United States Department of State

*Bureau for International Narcotics and Law Enforcement Affairs*

# International Narcotics Control Strategy Report

## Volume I

## Drug and Chemical Control

March 2010

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# Common Abbreviations

| | |
|---|---|
| ARS | Alternative Remittance System |
| ATS | Amphetamine-Type Stimulants |
| CARICC | Central Asia Regional Information Coordination Center |
| CBP | Customs and Border Protection |
| CBRN | Caribbean Basin Radar Network |
| CFATF | Caribbean Financial Action Task Force |
| DARE | Drug Abuse Resistance Education |
| DEA | Drug Enforcement Administration |
| DHS | Department of Homeland Security |
| DOJ | Department of Justice |
| DOS | Department of State |
| DTO | Drug Trafficking Organization |
| ESF | Economic Support Fund |
| EU | European Union |
| EXBS | The Export Control and Related Border Security Assistance (EXBS) Program |
| FATF | Financial Action Task Force |
| FBI | Federal Bureau of Investigation |
| FinCEN | Financial Crimes Enforcement Network |
| FIU | Financial Intelligence Unit |
| FSA | FREEDOM Support Act |
| GCC | Gulf Cooperation Council |
| IBC | International Business Company |
| ICE | Immigration and Customs Enforcement |
| ICITAP | International Criminal Investigative Training Assistance Program |
| ILEA | International Law Enforcement Academy |
| IMF | International Monetary Fund |
| INCSR | International Narcotics Control Strategy Report |
| INM | See INL |
| INL | Bureau for International Narcotics Control and Law Enforcement Affairs/(Matters) |
| IRS | Internal Revenue Service |
| IRS-CID | Internal Revenue Service, Criminal Investigation Division |
| JICC | Joint Information Coordination Center |
| JIATF-S/-W | Joint Interagency Task Force South and Joint Interagency Task Force West |
| LEDET | Law Enforcement Detachment, frequently embarked on patrol vessels |
| MAOC-N | Maritime Analysis and Operations Centre-Narcotics |
| MLAT | Mutual Legal Assistance Treaty |
| MOU | Memorandum of Understanding |
| NBRF | Northern Border Response Force |
| NNICC | National Narcotics Intelligence Consumers Committee |
| OAS | Organization of American States |
| OAS/CICAD | Inter-American Drug Abuse Control Commission |
| OFC | Offshore Financial Center |
| OPBAT | Operation Bahamas, Turks and Caicos |
| OPDAT | Office of Overseas Prosecutorial Development Assistance and Training |
| SECI | South East Europe Cooperative Initiative |

| | |
|---|---|
| SEED | Support for East European Democracy Act (1994) |
| SOCA | (British) Serious Organized Crime Agency |
| TIR Truck | Trucks inspected and sealed by Customs at point of origin. (Transport International Routier) |
| UN Convention | 1988 United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances |
| UNODC | United Nations Office for Drug Control and Crime |
| USAID | Agency for International Development |
| USCG | United States Coast Guard |
| USG | United States Government |
| ha | Hectare |
| HCl | Hydrochloride (cocaine) |
| Kg | Kilogram |
| Mt | Metric Ton |

# International Agreements

1988 UN Drug Convention—United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988

UN Single Drug Convention—United Nations Single Convention on Narcotic Drugs, 1961 as amended by the 1972 Protocol

UN Psychotropic Substances Convention—United Nations Convention on Psychotropic Substances, 1971

UNCAC–UN Convention against Corruption

UN Convention against Transnational Organized Crime—and its supplementing protocols:

- Trafficking in Persons Protocol—Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime
- Migrant Smuggling Protocol—Protocol against the Smuggling of Migrants by Land, Air and Sea, supplementing the United Nations Convention against Transnational Organized Crime
- Firearms Protocol—Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organized Crime

# INTRODUCTION

# Legislative Basis for the INCSR

The Department of State's International Narcotics Control Strategy Report (INCSR) has been prepared in accordance with section 489 of the Foreign Assistance Act of 1961, as amended (the "FAA," 22 U.S.C. § 2291). The 2010 INCSR, published in March 2010, covers the year January 1 to December 31, 2009 and is published in two volumes, the second of which covers money laundering and financial crimes. In addition to addressing the reporting requirements of section 489 of the FAA (as well as sections 481(d)(2) and 484(c) of the FAA and section 804 of the Narcotics Control Trade Act of 1974, as amended), the INCSR provides the factual basis for the designations contained in the President's report to Congress on the major drug-transit or major illicit drug producing countries initially set forth in section 591 of the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (P.L. 107-115) (the "FOAA"), and now made permanent pursuant to section 706 of the Foreign Relations Authorization Act, Fiscal Year 2003 (P.L. 107-228) (the "FRAA").

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

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

Two years ago, pursuant to The Combat Methamphetamine Enforcement Act (CMEA) (The USA Patriot Improvement and Reauthorization Act 2005, Title VII, P.L. 109-177), amending sections 489 and 490 of the Foreign Assistance Act (22 USC 2291h and 2291) section 722, the INCSR was expanded to include reporting on the five countries that export the largest amounts of methamphetamine precursor chemicals, as well as the five countries importing the largest amounts of these chemicals and which have the highest rate of diversion of the chemicals for methamphetamine production. This expanded reporting, which also appears in this year's INCSR and will appear in each subsequent annual INCSR report, also includes additional information on efforts to control methamphetamine precursor chemicals, as well as estimates of legitimate demand for these methamphetamine precursors, prepared by most parties to the 1988 UN Drug Convention and submitted to the International Narcotics Control Board. The CMEA also requires a Presidential determination by March 1 of each year on whether the five countries that legally exported and the five countries that legally imported the largest amount of precursor chemicals (under FAA section 490) have cooperated with the United States to prevent these substances from being used to produce methamphetamine or have taken adequate steps on their own to achieve full compliance with the 1988 UN Drug Control Convention. This determination may be exercised by the Secretary of State pursuant to Executive Order 12163 and by the Deputy Secretary of State pursuant to State Department Delegation of Authority 245.

Although the Convention does not contain a list of goals and objectives, it does set forth a number of obligations that the parties agree to undertake. Generally speaking, it requires the parties to take legal measures to outlaw and punish all forms of illicit drug production, trafficking, and drug money

laundering, to control chemicals that can be used to process illicit drugs, and to cooperate in international efforts to these ends. The statute lists actions by foreign countries on the following issues as relevant to evaluating performance under the 1988 UN Drug Convention: illicit cultivation, production, distribution, sale, transport and financing, and money laundering, asset seizure, extradition, mutual legal assistance, law enforcement and transit cooperation, precursor chemical control, and demand reduction.

In attempting to evaluate whether countries and certain entities are meeting the goals and objectives of the 1988 UN Drug Convention, the Department has used the best information it has available. The 2010 INCSR covers countries that range from major drug producing and drug-transit countries, where drug control is a critical element of national policy, to small countries or entities where drug issues or the capacity to deal with them are minimal. The reports vary in the extent of their coverage. For key drug-control countries, where considerable information is available, we have provided comprehensive reports. For some smaller countries or entities where only limited information is available, we have included whatever data the responsible post could provide.

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

Some countries and other entities are not yet parties to the 1988 UN Drug Convention; some do not have status in the United Nations and cannot become parties. For such countries or entities, we have nonetheless considered actions taken by those countries or entities in areas covered by the Convention as well as plans (if any) for becoming parties and for bringing their legislation into conformity with the Convention's requirements. Other countries have taken reservations, declarations, or understandings to the 1988 UN Drug Convention or other relevant treaties; such reservations, declarations, or understandings are generally not detailed in this report. For some of the smallest countries or entities that have not been designated by the President as major illicit drug producing or major drug-transit countries, the Department has insufficient information to make a judgment as to whether the goals and objectives of the Convention are being met. Unless otherwise noted in the relevant country chapters, the Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) considers all countries and other entities with which the United States has bilateral narcotics agreements to be meeting the goals and objectives of those agreements.

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

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

Section 489(a)(3) of the FAA requires the INCSR to identify:

(A) major illicit drug producing and major drug-transit countries;

(B) major sources of precursor chemicals used in the production of illicit narcotics; or

(C) major money laundering countries.

These countries are identified below.

## Major Illicit Drug Producing and Major Drug-Transit Countries

A major illicit drug producing country is one in which:

(A) 1,000 hectares or more of illicit opium poppy is cultivated or harvested during a year;

(B) 1,000 hectares or more of illicit coca is cultivated or harvested during a year; or

(C) 5,000 hectares or more of illicit cannabis is cultivated or harvested during a year, unless the President determines that such illicit cannabis production does not significantly affect the United States. FAA § 481(e)(2).

A major drug-transit country is one:

(A) that is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States; or

(B) through which are transported such drugs or substances. FAA § 481(e)(5).

The following major illicit drug producing and/or drug-transit countries were identified and notified to Congress by the President on September 15, 2009, consistent with section 706(1) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107-228):

> **Afghanistan, The Bahamas, Bolivia, Brazil, Burma, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, India, Jamaica, Laos, Mexico, Nigeria, Pakistan, Panama, Paraguay, Peru, and Venezuela.**

Of these 20 countries, **Burma, Bolivia, and Venezuela** were designated by the President as having "failed demonstrably" during the previous 12 months to adhere to their obligations under international counternarcotics agreements and take the measures set forth in section 489(a)(1) of the FAA. The President determined, however, in accordance with provisions of Section 706(3)(A) of the FRAA, that a vital national interest waiver permits funding to Bolivia and Venezuela for programs critical to our vital national interest.

## Major Precursor Chemical Source Countries

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

> **Argentina, Brazil, Canada, Chile, China, Germany, India, Mexico, the Netherlands, Singapore, South Korea, Taiwan, Thailand, the United Kingdom, and the United States.**

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

## Major Money Laundering Countries

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

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

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

# Presidential Determination

The White House

Washington

September 15, 2009

## Presidential Determination No. 2009-30

Pursuant to section 706(1) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107-228) (FRAA) t I hereby identify the following countries as major drug transit or major illicit drug producing countries: **Afghanistan, The Bahamas, Bolivia, Brazil, Burma, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, India, Jamaica, Laos, Mexico, Nigeria, Pakistan. Panama, Paraguay, Peru, and Venezuela.**

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

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

I have also determined, in accordance with provisions of section 706 (3) (A) of the FRAA, that support for programs to aid Venezuela's democratic institutions and continued support for bilateral programs in Bolivia are vital to the national interests of the United States.

Afghanistan continues to be the world's largest producer of opium poppy and a major source of heroin. The Government of Afghanistan, under the leadership of President Karzai and key governors in the provinces, has demonstrated its ongoing commitment to combating narcotics and has made notable improvements in this regard over the past year.

The connection between opium production, the resulting narcotics trade, corruption, and the insurgency continues to grow more evident in Afghanistan. Poppy cultivation remains largely confined to five contiguous provinces in the south where security problems greatly impede counternarcotics efforts, and nearly all significant poppy cultivation occurs in insecure areas with active insurgent elements. Counternarcotics efforts have shown greater impact where security exists, where public information messages can be conveyed, alternative development delivered, interdiction performed, and justice carried out. While the Government of Afghanistan made some progress during the past year, the country must dedicate far greater political will and programmatic effort to combat opium trafficking and production nationwide.

Pakistan is a major transit country for opiates and hashish for markets around the world, as well as for precursor chemicals moving into neighboring Afghanistan where they are used for processing heroin. Opium poppy cultivation in Pakistan is also a primary concern.

In 2008 and 2009, religious extremist groups controlled major portions ‘of the Federally Administered Tribal Areas, where most of Pakistan’s poppy is grown. These extremist groups also pushed into settled areas of the country’s Northwest Frontier Province, such as the Peshawar Valley and the Swat Valley. The Government of Pakistan was compelled to divert manpower and equipment resources from poppy eradication efforts to contest these incursions.

The joint Narcotics Affairs Section and Pakistan’s Narcotics Control Cell indicated that 1,909 hectares of poppy were cultivated in 2006 (approximately one percent of the cultivation in Afghanistan). This is down from the 2,315 hectares cultivated in 2007. In 2007, when the insurgent problem was not as widespread, 614 hectares were eradicated, bringing harvested poppy down to 1,701 hectares. During 2008, there were significant narcotics and precursor chemical seizures in Pakistan. United States counternarcotics and border security assistance programs continue to build the counternarcotics capacity of law enforcement agencies, especially in Baluchistan and along the Makran coast.

As Mexico and Colombia continue to apply pressure on drug traffickers, the countries of Central America are increasingly targeted for trafficking, which is creating serious challenges for the region. In 2008, approximately 42 percent of the cocaine destined for the United States transited Central America directly from South America. Often unimpeded due to the region’s limited capabilities and resources, traffickers use land routes and Central America’s coastal waters for illegal drug movements. The Merida Initiative, which provides Central American countries $165 million for FY 2008 and FY 2009, offers the opportunity to boost the capabilities of the region’s rule of law institutions and promote greater regional law enforcement cooperation.

Within the Central America region, Guatemala has been listed as a major drug transit country since 1990. Guatemala continues to be challenged by increasing violence related to narcotics trafficking. Corruption and inadequate law enforcement efforts contributed to low interdiction levels during the past several years. The United States continues to support the Government of Guatemala to improve its counternarcotics efforts.

In Honduras, drug traffickers have capitalized on the country’s lack of resources, corruption, and ungoverned spaces. Despite the current political instability, Honduran security forces have been conducting counter narcotic operations and have already seized more illegal drugs than in all of 2008. Honduras has also agreed to ~ bilateral integrated strategy with the United States to strengthen the operational counternarcotics capabilities of its security and law enforcement.

Panama is a major drug transit country that seized 51 metric tons of cocaine in 2008 while working in partnership with the United States. El Salvador is not a primary transit country, but in 2008 the Salvadoran government seized 1.4 metric tons of cocaine, 300 kilograms of marijuana, and nine kilograms of heroin. El Salvador may see an increase in drug activity corresponding with rising drug trafficking levels in the eastern Pacific. The United States is increasingly concerned with the large amount of drugs trafficked through Costa Rica and Nicaragua. Interdiction efforts in these two countries in 2006 resulted in the seizure of 21.7 and 19.5 metric tons of cocaine seizures, respectively.

The trafficking of South American cocaine through Nigeria and other West African countries en route to Europe continues. Though the cocaine does not come to the United States, the proceeds of the trafficking flow back to the same organizations that move cocaine to the United States, reinforcing their financial strength. Drug trafficking is a destabilizing force in the region and undermines good governance. Initially focused on Guinea and Guinea-Bissau, drug trafficking is now a serious issue facing nearly all West African countries. There is limited capacity in many West African law enforcement and judicial sectors to investigate and prosecute the organizers of cocaine trafficking. Despite this, there have been some important counternarcotics victories, most notably in the arrest and successful prosecution of traffickers in Sierra Leone.

Nigeria, which remains a significant transit point for narcotics destined for the United States, made demonstrable progress in 2008 by combating narcotics through increased budgetary support of key counternarcotics and corruption agencies, continued evaluation of suspicious transaction reports, and acceptable progress in the arrests of drug kingpins, with one kingpin arrested in 2008 and another in early 2009. Drug seizures were down slightly from a high in 2007. However, this development is likely attributable to a decrease in the use of Nigeria's international airports as a transshipment point after the successful deployment of narcotics scanning machines by the Nigerian Drug Law Enforcement Agency (NDLEA). At the same time, there was little progress in reform to expedite Nigerian extradition procedures, or to amend its Money Laundering Act to bring it in line with international standards. Cooperation between the NDLEA and U.S. law enforcement agencies remains robust.

International donors and organizations are working to assist West African governments in their counternarcotics efforts. The United States supports these efforts to preserve and protect stability and positive growth in this region.

The United States continues to maintain a strong and productive law enforcement relationship with Canada. Both countries are making significant efforts to disrupt the two-way flow of drugs, bulk currency, and other contraband. Canada remains a significant producer of MDMA (ecstasy) and high-potency marijuana that is trafficked to the United States. While Canada's passage of several additional regulations in recent years has reduced the large scale diversion and smuggling of bulk precursor chemicals across the border, the increasing diversion of these chemicals to the production of methamphetamine within Canada could lead to greater methamphetamine availability in the United States. The frequent mixing of methamphetamine and other illegal drugs into pills that are marketed as MDMA by Canada-based criminal groups poses a particularly significant public health risk in the United States. The United States Government is appreciative of Canada's efforts to address these and other drug-related challenges, including through bilateral initiatives and multilateral forums.

The Government of India maintains a credible record of regulating its licit opium grown for the production of pharmaceutical products through licensed opium farmers and monitoring of poppy cultivation sites. Diversion of licit opium crops into illegal markets continues despite India's determined efforts to control such activity. Illicit opium poppy production has also been observed in certain areas of the country, such as West Bengal and the State of Uttaranchal. Enforcement agencies continue to eradicate illicit opium poppy crops although the actual number of hectares destroyed has declined in recent years. Indian authorities have made marked efforts to control the illicit drug trade as opium and heroin smuggled from Afghanistan and Pakistan enters India across the India-Pakistan border and is trafficked to destinations outside of India.

Indian authorities continue to pursue precursor chemical trafficking organizations operating in the country and to cooperate with international law enforcement counterparts to interdict the flow of narcotics. The Government of India has made noteworthy international efforts to target the misuse of internet pharmacies for trafficking controlled and non-controlled pharmaceuticals. Law enforcement undertakings in this area have resulted in numerous arrests and asset seizures in both the United States and India.

You are hereby authorized and directed to submit this report under section 706 of the FRAA, transmit it to the Congress, and publish it in the Federal Register.

Barack Obama

## Memorandum of Justification for Presidential Determination of Major Illicit Drug Transit or Illicit Drug Producing Countries for FY 2010

### *Burma*

While Burma is improving its efforts to fulfill its obligations under international counternarcotics agreements and counternarcotics requirements, it has failed demonstrably during the last 12 months to adequately meet the standards set forth in section 489(a) (1) of the Foreign Assistance Act of 1961, as amended. Burma is improving its law enforcement strategy pertaining to counternarcotics measures. However, deficiencies in training, including in advanced investigative techniques, and the significant scope of the narcotics problem in this region contribute to Burma's continuing difficulties in meeting its international counternarcotics obligations.

Poppy production in Burma remains below historic levels. However, there has been a sharp increase in the production and export of synthetic drugs. Burma remains a primary source of amphetamine-type substances (ATS) produced in Asia, and Burma's porous borders and endemic corruption facilitate the diversion and trafficking of precursor chemicals to drug labs in the country. Burma's military government recognizes the threat, but to date has not established effective countermeasures. Additionally, autonomous ethnic groups in drug-producing regions, such as the united Wa State Army (UWSA) and the Shan State Army (SSA), compromise the Burmese Government's ability to effectively reduce narcotics production.

Burma's military government also has not taken direct action against the eight leaders of the UWSA indicted in a U.S. federal court in January 2005. However, the detention and sentencing of two members of UWSA Chairman Baa Yu Xiang's family in connection with a 2005 seizure of UWSA-related heroin shipment are positive signs.

Some Burmese Government officials are suspected of being involved in or facilitating the drug trade. According to the Government of Burma, between 1995 and 2003, over 200 police officials and 48 Burmese Army personnel were prosecuted and punished for narcotics-related corruption or drug abuse. However, there is no evidence that the Government of Burma has taken any similar enforcement actions over the past 5 years.

It has been 5 years since the last United States-Burma joint opium yield survey, previously an annual exercise. As a result, the annual survey conducted by the United Nations Office on Drugs and Crime is used to track opium cultivation and production. Additionally, the Burmese Government coordinated with the Chinese to conduct an opium yield survey; the Government of Burma has shared these results with the U.S. Drug Enforcement Administration. Opium yield surveys are clearly in the interest of both sides to track the implications of policy steps taken and to gauge future action based on concrete facts rather than estimates.

Although drug abuse levels remain low in Burma compared to neighboring countries, there are a growing number of injecting drug users and regular consumers of ATS, while the HIV/AIDS epidemic in Burma, one of the most serious in Asia, continues to expand in part because of intravenous drug use. Burma's prevention and drug treatment programs suffer from inadequate resources and a lack of high-level government support.

