat narcotics trafficking. However, over the last year, the level of corruption involving organized crime

and complex money laundering schemes appears to have increased significantly. Despite the lack of real growth in the productive economy, an apparent construction boom of personal mansions and commercial space, the appearance of expensive vehicles on city streets, high-end designer retail stores and other “fronts” springing up throughout Dushanbe convey a false picture of prosperity in the capital. While most of the public cannot afford these luxuries, the number of wealthy elite, many with strong ties to the government, appears to have increased. Some senior officials in the MOI, DCA, State Committee for National Security and the Ministry of Justice (MOJ) live in modest houses and apartments and drive modest vehicles, while others in the same agencies have expensive new homes, cars and other investments. Due to this apparent disparity, there is much public and private speculation about the involvement of some government officials in narcotics trafficking, money laundering and corruption. Speculation focuses on prominent public figures involved in Tajikistan’s 1992-97 Civil War. It is impossible to determine authoritatively just how pervasive drug-related corruption and other forms of corruption are within government circles. However, there is certainly a striking difference in the lifestyles of low salaried government officials and the extravagant lifestyles some senior officials appear to maintain, despite their low government salaries. Even when arrests are made for narcotics trafficking, the resulting cases are not always brought to a satisfactory conclusion. There have been some arrests of Border Guard and Customs officers in the last year by the DCA and Ministry of Interior; however, these are low level officers, and investigations rarely proceed beyond indictment of the courier and foot soldiers involved.

In 2007, the President created the Anti-corruption Commission which reports to the President’s office. It has not conducted any investigations of high value targets and there is some evidence that current investigations target drug trafficking competitors. The United States is reluctant to work with the Commission in an assistance capacity due to its lack of independence as part of the Executive branch. Such a Commission is better placed as part of the Judiciary or Parliament. The Ministry of Justice (MOJ) and the Prosecutor General’s Office pose major obstacles for many law enforcement efforts. The USG is looking to engage the justice sector entities, especially the Prosecutor General’s office and the Supreme Court, as they continue to be a major barrier to reform efforts. As corruption continues to be the single largest obstacle to reform, the United States is seeking ways to engage law enforcement with a more grass-roots approach to promoting public action and involvement in anti-corruption and community-based rule of law initiatives.

Agreements and Treaties. Tajikistan is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1972 UN Convention on Psychotropic Substances. Tajikistan is also a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons. Kazakhstan, the Kyrgyz Republic, Tajikistan, and Uzbekistan signed an agreement in September 1999 on cooperation in combating transnational crime, including narcotics trafficking. The five Central Asian countries, as well as Azerbaijan, Georgia, Iran, Pakistan, and Turkey, are members of the Economic Coordination Mechanism supported by the United Nations Office on Drugs and Crime. Tajikistan ratified the United Nations Convention against Corruption in September 2006.

Cultivation/Production. Opium poppies and cannabis are cultivated in very limited amounts, mostly in the northern Aini and Panjakent districts of Tajikistan. Law enforcement efforts limited opium cultivation, but economic disincentives also limit cultivation because it has been far cheaper and safer to grow opium poppies in neighboring Afghanistan. The Government of Tajikistan suspects that drug processing may occur on the Tajik side of the Afghan border and has deepened investigations in the southern part of the country to obtain definitive evidence. There is significant evidence that close family and clan ties between Tajiks and Afghans in the border region have aided, and continue to aid, traffickers in moving their product into and across Tajikistan. However,

the United States currently has no evidence of major drug processing taking place within Tajikistan.

Drug Flow/Transit. The Tajik government estimates that a significant share of narcotics produced in Afghanistan is smuggled across the border into Tajikistan's southern Shurabad, Moskovsky, Ishkashim and Pyanj districts. The government may be seriously overestimating the percentage of Afghanistan's drug production that transits Tajikistan, but although most observers believe the largest single share of Afghan drugs passes through Iran and Pakistan, the total volume of drugs transiting Tajikistan is certainly high and growing. One UN estimate put the amount of heroin from Afghanistan going through Tajikistan at roughly 80 to 120 tons a year. Hashish from Afghanistan also transits Tajikistan en route to Russian and European markets. There is some evidence that some portion of Afghan opiates transiting eastern Tajikistan is entering western China, but due to the remoteness of the region, there is little data on the scale of the trafficking through this route. Increased operations by the DCA and cooperation with Chinese law enforcement have provided a better picture of the situation along Tajikistan's eastern border. The United States plans to support Tajikistan's cooperation with China and other neighboring states. Over the last few years, Tajikistan has experienced an increase in kidnappings, execution-style killings and dismemberment and other forms of coercion typical of organized crime used to control border drug transit areas. Often, cash does not appear to be the primary motivating factor for such crimes; rather the crimes appear intended to intimidate and extend influence among rival cross-border tribal and ethnic groups. Again, education and liaison efforts with local police and other grassroots initiatives are critical to success in this environment.

Domestic Programs (Demand Reduction). The DCA continued to expand and develop its initiatives aimed at increasing drug awareness, primarily among school children. The Tajik Government also encouraged the involvement of domestic and international nongovernmental organizations (NGOs) in this effort. USAID-funded, Population Services International (PSI) is running four "Youth Power Centers" in Dushanbe (1), Khujand (2), and Khorog (1) aimed at prevention of drug use among youth and other at-risk groups. Each center supports up to 1000 young people aged 15 to 25. The Tajik government continued to fund the "Decrease of Demand for Drugs in Tajikistan and Uzbekistan Program" which supports a rehabilitation center for drug users in Badakhshan, and constructed a sports complex in Khorog. From September 20-26, 2006, the U.S. Embassy and Tajik Ministry of Interior co-sponsored the sport event held under the slogan "Youth Against Drugs" aimed at advertising a healthy lifestyle among Tajik youth. However, a similar program planned for the spring was abandoned after the main U.S. counterpart, the Deputy Minister of Interior, was reassigned. The number of young addicts continues to grow, and over 60 percent of Tajikistan's drug addicts are in the 18-30 age group. Increased assistance in the drug demand reduction area is critical to bolstering civil society programs aimed at increasing trust and cooperation between the public and law enforcement and a greater respect for rule of law.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. The U.S. Embassy in Tajikistan has a growing Narcotics and Law Enforcement Section, with a full-time narcotics and transnational crime assistance officer, Senior Law Enforcement Advisor, Resident Legal Advisor, and Project Engineer to coordinate law enforcement and counternarcotics assistance. The DEA Dushanbe Country Office (DCO) currently has regional responsibility for the five Central Asian Republics. The office will be fully staffed in 2008. Cross border cooperation, in particular with the Kyrgyz Republic through the proposed Senior Law Enforcement Advisor and Millennium Challenge program should also add to an increase in interdiction, seizures, arrests, and prosecutions in the next year.

U.S. security assistance to Tajikistan continues to expand with additional resources coming from the Department of Defense (DOD) and other sources. The Office of Defense Cooperation is

implementing installation of a major communications system that will link all border posts and border guard headquarters. Eventually this system can be expanded to link all law enforcement/security agencies in Tajikistan and feed into regional efforts such as the UN-supported Central Asian Regional Information and Coordination Centre (CARICC) meant to improve information flow and operational intelligence across Central Asian borders to better combat the increase of transnational organized crime networks in the region.

DOD and State/INL also fund renovations of border outposts, provide training and substantial operational and investigative equipment to various security-related government agencies. The Embassy's Border and Law Enforcement Working Group (BLEWG) provides a coordination mechanism for all USG assistance on counternarcotics and border assistance. The U.S. Embassy played a key role in creating a donor working group, the Border Security International Working Group (BIG) that meets monthly to coordinate multilateral assistance with IOM, the UN, the OSCE, EU, Russian border advisors, and other major donors to better meet Tajikistan's greatest security assistance needs and avoid duplication of assistance. Over the last year, U.S. cooperation with the Border Guards department has become significantly stifled. Lack of transparency and inconsistent leadership within the Border Guards department has led to the need for more hands-on oversight and direct implementation of our projects on the border. The U.S. continues to expand assistance to the Ministry of Interior in hopes of increasing its cooperation with other law enforcement agencies on narcotics related crime. As U.S. assistance to the Drug Control Agency enters its eighth year, the United States has stepped up pressure on DCA leadership to begin serious efforts to take on greater responsibility for its recurring costs and is focusing funding on operational capacity that would complement other U.S.-funded programs such as cooperation with the DEA.

The Road Ahead. The United States remains committed to working with the Tajik Government to increase its law enforcement and counternarcotics capabilities. The United States will continue to focus on building basic capacity of the major law enforcement agencies, in particular the Ministry of Interior and the Tajik Border Guards; to expand mid-level management and leadership training to these entities; and to continue to push for meaningful anti-corruption efforts throughout the government. An expanded DEA presence, more sophisticated training and mentoring of the DCA, and a greater emphasis on recruiting and developing a network of reliable sources that will enable the DCA and MOI to initiate cases against major trafficking organizations operating regionally are key goals for the future of the DCA and MOI programs.

With INL funding, DEA plans to implement drug investigation seminars in 2008, which will focus on improving the DCA's and MOI's ability to target organizations and conduct long-term investigations. The United States will also begin to engage the justice sector through the Resident Legal Advisor program. Along with a major push to involve the international community in rewriting the Tajik Criminal Procedure Code, the United States will endeavor to draw out the agencies with specific small-scale projects designed to improve their ability to record and track ongoing cases. The ultimate goal of the INL-funded rule of law program is to strengthen Tajikistan's ability to investigate and prosecute major drug traffickers and organized crime syndicates as well as improve and reform judicial sector training. In order to achieve this goal in light of existing corruption and transparency issues within the government, the United States will increase its emphasis on anti-corruption, public outreach and education efforts.

The culture of corruption fueled by the huge amount of drugs passing through the country, poses a significant threat to Tajikistan's stability and prosperity. Patterned on the successful USAID-funded projects aimed at promoting community involvement in local governance, the Embassy will increasingly focus U.S. security assistance programs on building local capacity for law enforcement, strengthening rule of law institutions, and supporting drug demand reduction and anti-corruption campaigns in civil society. The United States will continue to coordinate closely

with European countries, and expand coordination efforts with Russia, Japan, and China to maximize available resources for narcotics and border control-related projects.

Turkey

I. Summary

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

II. Status of Country

Turkey is a transshipment point for Afghan opiates moving towards Europe and Russia. Opium and morphine base from Afghanistan are also refined in Eastern Turkey and on both sides of Turkey's eastern border with Iran. Turkey is also a base of operations for international narcotics traffickers and associates trafficking in opium, morphine base, heroin, precursor chemicals and other drugs. Opium, morphine base, and heroin are smuggled from Afghanistan to Iran, and then smuggled from Iran through Turkey and ultimately to Western Europe. A small amount of opium and heroin is trafficked to the U.S. via Turkey. Turkish law enforcement agencies are strongly committed to disrupting narcotics trafficking. The Turkish National Police (TNP) remains Turkey's most proactive counternarcotics force, with the Jandarma and Customs continuing to play a significant role. Turkish authorities continue to seize large amounts of heroin and precursor chemicals. Given the scale of these seizures, it is likely that multi-ton amounts of heroin are smuggled through Turkey each month.

Turkey and India are the only two traditional licit opium-growing countries recognized by the USG and the International Narcotics Control Board (INCB). Opium for pharmaceuticals is cultivated and refined in Turkey under strict domestic controls and in accordance with all international treaty obligations, using a method of production which allows the plant to mature—the poppy is not incised, and the opium flow collected. There is no appreciable illicit drug cultivation in Turkey other than cannabis grown primarily for domestic consumption. Turkish law enforcement authorities continue to seize synthetic drugs that have been manufactured in Northern and Eastern European countries. The majority of the synthetic drug seizures have occurred as the drugs were being shipped through Turkey to other countries in the Middle East.

III. Country Actions Against Drugs In 2007

Policy Initiatives. The Government of Turkey (GOT) devotes significant financial and human resources to counternarcotics activities. Turkey continues to play a key role in Operation Containment (a DEA regional program to reduce the flow of Afghan heroin to Western Europe), as well as in other regional efforts. The Turkish International Academy against Drugs and Organized

Crime (TADOC), established under the Turkish National Police (TNP), continues to be a key agency leading the fight against drug abuse in Turkey. In 2004, TNP increased the number of drug training and prevention units it previously established in various provinces to cover most parts of Turkey. These units conducted intensive training programs for parents, teachers and students in these provinces, making a major contribution to the GOT's drug prevention efforts.

Accomplishments. TADOC organized 72 training programs for 748 local and regional law enforcement officers in 2007. A total of 27 programs for 441 foreign officers were held at TADOC in 2007, including officers from the Balkans, Tajikistan, Afghanistan, Jordan, United Arab Emirates, Montenegro, Kosovo, Azerbaijan, Macedonia, Malta, Germany, Gambia, Morocco, Egypt, Lebanon, Sudan, Guinea, and Pakistan. These training programs focused on drug law enforcement, intelligence analysis, illegal immigration and human smuggling, interview techniques, surveillance techniques, and antiterrorism training for judges and prosecutors. TADOC conducted training in several foreign countries, including Montenegro, Romania, Macedonia, Syria, and Yemen. TADOC also trained a total of 1,100 officers in computer-based training centers through Turkey in 2007.

Law Enforcement Efforts. Istanbul continues to serve as a transit point for large amounts of heroin being smuggled to Western Europe via the Balkan route. In April, the Turkish National Police seized 13 tons of acetic anhydride (AA) a precursor, which is used to make heroin. In October, the Jandarma arrested five people and seized 160 kg of AA from two vehicles. In November, TNP seized 88.5 kg from a vehicle and arrested a Bulgarian in Istanbul. January-October 2007 drug seizure statistics for Turkey are as follows:

| | |
|------------------------|-------------------------|
| Heroin | 9,205 kg |
| Hashish | 9,463 kg |
| Opium | 569 kg |
| Cocaine | 100 kg |
| Amphetamine (Captagon) | 11,463,379 dosage units |
| Ecstasy | 1,002,003 dosage units |

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. Given the scale of drug movement in Turkey, it is likely that at least some of that movement is facilitated by corruption among enforcement personnel.

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

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

Drug Flow/Transit. Turkey remains a major route and staging area for the flow of heroin to Europe. Turkish-based traffickers and brokers operate in conjunction with narcotics smugglers, laboratory operators, and money launderers in and outside Turkey, who finance and control the smuggling of opiates to and from Turkey. Afghanistan is the source of all of the opiates reaching Turkey. Morphine base and heroin are smuggled overland from Afghanistan, sometimes through Pakistan, to Iran and then to Turkey. Opiates and hashish are also smuggled to Turkey overland from Afghanistan via Turkmenistan, Azerbaijan, and Georgia. Some criminal elements in Turkey reportedly have interests in heroin laboratories operating in Iran near the Iranian-Turkish border in ethnic Kurdish areas. In recent years, there appears to be more heroin arriving in Turkey as a finished product from Afghanistan, and to a much lesser extent from labs on both sides of the Turkish border with Iran. Turkish-based traffickers, some of whom are ethnic Kurds, control much of the heroin marketed to Western Europe. Turkish authorities reported an increase in synthetic drug seizures throughout Turkey beginning in 2005. Most of the amphetamine type stimulants (ATS) seized in Turkey is produced in Eastern Europe. Turkish law enforcement reports some synthetic drug production, primarily amphetamines such as Captagon (the brand name for fenethylline). Amphetamine production is a relatively new phenomenon in Turkey.

Demand Reduction. While drug abuse remains modest in scale in Turkey compared to other countries, the number of addicts using treatment clinics is increasing. Although the Turkish Government is increasingly aware of the need to combat drug abuse, the agencies responsible for drug awareness and treatment remain under-funded. Eight Alcohol and Substance Abuse Treatment and Education Clinics (AMATEM), which serve as regional and drug treatment centers, have been established. Due to lack of funds, only a couple of the centers focus on drug prevention as well as treatment. The most recent clinic was opened in Izmir in 2006, at a research hospital. The clinic opened in Ankara in 2004 serves as the countrywide coordinating center for drug and alcohol treatment and education. The Health Ministry has not conducted a drug abuse survey since 1995 due to lack of resources. The Ministry of Health was planning to conduct the European School Survey Project on Alcohol and Other Drugs (ESPAD) in 2007; however, objections from the Ministry of Education with regard to survey questions postponed this survey to 2008.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. In February 2007, the U.S. Government brought DEA trainers to Turkey to conduct a course for counternarcotics commanders, with 5 Turkish and 15 Afghan law enforcement officers. The goal of this project was to enhance the investigative abilities of both Turkish and Afghan investigators, to increase their willingness to cooperate internationally on joint cases, and to build relationships between the two countries' law enforcement agencies.

Bilateral Cooperation. DEA reports excellent cooperation with Turkish officials. Turkish counternarcotics forces are both professional and technically sophisticated.

The Road Ahead. U.S. will continue to try to strengthen Turkey's ability to combat narcotics trafficking, money-laundering and financial crimes.

Turkmenistan

I. Summary

Turkmenistan remains a transshipment route for traffickers seeking to smuggle contraband to Turkish, Russian and European markets from neighboring drug-producing countries, primarily Afghanistan. Turkmenistan is not a major producer or source country for illegal drugs or precursor chemicals.

The State Counternarcotics Coordination Commission (SCCC) at the Cabinet of Ministers is an inter-departmental body responsible for coordinating the activities of concerned government departments. The SCCC also coordinates counternarcotics assistance received from the international community. It has responsibility for overseeing implementation of the government's "National Program on Fighting Illegal Drug Trafficking and Assistance to Drug and Psychotropic Substance Addicts for 2006-2010." According to Government of Turkmenistan statistics, law enforcement officers seized a total of 1,417 kg of illegal narcotics in the first six months of 2007.

On June 22, 2007, at the Cabinet of Ministers meeting, newly-elected President of Turkmenistan Gurbanguly Berdimuhamedov stated that the fight against drugs is one of the priorities of the Government of Turkmenistan. Turkmenistan continues to increase cooperation with international organizations and diplomatic missions present in Turkmenistan; however, its law enforcement agencies are hampered by a lack of resources, training and equipment. Mounting evidence, together with increased contacts with government officials and non-governmental organizations, strongly suggests that domestic drug abuse is steadily increasing, although concrete statistics are not publicly available. Turkmenistan remains vulnerable to financial fraud and money laundering schemes due to its dual exchange rate. Turkmenistan is a party to the 1988 UN Drug Convention.