While the overall picture of Burma's counternarcotics efforts remains negative, there are some positive aspects. The Government of Burma maintains a regular dialogue on precursor chemicals with the neighboring countries of India, China, Thailand, and Laos. As a result, India and China have taken steps, including the creation of exclusion zones to divert precursors away from Burma's border areas.

## Memorandum of Justification for Presidential Determination of Major Illicit Drug Transit or Illicit Drug Producing Countries for FY 2010

### *Bolivia*

The United States is engaged with Bolivia in a bilateral dialogue process designed to reach agreement on joint actions to be taken regarding issues of mutual interest, including counternarcotics, and to achieve an improved overall bilateral relationship.

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

The United States continues to collaborate with Bolivia on counternarcotics, but program accomplishments have diminished as a result of Government of Bolivia policies and actions over the past year.

The Government of Bolivia's decision to expel the United States Drug Enforcement Administration (DRA) severely undermined Bolivian law enforcement interdiction efforts. Interdiction forces lack the intelligence and operation capabilities to identify and dismantle drug trafficking organizations. Bolivia continues to engage in law enforcement operations to disrupt drug labs, but these operations frequently fail to seize drugs processed at the lab and only result in the arrest of low-level workers. Current seizure rates, while on par with prior years, have not kept up with the rise in coca cultivation and cocaine production. Meanwhile, Bolivia's neighbors report increased seizures of Bolivian drugs and arrests of drug traffickers linked to Bolivia.

Bolivia's policies and actions continued to encourage the illicit cultivation of coca, leading to an 8 percent net increase in coca cultivation in 2008. Production and sale of coca leaf exceed the demand for traditional use. Excess coca leaf is being diverted to the production of cocaine hydrochloride. Compounded by improved processing methods, the United States Government estimates potential cocaine hydrochloride production increased in Bolivia during 2008 by 50 percent to 195 metric tons.

The Government of Bolivia failed to take sufficient action against illicit coca cultivation or exert control over markets it considers licit. Over the past 12 months, the Bolivian Government failed to close illegal coca markets, proceeded with the legalization of additional coca markets, and did not impose effective controls on commerce in coca leaf in line with its international treaty obligations. The Government of Bolivia also failed to develop and execute a national drug strategy consistent with its international obligations.

Although the Bolivian Government has a policy regarding social control of illicit and excess coca cultivation, it is not being effectively implemented. Its efforts to restrict coca cultivation at one cato (approximately one quarter of a hectare) per family registered to grow coca are not adhered to by coca cultivators. With at least 45,000 coca growers in the country, this has resulted in an additional 11,250 hectares of coca growth in Bolivia.

A United States-Bolivian bilateral agreement in 2006 established 5,000 hectares as a baseline coca eradication goal with increases in eradication each year until a minimum of 8,000 hectares per year is met. Bolivia met its minimum eradication goal of 5,000 hectares in 2008 and was on track to meet this goal of 5,000 hectares in 2009. However, the Bolivian Government has not moved beyond the baseline minimum of 5,000 hectares to effectively counter rising coca cultivation and achieve net reductions. Despite Bolivia's limited success in meeting eradication goals, the total effort by the Bolivian Government falls well short of its obligations to the international community as outlined in the United Nations conventions and bilateral agreements. In accordance with Section 481(e) (4) of the FAA, the determination of having failed demonstrably does not result in the withholding of humanitarian and

counternarcotics assistance. It is in the vital national interest of the United States to grant a waiver so that funding for other assistance programs may also be allowed to continue.

## Memorandum of Justification for Presidential Determination of Major Illicit Drug Transit or Illicit Drug Producing Countries for FY 2010

### *Venezuela*

Venezuela has failed demonstrably to make sufficient efforts to meet its obligations under international counternarcotics measures set forth in Section 489(a) (1) of the Foreign Assistance Act of 1961, as amended.

This Determination takes into account actions taken by the Government of Venezuela during the past 12 months. Venezuela has ignored, or refused, the majority of United States Government offers to work towards greater cooperation on counternarcotics. An official letter from the U.S. Ambassador on July 15, 2008, and a follow-up diplomatic note of March 11, 2009, requesting facilitation of a meeting to discuss counternarcotics were not answered. On May 13, 2009, Venezuela's National Anti-Drug Office (ONA) Director declined to meet with the U.S. Charge d'Affaires, informing the U.S. Embassy that the meeting would require authorization from the Venezuelan President or the Foreign Minister.

Venezuela's importance as a transshipment point for drugs bound for the United States and Europe continues to increase. Corruption within the Venezuelan Government and a weak and politicized judicial system contribute to the ease with which illicit drugs transit Venezuela. Trafficking through Venezuela increased from an estimated 50 metric tons of cocaine in 2004 to an estimated 300 metric tons in 2008.

The ONA periodically reports seizures of illicit drugs, but the Venezuelan Government does not share the necessary data or evidence needed to verify seizures or the destruction of illicit drugs. The U.S. Coast Guard generally has received permission from the Government of Venezuela to board suspect Venezuelan flagged vessels operating in the Caribbean. Venezuelan authorities, however, require the return of confiscated vessels, people, and any contraband located during these operations. Upon return to Venezuela, crew members are often released.

The Government of Venezuela arrested members of designated Foreign Terrorist Organizations (FTOs) engaged in narcotics trafficking. On April 27, 2009, a Revolutionary Armed Forces of Colombia (FARC) leader was arrested by the Zulia State Police, and the National Guard reportedly captured three members of the Colombian National Liberation Army in the state of Barinas on April 22, 2009. Colombian illegal armed groups and designated FTOs, including the FARC, however, continue to operate freely in parts of western Venezuela, facilitating their well-established involvement in narcotics trafficking. The Venezuelan Government has failed to ensure that such groups do not operate with impunity in Venezuelan territory. Individual members of Venezuela's National Guard and Federal Investigative Police are also reported to both facilitate and be directly involved in narcotics trafficking.

Venezuela's efforts fall short of its obligations to the international community as outlined in the relevant United Nations Conventions and bilateral agreements. A Determination as having failed demonstrably does not affect funding for humanitarian and counternarcotics programs. A U.S. vital national interest waiver to Venezuela permits funding for other programs critical to U.S. foreign policy interests.

# POLICY AND PROGRAM DEVELOPMENTS

# Overview for 2009

"Security for our citizens must be advanced through our commitment to partner with those who are courageously battling drug cartels, gangs and other criminal networks." — President Barack Obama

The illegal drug trade directly threatens the security interests of the United States, as well as those of the broader international community and the health and safety of our citizens. No other criminal activity can match the profits generated from illegal narcotics trafficking. This translates into an unrivaled ability for drug criminals to corrupt public officials, undermine democratic governments, and sabotage sustainable economic development. For these reasons, the United States works closely with our international partners to encourage steps to prevent the production and trafficking of illegal drugs.

To implement this objective, the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) provides technical assistance to countries most affected by the illegal drug trade. This assistance helps these countries develop their own law enforcement and criminal justice capacities to uphold their international commitments against illegal drugs. Our long-term goal is to promote the expansion of partner country counternarcotics capabilities to the point where they can sustain future development and where cooperation between countries becomes the norm. As Secretary Clinton has described, a key component of this cooperation is to reduce demand for illegal drugs in the United States.

As is the case every year, progress was far from uniform in 2009. The annual INCSR review is a snapshot of events covering a narrow timeframe, and it is important to distinguish long-term progress from short-term gains and losses. Numerical data—such as interdiction statistics or arrests of traffickers—do not fully measure the success of some countries and regions in reforming and strengthening state institutions or changing ingrained cultural habits. There are no uniform solutions to all national and regional circumstances, and the United States cannot do more to assist countries than those countries believe is in their own self-interest. One of the least tangible but most important gains that we have seen over the past decade is that virtually every government recognizes the serious threats posed by the drug trade. This international consensus is rare in the realm of foreign policy and a great advantage as we move forward into 2010 and beyond. The United States is committed to helping countries help themselves to develop the capacities necessary to enforce their laws and protect their sovereignty.

## Key International Successes

Colombia's decade-long effort to strengthen its democracy and regain control over its national territory from drug-trafficking insurgents has been remarkable. Ten years ago, large areas of Colombia were beyond the writ of the state, controlled by terrorist and criminal organizations that exploited these territorial safe-havens to promote their trafficking activities. Colombia's people and political leadership reacted with determined resolve to defend the country's sovereignty and re-establish the rule of law, aided by U.S. assistance programs that were dramatically accelerated during this time. President Alvaro Uribe's program to establish "democratic security" over the country's full territory has brought dramatic progress. With support from the United States ranging from material assistance to training, the Uribe Administration marshaled new domestic resources, increased funding for law enforcement and justice reform, and began the difficult process of re-establishing state control over the countryside. The Colombian state is no longer in danger from insurgents fueled by the drug trade, and is able to provide its citizens greater security and access to formal institutions of justice. This has allowed Colombia's economy to grow at a rate that surpasses most countries in the Western Hemisphere, creating space for civil society and allowing Colombians to take control over their local communities.

This consolidation of the rule of law also led to measurable reductions in illegal drug production. According to the most recent estimate from the U.S. Government, potential cocaine production in

Colombia dropped fully 39 percent between 2007 and 2008 from an estimated 490 metric tons in 2007 to 300 metric tons. Further, the area under cultivation dropped 29 percent during the same time frame, from an estimated 167,000 hectares in 2007 to only 120,000 hectares in 2008. Record eradication levels in 2008, along with increased government presence and the deployment of security forces in select growing regions were instrumental in achieving these results. The material support of the United States remains important towards solidifying these institutional reforms achieved to-date, but significant progress in transferring financial and operational responsibility to Colombia for several counternarcotics programs has increased local capacity and allowed the United States to reduce its support.

There is, however, much work to be done. Despite the steady progress of recent years, drug trafficking and terrorist groups continue to constitute a dangerous threat in Colombia. Countering these groups will require a sustained effort over the longer term effort by the Government and people of Colombia, along with continuing political and other support from friends and allies.

Mexico faces extraordinary challenges from international drug trafficking organizations. President Calderon and courageous police officers, judges and citizens are confronting drug trafficking organizations that are the source of high levels of violence and have undermined Mexican institutions. The threat of drug-fueled corruption is powerful, and Mexico's long border with the United States makes our cooperative relationship there even more essential to our national interests.

In support of Mexico's effort, Mexico and the United States have agreed on a new level of cooperation under the Merida Initiative. The Merida Initiative provides material support for Mexico to strengthen law enforcement and judicial institutions to prosecute individuals and organizations involved in the drug trade and other forms of organized crime. One of President Calderon's top priorities in office has been to press forward the difficult but essential process of rooting out corruption from Mexico's courts and police. In June 2008, the Mexican Congress passed constitutional reforms and legislation to overhaul Mexico's judiciary and public security apparatus; implementing legislation is currently being considered in Mexico's Congress. This process will require time to complete, but the systemic reform underway is essential to achieving sustainable results. Short-term law enforcement surges can achieve limited gains, but they achieve no durable progress unless domestic institutions can arrest, prosecute and incarcerate criminals and enforce the state's authority after the surge ends. This is why the character of U.S. support for the Merida Initiative has continued to evolve, shifting from a focus on major equipment acquisition to improve operational ability in the early phase toward a longer-term emphasis on institutional development and capacity building designed to support the broader Mexican judicial and social reforms needed for confronting organized crime. The United States has also stepped up law enforcement and intelligence operations on the U.S. side of the border, including the creation of an interagency border enforcement task force to identify, disrupt and dismantle criminal organizations engaged in arms trafficking, drugs, human smuggling and trafficking and bulk cash smuggling.

The Government and people of Mexico have shown tremendous bravery in carrying this program forward, despite substantial reprisals from the cartels. We believe that the Mexican Government's efforts are having a real impact; for the first time, trafficking organizations are facing an existential threat from the state, which they cannot win by bribery or intimidation.

There were notable signposts of progress against major Mexican drug trafficking organizations in 2009. Arturo Beltran Leyva, head of the Beltran Leyva Cartel, was killed in December in a firefight, when he refused to surrender to Mexican authorities. Top-level leaders from the Sinaloa, Beltran Leyva, Gulf and Arellano-Felix trafficking organizations were arrested. Removing these important cartel leaders has narrowed the operating space of criminal gangs, who are now fighting among themselves for diminishing territory and profits. At the institutional level, Mexico is moving forward to restructure and improve the operational capacity of the federal police, and with U.S. support, is striving to develop the means to do background investigations on the entire force, and to begin to do the same for units drawn from state and

municipal police in order to stem corruption. Measured both by short-term law enforcement actions and longer-term institutional reforms, Mexico experienced historic progress in 2009.

The road ahead will not be an easy one. The drug cartels in Mexico are entrenched and powerful. The broader institutional changes needed to modernize and reform the law enforcement and criminal justice sectors can only take place gradually and over time. Carrying through on these changes will require a long-term commitment from both the Mexican Government and the people of Mexico. Mexico is on the right path, however, and the Government has laid out a solid plan for breaking the cartels and protecting public security. The United State will continue to work closely with Mexico to help implement this plan.

## Confronting the "Balloon Effect" in Production and Transit Routes

Drug traffickers are adaptive, resilient and ruthless in adjusting to new enforcement pressures. Not bound by any sovereignty or legal concerns of their own, they can and do adjust operations quickly to new territories and smuggling corridors. Faced with pressure on operations in one territory, they switch operations to another. This displacement, known as the "balloon effect," underscores the need to promote counternarcotics cooperation on a global basis. Here again, the twin challenges are political will and technical capacities. As Mexico achieves further progress against the criminal organizations operating on its territory, the most likely regions to face greater pressure from displaced traffickers are Central America and the Caribbean basin. There is growing evidence that Mexico's drug trafficking organizations are already establishing a presence in these regions, particularly in some Central American states.

Through the Central American Regional Security Initiative, the United States will continue to assist Central American states to confront the criminal organizations, gangs and violence that plague the region, as well as support programs to strengthen institutional capabilities to investigate, prosecute and prevent corruption within law enforcement agencies. Our assistance will also help to facilitate the transfer of critical law enforcement investigative information within and among regional governments, and fund equipment purchases, training, community policing, and economic and social development programs. To address displacement to the Caribbean, the United States will begin implementing in 2010 a complementary Caribbean Basin Security Initiative (CBSI), developed in close cooperation with states of the region. The CBSI aims to strengthen Caribbean partner nation capabilities, including maritime security, law enforcement, information sharing, border and migration control, transnational crime, and criminal justice.

President Obama outlined how the United States will seek to build partnerships to improve the safety of our citizens at the Summit of the Americas in Trinidad and Tobago:

> *Together, we have both the responsibility to act, and the opportunity to leave behind a legacy of greater prosperity and security…Just as we advance our common prosperity, we must advance our common security. Too many in our hemisphere are forced to live in fear. That is why the United States will strongly support respect for the rule of law, better law enforcement, and stronger judicial institutions.*
>
> *Security for our citizens must be advanced through our commitment to partner with those who are courageously battling drug cartels, gangs and other criminal networks throughout the Americas. Our efforts start at home. By reducing demand for drugs and curtailing the illegal flow of weapons and bulk cash south across our border, we can advance security in the United States and beyond. And going forward, we will sustain a lasting dialogue in the hemisphere to ensure that we are building on best practices, adapting to new threats, and coordinating our efforts.*

The diversification of drug transit routes is a phenomenon that extends beyond the Western Hemisphere. The United Nations and governments around the world have reported that the drug trade is becoming more fragmented, with new markets and routes in regions that do not neatly fit into the now obsolete

paradigms of 'consumer' and 'producer' nations. West Africa, for example, ignored by international traffickers only five years ago, now serves as a major corridor route for cocaine consumed in Europe and markets farther east—in total, a market that is approaching the size of that of the United States. Organized crime networks that once avoided trafficking in illegal drugs have established new relationships with suppliers in source countries. Heroin routes from Afghanistan have similarly diversified, as has production of methamphetamine from beyond traditional source countries in Mexico and Burma. This underscores the need for global international cooperation and the universal implementation of law enforcement commitments codified by the UN drug control conventions and other legal instruments, such as the UN Conventions against Transnational Organized Crime and Corruption. The United States on its own can never hope to arrest every drug trafficker or dismantle every criminal network on its own. What we can realistically achieve is coordination with international partners to facilitate common goals and approaches, and assist to some extent the capacities of states to succeed.

This is also true with drug-source states where cultivation of illicit crops has shifted in response to law enforcement pressure in one area and moved to locations where conditions favor expanded drug production. Potential cocaine production in Bolivia has increased by an estimated 50 percent since 2007. The Government of Bolivia as a matter of policy has permitted increased production of coca, which is "legal" under domestic law, but contrary to international conventions of which Bolivia is a signatory. Bolivia also reduced law enforcement measures against drug production and trafficking. The United States maintains a significant counternarcotics assistance program in Bolivia and remains willing to work with Bolivia to improve its counternarcotics results.

Venezuela is a transit country for cocaine moving from Latin America to the United States and Western Europe. While Venezuela has deported some fugitives to the United States and Colombia and has participated with the U.S. Coast Guard in some maritime interdiction, Venezuela does not cooperate consistently with the United States and other countries to reduce the flow of cocaine through Venezuela. Illegal armed groups in Colombia, including two U.S.-designated Foreign Terrorist Organizations, the Revolutionary Armed Forces of Colombia and the National Liberation Army, are linked to drug trafficking organizations that move narcotics through Venezuela. There is strong evidence that some elements of Venezuela's security forces directly assist these FTOs. As with Bolivia, the United States is prepared to deepen its joint work with Venezuela to help counter the increasing flow of illegal drugs through its country.

## Afghanistan

In 2009, Afghanistan still produced more than 90 percent of the opium gum used to manufacture heroin worldwide—worth some 2.8 billion dollars in 2009, according to United Nations figures. Over a million and a half Afghans were involved in producing 6,900 tons of opium in 2009, according to the UN. Most poppy cultivation occurs in areas where insecurity is greatest, and moving farmers away from a crop that provides a reliable income in these areas is a challenge. The United States seeks to integrate its counternarcotics support for Afghanistan with the larger mission of defeating the insurgency and reducing corruption and crime in Afghanistan. To reduce the support the insurgency receives from narcotics, and to help connect the people of Afghanistan to effective government institutions, this approach has two main areas of emphasis: agricultural development and targeting Drug Trafficking Organizations (DTOs). Recognizing the need for job creation in the licit agricultural sector in order to deny recruits to the insurgency, the goal is to provide farmers with profitable, viable alternatives to poppy by undertaking both short-term efforts (i.e., distribution of wheat seed in poppy-growing areas) and longer-term projects (such as the U.S. Department of Agriculture and USAID's efforts to help farmers start growing pomegranates and grape vines that will bear fruit for years to come).

In addition, the United States will expand support for the Government of Afghanistan's interdiction and law enforcement efforts targeted on drug traffickers and refiners. This will help break the ties between the narcotics trade and the insurgency, as well as reduce the narcotics-fueled corruption that undermines good

governance and slows capacity building at district, provincial, and national government levels. By targeting drug trafficking organizations, we will go after the criminals and corrupt officials who do so much to undermine both the effectiveness and the legitimacy of the Afghan government. At the same time, the effort against illicit cultivation will continue through regaining control of areas heavily influenced by the insurgency. Most of the opium cultivated in Afghanistan is cultivated in areas of the south heavily influenced by insurgency. As the coalition and Afghan forces succeed in bringing these areas back under government control, comprehensive counternarcotics programs designed to discourage poppy cultivation can be implemented and given a chance to succeed.

In Afghanistan, political will and security are prerequisites for success. The best-trained and equipped police and military counternarcotics forces and the most comprehensive agricultural development programs are useless if drug control does not have the full confidence and support of the country's political leadership. In some Afghan provinces, we have seen that where political leaders have had the courage and foresight to weather short-term criticism in favor of long-term results, there has been progress. Where they have vacillated or where insecurity has made counternarcotics efforts impossible, the drug trade has remained strong.

## Drugs, Crime, Corruption and Instability

The drug trade both exploits and fosters corruption. Like a disease attacking a weakened immune system, the drug trade exploits conditions of economic, social or institutional shortcomings that corruption fosters. Once imbedded within the political institutions of a society, these criminal networks invariably weaken the bonds of trust between citizens and their state. This puts democratic government, sustainable economic growth, and the rule of law at risk. It also opens new opportunities for related forms of transnational crime. Some drug trafficking organizations limit themselves to illegal drugs, but most are engaged in a wider variety of crimes, and will do business with whomever offers potential for a quick profit. Criminal entrepreneurs use corruption to launder embezzled public funds and smuggle billions of dollars of illegal goods—drugs, arms, humans, natural resources, counterfeit medicines, and pirated software. This can overwhelm and corrupt law enforcement institutions and can fuel insecurity and endanger the welfare and safety of citizens. The convergence of crime, corruption, and weak governments often can devolve into the failed states and ungoverned spaces that can provide a workspace for terrorists.

The United States and many other countries are particularly concerned by evidence of links between international terrorist groups and the drug trade. Some of these linkages—such as the longstanding ties between drug trafficking, terrorist and insurgent groups in Colombia and Afghanistan—are well-documented and directly endanger the stability of these governments and, in the case of Afghanistan, the lives of U.S. service members. In Peru, remnants of the terrorist group Sendero Luminoso are increasingly reliant on drug trafficking for funding and were active in 2009, as in previous years, in ambushing and killing police and military personnel. More globally, there is evidence that individuals belonging to or sympathetic to international terrorist groups have turned to the drug trade as a revenue source. The United States is committed to working with international partners to identify and dismantle these linkages wherever they exist, and to promote the comprehensive reforms to criminal justice and law enforcement institutions necessary for long-term prevention.

## Reducing Consumption: a U.S. Priority

The United States also recognizes that we cannot reasonably expect to limit the flow of illicit drugs to the United States on a sustainable basis without further reducing our own domestic demand for those drugs. Our international supply reduction efforts can and are achieving important progress, but without additional progress in reducing demand at home, our gains will be under severe pressure. As Secretary Clinton has noted, the United States has a "shared responsibility" for curbing the international narcotics trade: "We know very well that the drug traffickers are motivated by the demand for illegal drugs in the United States, that they are armed by the transport of weapons from the United States."

The United States has made some important gains in reducing illegal drug consumption. The most recent National Survey on Drug Use and Health data showed that between 2006 and 2008, regular cocaine use dropped by a third for people in the age bracket most prone to using it, and fewer young people are trying cocaine for the first time. But we have much room to improve. Reducing demand in the United States serves a multitude of interests domestically. It also promotes important foreign policy goals. Less demand will lead to fewer illegal profits, and this can help cut some of the economic taproots of international organized crime and corruption that threaten the economies, security and stability of vulnerable states. As much as it is in our own interests, we also need to reduce drug consumption to reinforce our strategic foreign policy objectives.

### Next Steps

The most powerful defenses against the global drug trade are intangible—international cooperation and political will. Promoting effective, flexible law enforcement and diplomatic cooperation between governments is a central goal of U.S. foreign policy. The governments and citizens of many countries demonstrated great courage in directly confronting the threat of drug trafficking in 2009, often at great expense and short-term political cost. In the long-term, however, these sacrifices are investments towards securing a more prosperous and peaceful future. The United States is dedicated to supporting their efforts, both through cooperative engagement abroad and through reducing domestic drug consumption, principally by expanding prevention efforts and access to treatment. This is a shared responsibility, and one that we and our international partners must meet together in order to achieve lasting results.

International drug syndicates remain a formidable threat. They are resilient, have access to resources available to few governments, and can adapt quickly to changing trafficking and consumption patterns. The drug trade also exploits situations where political will is uneven, particularly between countries in the same region. In 2009, not all countries demonstrated the level of commitment that is necessary for combating such a relentless adversary. The United States seeks to cooperate with all governments in this multi-faceted challenge. Sustainable progress will require further action along a full spectrum of interventions, including: additional progress in promoting alternative livelihoods in regions where illegal drugs are cultivated; enhanced law enforcement relationships between affected governments; and strengthening and expanding the reach of effective law enforcement and judicial institutions. The United States is committed to playing a constructive role in cooperation with our international partners towards achieving these results.

## Demand Reduction

Demand reduction has evolved as a key foreign policy tool for addressing the inter-connected threats of drugs, crime, and terrorism. More recently, it has become a critical component in efforts to stop the spread of HIV/AIDS, particularly in countries with high numbers of intravenous drug users.

Drug abuse and addiction have a devastating impact on individual lives, families, and communities; drug abuse is inextricably linked with the spread of infectious diseases such as HIV/AIDS, Sexually Transmitted Disease (STD), tuberculosis, and hepatitis C. Drug abuse is also associated with family disintegration, loss of employment or income, school failure, domestic violence, child abuse, and other social problems and criminal acts. Based on the U.S. experience in trying to reduce the demand for drugs, many foreign countries request INL-sponsored technical assistance to enhance the development of effective policies and programs to combat international narcotics abuse. INL continues to provide guidance to international partners that is based on a coordinated approach in the areas of drug prevention and treatment. INL promotes the sharing of critical information and evidence-based studies, in order to promote and preserve the stability of societies that are threatened by the narcotics trade.

Our demand reduction strategy includes a wide range of initiatives to address the needs and national security threats posed by the illicit drug trade. These efforts cover strategies to prevent the onset of drug use, intervention with drug abusers, and improvement of treatment delivery. In achieving these goals, INL supports the following:

- training and technical assistance to educate governments and public organizations on science-based best practices in drug prevention and treatment;
- development and support of regional and international coalitions for drug-free communities, involving private/public social institutions and law enforcement;
- research and evaluation efforts, to measure the effectiveness of intended prevention and treatment programs; and
- dissemination of science-based information and knowledge transfer through multilateral and regional organizations.

Taking into account the unique needs of female drug addicts, INL supports substance abuse treatment, training and technical assistance that addresses women's drug treatment issues, and related violence.

As a cornerstone of a strong demand reduction strategy, and with the understanding that local problems require local solutions, INL assists foreign partners in generating funding for training to reduce substance abuse among youth and to strengthen the collaboration among organizations and agencies in the public and private sectors. Training activities have been conducted in Brazil, Colombia, Guatemala, El Salvador Mexico, Guyana, Peru, Kenya, South Africa, and Tanzania. Other completed and on-going INL-funded demand reduction projects for Fiscal Year 2009 included:

- World Federation of Therapeutic Community Conference. Held in Lima, Peru on February 6-10, 2009. Drug Abuse testament practitioners from 43 countries reviewed Therapeutic standards and norms, research findings particularly related to women and children, and recovery, the judiciary systems and special populations.
- Drug Treatment Courts: In support of the Government of Mexico (GOM), first pilot program on drug treatment court; alternative to incarceration for drug-dependent offenders, in the State of Nuevo Leon, a technical course on "Treatment Alternatives to Imprisonment," was conducted in August 18-21, 2009 in Monterrey, Mexico. Mexican participants included policymakers, judges, prosecutors, and teams of the justice and public health systems. During 2009, INL also supported the travel and visits of Mexicans representatives to drug court programs in San Diego, California and San Antonio, Texas.
- Mexico/Merida: We are supporting the OAS/CICAD in our Mexico/Merida initiative and efforts for establishing a certification and training program for drug abuse counselors in six Mexican States. The OAS/CICAD and the National Council against Addiction (CONADIC) of Mexico held its first meeting in Mexico City on December 2-4, 2009 to discuss an efficient operational planning and implementation process, for 2010.
- Demand Reduction Seminar: Forging Active Partnerships Toward a Drug-Free Society. Held in Cape Town, South Africa on October 19-21, 2009. Reviewed successful drug demand reduction projects in prevention and treatment programs and highlighted the latest research on specific drug use and addiction. Participants in this training collaborated and exchanged ideas on meeting the twin goals of preventing and reducing drug use.

- Colombo Plan: The USG and the Colombo Plan Drug Advisory Program (DAP) established a training arm for treatment experts to prepare the process of professional certification of addiction professionals in Asia.
- Afghanistan: INL currently supports 18 treatment centers in Afghanistan. This initiative includes training of women in counseling techniques, family therapy, and support for group networks. It includes support for three substance abuse treatment programs to address women's drug abuse treatment needs and facilities for their children.
- UNODC: INL is supporting the United Nations Office on Drugs and Crime (UNODC) global TREATNET project that provides comprehensive treatment provider training and technical assistance to improve treatment delivery systems in Asia, Africa and Latin America. The primary emphasis of the initiative is to share drug treatment best practices with the aim to assist service providers to improve the quality of services and to guide policy makers in programming.

# Methodology for USG Estimates of Illegal Drug Production

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

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

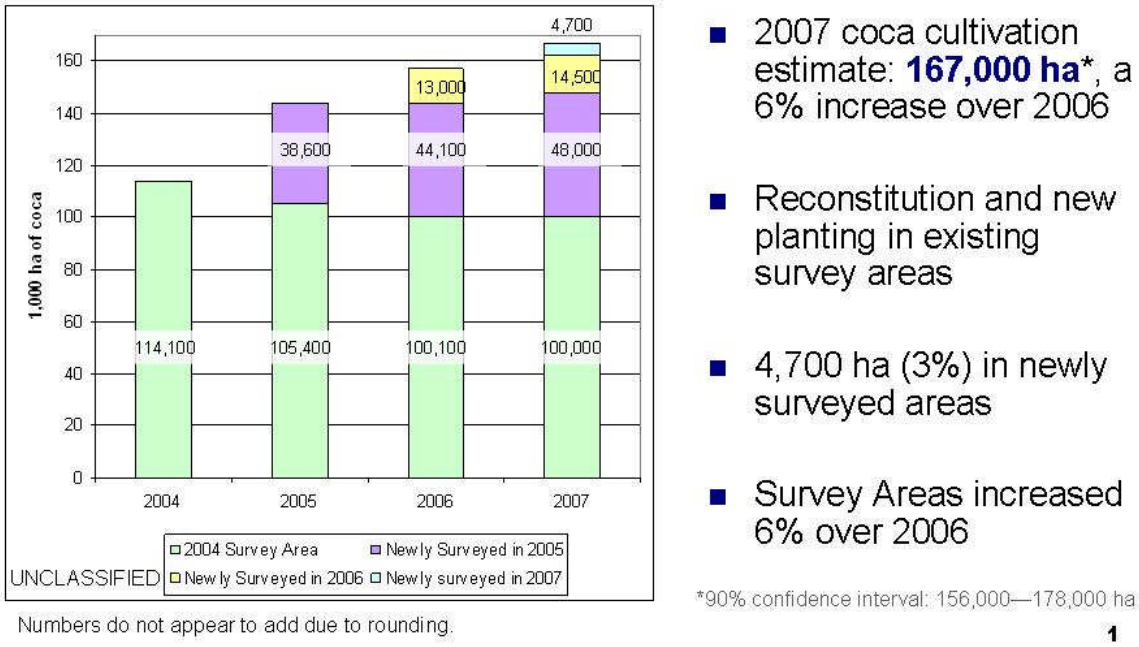
Improved technologies and analysis techniques also produce revisions to United States Government estimates of potential drug production. This is typical of annualized figures for most other areas of statistical tracking that must be revised year to year, whether the subject of analysis is the size of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

## Cultivation Estimates

With limited personnel and technical resources, we cannot look at an entire country for any hint of illicit cultivation. Analysts must, therefore concentrate their efforts on those areas that are most likely to have cultivation. Each year they review eradication data, seizure data, law enforcement investigations

information, the previous year's imagery, and other information to determine the areas likely to have cultivation. They try to improve upon the previous year's search area if possible. They then make their best effort to estimate cultivation in the new survey area using proven statistical techniques.

The resultant estimates meet the USG need for an annual gross estimate of cultivation for each country. They also help with eradication, interdiction and other law enforcement operations. As part of the effort to provide a better and more comprehensive assessment, the areas surveyed are often expanded and changed, so direct comparison with previous year estimates are often impossible. The Table below shows how expanded geographic search areas have added to the estimates for one country, Colombia.




## Harvest Estimates

The size of the harvest depends upon a number of other factors. Small changes in soil fertility, weather, farming techniques, and disease can produce widely varying results from year to year and place to place. To add to the uncertainty, most illicit drug crop areas are not easily accessible to the United States Government, making scientific information difficult to obtain. We continually strive to improve our harvest estimates. Our confidence in coca leaf yield estimates has improved in the past few years, based upon the results of field studies conducted in Latin America. Such studies led to a reduction in our estimates of average productivity for fields that had been sprayed with herbicide, but not completely destroyed. In such fields, some, but not all of the coca bushes survive. The farmers of the illicit crop either plant younger bushes among the surviving plants or let what is left grow until harvest. In either case, the average yield of such plots is considerably less than if it had not been sprayed. Multiple studies

in the same growing area over several years have helped us understand the effects of eradication and have helped us to measure the changes in average yield over time.

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

## Processing Estimates

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

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

## Other International Estimates

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

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

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

# *Worldwide Illicit Drug Cultivation*

## 2005–2009 (All Figures in Hectares)

| | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|
| ***Poppy*** | | | | | |
| ***Afghanistan*** | 107,400 | 172,600 | 202,000 | 157,000 | 131,000 |
| ***Burma*** | 40,000 | 21,000 | 21,700 | 22,500 | 17,000 |
| ***Colombia*** | | 2,300 | 1,000 | | in process |
| ***Guatemala*** | 100 | | | | |
| ***Laos*** | 5,600 | 1,700 | 1,100 | 1,900 | 1,000 |
| ***Mexico*** | 3,300 | 5,000 | 6,900 | 15,000 | in process |
| ***Pakistan*** | SEE NOTE BELOW | | | | |
| ***Total Poppy*** | 156,400 | 202,600 | 232,700 | 196,400 | 149000 |
| ***Coca*** | | | | | |
| ***Bolivia*** | 26,500 | 25,800 | 29,500 | 32,000 | in process |
| ***Colombia*** | 144,000 | 157,200 | 167,000 | 119,000 | in process |
| ***Peru*** | 34,000 | 42,000 | 36,000 | 41,000 | in process |
| ***Total Coca*** | 204,500 | 225,000 | 232,500 | 192,000 | 0 |
| ***Cannabis*** | | | | | |
| ***Mexico*** | 5,600 | 8,600 | 8,900 | 12,000 | in process |
| ***Total Cannabis*** | 5,600 | 8,600 | 8,900 | 12,000 | 0 |

Notes on Colombia poppy cultivation: Partial survey in 2009 due to cloud cover.
No survey was conducted in 2008.
Partial survey in 2007 due to cloud cover.
The 2005 survey could not be conducted due to cloud cover.

Note on Laos poppy cultivation: A partial survey of only the Phongsali growing area was conducted in 2009.

Notes on Pakistan poppy cultivation: There are no valid USG countrywide numbers for Pakistan. Please see the Pakistan Country Chapter for government of Pakistan estimates.

Notes on Peru cultivation: In the 2006 survey, the Cusco growing area could not be completed; the value for that area is an average of the 2005 and 2007 estimates.

Survey areas were expanded in 2005.

# *Worldwide Potential Illicit Drug Production*

**2005-2009 (All Figures in Metric Tons)**

| | *2005* | *2006* | *2007* | *2008* | *2009* |
|---|---|---|---|---|---|
| ***Opium*** | | | | | |
| ***Afghanistan*** | 4,475 | 5,644 | 8,000 | 5,500 | 5,300 |
| ***Burma*** | 380 | 230 | 270 | 340 | 250 |
| ***Colombia*** | | 37 | 15 | | in process |
| ***Guatemala*** | 4 | | | | |
| ***Laos*** | 28 | 8.5 | 5.5 | 17 | 10.6 |
| ***Mexico*** | 71 | 108 | 149 | 325 | in process |
| ***Pakistan*** | SEE NOTE BELOW | | | | |
| ***Total Opium*** | 4,958 | 6,027.5 | 8,439.5 | 6,182 | 5,560.6 |
| ***Coca Leaf*** | | | | | |
| ***Bolivia*** | 36,000 | 37,000 | 38,500 | 43,500 | in process |
| ***Colombia*** | 151,000 | 158,000 | 150,000 | 87,500 | in process |
| ***Peru*** | 52,000 | 54,500 | 43,500 | 43,500 | in process |
| ***Total Coca Leaf**** | 239,000 | 249,500 | 232,000 | 174,500 | 0 |
| ***Potential Pure Cocaine*** | | | | | |
| ***Bolivia*** | 115 | 115 | 120 | 195 | in process |
| ***Colombia*** | 525 | 550 | 535 | 295 | in process |
| ***Peru*** | 250 | 265 | 210 | 215 | in process |
| ***Total Potential Pure Cocaine*** | 890 | 930 | 865 | 705 | 0 |
| ***Cannabis*** | | | | | |
| ***Mexico (marijuana)*** | 10,100 | 15,500 | 15,800 | 21,500 | in process |
| ***Total Cannabis*** | 10,100 | 15,500 | 15,800 | 21,500 | 0 |

Notes on Colombia opium production: Partial survey in 2009 due to cloud cover. No survey was conducted in 2008. Partial survey in 2007 due to cloud cover. The 2005 survey could not be conducted due to cloud cover.

Note on Pakistan opium production: There are no valid USG countrywide numbers for Pakistan. Please see the Pakistan Country Chapter for government of Pakistan estimates.

Note on Laos poppy production: A partial survey of only the Phongsali growing area was conducted in 2009.

Note on Bolivia coca leaf production: In 2006, CNC revised the 2002-05 values due to new yield information.

Note on Colombia coca leaf production: New research in 2007 led to revised leaf and cocaine production figures for 2003—2006. Survey areas were expanded greatly in 2005, and to a lesser extent in 2006 and 2007.

Notes on Peru coca leaf production: In the 2006 survey, the Cusco growing area could not be completed; the value for that area is an average of the 2005 and 2007 estimates. Survey areas were expanded in 2005. The 2001- 2005 values were revised in 2007 to reflect new yield numbers for immature fields.