II. Status of Country

Turkmenistan remains a key transit country for the smuggling of narcotics and precursor chemicals. The flow of opiates from Afghanistan, such as heroin, opium and other opium-based drugs destined for markets in Turkey, Russia and Europe, enter Turkmenistan from Afghanistan, Iran, and Uzbekistan. Turkmenistan shares a rugged and remote 744-kilometer border with Afghanistan as well as a 992-kilometer boundary with Iran. Most of its illegal drug seizures occur along Turkmenistan's borders with Afghanistan and Iran. The bulk of the Government of Turkmenistan's law enforcement resources and manpower are directed toward stopping the flow of drugs from Afghanistan and Iran. Common methods of transporting illegal narcotics include concealment in cargo or passenger vehicles, deliveries by pedestrian carriers or animal transport, and in some cases by concealment in the body cavities or stomach of humans and animals. Turkmenistan's law enforcement efforts at the Turkmenistan-Uzbekistan border are focused more on interdicting smuggled commercial goods than on narcotics, thus providing an attractive transshipment route. Commercial truck traffic from Iran continues to be heavy, and Caspian Sea ferry traffic from Turkmenistan to Azerbaijan and Russia continues to be a viable smuggling route. On December 21, 2006, Turkmenistan's leader, Saparmurat Niyazov, passed away. Newly-elected President Berdimuhamedov on several occasions stressed the importance of countering the flow of narcotics. In June 2007, on the eve of International Day Against Drug Abuse and Illicit Drug Trafficking, President Berdimuhamedov stated that Turkmenistan should declare a large-scale war against drugs and counternarcotics efforts must continue until this threat is completely eradicated.

III. Country Actions Against Drugs in 2007

Policy Initiatives. In January 2007 during his presidential campaign, President Berdimuhamedov called on all citizens of Turkmenistan to fight drug trafficking and accentuated the importance of improving border security, customs and law enforcement capacities. About drug demand reduction, he encouraged civil society and public organizations to increase their role in raising awareness among youth. In April 2006, the government adopted a national multi-year plan for counternarcotics activities, the “National Program on Fighting Illegal Drug Trafficking and Assistance to Drug and Psychotropic Substance Addicts for 2006-2010” (2006-2010 National Drug Program). This program supersedes the SCA 2001-2005 National Drug Program, and includes: increased regional cooperation to prevent drug and precursor trafficking; prevention of drug-related crimes committed by minors; enhanced technology-based border security, enhanced training for law enforcement agencies to combat organized crime; increased counterterrorism efforts; and training on drug trafficking and money laundering. The national program also addresses drug demand issues. The plan has a research and treatment of drug addiction and HIV/AIDS component and includes a national survey on the spread of drug use and HIV/AIDS within target populations. The plan calls for the creation of drug abuse “hot lines.” The government specifically includes in the 2006-2010 program continued cooperation with U.S. government programs, as well as with international organizations and diplomatic missions. In August 2004, the government introduced a new draft criminal procedure code in an effort to transform the Soviet-era criminal justice process; the parliament has not yet adopted the new code. In September 2007, Turkmenistan hosted a Paris Pact Expert Round Table on the Caspian Sea and the Caucasus in which 16 countries and 13 international organizations participated. In his address to conference participants, President Berdimuhamedov stated that the decisive and uncompromising struggle against drugs is one of Turkmenistan’s priority issues.

Law Enforcement Efforts. Counternarcotics efforts are carried out by the Ministry of National Security (MNB), the Ministry of Internal Affairs (MVD), the State Customs Service (SCS), the State Border Guards Service (SBS), the State Agency for the Registration of Foreigners, and the Prosecutor General’s Office. The MNB’s primary responsibility is to interdict illegal drugs on the borders while the MVD deals with drug related crimes inside the country. The government continues to give priority to counternarcotics law enforcement, and President Berdimuhamedov has paid special attention to improving the technical capacity of the law enforcement agencies. For example, a military academy for MNB and SBS officers was opened, the MVD received new vehicles and equipment, and Customs started operating the mobile Vehicle and Cargo Inspection System (VACIS) that was purchased through a Chinese Government-provided grant. Law enforcement agencies with counternarcotics enforcement authority received equipment and training from the United States and international organizations. In 2007, members of diplomatic missions and international organizations were invited to witness three inter-agency drug destruction events. The government is enhancing border security efforts and plans started construction of a new border crossing station in Bekdash (on the Kazakh border) in 2007. The United States sponsored the construction of two new border crossing checkpoint facilities on the Iranian border in November 2006 and on the border with Afghanistan in August 2007. Construction of a third facility on the Turkmenistan-Uzbekistan border will commence soon. The EU is also planning on building a new checkpoint on the border with Uzbekistan. In January 2007, the European Commission and UN Central Asia Drug Action Program assisted in establishing a Drug Profiling Unit at Ashgabat’s International Airport by renovating an office and providing special equipment. The Customs Service solicited support from international and diplomatic missions to develop and improve a customs training facility. The U.S. and British governments are co-sponsoring a Customs-hosted interagency English language course to equip law enforcement officers with language skills requisite for participation in international conferences and training. Turkmenistan’s border forces are moderately effective in detecting and interdicting narcotics. The government reported that

1,417 kilograms of illegal narcotics were seized on Turkmenistan's borders during the first six months of 2007. The "Adalat" (Justice) weekly newspaper is the only local paper that occasionally publishes information on law enforcement agencies' activities related to illicit drug trade activities.

Corruption. In an effort to oversee law enforcement activities, President Berdimuhamedov established the State Commission on Reviewing Citizens Complaints Related to Law Enforcement Agencies Activities on February 19, 2007. The Commission reports directly to the President and monitors unlawful activities by law enforcement officials. The government does not encourage or facilitate illicit production or distribution of narcotic and psychotropic drugs or other controlled substances as a matter of government policy. However, law enforcement officials' low salaries, combined with their broad general 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 lower level officials at border crossing points to facilitate passage of smuggled goods frequently occur. Reports persist that senior government officials are directly linked to the drug trade. Stating that corruption is widespread in almost all units of the MVD—including in the departments working on economic crimes, organized crime and others—President Berdimuhamedov publicly accused MVD employees of corruption in October 2007. In 2007, President Berdimuhamedov fired and replaced two Ministers of Internal Affairs due to corruption.

Agreements and Treaties. Turkmenistan is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention and its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Turkmenistan and the United States signed a letter of agreement for provision of U.S. government counternarcotics assistance in September 2001. In June 2007, the governments of Turkmenistan and Iran agreed to form a special joint committee to combat narcotics trafficking. The next month, the presidents of Turkmenistan and Afghanistan signed a joint communiqué noting the need to further develop their counternarcotics and counterterrorism cooperation. Also in July 2007, President Berdimuhamedov signed an agreement between Azerbaijan, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, and Uzbekistan on the establishment of a UN-led Central Asian Regional Information and Coordination Center (CARICC). In September 2007, the Presidents of Turkmenistan and Kazakhstan signed a joint communiqué that acknowledged the need to further develop cooperation in counternarcotics and against psychotropic substances. In the same month, the United States signed the second Amendment to the Letter of Agreement for additional funding of U.S. counternarcotics assistance. Turkmenistan is a party to the UN Convention against Corruption, the UN Convention against Transnational Organized Crime, and its three protocols.

Cultivation/Production. Turkmenistan is not a significant producer of illegal drugs, although small-scale opium and marijuana cultivation is thought to occur in remote mountain and desert areas. Each spring, the government conducts limited aerial inspections of outlying areas in search of illegal poppy cultivation. Upon discovery, law enforcement officials eradicate opium crops. According to the State Counternarcotics Coordination Committee, law enforcement officials conduct Operation "Mak" ("Poppy") twice a year to locate and destroy poppy fields.

Drug flow/Transit. Turkmenistan remains a primary transit corridor for smuggling organizations seeking to transport opium and heroin to markets in Turkey, Russia and Europe, and for the shipment of precursor chemicals to Afghanistan. There are land, air and sea routes through Turkmenistan's territory. The government's efforts during 2007 to improve border crossing stations could lead to higher seizure rates or the opening of new trafficking routes if traffickers adapt. Turkmenistan's two major border control agencies, the SCS and the SBS, have received increased attention and funding for their drug enforcement duties. Systemic deficits in necessary equipment, training, resources, and facilities will take time to improve. Border crossing points with rudimentary inspection facilities for screening vehicle traffic and without reliable communications

systems have been identified by the Government of Turkmenistan and are being improved. However, Turkmenistan is likely to continue to serve as a major transit route for illegal drugs and precursors.

Domestic Programs/Demand Reduction. In his election campaign throughout January 2007, President Berdimuhamedov paid special attention to the problem of domestic drug addiction, calling it a “disaster for all mankind”. The President asserted that society, especially the elderly, should play a significant role in preventing youth from using drugs. Currently, the Ministry of Health operates seven drug treatment clinics: one in the capital of Ashgabat, one in Serdar city, and one in each of the five provincial administrative centers. Narcotics addicts can receive treatment at these clinics without revealing their identity and all clinic visits are kept confidential. Drug addiction is a prosecutable crime with jail sentences for convicted persons, although judicial officials usually sentence addicts to treatment. It is still difficult to obtain any statistical information about the number of drug addicts in Turkmenistan. However, President Berdimuhamedov reported in March 2007 that the number of crimes connected to drug addiction had increased. Although not yet implemented, the government is currently considering internationally funded prevention programs. A strategy for counternarcotics efforts and assistance to drug addicts is included within the framework of the 2006-2010 National Drug Program.

IV. U.S. Policy Initiatives and Programs

The Road Ahead. Staying engaged with all Turkmenistan’s counternarcotics enforcement agencies is necessary to encourage a successful effort against narcotics trafficking. The Department of Homeland Security, through U.S. Customs and Border Protection, has provided International Air Cargo Interdiction, International Rail Interdiction and International Border Interdiction Training to Turkmenistan law enforcement officials. Bilateral cooperation is expected to continue, and the U.S. government will expand counternarcotics law enforcement agency training at the working level. As both Turkmenistan and U.S. officials identify areas for improved counternarcotics efforts, the United States will provide an appropriate, integrated and coordinated response. The U.S. government also will encourage the government of Turkmenistan to institute long-term demand reduction efforts and will foster supply reduction through interdiction training, law enforcement institution building, the promotion of regional cooperation, and an exchange of drug-related intelligence.

Ukraine

I. Summary

Combating illegal narcotics is an important national priority for Ukraine, as both use of and the transit through Ukraine of illegal narcotics continue to increase. Coordination between law enforcement agencies responsible for counternarcotics occurs, but is adversely affected by regulatory and jurisdictional constraints. Ukraine's counternarcotics legislation is well developed and the government of Ukraine (GOU) is committed to keeping it current with the evolving threats. Ukraine has more than 80 intergovernmental and interagency agreements relevant to international narcotics coordination, many of which include specific provisions on combating illegal drug traffic and crime. Ukraine is a party to the 1988 UN Drug Convention.

II. Status of Country

Ukraine is not a major drug producing country; however, it is located astride several important drug trafficking routes into Western Europe, and thus is an important transit country. Ukraine's numerous ports on the Black and Azov seas, its extensive river transportation routes, its porous northern and eastern borders, and its inadequately financed and under-equipped border and customs agencies make Ukraine an attractive route for drug traffickers into the bordering European Union's profitable illegal drug market. Narcotics, primarily heroin, originating in Afghanistan moves through Central Asia to Russia, the Caucasus and Turkey, passes through Ukraine and on to Western Europe. Seizures of heroin in Ukraine increased significantly in 2007.

Domestic drug abuse continues to be focused on drugs made from narcotic plants (hemp and poppy) which account for approximately 85 percent of the total drug market in Ukraine, but the use of synthetic drugs and psychotropic substances, especially amphetamines, has been increasing rapidly over the past few years. Drugs consumed in Ukraine are either produced in Ukraine or supplied from Russia and Moldova (poppy straw, hemp, opium) and Poland, Hungary and the Netherlands (amphetamines, methamphetamines, MDMA also known as "Ecstasy"). Domestic use of narcotics continued to grow and the number of registered drug addicts in 2007 increased by 9.5 percent over 2006 to 171,617 (official statistic of the Ministry of Interior). However, according to the estimates of international and local NGOs, the total number of unregistered drug addicts range from 350,000 to 500,000. Relative to other European countries, this is still a low number; however, the rate of increase of drug abuse is high with Ukraine's rate of increase in drug abuse ranked sixth highest in Europe.

III. Country Actions Against Drugs in 2007

Policy Initiatives. Ukraine has well-developed counternarcotics legislation consistent with international standards. In 2006, the GOU continued to implement a comprehensive counternarcotics policy entitled "The Program Implementing the State Policy in Combating Illegal Circulation of Narcotics, Psychotropic Substances and Precursors for 2003-2010." The Program acknowledges the growing scale of drug abuse in Ukraine and the lack of adequate education and public awareness campaigns, community prevention efforts, and treatment and rehabilitation facilities. The Program is divided into two phases, the first of which occurred in 2003-2005, and the second of which is being implemented in 2006-2010 timeframe. Stage one included: improvement of legislation; monitoring and prevention of drug abuse and drug trafficking; interagency cooperation; creation of a modern interagency data bank; an increase in law enforcement capacity; scientific research; and setting up an interagency lab to research new drugs and discover new trends in drug trafficking. Stage two foresees integration into the European

information space and exchange of information on drug trafficking; strengthening of drug abuse prevention centers; introduction of new treatment practices; an increase in public awareness and education, especially in schools; further strengthening of law enforcement capacity; and full achievement of international standards.

To implement the plan for the second stage, these priorities were further split into 63 specific tasks and assigned to responsible agencies. The Program also provides estimates of future funding needed to support its implementation. The total estimate is over 300 million Ukrainian hryvnia (\$55 million). However, the GOU has not been able to fully fund the Program in previous years. For example, due to the lack of funds, the GOU has not provided funding for the Interagency Research Laboratory for Narcotics, Psychotropic Substances and Precursors proposed by the Ministry of Interior. As a result, Ukraine has no common database on illegal narcotics and the level of information sharing between Ukrainian government agencies is low.

The GOU has taken additional steps to update its counternarcotics laws, in particular strengthening control over the distribution of narcotic plants with the aim of preventing the “leakage” of this medical material on to the illegal market. The GOU has introduced amendments to make the non-prescribed use of strong and poisonous medications, like tramadol, illegal. In the last two years, the GOU drafted a framework law on the government policy for alcohol and narcotic drugs. The draft legislation was submitted to the parliament for review and adoption. The Narcotics Control Committee established in 2003 in the Ministry of Health continues to monitor the production and use of controlled substances by licensed companies and organizations. The rate of criminal offences in this sector, however, is insignificant.

The Ukrainian Government participates as a member or observer in several regional organizations, including the Organization of Black Sea Economic Cooperation (BSEC), GUAM (Georgia, Ukraine, Azerbaijan, and Moldova), and the South East Europe Cooperative Initiative (SECI). SECI allows Ukraine to coordinate, among other things, its counternarcotics law enforcement activities with the organizations’ member states. In the framework of GUAM, a virtual law enforcement center has been established in each member-state, including Ukraine, to share law enforcement information electronically, including information related to drug trafficking cases.

In 2007, Ukraine continued to implement the BUMAD (Belarus, Ukraine, and Moldova Anti-Drug) Program sponsored by the European Union. This project is designed to decrease drug trafficking in these three EU border countries. As part of the BUMAD Program, Ukraine is strengthening its potential to collect process and disseminate information on drug trafficking at both the national and the regional level. The BUMAD Program funded the establishment of a National Drug Observatory at the Ministry of Health in December 2006, to help collect, analyze and disseminate data on drugs at the national level, and share and improve comparability of this data at the regional level through the harmonization of key epidemiological and drug supply indicators. It will establish a permanent monitoring system for drug and drug abuse (non-confidential information) and will adhere to EU standards in the collection and compilation of the data.

Law Enforcement Efforts. In Ukraine, responsibility for counternarcotics enforcement is shared by the Ministry of Interior (MOI), with its domestic law enforcement function, and the Security Service of Ukraine (SBU), which deals with trans-border aspects of drug trafficking. The State Border Guard Service (SBGS) and the State Customs Service (SCS) carry out certain drug enforcement functions in their respective fields, mainly drug interdiction along the border and at ports of entry. In 2007, the Ukrainian Ministry of Interior seized almost 26 tons of various drugs, which is 16 tons more than in 2006. There was an increase in seizures of hemp (11.5 tons in 2007 compared to 3.5 tons in 2006) and poppy straw (13 tons in 2007 compared to 6 tons in 2006).

The Security Service focuses more on cross-border trafficking of hard drugs. In the first 8 months of 2007, the SBU seized 460 kilograms of heroin. The MOI and SBU continued to build

cooperative relationships with international counterpart agencies in Western Europe, Eurasia and America. Ukrainian law enforcement agencies paid increasing attention to the role of organized crime groups, utilizing informants, operational analysis, and controlled buys and deliveries as well as lead information supplied by their overseas counterparts to disrupt illegal narcotic activities. These changes in emphasis led to significant increases in the volume of drugs seized, for example: 174.5 kilos of heroin trafficked from Georgia by a Turkish national were seized by SBU in July 2007 in a coordinated operation with Turkish law enforcement authorities and the U.S. Drug Enforcement Administration; another 105 kilos of heroin transiting from Turkey were seized on Ukrainian territory by the SBU in November 2007.

Corruption. The GOU openly acknowledges that corruption remains a major problem in society, supported by a bribe-tolerant mentality, and the lack of law enforcement capabilities to investigate and prosecute corruption. The Ukrainian Government is considering formation of a stand-alone institution to prosecute corruption. In 2007, the press reported a number of investigations of law enforcement officers believed to be involved in or facilitating illegal narcotics transactions. Some experts warn that such practices may be much more widespread than is indicated by the few cases divulged in the press. As a matter of government policy, however, the GOU does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

Agreements and Treaties. Ukraine is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and to the 1971 UN Convention on Psychotropic Substances. The U.S.-Ukraine Mutual Legal Assistance Treaty came into force in February 2001. Ukraine has also signed specific counternarcotics project agreements with the UN Office of Drugs and Crime (UNODC). Ukraine is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons. Ukraine has signed but has not yet ratified the UN Corruption Convention. The U.S. and Ukraine signed a Memorandum of Understanding on Law Enforcement Assistance in December 2002. This memo provided for State Department-funded assistance to Ukraine to strengthen its criminal justice system as well as to improve its effort against narcotic drugs. The memo has been amended annually to add funding and establish projects as agreed by Ukraine and the U.S.

Cultivation/Production. Opium poppy is grown legally in accordance with government regulation for medical use in western, southwestern, and northern Ukraine, while hemp cultivation is concentrated in the eastern and southern parts of the country. Small quantities of poppy and hemp are grown legally by licensed farms, which are closely controlled. The Cabinet of Ministers approved such cultivation in late 1997. Despite the prohibition on the cultivation of drug plants (poppy straw and hemp), many cases of illegal cultivation in small quantities by private households are regularly discovered.