# *Parties to the 1988 UN Convention*

| Country | Date Signed | Date Became a Party |
|---|---|---|
| 1. Afghanistan | 20 December 1988 | 14 February 1992 |
| 2. Albania | Accession | 27 June 2001 |
| 3. Algeria | 20 December 1988 | 9 May 1995 |
| 4. Andorra | Accession | 23 July 1999 |
| 5. Angola | Accession | 26 October 2005 |
| 6. Antigua and Barbuda | Accession | 5 April 1993 |
| 7. Argentina | 20 December 1988 | 28 June 1993 |
| 8. Armenia | Accession | 13 September 1993 |
| 9. Australia | 14 February 1989 | 16 November 1992 |
| 10. Austria | 25 September 1989 | 11 July 1997 |
| 11. Azerbaijan | Accession | 22 September 1993 |
| 12. Bahamas | 20 December 1988 | 30 January 1989 |
| 13. Bahrain | 28 September 1989 | 7 February 1990 |
| 14. Bangladesh | 14 April 1989 | 11 October 1990 |
| 15. Barbados | Accession | 15 October 1992 |
| 16. Belarus | 27 February 1989 | 15 October 1990 |
| 17. Belgium | 22 May 1989 | 25 October 1995 |
| 18. Belize | Accession | 24 July 1996 |
| 19. Benin | Accession | 23 May 1997 |
| 20. Bhutan | Accession | 27 August 1990 |
| 21. Bolivia | 20 December 1988 | 20 August 1990 |
| 22. Bosnia and Herzegovina | Succession | 01 September 1993 |
| 23. Botswana | Accession | 13 August 1996 |
| 24. Brazil | 20 December 1988 | 17 July 1991 |
| 25. Brunei Darussalam | 26 October 1989 | 12 November 1993 |
| 26. Bulgaria | 19 May 1989 | 24 September 1992 |
| 27. Burkina Faso | Accession | 02 June 1992 |
| 28. Burundi | Accession | 18 February 1993 |
| 29. Cambodia | Accession | 7 July 2005 |
| 30. Cameroon | 27 February 1989 | 28 October 1991 |
| 31. Canada | 20 December 1988 | 05 July 1990 |
| 32. Cape Verde | Accession | 08 May 1995 |
| 33. Central African Republic | Accession | 15 October 2001 |
| 34. Chad | Accession | 09 June 1995 |

| Country | Date Signed | Date Became a Party |
|---|---|---|
| 35. Chile | 20 December 1988 | 13 March 1990 |
| 36. China | 20 December 1988 | 25 October 1989 |
| 37. Colombia | 20 December 1988 | 10 June 1994 |
| 38. Comoros | Accession | 1 March 2000 |
| 39. Congo, Democratic Republic of | | 28 October 2005 |
| 40. Cook Islands | Accession | 22 February 2005 |
| 41. Costa Rica | 25 April 1989 | 8 February 1991 |
| 42. Cote d'Ivoire | 20 December 1988 | 25 November 1991 |
| 43. Croatia | Succession | 26 July 1993 |
| 44. Cuba | 7 April 1989 | 12 June 1996 |
| 45. Cyprus | 20 December 1988 | 25 May 1990 |
| 46. Czech Republic | Succession | 30 December 1993 |
| 47. Democratic People's Republic of Korea | Accession | 19 March 2007 |
| 48. Democratic Republic of the Congo | 20 December 1988 | 28 October 2005 |
| 49. Denmark | 20 December 1988 | 19 December 1991 |
| 50. Djibouti | Accession | 22 February 2001 |
| 51. Dominica | Accession | 30 June 1993 |
| 52. Dominican Republic | Accession | 21 September 1993 |
| 53. Ecuador | 21 June 1989 | 23 March 1990 |
| 54. Egypt | 20 December 1988 | 15 March 1991 |
| 55. El Salvador | Accession | 21 May 1993 |
| 56. Eritrea | Accession | 30 January 2002 |
| 57. Estonia | Accession | 12 July 2000 |
| 58. Ethiopia | Accession | 11 October 1994 |
| 59. European Economic Community | 8 June 1989 | 31 December 1990 |
| 60. Fiji | Accession | 25 March 1993 |
| 61. Finland | 8 February 1989 | 15 February 1994 |
| 62. France | 13 February 1989 | 31 December 1990 |
| 63. Gabon | 20 December 1989 | 10 July 2006 |
| 64. Gambia | Accession | 23 April 1996 |
| 65. Georgia | Accession | 8 January 1998 |
| 66. Germany | 19 January 1989 | 30 November 1993 |
| 67. Ghana | 20 December 1988 | 10 April 1990 |
| 68. Greece | 23 February 1989 | 28 January 1992 |
| 69. Grenada | Accession | 10 December 1990 |
| 70. Guatemala | 20 December 1988 | 28 February 1991 |
| 71. Guinea | Accession | 27 December 1990 |

| Country | Date Signed | Date Became a Party |
|---|---|---|
| 72. Guinea-Bissau | Accession | 27 October 1995 |
| 73. Guyana | Accession | 19 March 1993 |
| 74. Haiti | Accession | 18 September 1995 |
| 75. Honduras | 20 December 1988 | 11 December 1991 |
| 76. Hungary | 22 August 1989 | 15 November 1996 |
| 77. Iceland | Accession | 2 September 1997 |
| 78. India | Accession | 27 March 1990 |
| 79. Indonesia | 27 March 1989 | 23 February 1999 |
| 80. Iran | 20 December 1988 | 7 December 1992 |
| 81. Iraq | Accession | 22 July 1998 |
| 82. Ireland | 14 December 1989 | 3 September 1996 |
| 83. Israel | 20 December 1988 | 20 May 2002 |
| 84. Italy | 20 December 1988 | 31 December 1990 |
| 85. Jamaica | 2 October 1989 | 29 December 1995 |
| 86. Japan | 19 December 1989 | 12 June 1992 |
| 87. Jordan | 20 December 1988 | 16 April 1990 |
| 88. Kazakhstan | Accession | 29 April 1997 |
| 89. Kenya | Accession | 19 October 1992 |
| 90. Korea | Accession | 28 December 1998 |
| 91. Kuwait | 2 October 1989 | 3 November 2000 |
| 92. Kyrgyz Republic | Accession | 7 October 1994 |
| 93. Lao Peoples Democratic Republic | Accession | 1 October 2004 |
| 94. Latvia | Accession | 24 February 1994 |
| 95. Lebanon | Accession | 11 March 1996 |
| 96. Lesotho | Accession | 28 March 1995 |
| 97. Liberia | Accession | 16 September 2005 |
| 98. Libyan Arab Jamahiriya | Accession | 22 July 1996 |
| 99. Liechtenstein | Accession | 9 March 2007 |
| 100. Lithuania | Accession | 8 June 1998 |
| 101. Luxembourg | 26 September 1989 | 29 April 1992 |
| 102. Macedonia, Former Yugoslav Rep. | Accession | 13 October 1993 |
| 103. Madagascar | Accession | 12 March 1991 |
| 104. Malawi | Accession | 12 October 1995 |
| 105. Malaysia | 20 December 1988 | 11 May 1993 |
| 106. Maldives | 5 December 1989 | 7 September 2000 |

| Country | Date Signed | Date Became a Party |
|---|---|---|
| 107. Mali | Accession | 31 October 1995 |
| 108. Malta | Accession | 28 February 1996 |
| 109. Mauritania | 20 December 1988 | 1 July 1993 |
| 110. Mauritius | 20 December 1988 | 6 March 2001 |
| 111. Mexico | 16 February 1989 | 11 April 1990 |
| 112. Micronesia, Federal States of | Accession | 6 July 2004 |
| 113. Moldova | Accession | 15 February 1995 |
| 114. Monaco | 24 February 1989 | 23 April 1991 |
| 115. Mongolia | Accession | 25 June 2003 |
| 116. Morocco | 28 December 1988 | 28 October 1992 |
| 117. Mozambique | Accession | 8 June 1998 |
| 118. Myanmar (Burma) | Accession | 11 June 1991 |
| 119. Namibia | Accession | 6 March 2009 |
| 120. Nepal | Accession | 24 July 1991 |
| 121. Netherlands | 18 January 1989 | 8 September 1993 |
| 122. New Zealand | 18 December 1989 | 16 December 1998 |
| 123. Nicaragua | 20 December 1988 | 4 May 1990 |
| 124. Niger | Accession | 10 November 1992 |
| 125. Nigeria | 1 March 1989 | 1 November 1989 |
| 126. Norway | 20 December 1988 | 14 November 1994 |
| 127. Oman | Accession | 15 March 1991 |
| 128. Pakistan | 20 December 1988 | 25 October 1991 |
| 129. Panama | 20 December 1988 | 13 January 1994 |
| 130. Paraguay | 20 December 1988 | 23 August 1990 |
| 131. Peru | 20 December 1988 | 16 January 1992 |
| 132. Philippines | 20 December 1988 | 7 June 1996 |
| 133. Poland | 6 March 1989 | 26 May 1994 |
| 134. Portugal | 13 December 1989 | 3 December 1991 |
| 135. Qatar | Accession | 4 May 1990 |
| 136. Romania | Accession | 21 January 1993 |
| 137. Russia | 19 January 1989 | 17 December 1990 |
| 138. Rwanda | Accession | 13 May 2002 |
| 139. St. Kitts and Nevis | Accession | 19 April 1995 |
| 140. St. Lucia | Accession | 21 August 1995 |
| 141. St. Vincent and the Grenadines | Accession | 17 May 1994 |
| 142. Samoa | Accession | 19 August 2005 |
| 143. San Marino | Accession | 10 October 2000 |

| Country | Date Signed | Date Became a Party |
|---|---|---|
| 144. Sao Tome and Principe | Accession | 20 June 1996 |
| 145. Saudi Arabia | Accession | 9 January 1992 |
| 146. Senegal | 20 December 1988 | 27 November 1989 |
| 147. Seychelles | Accession | 27 February 1992 |
| 148. Sierra Leone | 9 June 1989 | 6 June 1994 |
| 149. Singapore | Accession | 23 October 1997 |
| 150. Slovakia | Succession | 28 May 1993 |
| 151. Slovenia | Succession | 6 July 1992 |
| 152. South Africa | Accession | 14 December 1998 |
| 153. Spain | 20 December 1988 | 13 August 1990 |
| 154. Sri Lanka | Accession | 6 June 1991 |
| 155. Sudan | 30 January 1989 | 19 November 1993 |
| 156. Suriname | 20 December 1988 | 28 October 1992 |
| 157. Swaziland | Accession | 3 October 1995 |
| 158. Sweden | 20 December 1988 | 22 July 1991 |
| 159. Switzerland | 16 November 1989 | 14 September 2005 |
| 160. Syria | Accession | 3 September 1991 |
| 161. Tajikistan | Accession | 6 May 1996 |
| 162. Thailand | Accession | 3 May 2002 |
| 163. Tanzania | 20 December 1988 | 17 April 1996 |
| 164. Togo | 3 August 1989 | 1 August 1990 |
| 165. Tonga | Accession | 29 April 1996 |
| 166. Trinidad and Tobago | 7 December 1989 | 17 February 1995 |
| 167. Tunisia | 19 December 1989 | 20 September 1990 |
| 168. Turkey | 20 December 1988 | 2 April 1996 |
| 169. Turkmenistan | Accession | 21 February 1996 |
| 170. UAE | Accession | 12 April 1990 |
| 171. Uganda | Accession | 20 August 1990 |
| 172. Ukraine | 16 March 1989 | 28 August 1991 |
| 173. United Kingdom | 20 December 1988 | 28 June 1991 |
| 174. United States | 20 December 1988 | 20 February 1990 |
| 175. Uruguay | 19 December 1989 | 10 March 1995 |
| 176. Uzbekistan | Accession | 24 August 1995 |
| 177. Vanuatu | | 26 January 2006 |
| 178. Venezuela | 20 December 1988 | 16 July 1991 |
| 179. Vietnam | Accession | 4 November 1997 |
| 180. Yemen | 20 December 1988 | 25 March 1996 |

| Country | Date Signed | Date Became a Party |
|---|---|---|
| 181. Yugoslavia | 20 December 1988 | 3 January 1991 |
| 182. Zambia | 9 February 1989 | 28 May 1993 |
| 183. Zimbabwe | Accession | 30 July 1993 |
| **Signed but Pending Ratification** | | |
| 1. Holy See | 20 December 1988 | |
| **Other** | | |
| 1. Anguilla | | Not UN member |
| 2. Aruba | | Not UN member |
| 3. Bermuda | | |
| 4. BVI | | Not UN member |
| 5. Republic of the Congo | | |
| 6. Hong Kong | | Not UN member |
| 7. Marshall Islands | | |
| 8. Papua New Guinea | | |
| 9. Taiwan | | Not UN member |
| 10. Turks & Caicos | | Not UN member |

# USG ASSISTANCE

# Department of State (INL) Budget ($000)

| | FY 2008 Base | FY 2008 Supp | FY 2009 Bridge Supp | FY 2009 Base | FY 2009 Spring Supp | FY 2010 Estimate |
|---|---|---|---|---|---|---|
| ***Andean Counterdrug Program (ACP)*** [1] | | | | | | |
| ***Bolivia*** | 30,154 | 0 | 0 | 26,000 | 0 | 0 |
| ***Brazil*** | 992 | 0 | 0 | 1,000 | 0 | 0 |
| ***Colombia*** [2] | 244,618 | 0 | 0 | 230,128 | 0 | 0 |
| ***Ecuador*** | 7,042 | 0 | 0 | 7,500 | 0 | 0 |
| ***Panama*** | 992 | 0 | 0 | 2,200 | 0 | 0 |
| ***Peru*** | 36,546 | 0 | 0 | 47,672 | 0 | 0 |
| ***Venezuela*** | 0 | 0 | 0 | 500 | 0 | 0 |
| ***TOTAL ACP*** | 320,344 | 0 | 0 | 315,000 | 0 | 0 |
| ***International Narcotics Control and Law Enforcement (INCLE)*** | | | | | | |
| ***Africa*** | | | | | | |
| ***Africa Regional (TSCTP)*** | 0 | 0 | 0 | 3,000 | 0 | 2,500 |
| ***Africa Regional (West)*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Benin*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Burkina Faso*** | 0 | 0 | 0 | 100 | 0 | 0 |
| ***Cape Verde*** | 377 | 0 | 0 | 500 | 0 | 603 |
| ***Democratic Republic of Congo*** | 1,488 | 0 | 0 | 1,500 | 0 | 1,700 |
| ***Djibouti*** | 298 | 0 | 0 | 300 | 0 | 0 |
| ***Ethiopia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Gambia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Ghana*** | 496 | 0 | 0 | 500 | 0 | 500 |

[1] ***In FY 2010, the ACP account was merged with the INCLE account.***

[2] ***FY 2008 transfer of $2.48 million of ACP to Foreign Military Financing account (Colombia Armed Forces for manual eradication). FY 2008 transfer of $2.48 million of ACP to INCLE (Colombia National Police for manual eradication)***

| | FY 2008 Base | FY 2008 Supp | FY 2009 Bridge Supp | FY 2009 Base | FY 2009 Spring Supp | FY 2010 Estimate |
|---|---|---|---|---|---|---|
| ***Guinea*** | 0 | 0 | 0 | 100 | 0 | 0 |
| ***Guinea-Bissau*** | 719 | 0 | 0 | 100 | 0 | 1,500 |
| ***Kenya*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Liberia*** | 4,096 | 0 | 0 | 4,130 | 0 | 6,000 |
| ***Mali*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Mauritania*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Mozambique*** | 0 | 0 | 0 | 0 | 0 | 300 |
| ***Niger*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Nigeria*** | 590 | 0 | 0 | 720 | 0 | 500 |
| ***Senegal*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Sierra Leone*** | 0 | 0 | 0 | 250 | 0 | 250 |
| ***Somalia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***South Africa*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Sudan*** | 13,578 | 0 | 0 | 15,400 | 0 | 16,000 |
| ***Sudan (from Recession)*** | 0 | 10,000 | 0 | 0 | 0 | 0 |
| ***Tanzania*** | 0 | 0 | 0 | 0 | 0 | 450 |
| ***Togo*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Uganda*** | 0 | 0 | 0 | 0 | 0 | 235 |
| ***Zambia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Subtotal, Africa*** | 21,642 | 10,000 | 0 | 26,600 | 0 | 30,538 |
| | | | | | | |
| ***East Asia and the Pacific*** | | | | | | |
| ***Cambodia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***China*** | 0 | 0 | 0 | 600 | 0 | 800 |
| ***East Asia and Pacific Regional*** | 0 | 0 | 0 | 0 | 0 | 1,300 |
| ***Indonesia*** | 6,150 | 0 | 0 | 6,150 | 0 | 11,570 |
| ***Laos*** | 1,567 | 0 | 0 | 1,000 | 0 | 1,000 |
| ***Malaysia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Mongolia*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Philippines*** | 794 | 0 | 0 | 800 | 0 | 1,365 |
| ***Thailand*** | 1,686 | 0 | 0 | 1,400 | 0 | 1,740 |

| | FY 2008 Base | FY 2008 Supp | FY 2009 Bridge Supp | FY 2009 Base | FY 2009 Spring Supp | FY 2010 Estimate |
|---|---|---|---|---|---|---|
| ***Timor-Leste*** | 20 | 0 | 0 | 20 | 0 | 800 |
| ***Vietnam*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Subtotal, East Asia and the Pacific*** | 10,217 | 0 | 0 | 9,970 | 0 | 18,575 |
| ***Europe*** | | | | | | |
| ***Turkey*** | 298 | 0 | 0 | 300 | 0 | 0 |
| ***Subtotal, Europe*** | 298 | 0 | 0 | 300 | 0 | 0 |
| ***Near East*** | | | | | | |
| ***Algeria*** | 198 | 0 | 0 | 0 | 0 | 0 |
| ***Egypt*** | 1,984 | 0 | 0 | 2,000 | 0 | 1,000 |
| ***Iraq*** | 0 | 85,000 | 0 | 0 | 20,000 | 52,000 |
| ***Israel*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Jordan*** | 1,488 | 0 | 0 | 1,000 | 0 | 1,500 |
| ***Lebanon*** | 496 | 0 | 0 | 6,000 | 0 | 20,000 |
| ***Morocco*** | 496 | 0 | 0 | 1,000 | 0 | 750 |
| ***NEA Regional (TSCTP)*** | 0 | 0 | 0 | 0 | 0 | 2,000 |
| ***Tunisia*** | 198 | 0 | 0 | 0 | 0 | 0 |
| ***West Bank/Gaza*** | 0 | 25,000 | 50,000 | 25,000 | 109,000 | 100,000 |
| ***Yemen*** | 496 | 0 | 0 | 0 | 0 | 1,000 |
| ***Subtotal, Near East*** | 5,356 | 110,000 | 50,000 | 35,000 | 129,000 | 178,250 |
| ***South and Central Asia*** | | | | | | |
| ***Afghanistan*** | 272,574 | 35,000 | 101,000 | 250,000 | 133,000 | 420,000 |
| ***Bangladesh*** | 198 | 0 | 0 | 200 | 0 | 350 |
| ***Nepal*** | 30 | 0 | 0 | 330 | 0 | 3,700 |
| ***Pakistan*** | 21,822 | 0 | 0 | 22,000 | 65,500 | 130,000 |
| ***Sri Lanka*** | 20 | 0 | 0 | 20 | 0 | 0 |
| ***Subtotal—South and Central Asia*** | 294,644 | 35,000 | 101,000 | 272,550 | 198,500 | 554,050 |

| | FY 2008 Base | FY 2008 Supp | FY 2009 Bridge Supp | FY 2009 Base | FY 2009 Spring Supp | FY 2010 Estimate |
|---|---|---|---|---|---|---|
| ***Western Hemisphere*** | | | | | | |
| ***Argentina*** | 198 | 0 | 0 | 305 | 0 | 300 |
| ***Bahamas*** | 496 | 0 | 0 | 500 | 0 | 0 |
| ***Bolivia*** | 0 | 0 | 0 | 0 | 0 | 20,000 |
| ***Brazil*** | 0 | 0 | 0 | 0 | 0 | 1,000 |
| ***Chile*** | 99 | 0 | 0 | 0 | 0 | 0 |
| ***Colombia*** | 0 | 0 | 0 | 0 | 0 | 248,900 |
| ***Colombia (Rule of Law/Judicial/Human Rights)*** | 41,908 | 0 | 0 | 45,000 | 0 | 0 |
| ***Colombia—Transfer from ACP for CNP Eradication Support*** | 2,479 | 0 | 0 | 0 | 0 | 0 |
| ***Costa Rica*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Dominican Republic*** | 992 | 2,500 | 0 | 3,650 | 0 | 4,450 |
| ***Eastern Caribbean*** | 496 | 0 | 0 | 500 | 0 | 0 |
| ***Ecuador*** | 0 | 0 | 0 | 0 | 0 | 4,500 |
| ***El Salvador*** | 744 | 0 | 0 | 0 | 0 | 0 |
| ***Guatemala*** | 3,472 | 0 | 0 | 3,000 | 0 | 0 |
| ***Guyana*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Haiti*** | 8,927 | 2,500 | 0 | 17,500 | 0 | 21,107 |
| ***Honduras*** | 744 | 0 | 0 | 0 | 0 | 0 |
| ***Jamaica*** | 992 | 0 | 0 | 1,010 | 0 | 0 |
| ***Mexico*** | 26,553 | 215,500 | 48,000 | 246,000 | 160,000 | 190,000 |
| ***Nicaragua*** | 972 | 0 | 0 | 0 | 0 | 0 |
| ***Panama*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Paraguay*** | 278 | 0 | 0 | 300 | 0 | 500 |
| ***Peru*** | 0 | 0 | 0 | 0 | 0 | 40,000 |
| ***Suriname*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Trinidad and Tobago*** | 397 | 0 | 0 | 400 | 0 | 0 |
| ***Venezuela*** | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Subtotal, Western Hemisphere*** | 89,747 | 245,300 | 48,000 | 388,165 | 160,000 | 612,364 |

| | FY 2008 Base | FY 2008 Supp | FY 2009 Bridge Supp | FY 2009 Base | FY 2009 Spring Supp | FY 2010 Estimate |
|---|---|---|---|---|---|---|
| ***Centrally-Managed*** | | | | | | |
| ***Criminal Youth Gangs*** | 7,935 | 0 | 0 | 5,000 | 0 | 8,000 |
| ***Demand Reduction/Drug Awareness*** | 11,903 | 0 | 0 | 10,000 | 0 | 14,000 |
| ***International Organizations*** | 3,967 | 0 | 0 | 4,900 | 0 | 4,500 |
| ***CICAD*** | 1,407 | 0 | 0 | 1,563 | 0 | 1,000 |
| ***UNODC*** | 2,110 | 0 | 0 | 2,853 | 0 | 3,500 |
| ***USEU*** | 450 | 0 | 0 | 484 | 0 | 0 |
| ***Interregional Aviation Support*** | 54,654 | 0 | 0 | 52,420 | 0 | 60,088 |
| ***Critical Flight Safety Program*** | 0 | 0 | 0 | 0 | 0 | 20,750 |
| ***Trafficking in Persons*** | 5,951 | 0 | 0 | 8,400 | 0 | 9,262 |
| ***INL Anticrime Programs*** | 11,903 | 0 | 0 | 14,441 | 0 | 15,900 |
| ***Alien Smuggling/Border Security*** | 992 | 0 | 0 | 1,347 | 0 | 1,000 |
| ***Cyber Crime and IPR*** | 3,472 | 0 | 0 | 5,000 | 0 | 5,000 |
| ***Fighting Corruption*** | 3,967 | 0 | 0 | 4,347 | 0 | 4,750 |
| ***International Organized Crime*** | 0 | 0 | 0 | 0 | 0 | 1,000 |
| ***Financial Crimes/Money Laundering/CT*** | 3,472 | 0 | 0 | 3,747 | 0 | 4,150 |
| ***Global Peacekeeping Operations Initiative*** | 0 | 0 | 0 | 3,000 | 0 | 5,000 |
| ***Civilian Police Program*** | 1,984 | 0 | 0 | 5,400 | 0 | 4,000 |
| ***ILEA Operations*** | 18,846 | 0 | 0 | 17,000 | 0 | 37,200 |
| ***PD&S*** | 19,342 | 0 | 0 | 21,854 | 0 | 24,523 |
| ***Subtotal, Centrally-Managed*** | 136,485 | 0 | 0 | 142,415 | 0 | 203,223 |
| ***TOTAL INCLE*** | 558,389 | 400,300 | 199,000 | 875,000 | 487,500 | 1,597,000 |
| ***TOTAL BUDGET*** | 878,733 | 400,300 | 199,000 | 1,190,000 | 487,500 | 1,597,000 |

# International Training

International counternarcotics training is managed/funded by INL and carried out by the DEA, U.S. Customs and Border Service, and U.S. Coast Guard. Major objectives are:

- Contributing to the basic infrastructure for carrying out counternarcotics law enforcement activities in countries which cooperate with and are considered significant to U.S. narcotics control efforts;
- Improving technical skills of drug law enforcement personnel in these countries; and
- Increasing cooperation between U.S. and foreign law enforcement officials.