Drug Flow/Transit. Heroin is trafficked from Afghanistan entering Ukraine mostly through Russia, the Caucasus and Turkey. Shipments are usually destined for Western Europe, and arrive by road, rail, or sea, which is perceived as less risky than air or mail shipment. Lately, experts note an increase in heroin traffic from Turkey into Ukraine by sea and further by land across Ukraine's western border into Western Europe. Experts believe that traditional Balkan drug trafficking routes have become saturated and criminals are looking for new traffic channels. Drug traffic from Asia is increasingly controlled by well-organized international criminal groups of Afghan, Pakistani, and Tajikistani origin that use citizens of the former Soviet republics as drug couriers. There is a steady increase in the use of minors and poor, aged or disabled individuals for moving large amounts of narcotics. Poppy straw and hemp are produced and consumed locally with the surplus exported to Russia, Belarus and Moldova. Conversely, these drugs are also trafficked into Ukraine from Russia and Moldova. The trafficking of synthetic drugs and psychotropic substances from Poland and

diversion of medical prescription drugs from Moldova is growing. Criminal groups of mixed origin (Ukrainian, Polish, Belarusian and Russian), that formed back in the 1990s and traditionally stayed away from drug trafficking, are increasingly taking up this lucrative niche. The price of these drugs (\$4 per gram of Ecstasy or ephedrine drugs to over \$8 per gram of amphetamines street prices) is lower than that of heroin and cocaine (\$22 and \$30 per gram respectively) and, therefore, the drugs are attractive to young addicts. Despite major efforts against drug trafficking, the GOU estimates that narcotics intercepted in Ukraine while en route to other destinations account for less than 30 percent of the total volume transiting Ukraine.

Domestic Programs/Demand Reduction. The number of registered drug addicts in Ukraine has for the past few years increased approximately 10 percent annually. In 2007, the number increased to 171,617 individuals from 156,509 in 2006, suggesting 37 addicts per 10,000 citizens. Various experts however estimate that the total number of drug addicts in Ukraine actually ranges from 350,000 to 500,000. Drug abuse is concentrated in the southern and eastern regions of Ukraine. Drug-related deaths over the last few years have averaged 1,000 per year, according to Ukrainian health authorities.

Marijuana and hashish is growing in popularity with young people, but opium straw extract remains the drug of choice for Ukrainian addicts. The popularity of this drug is due to its low cost (\$90 and \$260 per kilo of poppy straw and hemp respectively) and simple production methods. The use of synthetic drugs is also on the rise with young people, in particular ephedrine, Ecstasy (MDMA), LSD, amphetamines and methamphetamines. The spread of synthetic drugs is exacerbated by the rapid growth in local production. Illegal drug labs shut down in 2007 were primarily producing phentanyl, trimethylphentanyl, PCP (phencyclidine), amphetamine and MDMA.

Hard drugs, such as cocaine and heroin, are still too expensive for most Ukrainian drug users. In recent years, Ukraine has seen the growing illegal use of the legal, but restricted prescription medical drug Tramadol. Legal medical needs of Ukraine for this drug are estimated to be 4 million pills per year, while the Ukrainian pharmaceutical industry produces 25 times that quantity leading many to believe that a significant percentage of the production of this legal prescription drug is being misused. The GOU's ability to effectively combat narcotics trafficking and the illegal use of drugs continues to be hampered by inadequate law enforcement budgets. Ukrainian officials, however, are working to reduce the demand for illegal drugs by introducing preventive measures at all levels of the education system, since most Ukrainian drug abusers are under the age of 30. Drug information centers have been opened in the cities and regions with the highest levels of drug abuse. NGOs operating with funding assistance from international organizations are running a number of rehabilitation programs throughout the country. Ukrainian medical and law enforcement authorities conduct conferences and seminars to raise awareness of and reduce drug abuse in Ukraine.

There is a rapidly growing HIV/AIDS epidemic in which injecting drug use is the primary mode of transmission of HIV through behaviors such as syringe sharing. The World Health Organization, UN Office of Drugs and Crime (UNODC) and UNAIDS have recommended that drug substitution maintenance treatment programs using methadone and buprenorphine be integrated into national HIV/AIDS programs in order to support access to and adherence to antiretroviral treatment and medical follow up. Since 2004, the GOU has implemented pilot substitution maintenance treatment programs using buprenorphine. The GOU has also committed through its Global Fund Round 6 Grant to incorporate the significantly less expensive and at least as effective opiate substitute methadone into substitution maintenance treatment programs. Fully incorporating methadone into its national HIV/AIDS program is critical to curbing Ukraine's burgeoning HIV/AIDS epidemic.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S. objectives include assisting Ukrainian authorities to develop effective counternarcotics programs in interdiction (particularly of drugs transiting the country), investigation, and demand reduction, as well as to assist Ukraine in countering money laundering. Officers from the DEA have conducted a number of training courses funded by the Department of State in the areas of drug interdiction at seaports and advance drug investigation techniques. DEA has established a good working relationship with both the MOI and SBU, and the training programs have helped. The USG, through a variety of projects, is also assisting the Ukrainian State Border Guard Service to strengthen its capability to control Ukraine's borders, including by helping it develop Risk Assessment and Criminal Analysis capabilities that are compliant with European Union norms in order to more accurately target and suppress threats, including narcotic trafficking, along its approximate 7,000 kilometer border.

The Road Ahead. Trafficking of narcotics from Asia and cocaine from Latin America to European destinations through Ukraine is on the upswing as drug traffickers look for new ways to circumvent Western European customs and border controls. Synthetic drugs trafficked from countries of Eastern Europe or produced locally are also a growing concern. Demand reduction and treatment of drug abusers remains a challenge requiring close attention. However, the largest challenge remains the limited budget resources to fund law enforcement efforts to investigate and interdict sophisticated, international trafficking rings that see Ukraine as a transit point to lucrative Western European markets, especially for heroin.

United Kingdom

I. Summary

The United Kingdom (UK) is a consumer country of illicit drugs. Like other developed nations, the UK faces a serious domestic drug problem. The UK is in the final year of a 10-year drug strategy launched in 1998 to address both the supply and demand aspects of illegal drug use. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. Crime syndicates from around the world try to exploit the underground narcotics market and use the UK as a major transshipping route. The UK is a party to the 1988 UN Drug Convention.

II. Status of Country

Home Office figures for England and Wales compiled as part of the 2006/07 British Crime Survey (BCS), indicate that there have been few changes in drug use between 2005/06 and 2006/07. Cannabis remains the most-used illicit drug in the UK, predominantly in the 16-24 age group; cocaine is the next most commonly used drug, closely followed by Ecstasy and amphetamines. Virtually all parts of the UK, including many rural areas, confront the problem of drug addiction to at least some degree. The BCS estimated that nearly 2.8 million adults in England and Wales had used cannabis in the previous year. Government data suggests that 25-35 tons of heroin and 35-45 tons of cocaine enter the UK each year. Overall use of any illicit drug by 16-59 year olds is at its lowest level since the BCS started measurement (10.0 percent in 2006/07) mainly due to declines in the use of cannabis (the most prevalent drug among 16-59 year olds) since 2003/04. Between 2005/06 and 2006/07 overall use of any illicit drug among 16-59 year olds has remained stable although there has been a significant decrease in the overall use of hallucinogens as a result of a decline in use of magic mushrooms.

The 2006/07 BCS shows that the use of Class A drugs among the 16-59 age range has increased since 1997 from 2.7 per cent to 3.4 per cent. (Illegal drugs in the UK are characterized by their level of harm, and sanctioned accordingly. Class A drugs include cocaine, Ecstasy, LSD, magic mushrooms, heroin and methadone and methamphetamine. Amphetamines can be either Class A or B, depending on whether they are injected or swallowed. Class C drugs include tranquilizers, anabolic steroids, cannabis and Ketamine.) The increase in overall Class A use is largely due to a significant rise in cocaine powder use between 1997 and 1999. Since 1999, there has been a further increase in cocaine powder use but the use of LSD has decreased and overall Class A drug use has been stable. In 2006/07 eight per cent of 16-24 year olds reported use of any Class A drug in the past year. However, Class A drug use, as measured by the BCS, amongst 16-24 year olds has remained stable since 1997.

Frequent use of any illicit drug in the past year by 16-24 year olds has decreased from 11.6 per cent in 2002/03 to 8.3 per cent in 2006/07. Police recorded drug offenses increased by nine per cent in 2006/07 compared with 2005/06. Increases in recent years have been largely attributable to increases in the recording of possession of cannabis offenses. From 2005/06 to 2006/07, possession of cannabis increased by nine per cent, which followed an increase of 36 per cent over the previous year. The increases coincided with rises in the number of formal warnings for the possession of cannabis that were issued by the police. In 2006/07 the rise in formal warnings for cannabis possession was nearly double the increase in the number of offenses of cannabis possession and indicates the greater use of this method of disposal by the police. The increase in possession of other drugs was 12 per cent in 2006/07, compared with the previous year. Historically, drugs have been linked to about 80 percent of all organized crime in London, and about 60 percent of crime overall.