INL training continues to focus on encouraging foreign law enforcement agency self-sufficiency through infrastructure development. The overarching goal of our counternarcotics efforts overseas is to support effective host country enforcement institutions, which can remove drugs from circulation before they can reach the United States. U.S. law enforcement personnel stationed overseas help promote creation of host government systems that improve cooperation and joint efforts with the United States.

The regional training provided at the ILEAs consists of both general law enforcement training as well as specialized training for mid-level managers in police and other law enforcement agencies.

INL-funded training supports the major U.S. and international strategies for combating narcotics trafficking worldwide. Emphasis is placed on contributing to the training and assistance activities of international organizations, such as the UNODC and the OAS. Through the meetings of major donors, the Dublin Group, UNODC and other international meetings, we will coordinate with other providers of training, and urge them to shoulder greater responsibility in providing training which serves their particular strategic interests.

INL will maintain its role of coordinating the activities of U.S. law enforcement agencies in response to requests for assistance from U.S. Embassies. This will avoid duplication of effort and ensure that training presentations represent the full range of USG policies and procedures.

# International Law Enforcement Academies (ILEAs)

The mission of the regional International Law Enforcement Academies (ILEAs) is to support emerging democracies, help protect U.S. interests through international cooperation, and promote social, political and economic stability by combating crime. To achieve these goals, the ILEA program has provided high-quality training and technical assistance, supported institution building and enforcement capability development, and fostered relationships of American law enforcement agencies with their counterparts around the world. ILEAs have also encouraged strong partnerships among regional countries to address common problems associated with criminal activity.

The ILEA concept and philosophy is the result of a united effort by all participants—government agencies and ministries, trainers, managers, and students—to achieve the common foreign policy goal of coordinated international law enforcement around the globe. This goal is to train professionals who will shape the future of the rule of law, human dignity, personal safety and global security.

The ILEAs address regional law enforcement priorities. The regional ILEAs offer three different types of programs. The Core program, a series of specialized training courses and seminars tailored to region-specific needs and emerging global threats. The core program typically includes 50 participants, normally from three or more countries. The specialized courses, comprised of about 30 participants, are normally

one or two weeks long. Lastly, regional seminars present various law enforcement topics such as transnational crimes, financial crimes, and counterterrorism.

The ILEAs help to develop an extensive network of alumni who exchange information with their regional and U.S. counterparts and assist in transnational investigations. Many ILEA graduates become the leaders and decision-makers in their respective societies. The Department of State works with the Departments of Justice (DOJ), Homeland Security (DHS) and the Treasury, and with foreign governments to implement the ILEA programs. To date, the combined ILEAs have trained close to 30,000 officials from over 85 countries in Africa, Asia, Europe and Latin America.

## Africa.

ILEA Gaborone (Botswana) opened in 2001. Its main feature is a six-week intensive professional development program—the Law Enforcement Executive Development Program (LEEDP)—designed for law enforcement mid-level managers. The LEEDP brings together approximately 40 participants from several nations for instruction in areas such as combating transnational criminal activity, supporting democracy by stressing the rule of law in international and domestic police operations, and overall professional development through enhanced leadership and management techniques. ILEA Gaborone also offers specialized courses for police and other criminal justice officials to boost their capacity to work with U.S. and regional counterparts. These courses concentrate on specific methods and techniques in a variety of subjects, such as counterterrorism, anticorruption, financial crimes, border security, drug enforcement, firearms, wildlife investigation and many others.

Instruction is provided to participants from Angola, Botswana, Burundi, Cameroon, Comoros, Djibouti, Ethiopia, Gabon, Ghana, Kenya, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Republic of Congo, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, Swaziland, Tanzania, Uganda and Zambia. Trainers from the United States and Botswana provide instruction. ILEA Gaborone trains approximately 500 students annually.

## Asia.

ILEA Bangkok (Thailand) opened in March 1999. ILEA Bangkok focuses on enhancing regional cooperation against transnational crime threats in Southeast Asia, primarily illicit drug trafficking, financial crimes, and human trafficking. ILEA Bangkok provides a Core course—the Supervisory Criminal Investigator Course (SCIC)—designed to strengthen management and technical skills for supervisory criminal investigators and other criminal justice managers. In addition, it also presents about 20 specialized courses—each lasting one to two weeks—on a variety of criminal justice topics. The principal objectives of the ILEA are the development of effective law enforcement cooperation within the member countries of the Association of Southeast Asian Nations (ASEAN), Timor Leste and China (including Hong Kong and Macau), and the strengthening of each country's criminal justice institutions to increase its abilities to cooperate in the suppression of transnational crime.

Instruction is provided to participants from Brunei, Cambodia, China, Hong Kong, Indonesia, Laos, Macau, Malaysia, Philippines, Singapore, Thailand, Timor Leste and Vietnam. Subject matter experts from the United States, Thailand, Japan, Philippines, Australia and Hong Kong provide instruction. ILEA Bangkok has offered specialized courses on money laundering/terrorist financing-related topics such as Computer Crime Investigations (presented by FBI) and Complex Financial Investigations (presented by IRS). ILEA Bangkok trains approximately 800 students annually.

## Europe.

ILEA Budapest (Hungary) opened in 1995. Its mission has been to support the region's emerging democracies by combating an increase in criminal activity that emerged against the backdrop of economic and political restructuring following the collapse of the Soviet Union. ILEA Budapest offers three

different types of programs: an eight-week Core course, Regional Seminars and Specialized courses in a variety of criminal justice topics. Instruction is provided to participants from Albania, Armenia, Azerbaijan, Bulgaria, Croatia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Macedonia, Moldova, Montenegro, Romania, Russia, Serbia, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

Trainers from 17 federal agencies and local jurisdictions from the United States, Hungary, Germany, United Kingdom, Netherlands, Ireland, Italy, Russia, Interpol and the Council of Europe provide instruction. ILEA Budapest has offered specialized courses on money laundering/terrorist financing-related topics such as Investigating/Prosecuting Organized Crime and Transnational Money Laundering (both presented by DOJ/OPDAT). ILEA Budapest trains approximately 1000 students annually.

## Global.

ILEA Roswell (New Mexico) opened in September 2001. It offers a curriculum comprised of courses similar to those provided at a typical Criminal Justice university/college. These three-week courses have been designed and are taught by academicians for foreign law enforcement officials. This Academy is unique in its format and composition with a strictly academic focus and a worldwide student body. The participants are middle to senior level-law enforcement and criminal justice officials from Eastern Europe; Russia, the states of the former Soviet Union; Association of Southeast Asian Nations (ASEAN) member countries; and the People's Republic of China (including the Special Autonomous Regions of Hong Kong and Macau); and member countries of the Southern African Development Community (SADC) plus other East and West African countries; and the Caribbean and Central and South American countries. The students are drawn from pools of ILEA graduates from the Academies in Bangkok, Budapest, Gaborone, San Salvador and the ILEA Regional Training Center (RTC) in Lima. ILEA Roswell trains approximately 350 students annually.

## Latin America.

ILEA San Salvador (El Salvador) opened in 2005. Its training program is similar to the ILEAs in Bangkok, Budapest and Gaborone. It offers a six-week Law Enforcement Management Development Program (LEMDP) for law enforcement and criminal justice officials as well as specialized courses for police, prosecutors, and judicial officials. ILEA San Salvador normally delivers four LEMDP sessions and approximately 20 Specialized courses annually, concentrating on attacking international terrorism, illegal trafficking in drugs, alien smuggling, terrorist financing and financial crimes investigations. Segments of the LEMDP focus on terrorist financing (presented by the FBI) and financial evidence/money laundering application (presented by DHS/FLETC and IRS). Instruction is provided to participants from: Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent, Suriname, Trinidad and Tobago, Uruguay and Venezuela. ILEA San Salvador trains approximately 500 students per year.

The ILEA Regional Training Center in Lima (Peru) opened in 2007 to complement the mission of ILEA San Salvador. The RTC, expected to be upgraded to a fully-operational ILEA in the future, augments the delivery of region-specific training for Latin America and concentrates on specialized courses on critical topics for countries in the Southern Cone and Andean Regions. The RTC trains approximately 300 students per year

# Drug Enforcement Administration

The primary responsibility of the Drug Enforcement Administration (DEA) is to reduce the threat posed to our nation by illicit narcotics through vigorous law enforcement. The majority of illegal drugs impacting American society are produced outside of the United States and smuggled into our country. These illegal drugs are smuggled from their country of origin and often transit other nations before arriving in the United States. Thus, a strong international commitment to counternarcotics law enforcement is required to address this menace. In cooperation with other U.S. agencies and foreign law enforcement counterparts, DEA strives to disrupt the illicit narcotics distribution chain, arrest and prosecute those involved in all aspects of the illegal drug trade and seize their profits and assets.

DEA's contribution to our nation's international counternarcotics strategy is significantly enhanced through the 83 offices located in 62 countries that DEA maintains worldwide. These overseas offices work in close cooperation with DEA's U.S.-based offices to seamlessly pursue narcotics criminals domestic and foreign. DEA's overseas offices have the following key missions:

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

The emphasis placed on each component is determined by conditions and circumstances within the host nation. In nations where the law enforcement infrastructure is advanced and well developed, DEA can focus on joint enforcement and joint intelligence gathering activities with host law enforcement. In countries lacking a robust law enforcement capability, DEA personnel may provide training assistance to help host enforcement increase their capacity for effective law enforcement. The following sections highlight the assistance and joint enforcement work in which DEA played a crucial role during 2009.

## Bilateral Investigative Activities

### *Drug Flow Attack Strategy*

The primary objective of DEA's Drug Flow Attack Strategy is to cause major disruption to the flow of drugs, money, and chemicals between the source zones and the United States.

### *Drug Flow Attack Strategy Highlights:*

- As part of DEA's continued strategy to put sustained pressure on the Mexican cartels, Special Operations Division (SOD), with investigative support from DEA New York and DEA Houston, worked with the Department of State and the Department of the Treasury's Office of Foreign Assets Control (OFAC) to designate leaders of the Gulf Cartel / Los Zetas Cartel as Narcotics Kingpins, with Department of State rewards offered for their capture. After Los Zetas was designated, the Departments of Justice, State and Treasury announced coordinated actions against Los Zetas Drug Trafficking Organizations (DTO), now known as the "Company" and other narcotics trafficking DTOs: Antonio Ezequiel Cardenas-Guillen, Jorge Eduardo Costilla-Sanchez, Heriberto Lazcano-Lazcano and Miguel Trevino-Morales, high-level Mexican leaders of the Company and 15 of their top lieutenants, were charged in U.S. federal courts with drug

trafficking-related crimes. The Department of State announced rewards of up to $50 million, collectively, for information leading to the capture of these drug traffickers, and other specially designated Narcotics Kingpins from the Company.

- On April 14, 2009, Ignacio Leal Garcia was arrested by the Colombian police. Ignacio Leal Garcia, a.k.a. "Camilo" & "El Tuerto" is the reputed political and financial leader of the Revolutionary Armed Forces of Colombia (FARC) "Eastern Bloc." The Eastern Bloc allegedly controls 2,200 hectares (5,430 acres) of coca leaf plantations that yield an estimated 17 tons, or $901 million worth of cocaine a year.
- On October 7, 2008, Jose Maria Corredor-Ibague aka "Boyaco" and his wife Carolina Yanave aka "La Negra" were extradited to the U.S. from Colombia. Two years earlier, Boyaco had been located and arrested by Colombian authorities in a remote location in Colombia. To secure the extradition to the U.S., DEA and DOJ/NDDS presented evidence to a federal grand jury in Washington, D.C. that resulted in a true bill for a superseding indictment of Boyaco for Narco-terrorism, and Drug Importation.

On August 20, 2009, U.S. Attorney General Eric Holder announced in a press conference that 43 defendants in the U.S. and Mexico, including ten alleged Mexican drug cartel leaders, were charged in 12 indictments in U.S. federal courts in Brooklyn and Chicago. This enforcement effort was coordinated by DEA under Operation Buzz Kill. The alleged leaders, Joaquin "el Chapo" Guzman-Loera, Ismael "el Mayo" Zambada-Garcia and Arturo Beltran-Leyva and other high-ranking members of several of Mexico's most powerful drug cartels were charged with operating continuing criminal enterprises or participating in international drug trafficking conspiracies. Each of the three cartel leaders is designated as a Consolidated Priority Organization Target (CPOT) by the Organized Crime Drug Enforcement Task Force (OCDETF). Seven other cartel leaders were also charged in the indictments. Together, the four Brooklyn and eight Chicago indictments charge that between 1990 and December 2008, Guzman-Loera, Ismael Zambada-Garcia, Arturo Beltran-Leyva and others were responsible for importing into the U.S. and distributing nearly 200 metric tons of cocaine, additional large quantities of heroin, and the bulk smuggling from the U.S. to Mexico of more than $5.8 billion in cash proceeds from narcotics sales throughout the U.S. and Canada. The indictments collectively seek forfeiture of more than $5.8 billion in drug proceeds. Also, more than 32,500 kilograms of cocaine have already been seized, including approximately 3,000 kilograms seized during the Chicago investigation, approximately 7,500 kilograms seized during the New York investigation and 22,500 kilograms seized previously that were later linked to the activities of the Federation. The indictments also detail seizures of 64 kilograms of heroin and more than $22.6 million in cash during the course of the investigation.

- On September 26, 2009, CPOT Juan Carlos RIVERA-RUIZ was arrested in Colombia based on a DEA Miami indictment and is currently awaiting extradition. RIVERA-RUIZ was a former top lieutenant of Wilber VARELA in the North Valley Cartel and is responsible for smuggling multi-ton quantities of cocaine to the United States. RIVERA-Ruiz is believed to have been one of the principal manufacturers of semi-submersibles in Colombia.
- In February 2009, DEA concluded Operation Xcellerator, a 21-month multi-agency investigation targeting the Sinaloa Cartel. The Sinaloa Cartel dominates much of the drug smuggling on the Southwest Border with Mexico and is responsible for bringing multi-ton quantities of cocaine and marijuana from Mexico into the United States. Furthermore, the Sinaloa Cartel is responsible for laundering hundreds of millions of dollars in criminal proceeds from illegal drug trafficking activities. Operation Xcellerator led to the arrest of 781 individuals and the seizure of approximately $61 million in U.S. currency and $10.5 million in drug related assets. Weapons seized totaled 191, drug seizures include more than 12.5 metric tons of cocaine, more than eight metric

tons of marijuana, more than 1,200 pounds of methamphetamine, more than eight kilograms of heroin, 2350 pounds of pseudoephedrine and approximately 1.5 million pills of Ecstasy. Other notable seizures included four aircraft, and three vessels. As DEA's most focused attack against the Sinaloa Cartel to date, Operation Xcellerator demonstrates DEA's relentless efforts to disrupt and dismantle major drug cartels.

- The La Familia cartel is a violent drug trafficking cartel based in the state of Michoacan, in southwestern Mexico. According to court documents, La Familia controls drug manufacturing and distribution in and around Michoacan, including the importation of vast quantities of cocaine and methamphetamine from Mexico into the U.S. La Familia claims to be philosophically opposed to the sale of methamphetamine to Mexicans, and instead supports its export to the U.S. for consumption by Americans. La Familia cartel has utilized violence to include murders, kidnappings and assaults to support its narcotics trafficking business. According to one indictment unsealed in New York, associates of La Familia based in the United States have allegedly acquired military-grade weapons, including assault weapons and ammunition, and have arranged for them to be smuggled back into Mexico for use by La Familia.
- On October 21-22, 2009, DEA's SOD led the coordinated takedown efforts of Project Coronado, a multi-agency law enforcement investigation which targeted the La Familia Michoacana drug cartel. Three hundred and three individuals in 19 states were arrested in a series of takedowns through coordination between federal, state and local law enforcement. More than 3,000 agents and officers operated across the U.S. to make the arrests during the two-day takedown. Sixty-two kilograms of cocaine, 729 pounds of methamphetamine, 967 pounds of marijuana, 144 weapons, 109 vehicles, and two clandestine drug labs were seized.

"This unprecedented, coordinated U.S. law enforcement action—the largest ever undertaken against a Mexican drug cartel—has dealt a significant blow to La Familia's supply chain of illegal drugs, weapons, and cash flowing between Mexico and the United States," said Attorney General Holder.

- On September 3, 2009, Jesus Eduardo Valencia-Arbelaez, was extradited from Romania to face cocaine trafficking and money laundering charges. Valencia-Arbelaez was a leader of a sophisticated international cocaine trafficking organization (the Organization) based in Colombia and Venezuela that operated worldwide, including in Bolivia, Spain, Holland, Sierra Leone, Guinea Conakry, Mauritania, Mali, Cyprus, and the United States.
- On April 23, 2009, CPOT Herberto YESQUEN-Estupinan was extradited to the Middle District of Florida to face multiple drug trafficking changes related to the seizure of 22,500 kilograms of cocaine in September 2004. He was arrested in November 2007 by Colombian authorities in Cali, Colombia based on information provided by the Miami Field Division Operation Panama Express South
- In October 2008, Medellin-based drug trafficker CPOT Francisco Antonio Florez-UPEGUI, a high-ranking member of La Oficina de Envigado and several other trafficking organizations was arrested by Colombian authorities as part of the Miami Field Division's Operation Titan. Florez-UPEGUI began his drug trafficking activities approximately 30 years ago as a member of the Medellin Cartel. In recent years, the Florez-UPEGUI organization trafficked narcotics not only to the U.S., Mexico, Guatemala and Panama, but also to nations in Africa, Europe, and the Middle East.
- On June 6, 2008, the Government of Spain approved the extradition of DEA fugitive and international weapons trafficker Monzer al Kassar from Spain to the U.S. on terrorism

charges pursuant to a provisional arrest warrant. On November 20, 2008 Kassar and his associate were found guilty of all charges. On February 25, 2009, Kassar was sentenced to 30 years in prison.

DEA and host nation counterparts have also continued to keep pressure on DTOs operating in Afghanistan. This means successfully identifying, disrupting, and dismantling major drug trafficking organizations that fuel the insurgency and profit from the narco-economy:

- Haji Bashir Noorzai, the leader of the largest Southwest Asian-based heroin-trafficking organization, was convicted in September 2008. Noorzai's organization was responsible for smuggling hundreds of kilograms of heroin from Afghanistan and Pakistan into the U.S. In addition, Noorzai provided weapons and manpower to the Taliban in exchange for protection of his opium crops, heroin labs, and transportation routes. On April 30, 2009, Haji Bashir Noorzai was sentenced in U.S. District Court, Southern District of New York to two terms of life imprisonment, to run concurrently..
- On December 17, 2008, the Afghan Sensitive Investigative Unit (SIU) and Technical Investigative Unit (TIU), under the direction of DEA-Kabul began using judicially sanctioned technical means to gather evidence against traffickers. DEA hopes this new program will allow the SIU to target the most significant drug traffickers in Afghanistan
- Haji Bagcho is a major Afghan drug trafficker with a base of operations in Nangrahar Province, Afghanistan and the North West Frontier Province, Pakistan. Intelligence/evidence was developed linking the Bagcho DTO to anticoalition militia that operate in Afghanistan. Haji Bagcho is awaiting trial on U.S. narcotics charges. Bagcho was charged in a two-count indictment unsealed June 24, 2009, with one count of conspiracy to distribute one kilogram or more of heroin and another heroin distribution charge. Conviction on either of these charges carries a mandatory minimum sentence of ten years in prison and a maximum of life in prison.
- On December 16, 2009, Oumar Issa, Harouna Toure, and Idriss Abelrahman were arrested by DEA's Ghanaian counterparts based upon a U.S. arrest warrant out of the Southern District of New York after they allegedly agreed to transport cocaine through West and North Africa to Europe for Al Qaeda, Al Qaeda in the Islamic Magreb and the FARC.
- Mohammad Essa, a known terrorist and Afghan drug trafficker, was returned to the U.S. in April 2007 from Afghanistan on drug trafficking charges. After his U.S. trial, Mohammed Essa was sentenced to 103 months in May 2009.

## On-Going Operations

**Operation Broken Bridge**—The objective of Operation Broken Bridge is to disrupt suspect aircraft flown from Venezuela and Colombia to the Dominican Republic, and to further dismantle DTOs which employ air drops over water and land and landings in the Dominican Republic to move narcotics to markets in the U.S. Participating elements include the DEA, Caribbean Field Division, Joint Interagency Task Force-South, Customs Border Patrol, host nation law enforcement and military support, and the intelligence community. Seizure statistics for Operation Broken Bridge through the 4th quarter of Fiscal Year 2009 include 853 kilograms of cocaine, five vehicles, one aircraft, and multiple weapons, as well as 13 arrests.

Operation Bahamas and Turks and Caicos (OPBAT)—OPBAT is the largest and oldest cooperative effort overseas by any government involved in drug enforcement. This DEA led initiative also includes the participation of the U.S. Coast Guard, Department of Homeland Security, and Department of State. On the Bahamian and Turks and Caicos side, counterparts include the Royal Bahamas and Turks and Caicos

Police Forces. Cumulative OPBAT statistics through the 4th quarter of Fiscal Year 2009 include seizures of approximately 2,700 kilograms of cocaine, 23,688 pounds of marijuana, and $4,091,102 in U.S. currency, as well as 60 arrests.

**Operation Panama Express**—Operation Panama Express is a joint operation designed to disrupt and dismantle major maritime drug smuggling organizations operating from the Pacific and Caribbean coasts of Colombia. The operation is conducted by DEA and several other federal, state, and local law enforcement authorities, including the Joint Inter-Agency Task Force. Between 2000 through December 2008, as the result of Operation Panama Express, 576 metric tons of cocaine have been seized, 208 metric tons of cocaine have been destroyed when vessels carrying these illicit drugs were scuttled by their crews to avoid capture or when the boats were sunk by law enforcement. 1,676 individuals have been arrested during Operation Express.

**Operation Windjammer**—Operation Windjammer was tailored to assist DEA and host nation counterparts, in pursuing priority targets and/or significant narcotics traffickers impacting the U.S. via Jamaica. Cumulative statistics through the 4th quarter of Fiscal Year 2009, resulting from the success of Operation Windjammer, include the seizure of 202.5 pounds of hashish oil, 12,793 pounds of marijuana, 148.7 kilograms of cocaine, and $12,977 in currency (including $1,100 Canadian currency) as well as seven arrests.

**Operation Esperanza**—Operation Esperanza is the single most productive bilateral drug law enforcement project within DEA's international operations in the Western Hemisphere. It has become the technological cornerstone of DEA's technical Program in Colombia and has proven to be an extremely important tool for the U.S. Government and the Government of Colombia in protecting national security and combating drug trafficking, terrorism, and other illegal activities.

## Coordinate Counternarcotics Intelligence Gathering

### *Centers for Drug Information Program*

This DEA-managed initiative prepares summaries of narcotics law enforcement developments for use by law enforcement professionals in the countries it serves. The information is made available through the internet. It became operational during June 2003, with 41 participating countries and protectorates located throughout the Caribbean, Mexico, Central America and South America. A fifth Regional Center (Kabul, Afghanistan) was established in 2005. The program presently supports 58 countries and protectorates and includes over 250 users. Most recently, a Southeast Asia Regional Center, located in Bangkok, Thailand and an African Regional Center, located in Accra, Ghana came online. Discussions continue in regards to expansion to Europe and additional countries in Africa and Southeast Asia.

## Conduct Training Programs for Host Nation Police Agencies

### *International Law Enforcement Academy (ILEA) Training Programs:*

The ILEA program was established by the U.S. Department of State in 1995. Currently, there are four ILEAs operating in Budapest, Hungary; Bangkok, Thailand; Gaborone, Botswana; and San Salvador, El Salvador. ILEAs offer a program of mid-career leadership training for regional police and other enforcement officers, as well as specific training programs arranged in accordance with regional interests. DEA's role is to provide counternarcotics course instruction and best practices for the core supervisory sessions, as well as specialized training courses at the ILEAs.

DEA's International Training Section (TRI) also provides one-week of counternarcotics training at each of the five annual eight-week sessions of law enforcement training at the ILEA in Budapest, Hungary. Twenty-six countries from Central Asia, Eastern Europe, and the former Soviet Union participate in ILEA Budapest training. The ILEA Bangkok core program of instruction is the six-week Supervisory Criminal

Investigator Course (SCIC). TRI provides seven days of instruction during the SCIC for 14 countries from Southeast Asia. DEA also offers several specialized courses at ILEA Bangkok.

ILEA Gaborone training includes a six-week supervisor's course, the Law Enforcement Executive Development and a number of specialized courses. ILEA Gaborone conducts training for 23 eligible southern African countries. TRI provides four days of counternarcotics training at each of the four annual sessions, and a one-week Regional Chemical Control Training Seminar.

DEA serves as the Director for ILEA San Salvador, which also conducts specialized training courses at an alternate training venue, a Regional Training Center in Lima, Peru. ILEA San Salvador provides training of law enforcement officials from 30 participating Latin American countries. TRI provides five days of instruction at each of the four annual Law Enforcement Management Development Program sessions, as well as several specialized courses.

## Bilateral Training Programs:

DEA offers both in-country and regional training programs conducted by mobile training teams. In-country programs are seminars conducted in a host country and only include participants from that country. Regional training is designed to bring together a combination of participants from a number of countries sharing common drug trafficking issues or routes. An advance pre-school planning and assessment trip is conducted by a training team member to design each school to the specific requirements of the students registered for the courses. In FY 2009, DEA conducted bilateral training seminars funded by INL for 208 participants from six countries.

## Asset Forfeiture/Money Laundering Training Programs:

Three Department of Justice (DOJ)/Asset Forfeiture Money Laundering Seminar courses are offered: an International Asset Forfeiture Seminar, Advanced International Asset Forfeiture Seminar, and an International Asset Airport Interdiction Seminar. DOJ funds approximately nine of these seminars per year. During FY 2009, a total of 242 participants from 14 countries were trained. The training emphasizes techniques for conducting financial investigations and includes case studies. Additionally the topics of tracing hidden assets; Intelligence Analysts' sources of information and collection of information; DEA asset forfeiture procedures and U.S. forfeiture law; international asset forfeiture sharing and cooperation; and debriefing of financial sources of information are also covered.

## International Narcotics Enforcement Management Seminar (INEMS) Program:

The INEMS is a two-week program. The TRI section of DEA in the U.S. conducts the INEMS principally for upper-level law enforcement managers. In addition to management concepts, the supervisors are exposed to the current and innovative enforcement techniques used by DEA and other U.S. enforcement agencies. Each country trainee group is required to present an overview of the narcotics situation in their home country. In FY 2009 two INEMS courses trained 30 participants from 21 countries.

## North Atlantic Treaty Organization (NATO)-Russia Council Counter Narcotics Training Project:

DEA provides mobile training teams to support the NATO-Russia Council (NRC) Training Project on Counter Narcotics training of Afghan and Central Asian personnel. This project is implemented by the UNODC and supported by Central Command funds. The mobile training seminars are being conducted in each of the Central Asia countries of Tajikistan, Kyrgyzstan, Uzbekistan, Kazakhstan, and Turkmenistan.

**International Training**—Mexican Federal Police: Secretaria de Seguridad Publica (SSP) Training:

During FY 2009, TRI initiated a Mexican Federal Police SSP Training Program which provided training for 2,056 Mexican officers. Beginning July 2009, DEA's Special Agents, Intelligence Research

Specialists, and Diversion Investigators traveled to the Mexican Federal Police Academy located in San Luis Potosi, Mexico, to provide instruction on Police Intelligence. The Police Intelligence Course demonstrates how the collected evidence has been gathered and analyzed and can be presented and defended in court. The inclusion of DEA, other federal, state and local agencies, as well as foreign national police agencies from countries such as Spain, Colombia, Czechoslovakia, Holland, and Canada, in the training of the Mexican federal police, known as the Mexican Secretariat of Public Security (SSP), sets a precedent for the Mexican government, and came about as part of the Merida Initiative. Thus far in FY 2010, 906 Mexican officers have received training.

## Afghanistan Regional Training Team (RTT) Program

The U.S. Government supports the RTT's primary mission to provide specialty law enforcement training to the Counter Narcotics Police of Afghanistan (CNP-A), as well as the neighboring regional countries. In FY 2009, TRI was instrumental in developing a Regional Training Team (RTT) concept of operations that enabled DEA to provide specialty law enforcement training to 3,149 law enforcement counterparts assigned to the CNP-A and neighboring regional countries.

The RTT training mission focuses on providing the necessary skills in: basic counternarcotics investigations, maintenance of basic skills, advanced counternarcotics investigations, establishment of self-initiated investigations, and the creation of specialized units. Instruction is provided in a "building block" style which begins with a Basic Course and progresses to Specialty Courses, such as: Undercover, Operation Planning, Surveillance, Technical Training, Investigative Techniques, Intelligence Analysis, and Leadership. The use of practical exercises is a key element. The RTT Program is committed to sustaining the training of 650 members of the National Interdiction Unit, Special Investigative Unit, and the Technical Investigative Unit in Afghanistan and will continue through 2010.

## Development of Host Country Drug Law Enforcement Institutions

DEA's fourth Key Mission Objective is to assist in the development of host country drug law enforcement institutions and form effective cooperative relationships with foreign law enforcement organizations.

### *Colombia*

DEA helps foreign countries fight drug criminals by identifying and working with those foreign law enforcement organizations which have the integrity and the courage to develop and pass strong counternarcotics laws and build strong law enforcement institutions into existence to suppress crime. For example, DEA's successful operations in cooperation with the Colombian National Police (CNP) are an outgrowth of its long-term, strategy to develop strong working relationships with reliable, honest governmental institutions. The fact that the CNP has been able to remain steadfast in the face of continuing threats of violence and the temptations of corruption by DTOs is a testimony to the honesty and valor of its leadership, and individual member officers. DEA has excellent working relationships with law enforcement in other countries as well, and these partnerships have resulted in tremendous successes across the globe.

### *Afghanistan*

DEA, in close coordination with the interagency community, developed a comprehensive Afghanistan expansion plan. This plan called for a significant increase in DEA personnel throughout Afghanistan. As a result, DEA will assign additional direct hire personnel to the Kabul Country Office area of responsibility. The expansion plan includes five Enforcement Groups forward deployed to Kabul, and Regional Commands in Herat, Kandahar, Konduz, and Jalalabad.

### *Afghan Threat Finance Cell (ATFC)*

As a result of a decision by the National Security Council (NSC), DEA works closely with the Afghan Threat Finance Cell (ATCC). The ATFC identifies financiers operating throughout Afghanistan with connections to insurgent activities, drug trafficking and public corruption. The ATFC then produces target packages for many of these financiers which are passed to the military and law enforcement officials for action.

# United States Coast Guard

## Overview

There are three primary elements to the Coast Guard Drug Interdiction Mission:

### *Detection & Monitoring*

Detection of narcotics trafficking vessels occurs principally through the collection, analysis, and dissemination of tactical information and strategic intelligence combined with effective sensors operating from land, air and surface assets. Intelligence comes from a variety of sources including Organized Crime Drug Enforcement Task Forces (OCDETF), the Intelligence Community (IC), National Task Forces, and DEA. The six million square mile transit zone between source nations in South America and the United States is far too expansive to randomly patrol; it requires targeting information to focus efforts. Intelligence that helps operational commanders place limited resources in the right location at the right time maximizes the probability of success. Timely, actionable intelligence is the best force-multiplier available to the operational commander. Effective operations against traffickers require all air and surface units to communicate rapidly and securely among themselves and with their operational commanders at headquarters. Coast Guard assets with the necessary speed and endurance, equipped with sensors tailored to the environment and threat, must be operated by fully trained crewmembers. They must be able to locate suspected drug trafficking vessels that are designed to evade detection. Upon detection, the Coast Guard, and other similar U.S. and partner nation law enforcement agencies will provide monitoring, relaying data, imagery and position information until an appropriate interdiction asset arrives on scene.

### *Interdiction*

Successful targeting and interdiction of drug smuggling threats create a deterrent effect. Interdiction success causes Drug Trafficking Organizations (DTOs) to incur greater costs and decreased efficiency in moving their illicit product to market. In recent years the Coast Guard has been successful in interdicting foreign flagged vessels-frequently flags of convenience-carrying multi-ton loads of contraband. This has caused DTOs to sharply reduce the use of flags of convenience in favor of stateless go-fast and self-propelled semi-submersible (SPSS) conveyances. The result has been increased costs to the DTOs to outfit their trafficking vessels and greater risk of prosecution to smugglers interdicted on stateless vessels, which are subject to U.S. jurisdiction. These forced changes also provide better protection for the sovereignty of partner-nation vessels.

Interdiction success requires a sufficient number of air and surface assets to respond to intelligence and operational cueing. Assets equipped with the necessary sensor systems, endurance, range, and speed enable open ocean transit zone operations across a spectrum of weather conditions. Surface and air assets must also have available a range of use of force options to stop non-compliant vessels. Key components of an effective interdiction presence in the transit zone include not only new air and surface assets, but also effective use of existing older assets until they can be replaced. Effective interdiction also requires research and development to introduce new technologies, but also deployment and effective use of off-the-shelf technologies. The Coast Guard leverages U.S. Navy and partner nation assets to enhance presence and expand interdiction opportunities. To do so, the Coast Guard embarks deployable Law Enforcement Detachments (LEDETs) or “shipriders” aboard Coast Guard vessels, consistent with Memorandums of Understanding, bilateral agreements and other legal arrangements in force.

The Coast Guard is also fielding both new and proven technologies and employing proven methodologies that help boarding teams to locate contraband regardless of the method of concealment or location aboard a vessel. Law enforcement personnel and program management staff are specifically trained in drug interdiction to ensure professional mission execution.

### *Close Working Partnerships with both Domestic U.S. and International Agencies*

The Coast Guard would not be as effective in removing drugs from the transit zone without the tremendous interagency and international cooperation that comes together at Joint Interagency Task Force South and West (JIATF-S and JIATF-W). The Coast Guard provides staff and command cadre to both Task Forces, which have primary responsibilities for counternarcotics detection and monitoring operations in the U.S. Southern Command and U.S. Pacific Command areas of responsibility. As DTOs in the Western Hemisphere expand their operations, the Coast Guard is also increasingly engaged with U.S. European Command and U.S. Africa Command to meet the threat in those areas. Growing domestic partnerships, and expanding bilateral agreements and international training programs are essential to countering the transnational drug threat.

The Coast Guard contributes to international counternarcotics engagement through development and active, effective use of agreements, professional exchanges, and sharing best practices, and deployment of mobile training teams to support Theater Security Cooperation initiatives. Engagement in joint operations and training strengthens ties with partner nations. Training and joint operations increase maritime law enforcement competency and capability, while reducing the destabilizing effects of illicit drug smuggling. Effective operations against criminals enhance legitimate commerce in the region. Joint planning results in operations, which help deny drug trafficking organizations the use of territorial waters and airspace throughout the transit zone.

The Coast Guard's Drug Interdiction Mission Performance Plan (MPP) establishes goals, objectives and performance metrics that the Coast Guard Drug Interdiction program intends to achieve in the next five years. To reach its targets, the Coast Guard will continually assess mission performance and make periodic adjustments to its operational focus and out-year plans. Any adjustments will consider and address constant changes in drug trafficking trends. The Drug Interdiction MPP is fully aligned with the National Drug Control Strategy (NDCS), the National Interdiction Command and Control Plan (NICCP), and other directives complementing the contributions of our law enforcement (DOJ/DEA, DHS/ICE, CBP, DOS/INL and WHA, and local LEAs) DOD partners and cooperating foreign enforcement in this effort.

## Combined and Cooperative Operations

The Coast Guard conducted numerous maritime counternarcotics operations in 2009 in conjunction with partner nations. These included combined operations with Colombia, Costa Rica, Panama, Nicaragua, Honduras, Guatemala, Mexico, St. Lucia, The Bahamas, the United Kingdom and its Overseas Territories, Netherlands and Netherlands Antilles, and France and its Overseas Territories. These combined operations and associated cooperation with the above partner nations under several maritime counternarcotics agreements led to the removal of over 218,000 lbs of cocaine and 50,000 lbs of marijuana. In addition, Law Enforcement Detachments (LEDETs) onboard British and Dutch Naval vessels removed 13,170 pounds of cocaine.

## International Agreements

There are now 35 maritime bilateral counternarcotics agreements or operational procedures in place between the United States and partner nations. These agreements and arrangements help the Coast Guard move toward its goal of disrupting illicit trafficking along the transit zone and eliminating safe havens for drug smugglers. In FY-2009, the Coast Guard, Mexican Navy (SEMAR) and NORTHCOM developed Standard Operating Procedures (SOP) for OPCEN-to-OPCEN, i.e., Headquarters-to-Headquarters communications, Right of Visit (ROV) boardings, and SPSS Tactics, Techniques and Procedures (TTP), which entered into effect in December 2008. The OPCEN-to-OPCEN procedures have been successfully used on several occasions, even before they officially came into effect. Hence, authority between Mexico and the United States to board and search suspect vessels is now arranged at the operational level, greatly

streamlining the process. These substantially streamlined procedures with Mexico improve the efficacy of mission patrol and boarding operations of suspect trafficker vessels. A similar arrangement exists with Ecuador, and discussions for an agreement with Peru are nearing conclusion. Goodwill on both sides between Sierra Leone and the U.S. and recognition of the threat led to the successful negotiation of a law enforcement bilateral agreement, which is being used now to seize dangerous drugs. This agreement was significant in that it marks the first formal bilateral maritime law enforcement agreement in the West African region between the U.S. and a partner nation.

## International Cooperative Efforts

Overall during FY 2009, the Coast Guard disrupted 123 drug smuggling attempts, which resulted in the seizure of 58 vessels, the detention of 322 suspected smugglers, and the removal of 352,862 pounds of cocaine and 71,234 pounds of marijuana. Nearly all of the 123 interdiction events involved some type of foreign partner support or cooperation, through direct unit participation, exercise of bilateral agreements, granting permission to board, or logistics support.