III. Country Actions Against Drugs in 2007

Policy Initiatives/Accomplishments. UK counternarcotics policies have a strong social component, reflecting the widely held view that drug problems do not occur in isolation, but are often linked to other social problems. In 2007, the British government continued its 10-year strategy program, launched in 1998, which emphasizes that all sectors of society should work together to combat drugs. Trends in responding to drug abuse with government programs reflect wider UK government reforms in the welfare state, education, employment, health, immigration, criminal justice, and economic sectors. The UK's counternarcotics strategy focuses on Class A drugs and has four emphases: to help young drug abusers resist drug misuse; to protect communities from drug-related, antisocial and criminal behavior; to enable people with drug problems to recover and live healthy, crime-free lives; and to limit access to narcotics on the streets. Key performance targets were set in each of these four areas and updated in the 2002 drug strategy.

The most controversial aspect of the updated strategy was the decision to downgrade cannabis to a Class C drug. Class C categorization reduced the maximum sentence for possession of cannabis from five to two years in prison. There is now a presumption against arrest for adults for possession, though not for young people. Maximum penalties for supplying and dealing remain at 14 years. Notwithstanding this amendment, the UK government has emphasized that it continues to regard cannabis as a harmful substance and has no intention of either decriminalizing or legalizing its production, supply or possession. Prime Minister Gordon Brown requested a review of the reclassification in 2007, although no recommendations have been made yet. Police chiefs have reportedly urged that, if cannabis is upgraded to Class B, that fixed penalties be established to streamline enforcement. Despite an aggressive government education campaign aimed at cannabis users, some police authorities report a lack of understanding on the part of offenders that the drug remains illegal and that they can be detained or prosecuted for possession or dealing. As of 2007, BCS statistics showed that the proportion of 16-24 year olds using cannabis decreased from 28 percent 10 years ago to 21 percent now.

In 2006, the Advisory Council on the Misuse of Drugs (ACMD) examined new evidence regarding the reclassification of methamphetamine from a Class B to a Class A drug. In light of the new evidence presented, the ACMD wrote an open letter to the Home Secretary recommending the higher classification. The Home Secretary has accepted this recommendation and reclassification went into effect at the beginning of 2007. Reclassification put methamphetamine into the same category as cocaine and opiates. The change has lengthened penalties to seven years in prison or an unlimited fine for possession, and up to life in prison for dealing.

Direct annual government expenditures under the updated overall drug strategy increased five percent between 2005/06 and 2006/07, from \$2.78 billion (GBP 1.483 billion) to \$2.94 billion (GBP 1.567 billion). The most recent program specific data shows drug treatment expenditures are targeted to increase £478m in 2007/08. Likewise, expenditures on programs for young people will rise 5 percent and funding for reducing supply will hold steady at \$673 million (GBP 380 million). The largest increase will come in spending on community programs (24 percent).

The Drugs Act of 2005 strengthened police powers in drug enforcement. The law allows for drug tests on arrest, rather than on charge, and requires persons with a positive test to undergo further assessment. It also amended the Anti-Social Behavior Act of 2003 to allow authorities to enter a suspected crack house to issue a closure notice. Under provisions of the Act, "magic mushrooms" were upgraded to Class A in 2005. Prior to this change in the law, only prepared (such as dried or stewed) magic mushrooms were rated as Class A drugs. Laws that took effect in 2000 required courts to weigh a positive Class A test result when deciding bail, which may be denied or restricted if an offender refuses a test or refuses treatment after a positive test. The testing requirement also is

applied to offenders serving community sentences and those on parole. A Drug Rehabilitation Requirement (DRR) is one of the 12 requirements which can be included in a community sentence. DRRs can be used instead of custody. They offer the Courts an intensive and effective vehicle for tackling the drug misuse and offending of many of the most serious and persistent drug misusing offenders.

The UK is a member of the Dublin Group, a group of countries that coordinate the provision of counternarcotics assistance and is a UNODC Major Donor.

Law Enforcement Efforts. The UK gives a high priority to counternarcotics enforcement and the United States enjoys good law enforcement cooperation with the UK. The UK honors U.S. asset seizure requests, and was one of the first countries to enforce U.S. civil forfeiture judgments. The Proceeds of Crime Act, which took effect in 2003, has significantly improved the government's ability to track down and recover criminal assets. Home Office's data indicates the total amount recouped by all agencies involved in asset recovery in England, Wales and Northern Ireland was £125million in 2006/2007. This represents a five-fold increase over five years. The Assets Recovery Agency Annual Report shows that it met or exceeded all of its key disruption and enforcement targets. The average purity of cocaine seized by the police has fallen from 55.1 percent in 2001 to 30.2 percent in 2006. Heroin was the most commonly seized Class A drug followed by cocaine. There were 105,570 drug offenses recorded in England and Wales in 2004 (the latest full year data available), a 21 percent decline from the 133,970 offenses recorded in 2003. Class A offenses rose by two percent to 36,350. Heroin offenders were the largest group of known Class A drug offenders, accounting for 13 percent of all known offenders in 2004. The vast majority of persons convicted or cautioned for drug offenses were charged with possession. About 85 percent of persons dealt with in the courts for drug offenses were male. Possession offenses tend to be committed by younger people (53 percent committed by those under the age of 25) while 61 percent of the producing/exporting/importing offenses were committed by persons over age 30 and 60 percent of dealing offenses were committed by persons over age 25.

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

Agreements and Treaties. The UK is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. In 2006, the UK ratified the UN Corruption Convention and the UN Convention against Transnational Organized crime and its protocols against trafficking in persons and migrant smuggling. The U.S. and the UK have a Mutual Legal Assistance Treaty (MLAT), and a narcotics agreement, which the UK has extended to some of its dependencies. In 2006, the U.S. Senate ratified a new extradition treaty with the UK; the exchange of instruments of ratification occurred in May 2007. The U.S. and the UK also have a judicial narcotics agreement and an MLAT relating to the Cayman Islands, which extends to Anguilla, the British Virgin Islands, Montserrat, and the Turks, and Caicos Islands. The U.S.-UK Customs Mutual Assistance Agreement (CMAA) dates from 1989. In 2005, the UK signed an updated U.S. Coast Guard Law Enforcement Detachment (LEDET) Memorandum of Understanding with the USG. This includes the airborne use of force (AUF) capability on Royal Navy and auxiliary vessels attempting to stop noncompliant drug smuggling go-fast vessels, as well as expanding the authorization to carry LEDETS in waters beyond the Caribbean and Bermuda areas of operations, subject to the consent of both parties. In 2006, USCG LEDETS deployed on British ships seized over 10,000 pounds of cocaine.

Cultivation/Production. Cannabis is cultivated in limited quantities for personal use, and occasionally sold commercially. Between mid-2004 and January 2007, over 2000 cannabis

factories were discovered in the UK, predominantly run by Vietnamese criminals. Cannabis cultivation overseas is imported into the UK from Europe both in bulk by serious organized criminals, sometimes in mixed loads alongside Class A drugs. Crack cocaine is rarely imported, but is produced in the UK from cocaine powder. Almost all of the Ecstasy consumed in the UK is manufactured in the Netherlands or Belgium, but tableting sites have been found in the north of England. Most illicit amphetamines and MDMA (Ecstasy) are imported from continental Europe, but some are manufactured in the UK in limited amounts. Authorities destroy crops and clandestine facilities as they are detected. U.S. authorities have been concerned about a growing incidence of production of a “date rape” precursor drug, GBL. While the UK government made the “date rape” drug GHB illegal in 2003, GBL remains uncontrolled. DEA has asked the UK to control GBL and the UK is active in EU-wide discussions on control of this substance. Several small clandestine methamphetamine laboratories have been seized in the UK with law enforcement starting to embrace awareness training and strategic planning.

Drug Flow/Transit. The UK is one of the most lucrative markets in the world for traffickers in Class A drugs and is targeted by a wide range of criminals. In terms of the scale of serious organized criminal involvement, drug trafficking, especially Class A drugs, poses the single greatest threat to the UK. London, Birmingham, and Liverpool are known to be significant centers for the distribution of all types of drugs. Steady supplies of heroin and cocaine enter the UK. Some 90 percent of heroin in the UK (amounting to 25-35 tons a year) comes from Afghanistan. Most of the supply to Europe is processed in Turkey.

The primary trafficking route to the UK is overland from Afghanistan to Europe (the ‘Southern/Western’ route), transiting Iran. It is estimated that 70 percent of the UK’s heroin supply transits Iran, either directly from Afghanistan or via Pakistani Baluchistan. From Iran the opiates are moved to Turkey. UK-based Turkish criminal groups handle a significant amount of the heroin eventually imported into the UK, although Turkish criminals in the Netherlands and Belgium also channel heroin to the UK. Pakistani traffickers also play a significant part; most of the heroin they import, normally in small amounts by air couriers traveling directly from Pakistan, is destined for British cities with large South Asian populations. Approximately 25 percent of Afghan heroin seized in the UK arrives directly from Pakistan.

It appears that traffickers with ethnic connections to Turkey continue to dominate the supply of heroin to the UK. Caribbean criminals (primarily West Indians or British nationals of West Indian descent) are involved in the supply and distribution of heroin as well as cocaine. Most heroin probably enters the UK through ports in the southeast, although some enters through major UK airports with links to Turkey, Northern Cyprus, and Pakistan. Average purity has increased since mid 2003, while average street prices have fallen consistently, from £70 per gram in 2000 to £54 in 2005. Cocaine imports are estimated at 25-40 tons a year and emanate chiefly from Colombia, although there is also cultivation in Bolivia and Peru. An estimated 65-70 percent of the cocaine in the UK market is believed to be produced in Colombia. Supplies of both cocaine and crack cocaine reach the UK market in a variety of ways.