In an effort to thwart law enforcement efforts, DTOs are increasingly using Self-Propelled Semi-Submersible (SPSS) vessels to smuggle cocaine. In 2009 after a period of rapid growth, the use of SPSS appeared to level off. From a total of 23 operations involving the use of semi-submersibles between 2001 and 2007, semi-submersible use increased to at least 75 in FY 2008. In FY 2009, there were 60 documented SPSS events, carrying an estimated 332 metric tons of cocaine, of which 64 metric tons (almost 20 percent) were removed by the Coast Guard. Because the SPSS are a stealthy means of smuggling, they have displaced other modes of drug trafficker maritime transportation with the exception of go-fast boats. The low-profile design of the SPSS vessels makes them difficult to detect, and so the USCG continues to work closely with interagency and international partners to explore better ways to detect and interdict these vessels. In one case, the Coast Guard worked closely with the Department of Justice and congressional staffs to draft legislation to make operation of these vessels on an international voyage illegal. Congress subsequently passed the “Drug Trafficking Vessel Interdiction Act of 2008, 18 U.S.C. 2285”, which was signed into law by the President in October 2008. This law allows prosecution even when contraband cannot be seized, thus taking away an important DTO countermeasure of scuttling their vessel upon detection to destroy the evidence.

The USCG continued to actively pursue combined operations with European and West African partner nations, working closely with EUCOM and AFRICOM to stem the flow of narcotics from South America to Europe and Africa. In 2009, the Coast Guard Cutter LEGARE deployed to the waters off West Africa to work with partner nations in conducting surveillance, law enforcement operations and training. These operations included CGC LEGARE embarking a law enforcement team from different West African nations to conduct maritime law enforcement training and assist in West Africa’s own efforts to suppress illicit transnational maritime activity. U.S. and Royal Navy warships with embarked USCG Law Enforcement Detachments performed similar missions in West African waters.

## International Training and Technical Assistance

In FY 2009, the USCG provided International Training and Technical Assistance in support of drug interdiction programs through a variety of support efforts:

The USCG Technical Assistance Field Team (TAFT) provided engineering expertise, vessel assessments, and major repair contracting services to the maritime services of the countries in the Eastern Caribbean’s

## Regional Security System

USCG ships used the service’s legislative authority “to conduct training and technical assistance in conjunction with normal operations” in several countries to encourage cooperation with the USCG in its interdiction mission. For example, several USCG engineering training missions provided crucial technical assistance to the Haitian Coast Guard and aided the Haitian efforts to improve the operational readiness of

its small boat fleet. This detachment conducted training courses in port security, outboard motor maintenance, and small boat seamanship. The USCG has also partnered with U.S. Navy forces off the Gulf of Guinea to plan for and execute operations under the Africa Partnership Station in 2009. These efforts will continue in 2010.

The USCG's Security Assistance Program delivers a progression of one-to-two-week courses to partner nation maritime services around the world, typically utilizing the International Training Division's Mobile Training Teams (MTTs). Courses include Maritime Law Enforcement (MLE), Boarding and Advanced Boarding Officer, Joint MLE Boarding, Maritime Operations Planning and Management, MLE Instructor, Basic and Advanced Port Security/ Port Vulnerability, Waterside Port Security, and Small Boat Operations Maintenance Courses. Courses consist of formal classroom instruction with either on-board or on-locale hands-on skill training. In FY 2009, over 2,000 students from 58 countries from around the world received instruction.

Individual students also receive instruction in USCG resident training programs in the United States. These students develop a broad range of skills from boat handling and boat and engine repair to senior officer leadership training. In FY 2009, 250 students from 65 partner nations enrolled in resident courses at USCG training installations.

The USCG also participates in a robust Military to Military program, principally in the SOUTHCOM and AFRICOM AORs-Areas of Operations, which is designed to introduce and familiarize partner nations with Coast Guard capabilities, processes and procedures. This type of engagement usually leads to a partner nation's increased interest in formal training.

The fifth and sixth Multilateral Maritime Counter Drug Summits involving the U.S., Ecuador, Panama, Mexico and Colombia were held in Veracruz and Miami respectively during 2009. Results of these meetings include significant improvements in information exchange and operational coordination that have enhanced our collective ability to combat narcotics smuggling. There have also been extensive discussions to enhance current agreements in place, and to conduct joint planning for counternarcotics operations targeting the littoral regions of the transit zone.

# U.S. Customs and Border Protection

The Department of Homeland Security's U.S. Customs and Border Protection (CBP) processes all goods, vehicles, and people entering and exiting the United States. CBP officers intercept narcotics and other contraband, improperly classified merchandise, unlicensed technology and material, weapons, ammunition, fugitives, undocumented immigrants, and unreported currency at America's 327 international ports of entry.

Since its creation in its current organizational structure in 2003, CBP is also charged with the border regulatory functions of passport control and agriculture inspections in order to provide comprehensive, seamless border control services. This division of responsibilities is intended to simplify border security operations and is termed: "One face at the border." Of current importance is CBP's role in protecting the borders of the United States from the introduction of weapons of mass destruction (WMD) and terrorists. CBP also maintains its position as the nation's first line of defense against the introduction of narcotics and dangerous drugs from foreign sources.

On the average day, CBP processes 989,689 passengers and pedestrians, 57,761 containers by land and sea, 240,407 incoming international air passengers and crew, 45,735 passengers/crew arriving by ship, 544,270 incoming privately owned vehicles; seizes $296,238 in undeclared or illicit currency, 12,280 pounds of narcotics; and arrests 2240 apprehensions at or between ports of entry for illegal activity; all while facilitating commercial trade and collecting $ 80.8 million in fees, duties and tariffs ( 2009 statistics). Given this scale of CBP operations, targeting of suspect shipments and persons, selectivity of inspection is crucially important to success.

The State Department Bureau for International Narcotics and Law Enforcement Affairs (INL) and CBP promote international cooperation through their interagency cooperation. CBP designs and implements training and assistance programs for its foreign counterparts worldwide funded by assistance funds administered by INL.

## CBP Advisors and Attachés

CBP deploys a growing network of long-term advisors and attachés who serve abroad in U.S. Embassies and consulates, coordinating closely with our foreign counterparts. These individuals play a key role in engaging other governments as our allies in the on-going war against drug-smuggling. Attachés have a broad mandate, ranging from enforcement and investigative activities on behalf of CBP to serving as delegates in such groups as the Shared Border Accords Coordinating Committee (SBACC) in Canada. They also exchange expert information, improving the effectiveness of law enforcement activity, policies, and resources relating to border enforcement. Their efforts help to ensure that enforcement cooperation is seamless across borders and that the battle against smuggling is effective.

The attaché assigned to Mexico, for example, is heavily involved in the Merida Initiative, a significant effort coordinated by the State Department to strengthen and improve the capabilities of counternarcotics efforts in Mexico and throughout Central America, including the Dominican Republic and Haiti. In the customs arena, the Merida Initiative will help Mexico and other important transit states for drugs acquire and deploy Non-Intrusive Inspection Equipment, offer their customs services canine enforcement training, secure upgrades to automated systems, and improvements in immigration control programs. Merida aims to enable the governments of Mexico to defeat the drug cartels which have so savagely attacked the government's enforcement personnel and the people of Mexico in order to continue their criminal drug smuggling to the United States.

Attachés in Mexico assisted in the revision of the Bilateral Strategic Plan (BSP) with Mexico, which provides for increased training and cooperative law enforcement activities between the U.S. and Mexico. Closer cooperation will improve the effectiveness of counternarcotics activities along the southern border.

The strengthening of this agreement will also improve information and intelligence sharing for the purpose of interdicting narcotics and other contraband,

Along the northern border, the CBP attaché in Canada continues to work with various federal, provincial, and tribal Canadian law enforcement agencies in order to combat cross border crime. One example of this cross border law enforcement cooperation is the Integrated Border Enforcement Team (IBET). IBET is a longstanding, bi-national partnership that has enabled the participating law enforcement partners to share information and work together daily with other federal, state, provincial, local, and tribal enforcement agencies on issues related to smuggling, organized crime, the vulnerabilities associated with unguarded roads, in an effort to suppress criminal activities along the U.S.-Canada border.

In Panama, the CBP Attaché works with Panamanian Immigration and Customs and other counterparts to identify and interdict travelers using fraudulent documents, and those engaged in narcotics and bulk cash smuggling. The CBP Attaché working with the CBP Office of the Border Patrol (OBP) has greatly assisted the Panamanian border security officials in their enforcement efforts by conducting mobile team checkpoint training in the southern area of Panama. This training targets the skills that the Panamanians need to combat smuggling through the Darien region along their border with Colombia. The CBP Attaché and the United Nations Office of Drugs and Crime (UNODC) are working with the Panamanian government to establish a Container Targeting Program in Panama, at the Ports of Manzanillo and Balboa. The U.S. Department of State provided assistance funding to UNODC to support training and mentoring for Panamanian customs officials as they create Container Targeting Teams at both ports. These teams will be the first Panamanian Multi-Agency Targeting Teams in Panama.

The CBP Attaché in Brazil arranged for Brazilian customs officials and Federal Police officers to receive International Air Cargo Interdiction Training under the CBP-World Customs Organizations “Capacity Building” program. This course provided the students with the skills necessary to work in the Air Cargo environment and conduct enforcement actions in an effective and efficient manner. The CBP Attaché also arranged for Brazilian Federal Police K-9 officers to observe canine training at the CBP Canine Enforcement Training Center in Front Royal, Virginia and the Border Patrol K-9 training facility in El Paso, Texas. Brazilian officers were exposed to CBP’s K-9 “best practices” and observed CBP K-9 teams in action as a means of strengthening their drug-detection skills.

The CBP Attaché in the Dominican Republic assists the DR Government with capacity building through joint maritime operations, like Operation Broken Bridge. Since August 2007, this operation has led to the seizure of 1,660 kilograms of narcotics, 16 arrests and five vehicle seizures in the DR.

CBP Advisors are more narrowly focused in their missions than attachés. CBP Advisors are almost always funded with assistance funding and are normally sent abroad to work on specific projects such as improving port operations or working with host governments to develop a complete K-9 narcotics detection program. The advisors in Ecuador and Peru, for example, are assigned to Port Security programs, both airport and seaport, that have produced significant drug seizures, particularly when the contraband was concealed in containers destined for the United States or Europe. The Peruvian and Ecuadorian Advisors also help their foreign colleagues establish intelligence units capable of collecting and analyzing documents to target high-risk shipments. Working under the auspices of Operation Firewall, they have also provided training and guidance to foreign customs and border control agents in detecting and intercepting bulk currency shipments as well as detecting fraudulent travel documents. Advisors have also been influential in recommending appropriate high-tech non-intrusive inspection equipment, then arranging training and maintenance instruction for host country operators of that equipment. The result: record-breaking numbers of drug and currency seizures and arrests.

## International Training and Assistance

In 2009, CBP Office of International Affairs (INA) provided technical training and assistance in support of the International Law Enforcement Academy (ILEA) programs currently operating in Bangkok,

Budapest, Gaborone, and San Salvador. CBP supported ILEA programs by developing and conducting core and specialized training on a variety of topics, including: Land Border Interdiction; Contraband Concealment Techniques; International Controlled Deliveries and Drug Investigations (conducted jointly with the Drug Enforcement Administration); Complex Financial Investigations (conducted jointly with Immigration and Customs Enforcement); and Customs Forensics Lab capabilities and techniques. Twenty such training programs were conducted in 2009.

The CBP Field Operations Academy (FOA) supports International Training on two fronts: conducting Academy tours for foreign dignitaries and aiding various training missions abroad. Internationally, the FOA has assisted training in Egypt, Iraq, Afghanistan, Georgia, Ukraine, Lithuania, Estonia, Dominican Republic, and Honduras in support of drug interdiction efforts. Additionally, the FOA has conducted numerous briefings/tours of its facilities in the U.S. for the benefit of visiting foreign Customs and Border groups. Dignitaries from Kazakhstan, Bahrain, and Saudi Arabia were shown a variety of venues and scenarios, which included drug interdiction instruction.

## Port Security Initiatives

CBP implements a multi-layered, risk-based enforcement strategy designed to maximize security without causing economic disruption. This strategy encompasses the following security programs in the maritime environment:

- The “24-Hour” Manifest Rule
- Container Security Initiative (CSI)
- Customs-Trade Partnership Against Terrorism (C-TPAT)
- Use of Non Intrusive Inspection (NII) Technology
- Automated Targeting System (ATS)
- National Targeting Center for Cargo (NTC-C)
- Importer Security Filing “10+2”:

CBP is an active participant in the Container Security Initiative (CSI). CSI addresses the threat to border security and global trade posed by the potential use of maritime shipping containers by terrorists. CSI consists of security protocols and procedures that, when fully implemented, will ensure that all maritime shipping containers posing a potential risk for terrorism, are identified, inspected and secured at foreign ports before they are placed on vessels destined for the United States. CBP is now stationing multidisciplinary teams, consisting of representatives from both CBP and ICE that work together with their host government counterparts. Their mission is to jointly target and pre-screen containers and to develop investigative leads related to the terrorist threat to cargo destined for the United States. A total of over 50 foreign ports are participants in either the CSI or the Secure Freight Initiative (SFI).

**Secure Freight Initiative (SFI).** SFI is focused on applying advanced technologies in radiation scanning and x-ray imaging equipment to enhance the physical security of the international supply chain. The SFI program is focused on strategic trade corridors, which are defined as shipping lanes, which have service to the United States. The Secure Freight Initiative includes foreign seaports, which handle maritime containerized cargo that either transits or originates from areas of strategic importance and ports where potentially high-risk cargo as defined by CBP’s Automated Targeting System (ATS) originates. SFI involves partnerships with foreign governments, ocean carriers, and terminal operators to design and implement security structures tailored to the specific location’s operational requirements and risk factors. The resulting designs are implemented to ensure port efficiency, trade facilitation, and enhanced cargo security.

SFI represents another component of the CBP's layered enforcement strategy for protecting the nation. The data from the SFI suite of systems (Radiation Portal Monitors, Non-Intrusive Inspection equipment, and Optical Character Readers) are integrated into CBP's Automated Targeting System and reviewed alongside the targeting system's risk assessment rule sets. This data is provided in real-time to CBP officers at ports of entry, who determine if the container should be referred to the host nation for secondary examination prior to lading. For the CBP officer's stationed at U.S. ports of entry, the National Targeting Center for Cargo, or a CSI or SFI port, SFI/ICS provides additional information which is used in conjunction with advanced manifest data to allow CBP Officers to make a more informed decision when assessing the risk of each container coming to the United States.

CBP will be responsive to the legislative requirements of the 9/11 Act, which require 100 percent scanning of all U.S.-bound containers by July 12, 2012. CBP has developed a strategic direction for the SFI program which focuses on identifying and deploying operations to strategic trade corridors worldwide where the implementation of SFI would mitigate risks associated with the potential introduction of weapons of mass destruction into the United States by way of maritime containerized cargo. An approach that prioritizes deployments to strategic trade corridors and focuses on placing scanning systems in the most sensible and efficient manner makes sense. It will allow CBP to address key challenges, such as transshipment and high volume port operations, while obtaining additional information on cargo traveling through trade corridors which might warrant additional scrutiny.

**Plan Colombia.** As part of U.S. support to Plan Colombia, CBP provided Colombia with training and assistance on personnel management systems to assure coordinated operations on border interdiction, and industry partnership programs. CBP also provided basic tools, vehicles, high-tech equipment, training and technical assistance to Colombian National Police, Colombian Customs, and other Colombian law enforcement agencies, financed by Plan Colombia assistance funds. This CBP initiative ended in 2008. Goals and objectives were met and the funding fully utilized. CBP stands ready to support the U.S. Embassy in Bogota as needed on new border security issues as they arise.

**Customs Mutual Assistance Agreements.** CBP is the lead negotiator of Customs Mutual Assistance Agreements (CMAAs). CMAAs are negotiated with foreign governments and provide for mutual assistance in the enforcement of customs-related laws. Under the provisions of U.S. CMAAs, CBP provides assistance to its foreign counterparts in the collection of information that facilitates the enforcement of each country's laws. The Agreements have a high level of flexibility that allow parties to quickly communicate concerns and requests to each other. In 2009, CMAA negotiations were held with Switzerland, Jamaica, and Algeria. The Algerian CMAA will be signed in early 2010.

**Training in the United States.** CBP currently lists 43 training courses available to foreign specialists. This catalog of offerings is constantly being updated to reflect current techniques and methodologies as well as the stated needs of our foreign partners. In 2009, several new courses were added to the catalog, including International X-Ray Interdiction Training (IXIT), International Passenger Interdiction Training (IPIT), Human Trafficking Course, and a Controlled Delivery course, used in narcotics enforcement cases.

**International Visitors Program.** The State Department's International Visitors Program (IVP) provides an opportunity for foreign officials to consult with their U.S. counterparts and appropriate high level managers in CBP Headquarters. International visitors can also participate in on-site tours of selected U.S. ports and field sites to observe actual CBP operations. The objectives of this program are:

- To demonstrate CBP's efforts to prevent terrorists and terrorist weapons from entering the United States.
- To show how such U.S. programs as the Container Security Initiative can extend U.S. borders by encouraging layered security, which clearly benefits cooperating countries as well as the U.S.

- To offer foreign decision makers the opportunity to discuss and explore with CBP experts finding a balance between legitimate trade and travel and the need for reinforced security.
- To build international relationships and cooperation in support of global security through the use of consistent security standards worldwide.
- To support international capacity building programs.

In FY09, IVP made arrangements for 486 visits for 2,656 visitors from 85 countries. These visits were sponsored by the Department of State, Department of Defense, U.S. Coast Guard, various State National Guard Units, Foreign Embassies and other components of the Department of Homeland Security.

**Canine Training.** CBP's Canine Center Front Royal (CCFR) continues to provide State Department assistance-funded training courses, designed to instruct foreign countries in the proper use of drug/bomb detector dogs. Canine El Paso Training Center (CETC) provides each country with a clear and logical framework for the initial training and employment of detector dog teams for the successful interdiction of smuggled narcotics, explosives, and currency. CCFR can also provide on site mentoring and support to countries in the initial development and evaluation of canine training programs back home, CBP canine experts can also travel abroad to review existing canine interdiction and breeding programs. Training is provided to foreign national police and customs officers, trainers, and supervisors on all facets of canine training and utilization. During the past 28 years, over 520 officers, representing over 50 countries, have been trained at the CCFR in Front Royal, Virginia. In 2009, canine training was provided to Colombia, and Brazil.

**Port of Entry Interdiction Training.** The correct approach to border interdiction varies with border environments, i.e., land (IBIT), seaport (ISIT), rail (IRIT) and airport (IACIT). Training has been designed for the problems encountered and interdiction techniques useful for each type of operation. Each training class is normally five days in duration and is comprised of interactive classroom discussion and practical exercises using actual CBP border facilities. In FY 2009, 32 of these courses were conducted. In addition to port of entry operations, CBP provides training in techniques used by smugglers who do not use official ports of entry to cross borders but who attempt to smuggle contraband in lightly patrolled border crossing zones.

**HAZMAT Training.** This training is designed to enhance the participant's knowledge and effectiveness in responding to emergencies involving hazardous materials. It is conducted at CBP's Advanced Training Center in Harper's Ferry, West Virginia. It is designed to be very interactive. Approximately 60 percent of the training involves practical exercises.

**International Bulk Currency Smuggling.** With an increased enforcement focus on money laundering, organized criminals and terrorists have turned to bulk cash smuggling to move valuables across borders. Bulk Currency Smuggling training assists foreign government enforcement personnel in identifying techniques used by bulk currency smugglers. Further, it helps them to design and implement programs to counter that threat, resulting in seizures of millions of dollars in the proceeds of crime.