The main method of moving cocaine from South America to Europe is in bulk maritime shipments on merchant vessels and yachts from Colombian and Venezuelan ports to the Iberian Peninsula. Importations of small quantities are becoming more frequent which may indicate a trend towards ‘little and often’ importations. Around 75 percent of cocaine is thought to be carried across the Channel from consignments shipped from Colombia to continental Europe and then brought to the UK concealed in trucks or private cars, or by human couriers or “mules.” Traffickers based in South America, Mexico, Spain, and the UK organize this smuggling. Other information also suggests that cocaine is smuggled into the UK via West Africa. Britain is a charter member of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon, which should bolster EU capacity to protect its southwestern flank

The Caribbean, chiefly Jamaica, is a major transshipment point for cocaine to the UK from Colombia. Cocaine comes in both by airfreight and by couriers, usually women, who attempt to conceal internally (i.e., through swallowing in protective bags) up to 0.5 kg at a time. Over the past five years, the purity of cocaine and crack at street level has fallen. The use of chemicals (such as phenacetin), bulking agents, and effect enhancing adulterants to cut cocaine and crack help traffickers compensate for any shortages in the cocaine supply. Further afield, there are some indications that the saturation of the U.S. cocaine market, potentially higher profits, and fear of extradition to the US, may be encouraging Mexican criminal groups to target the European market.

A synthetic drug supply originates from Western and Central Europe; amphetamines, Ecstasy, and LSD have been traced to sources in Belgium, the Netherlands, and Poland, although some originates in the UK. The makers rely heavily on precursor chemicals made in China. In a newly identified transit trend, khat (the plant's fresh leaves and tops are chewed or, less frequently, dried and consumed as tea, in order to achieve a state of euphoria and stimulation) is being imported to the UK from East African nations. Khat is not controlled in the UK, but its stimulant component, cathinone, is a Schedule I controlled substance in the U.S. Estimates for 2006, put the khat importation levels to the UK at approximately 120 tons per month. Several areas in the U.S. are increasingly seeing khat, and DEA has identified several links between U.S. khat seizures and the UK. Hashish comes to the UK primarily from Morocco.

Domestic Programs/Demand Reduction. The UK's government's demand reduction efforts focus on school and other community-based programs to educate young people and to prevent them from ever starting on drugs. In 2003, the government launched a multimedia national drug awareness campaign called "FRANK." FRANK offers help and advice to anyone who may be affected by drugs. Over the last four years FRANK has averaged 506,288 calls to its help line and 518,246 hits on its website.

The UK now has drug education programs in all schools, supported by a certificate program for teachers. In 2005, the Department for Education and Skills linked FRANK to its "Every Child Matters" education programs to assure regular reviews for effectiveness. A similar information and support program called "Know the Score" operates in Scotland. "Positive Futures," a sports-based program started in 2000 to specifically target socially vulnerable young people, has served over 80,000 young people since its inception with 108 projects established in regions throughout the country. In 2006, the program was handed over to a national charity, Crime Concern. The contract will run through March 2008. The charity hopes to use the heightened interest in sports generated by London's successful 2012 Olympics campaign to promote its agenda.

The UK has rapidly expanded treatment services and has met the target of doubling the number of drug users in treatment two years ahead of the target date; current figures show that over 181,000 people are now receiving treatment. The so-called "pooled treatment budget" administered by the Home Office and the Department of Health is targeted to increase from \$448 million (GBP 253 million) nationally in 2004/05 to \$847 million (GBP 478 million) by 2007/08. Also, a strategic capital bidding program from 2007/08 was announced in 2006. A total of GBP 54.9 million has been made available with a view to improving and expanding in-patient drug treatment and residential rehabilitation for drug abusers, while improving commissioning for these services. Additional services are provided through the National Health Service.

According to the National Treatment Agency (NTA) there are approximately 10,000 registered drug treatment workers as of 2007. The average waiting time for treatment is under 1 week for the first intervention, with a goal of 85 percent of individuals within three weeks. This is a drastic decrease from the average time of 2.4 weeks in 2002. According to the latest available figures, the number of deaths related to drug poisoning in England rose from 1415 in 2004 to 1506 in 2005.

This is an increase of nearly 8 per cent compared with 2004. This figure is still lower than in 2000—the year with the highest recorded number of deaths, at 2967.

Crime and Disorder Reduction Partnerships (CDRPs) were set up under the Crime and Disorder Act 1998 and are, in most cases, coterminous with local authority areas. They include representatives from police, health, probation and other local agencies and provide strategies for reducing crime in the area. As of 1 April 2006 (and therefore for the reporting year 2006-07) there were 373 CDRPs in England and Wales. In Wales, the 22 CDRPs have changed to Community Safety Partnerships (CSPs) to reflect their new identity subsequent to merging with Drug and Alcohol Action Teams. Recorded crime figures for seven key offenses for each CDRP are published on the Home Office website.

IV. U.S. Policy Initiatives and Programs

The Road Ahead. The United States looks forward to continued close cooperation with the UK on all counternarcotics fronts. The UK provides Royal Navy warships and auxiliary vessels to operate under the tactical control of Joint Interagency Task Force South to support efforts to stop the flow of narcotics in the Caribbean and Eastern Pacific. A Royal Navy Liaison Officer, seconded to the JIATF South staff, also assists in coordinating UK support to JIATF South counternarcotics operations. The U.S. Drug Enforcement Administration’s London Country Office (LCO) continues to maintain a robust exchange of information and training initiatives with several UK law enforcement agencies regarding the threat from methamphetamine. Although not viewed to be in any significant use in the UK at this time, UK law enforcement has acknowledged the potential threat that methamphetamine and its capacity for “domestic production” pose.

The LCO has arranged for DEA “clandestine laboratories” training for the Serious Organized Crime Agency (SOCA) and the Metropolitan Police Services (MPS/New Scotland Yard). This training program instructs law enforcement officers in the safe and efficient manner of identifying and dismantling illicit methamphetamine laboratories, and prosecuting the criminals involved.

Uzbekistan

I. Summary

Uzbekistan is primarily a transit country for opiates originating in Afghanistan. Well-established trade routes facilitate the transit of these narcotics to Russia and Europe. There is a growing market for a variety of intravenously administered narcotics and consequently a growing problem with drug addiction and the spread of HIV/AIDS. The Government of Uzbekistan (GOU) has taken some independent steps to combat the narcotics trade but still relies heavily on multilateral and bilateral financial and technical resources. Law enforcement officers seized approximately 1,105 kilograms of illegal narcotics in the first six months of 2007. Uzbekistan is a party to the 1988 UN Drug Convention.

II. Status of Country

While there is no significant drug production in Uzbekistan, several transshipment routes for opium, heroin, and hashish originate in Afghanistan and cross Uzbekistan for destinations in Russia and Europe. In 2006, drug seizures increased approximately 47 percent from 2005. Seizures for the first half of 2007 were in turn up more than eight percent from the same time period in 2006, according to official statistics. The GOU attributes the rise in seizures to increased narcotics production in Afghanistan and more effective counternarcotics operations by Uzbek law enforcement agencies. Precursor chemicals have, in the past, traveled the same transshipment routes in reverse on their way to laboratories in Afghanistan and Pakistan. Export of precursor chemicals, including acetic anhydride, has been controlled in Uzbekistan since 2000. There have been no reported seizures of precursor chemicals in Uzbekistan since 2001. According to official statistics, as of November 2007, only six export permits have been issued, none to Afghanistan, for chemicals that can be used in the manufacture of narcotics. Effective government eradication programs have eliminated nearly all the illicit production of opium poppies in Uzbekistan.

III. Country Actions Against Drugs in 2007

Policy Initiatives. The United States and Uzbekistan continued limited counternarcotics cooperation in 2007 under the 2001 U.S.-Uzbekistan Narcotics Control and Law Enforcement Agreement and its amendments. These agreements provide for U.S. assistance to Uzbekistan, and are typically amended in the years following their first negotiation to increase assistance levels to ongoing programs, or to agree to begin new assistance programs. The agreements have established the framework to support projects designed to enhance the capability of Uzbek law enforcement agencies in their efforts to fight narcotics trafficking and organized crime. No new amendments have been signed since 2004. However, the U.S. Embassy in Uzbekistan is exploring the possibility of resuming counternarcotics and border security cooperation through the bilateral Law Enforcement and Security Assistance Working Group, which was established in 2007. The Uzbek criminal justice system continues to suffer from a lack of modernization and reform, mainly judicial and procedural reform, and standards remain below international norms. The Uzbek criminal justice system is largely inherited from the Soviet Union. The Executive Branch and Prosecutor General's Office are powerful entities, and the judiciary is not independent. The outcomes of court cases are usually predetermined, and conviction rates approach 100 percent. Prosecutions often rely on coerced confessions by the defendants, and conviction is typical even in the absence of evidence. Corruption at all levels of the criminal justice system is rampant.

Accomplishments. Uzbekistan continues to work toward the goals of the 1988 UN Drug Convention on combating illicit cultivation and production within its borders. The annual "Black

Poppy” eradication campaign has been very successful and has virtually eliminated illicit poppy cultivation. As of November 2007, the annual operation has eradicated a very modest 2.5 hectares of drug production crops. However, authorities note that the aging helicopter fleet used in this operation is increasingly difficult to maintain. Efforts to achieve other convention goals are hampered by the lack of effective laws, programs, money, appropriate international agreement, and coordination among law enforcement agencies. The UN Office on Drugs and Crime (UNODC) is continuing its efforts to implement projects focusing on improvements in law enforcement, precursor chemical control, and border security. The State Department, through the Bureau of International Narcotics and Law Enforcement Affairs (INL), continues to provide financial support for several UNODC-implemented projects.

Law Enforcement Efforts. Preliminary statistics provided by the GOU show that in the first half of 2007, Uzbek law enforcement seized a total of 1,105 kgs of illicit drugs. Opium accounted for 53 percent of the total, cannabis 18 percent, heroin 14 percent, kuknara 10 percent, and hashish five percent. In 2006, there were 8,364 criminal cases pertaining to narcotics, including 242 arrests for drug smuggling. Through the first three quarters of 2007 there have been 7,328 narcotics-related criminal cases, including 225 for drug smuggling.

Three agencies with separate jurisdictions have counternarcotics responsibilities: the Ministry of Internal Affairs (MVD), the National Security Service (NSS), and the State Customs Committee. The MVD concentrates on domestic crime, the NSS (which now includes the Border Guards) handles international organized crime (in addition to its intelligence role), and Customs works at the border (interdiction/seizures at the border are also carried out by the Border Guards during their normal course of duties). Despite this apparently clear delineation of responsibilities, a lack of operational coordination diminishes the effectiveness of counternarcotics efforts. The National Center for Drug Control was designed to minimize mistrust, rivalry and duplication of effort among the agencies, but the Center continues to have difficulty accomplishing this goal.

In 2007, training and equipment were provided to the State Customs Committee under U.S.-Uzbekistan counternarcotics-related bilateral agreements. The U.S. DEA previously supported a Sensitive Investigation Unit (SIU) within the Ministry of Internal Affairs, which became operational in 2003. However, in March of 2007, DEA was forced to suspend its operations in Uzbekistan when visas for DEA personnel were not renewed. The DEA is anxious to return and support the GOU’s counternarcotic mission.

According to National Center reports, most smuggling incidents involve one to two individuals, likely backed by a larger, organized group. Resource constraints have limited the GOU’s ability to investigate these cases. In general, information that has been gathered suggests smuggling rings are relatively small operations. These rings tend to be located on the border between Uzbekistan and Tajikistan, where poor border controls allow group members to cross between the countries with relative ease. Government sources indicated that drug smuggling activities along the Turkmen-Uzbek border are not significant. Lack of training and equipment continues to hamper all Uzbek agencies. Basic necessities, even replacements for aging Soviet era equipment, remain in short supply or seem administratively impossible. Uzbekistan has relied heavily on international assistance from UNODC, the U.S., the UK, and other countries to supplement their own thinly-funded programs. In 2007 UNODC continued its cooperation with the GOU. However, since 2005, the GOU has increasingly stepped back from cooperating with the United States and some European Union-member countries. As a result, international counternarcotics assistance to Uzbekistan has become significantly more difficult.

Corruption. As a matter of policy the GOU does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. However, corruption is endemic at all levels of government, and the paying of bribes is an accepted practice. There are

anecdotal accounts of drug traffickers bribing customs and border officials to ignore narcotics shipments. It is likely that some government officials are involved with narcotics trafficking organizations.

Agreements and Treaties. Uzbekistan is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Uzbekistan is also a party to the UN Convention against Transnational Organized Crime and has signed but not ratified the protocol on Migrant Smuggling. Uzbekistan signed the Central Asian Counternarcotics Memorandum of Understanding with the UNODC, and in 2006 formally agreed to the establishment of a Central Asian Regional Information and Coordination Center (CARICC) to coordinate information sharing and joint counternarcotics efforts in Central Asia, although the Center is not yet operational. Kazakhstan, the Kyrgyz Republic, Tajikistan, and Uzbekistan signed an agreement in September 1999 on cooperation in combating transnational crime, including narcotics trafficking. The five Central Asian countries, as well as Azerbaijan, Georgia, Iran, Pakistan, and Turkey, are members of the Economic Coordination Mechanism supported by the UNODC. The GOU has also signed agreements on increased counternarcotics cooperation in 2006 in the context of its membership in the Shanghai Cooperation Organization and the Collective Security Treaty Organization. However, to date, these agreements appear to have resulted in few tangible results.

Cultivation/Production. “Operation Black Poppy” has all but eliminated illicit opium poppy cultivation in Uzbekistan. Authorities log between 600-800 hours of flying time in the course of the annual operation.

Drug Flow/Transit. Several major transnational trade routes facilitate the transportation of opiates and cannabis from Afghanistan through Uzbekistan to Russia and Europe. The border crossing point at Termez remains a point of concern as, in the past narcotics have been discovered in trucks returning to Uzbekistan after delivering humanitarian aid into Afghanistan, as well as on trains coming from Tajikistan. However, a UNODC-implemented border security project at the road and rail crossing has resulted in improved control over the border crossing with Afghanistan, and a new INL-funded UNODC project will focus on improving the control regime at the river port. While humanitarian aid and other cargo crossing the border from Uzbekistan to Afghanistan has dropped since 2004, Uzbek authorities report that approximately 1,000 containers cross from Uzbekistan to Afghanistan daily via railroad. The contents are generally not searched, and Uzbeks have requested scanning equipment to help ensure that contraband, including precursor chemicals, do not reach Afghanistan. Uzbek officials report one significant drug seizure along the Afghan border in 2007 when an Afghan citizen attempted to swim across the Amu Daryo River with 32 kilograms of opium concealed in a vehicle tire. The National Center and UNODC report that trafficking also continues along traditional smuggling routes and by conventional methods, mainly from Afghanistan into Surkhandarya Province and from Afghanistan via Tajikistan and the Kyrgyz Republic into Uzbekistan. The primary regions in Uzbekistan for the transit of drugs are Tashkent, Termez, the Ferghana Valley, Samarkand and Syrdarya.

Domestic Programs. According to the National Drug Control Center, as of the end of 2006 there were approximately 22,000 registered drug addicts in Uzbekistan. Sixty-eight percent of these were heroin users and 16 percent were users of cannabis drugs, and approximately 1,500 new addicts have been registered in 2007. The number of registered addicts is believed to reflect only 10-15 percent of the actual drug addicts in Uzbekistan. A new UNODC study estimates that there are more than 130,000 opiate drug users in Uzbekistan. Over the last few years, there has been an alarming growth in the number of persons who are HIV positive, and Uzbek officials say the problem is getting worse. Over 2,200 new HIV cases were registered in 2006, of which 59 percent were injecting drug addicts, according to official GOU statistics. Approximately half of the 15,000-100,000 people infected with HIV are between the ages of 25 and 34. Hospitals with drug

dependency recovery programs are inadequate to meet the increasing need for detox and treatment. The Ministry of Health and National Drug Control Center have recognized the need to focus increased attention on the drug problem, but do not have sufficient funds to do so adequately. Drug awareness programs are administered in cooperation with NGOs, schools, women and youth groups, religious organizations, national radio, and the mahalla (neighborhood) support system. In 2007 UNODC completed an INL-funded drug demand reduction project that demonstrated increased drug abuse awareness among school children.

IV. U.S. Policy Initiatives and Programs

Bilateral Cooperation. U.S.-Uzbek bilateral counternarcotics assistance focuses on the prevention of illicit drug activities in and through Uzbekistan, and the need to increase the capacity of Uzbek law enforcement agencies to combat these activities. This assistance is most often provided in the form of technical assistance, training, and limited equipment donations. Since early 2005, the GOU has significantly slowed the pace of bilateral cooperation with the United States. The government continues to accept some operational training conducted in Uzbekistan and equipment donations. However, it generally will not participate in activities held outside the country, or projects which it considers to be “non-operational,” i.e. efforts to engage on legal and judicial reforms, promote increased adherence to international standards and norms, or to fight official corruption.

In spite of the GOU’s continuing hesitance to engage in U.S.-sponsored training and programs in a variety of areas, including counternarcotics, some agencies participated in U.S.-sponsored training in 2007. Department of State-funded assistance programs provided additional specialized inspection equipment, along with associated training, at Customs posts throughout Uzbekistan, including the strategic Civil River Port in Termez and a key railroad station in Sarasiya on the Tajik border. These programs are also providing infrastructure improvement assistance at some of the country’s most remote border posts to promote better living conditions and increased control of the border. USAID’s Drug Demand Reduction Project (DDRP) continues to work at key points along drug trafficking routes to prevent at-risk young people from becoming injecting drug users. DDRP cooperates with local organizations to deliver key messages on drug abuse prevention and offer alternative activities through innovative “Youth Power” centers. These programs serve as models for Uzbekistan’s national HIV control strategy, since the HIV epidemic is fueled primarily by injection drug use.

The Department of Defense hopes to resume counternarcotics activities with the GOU within the next fiscal year. Central Command withdrew counternarcotics funding for FY 2007 due to the overall problems in the military-to-military and political relationships. Recently, there has been a reengagement between Central Command, the Ministry of Defense, and the State Committee for Border Security. Both sides want to resume counternarcotics cooperation in the near future. GOU officials have stated that they will seriously consider DOD-sponsored counternarcotics events in FY 2008, to include Marshall Center counternarcotics events and other military-to-military events concerning counternarcotics.

The Road Ahead. The U.S. remains committed to supporting appropriate Uzbek agencies to improve narcotics detection and drug interdiction capabilities. However, the effectiveness of U.S. assistance programs depends on the willingness of the Government of Uzbekistan to participate in these efforts.