**Incident Command System.** CBP's Incident Command System (ICS) training is designed to teach foreign participants how to prepare for and respond to a major emergency or incident. The course reviews the U.S. CBP approach to emergency management operations, including coordination, communication, and chief executive decision-making. The course tries to enhance knowledge and skills needed for clarifying roles, responsibilities, and relationships prior to an emergency or disaster through small-group and large-group exercises. ICS training stresses that the planning process must be used to clarify who does what. It is the intent of the course to stimulate thinking and ultimately, action in planning for an incident. In 2009, ICS training was provided to Taiwan, Armenia and Thailand. In addition, CBP Instructors served as subject matter experts with teams of International Affairs Instructors in Armenia, Bangladesh, Croatia, and Kosovo.

## Training in Host Countries

**Overseas Enforcement Training.** The curriculum includes Border Enforcement Training, Supply Chain Security, Detection, Interdiction and Investigation; Concealment Methods, Bulk Currency Smuggling, False and Fraudulent Documents, Train-the-trainer, Anti-Corruption, Targeting and Risk Management, Hazardous Materials, and X-ray Systems. These courses can also be conducted at foreign ports of entry. They include both basic training and refresher training/mentoring abroad for graduates of training at U.S port facilities. Training combines formal classroom and field exercises. Although many courses focus on counter proliferation and terrorism, courses cover the gamut of issues faced by CBP and our foreign border control counterparts, including narcotics interdiction. CBP hopes that that participation in this training will assist in establishing regional and global associations of border control officials who share concerns about transnational criminal networks and who will cooperate in their dismantling.

**International X-Ray Interdiction Training (IXIT).** The course discusses cargo targeting and examination techniques (including inspection techniques for vehicles and ocean containers), interviewing techniques for travelers, secondary inspections, land cargo documents, analysis of travel documents, and vehicle searches. Participants are trained to use x-ray vans in the detection, identification, and interdiction of suspicious cargo. Cargo profiling techniques are thoroughly reviewed during the course..

**International Passenger Interdiction Training (IPIT).** The course provides border security officers with the most effective tools available to process passengers while enhancing the officers' ability to identify and interdict suspicious travelers. It also seeks to encourage cooperation between all domestic border security agencies from neighboring nations within the region.

**Human Trafficking Course.** This course provides an overview of the different tactics used by human traffickers and smugglers, while pointing out the global impact of human trafficking. It teaches participants to understand how traffickers use fraud, force, and coercion to manipulate their victims. The course helps enforcement recognize certain key indicators that trafficking is occurring. Participants are introduced to the Human Smuggling and Trafficking Center, which offers a wealth of resources to assist victims.

**WMD Interdiction and Controlled Deliveries.** Training modules include: Interdiction, Investigative Methodology, Stages of a Controlled Delivery, Operational Planning, Mail and Parcel Controlled Deliveries, International Controlled Deliveries, Inspection and Interdiction Techniques, Interviewing/Behavioral Analysis, Legal Aspects of Controlled Deliveries, Use and Development of Informants, Surveillance, and Evidence. CBP and Immigration and Customs Enforcement (ICE) personnel conduct this training. The course begins with an interdiction and follows with a discussion of controlled deliveries and how this investigative technique can be useful in identifying and obtaining evidence against those engaged in the contraband smuggling attempt. The discussion considers how and when to use this technique as well as a discussion of its benefits and pitfalls. This training uses both classroom and interactive practical exercises that explore how to plan and conduct controlled deliveries.

**Looking Ahead.** In 2010, CBP will continue its border security mission. CBP will work with partner nations to expand and improve information and intelligence sharing in a concerted effort to dismantle drug smuggling organizations and other criminal enterprises engaged in cross border illicit activities. CBP advisors will be deployed to assist countries to improve their border security operations and to meet recognized international security standards. CBP's international missions will also focus on evaluating and prioritizing the needs of those countries seeking assistance in capacity building. CBP will place continued emphasis on evaluating the effectiveness of all its programs and designing new ones as needs and techniques are updated.

# CHEMICAL CONTROLS

# Summary

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

The United States and other nations continued to make progress in preventing diversion of precursor and essential chemicals in 2009. These efforts built on a variety of bilateral, regional and multilateral mechanisms, such as the United Nations and the Organization of American States.

## *Methamphetamine*

Combating the supply of methamphetamine remains a top priority and cooperative efforts in 2009 forced drug trafficking organizations to adapt smuggling routes and adopt new production methods to obtain chemicals.

Reporting from a variety of sources, including the press and the United Nations, indicates that the global abuse of amphetamines may have stabilized in the West, including in the United States. However, potential abuse rate remains a serious concern and recent UN reports indicate that abuse may be rising in Asia. Moreover, production of methamphetamine remains high. The United States, particularly through our cooperation with Mexico, is targeting methamphetamine production in this hemisphere through both bilateral enforcement efforts, as well as multilateral cooperation, including through the United Nations—and through the Organization of American States drug coordinating body (known as CICAD). Efforts have included raising awareness of the issue to promote internal changes to target diversion and smuggling efforts, as well as coordination of information sharing to facilitate operations preventing or stopping diversion and/or smuggling—primarily through UN International Narcotics Control Board (INCB)-led task forces.

In 2009 Mexican authorities continued to make progress in implementing legislative and administrative changes that were enacted during the previous year to target methamphetamine production by large scale drug trafficking organizations. Mexico is seeking to counter a trend that began several years ago, as small-scale methamphetamine producers within the United States shifted to large "super-labs" in Mexico. This evolved, in part, due to effective U.S. domestic controls. These domestic U.S. controls include stronger regulation of retail sales of licit pharmaceutical preparations containing ephedrine and pseudoephedrine. These controls over the primary chemicals necessary for methamphetamine became effective at the national level for the first time in late 2006 under the Combat Methamphetamine Epidemic Act (CMEA). The CMEA also introduced a system of import and production quotas in 2008.

Mexico has enacted even more stringent controls than the US, determining in September of 2007 that it would issue no further licenses for the importation of any amount of ephedrine, pseudoephedrine, and any product containing these chemicals. Sellers of ephedrine and pseudoephedrine products were required to deplete stores of products containing these chemicals by 2009. The use of these products is now illegal in Mexico. The Government of Mexico continued to demonstrate political commitment towards stemming the illicit diversion of chemicals required for

methamphetamine production through enhanced law enforcement cooperation with the United States and through multilateral efforts such as the INCB-led Project Prism Task Force, Operation Ice Block. Operation Ice Block focused on the exchange of information, including pre-export notifications- of ephedrine and pseudoephedrine shipments.

Mexico has also stepped up law enforcement efforts within its own borders to target methamphetamine production. In June 2009, Mexican authorities reported the seizure of a large scale laboratory north of Culiacan, in Sinaloa that included a seizure of 49,640 liters of solution containing pharmaceutical preparations pseudoephedrine mixed with dextromethorphan, a cough syrup. Mexican authorities also seized 32,800 liters of chemicals from a complex methamphetamine production site in Durango in August 2009 that included 22 individual facilities on a 240 hectare site. The United States, in partnership with Mexico and the governments of Central America, Haiti and the Dominican Republic has also engaged in comprehensive, multi-year law enforcement cooperation strategy through the Merida Initiative. Assistance provided through this and complementary cooperative initiatives is increasing the ability of our hemispheric partners to interdict methamphetamine and other illegal drugs, disrupt methamphetamine production, and strengthen their ability to attack drug trafficking organizations controlling the trade. Also included in the Merida Initiative is assistance to enhance border controls in Mexico's Central American neighbors, to prevent increased smuggling of precursor chemicals from Central America into Mexico—a trend that may accelerate given the ban on ephedrine and pseudoephedrine imports into Mexico.

Fearing an influx of methamphetamine production and smuggling, several Central American countries have taken regulatory action, or legislative changes to keep pace with Mexico, and are stepping up surveillance and monitoring of these chemicals. Nicaragua added all pharmaceutical preparations containing ephedrine and pseudoephedrine to its list of controlled substances. Honduras adopted legislation to control all pharmaceutical preparations containing ephedrine and pseudoephedrine through prescriptions. Belize enacted a statutory instrument prohibiting the bulk importation of pseudoephedrine and ephedrine. Costa Rican judges, prosecutors, police and other regulatory and enforcement officials participated in a training seminar presented by a team of experts from the United States, Mexico and the UN.

Several other countries took action at the end of 2008 to target methamphetamine production and trafficking. In South America, Peru increased control measures on cold medicines with pseudoephedrine and Argentina increased controls on pharmaceutical preparations. China strengthened controls over compound preparations containing ephedrine. The United Kingdom also adopted stricter control measures on over the counter medications that include ephedrine and pseudoephedrine.

Chemical control figured prominently in the year long review of commitments made at the 1998 UN General Assembly Special Session on drugs and resulted in significant commitments at the Commission on Narcotic Drugs (CND) high-level session and the UN General Assembly special plenary on drugs. Against this backdrop, the United States is seeking to further engage other Member States in targeting the chemicals used to produce narcotic drugs and psychotropic substances. In 2009, efforts by the United States to engage the United Nations and the International Narcotics Control Board (INCB) more actively on chemical control yielded significant seizures and the provision of information on methamphetamine and other synthetic drugs. International regulatory efforts to track the commercial flow of precursor chemicals were also given a boost.

The United States has joined with other international partners to expand operations against worldwide production of methamphetamine under the auspices of the INCB-led Project Prism. This project includes the exchange of pre-export information among law enforcement and regulatory officials to promote efforts to stop or seize illegal shipments of methamphetamine precursor

chemicals. Given the successful results of Project Prism's Operation Ice Block, a follow-on operation, Operation PILA, was initiated in 2009. This effort targets pharmaceutical preparations of ephedrine and pseudoephedrine and new smuggling routes. Operation PILA is in effect for a nine-month period from July 1, 2009, until March 31, 2010. From July to October 2009 10 tons of bulk shipments as well as 31.83 million tablets of ephedrine and pseudoephedrine were suspended, stopped or seized.

Supporting analysis of data and seizures reaffirmed that India was the primary source and Mexico the primary destination of ephedrine and pseudoephedrine shipments. It was determined that during the reporting period seventy percent of all suspicious shipments or diversions were in the form of pharmaceutical preparations (tablets). Building on information received from previous year, the operation also focused on trafficking and diversion of amphetamine-type stimulants in Africa and Southwest Asia. Increasingly Africa and Central America were shown to be transit points to the final sources in the Western Hemisphere. Data from this operation clearly identified new routes through Africa that included the Central African Republic and Kenya, as well as others through Syria and through European nations to Central America.

These cooperative efforts are a product of a 2006 Commission on Narcotic Drugs (CND) resolution that requested governments to provide an annual estimate of licit precursor requirements and to track the export and import of such precursors. A 2007 CND resolution strengthened controls on pseudoephedrine derivatives and other precursor alternatives. The INCB Secretariat's program to monitor licit shipments of precursor chemicals was further strengthened by the availability of the national licit estimates, which have been provided by over 120countries and territories. The INCB uses these estimates to evaluate whether a chemical shipment appears to exceed legitimate commercial needs. The INCB is using this data to work with the relevant countries that can block shipments of chemicals before they are diverted to methamphetamine production. The online Pre-export Notification System (PEN) is a critical tool in this regard. The United States will continue to urge countries that have not provided such commercial data to the INCB to do so, and consider providing technical assistance through the INCB to states that currently lack the technical expertise to develop national estimates.

In 2009, the United States increased efforts to focus on precursor chemical trafficking through and around the world's largest supplier of opium, Afghanistan.

The United States continued to step up law enforcement pressure on traffickers seeking to obtain acetic anhydride, an essential chemical needed to produce heroin. Building on the success of INCB Project Cohesion Task Force-led Operation Dice(Data and Intelligence Collection and Exchange) and its follow-on operation DICE 2, the United States and other nations expanded last year's efforts. The result was seizures, stopped shipments and identification of suspicious consignments involving over 100 tons of heroin chemicals.

The United States joined with other nations to promote the implementation of Security Council resolution 1817/2008 that focuses on Afghanistan, and highlights the need for countries to cooperate in targeting trafficking in acetic anhydride used to produce heroin. The Government of Afghanistan informed the INCB that there is no legitimate use for acetic anhydride in Afghanistan and seeks to block all imports of the substance to their country.

Despite international efforts, the United States is keenly aware that drug trafficking organizations are adapting by splintering and expanding their operations. A niche market has formed in some areas, and specialized middlemen now seek new routes and methods for precursor chemical smuggling and diversion methods.

Diversion of precursor chemicals from licit commerce, gray markets, and new smuggling routes are only a few ways drug trafficking organizations are adapting. Information from Operation Ice Block

shows that West Asia and Africa are now key transshipment points to smuggle and divert chemicals. Because of China's efforts to tighten legislative and administrative measures in order to monitor their legitimate chemical industry, traffickers have increasingly turned to suppliers in India. Law enforcement information and intelligence resulting from 2008's Operation Ice Block indicate that India, one of the world's largest licit import and exporters of ephedrine and pseudoephedrine, is now the primary source of ephedrine and pseudoephedrine used for worldwide illicit methamphetamine production. There is also ample evidence that organized criminal groups ship currently uncontrolled chemical analogues and intermediates of ephedrine and pseudoephedrine for use in manufacturing illicit methamphetamine-type drugs. The rise of alternative production methods of the predominant "ephedrine reduction" method is also concern. This issue has become a high-priority for the United States and the international community, and we will continue to push for greater international action to combat this threat in both bilateral and multilateral settings.

To counter evolving technologies and diversion and smuggling routes, the U.S. is in constant contact with its multilateral partners and the United Nations. Last year's review of UN Special Session commitments offered and opportunity to update and expand areas of engagement. In 2010, the United States will support an effort to increase international controls on phenylacetic acid—a chemical increasingly substituted in methamphetamine production. The United States will continue to work with the INCB, specifically through Project Cohesion, to target acetic anhydride. The U.S. will also work with the UNODC Paris Pact cooperative efforts to target Afghan heroin.

In South America, INCB's Project Cohesion focuses on monitoring the imports of potassium permanganate to the cocaine processing areas. Efforts to target this chemical have been much more difficult. However, the U.S. and other countries are seeking to use lessons learned under Operations DICE and DICE 2, and Project Cohesion to develop further insights for targeting potassium permanganate. The U.S. is also considering additional ways in which it might increase cooperation with international chemical producers and transporters in the private sector in order to promote effective diversion-prevention practices.

# Background

## Precursors and Essential Chemicals

Plant-based drugs such as cocaine and heroin require precursor chemicals for processing, and cutting off supply of these chemicals is critical to U.S. drug control strategy. International efforts have a longer track record in targeting the illicit diversion of the most common precursors for cocaine and heroin—potassium permanganate and acetic anhydride, respectively. Less than 1 percent of worldwide licit commercial use of these chemicals is required to produce the world's supply of cocaine and heroin, and curbing supplies is an enormous challenge.

## International Regulatory Framework for Chemical Control

Preventing the diversion of precursor chemicals from legitimate trade is one of the key goals of the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. Specifically, state parties are required under article 12 of the 1988 Convention to monitor international trade in chemicals listed under Tables I and II of the Convention. These tables of chemicals have been regularly updated to account for evolutions in the manufacture of illicit drugs, and state parties are required to share information with one another and with the International Narcotics Control Board (INCB) on international transactions involving these chemicals. The Convention further encourages state parties to license all persons and enterprises involved in the manufacture and distribution of listed chemicals, and subsequent resolutions from the UN

Commission on Narcotic Drugs (CND)—the UN's primary narcotic drug policy-making organ—have provided additional guidance to states on how to implement these obligations according to specific best practices. The underlying strategy is to closely monitor the trade in drug precursors and prevent transactions to suspicious customers.

Special Monitoring List: In 1996, the U.S. supported a CND resolution that added a special monitoring list of chemicals that are not included in the Convention but for which substantial evidence exists of their use in illicit drug manufacture. Reporting on these non-listed chemicals is voluntary under international law, but widely implemented in practice under INCB supervision. As with officially controlled chemicals listed in the Table I and II of the 1988 Convention, this special surveillance list is regularly updated to account for evolutions in drug production trends. Still, it takes time to get new near analogues of existing precursors listed and organized criminals vigorously exploit delays and gaps in the listings.

The regulatory framework codified by the United Nations through its conventions and resolutions is the most universally accepted and carries the broadest reach internationally, but it does not exist in isolation. Regional international bodies also have worked to complement the UN's regulatory regime and implement its goals. In February 2004, the European Union (EU) enacted binding legislation to regulate chemical control monitoring among all of its 27 member states. External trade between the European Union and international actors has been similarly covered since January 2005. This EU legislation has been subsequently enhanced by additional implementing legislation, as well as by less binding measures to promote voluntary cooperation with private industry to implement best-practices for preventing diversion. The United States and the EU have had an agreement in place to cooperate on chemical control issues since 1997, and policy coordination has taken place regularly through bilateral meetings alternating between Washington and Brussels. The EU also has actively collaborated with the U.S. on multilateral chemical control initiatives, including CND resolutions. The Organization of American States also is engaged on the issue of chemical control within the Western Hemisphere.

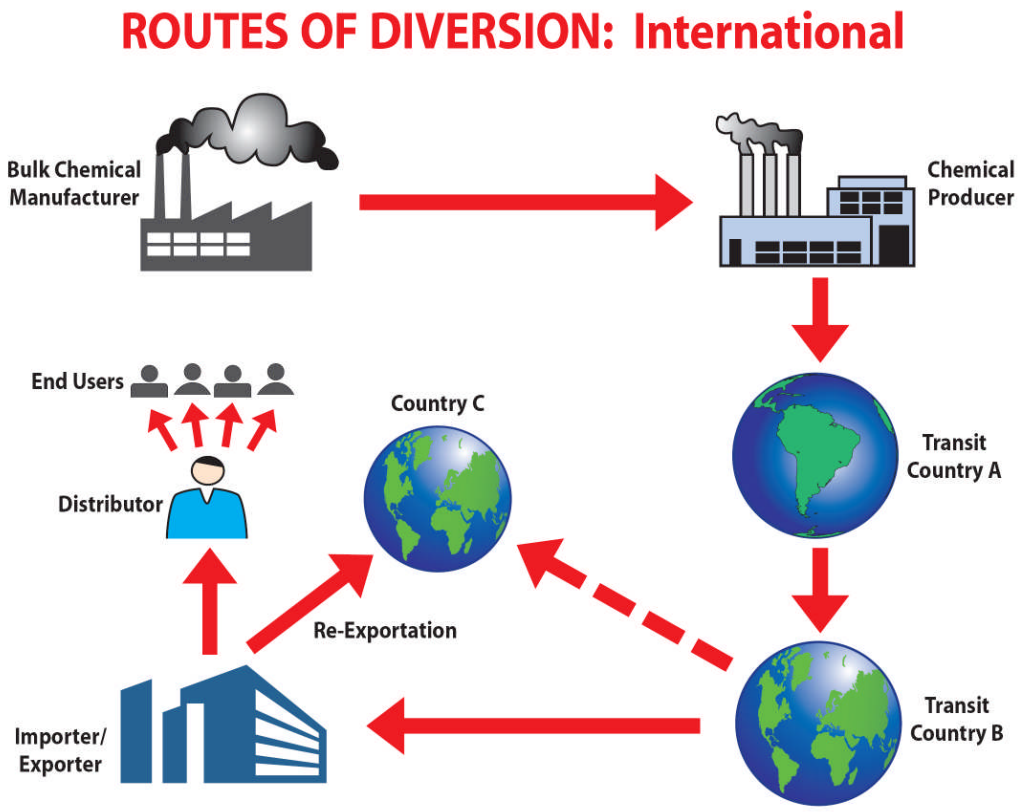
## *Diversion Methods*

From the wide variety of chemicals that are needed for legitimate commercial and pharmaceutical purposes, a relatively small number also can be misused for the production of illegal drugs. Drug traffickers rarely produce these chemicals independently, as this would require advanced technical skills and a sophisticated infrastructure that would be difficult to conceal. Instead, criminals most often illegally divert the chemicals that they need from otherwise licit trade. Diversion from licit trade takes two main forms. The chemicals may be purchased from manufacturers or distributors. This can be done directly by traffickers or through unsuspecting or complicit third parties. Chemical producers also may be complicit in diversion schemes. This is less frequent. Instead, most diversion takes place due to the ability of criminals to exploit gaps in the regulatory frameworks in place to monitor the trade in drug precursors and identify suspicious transactions. The supply chains for chemicals can be very complex, with several intermediary "traders" located between a manufacturer and an end user. This complex supply chain makes it more difficult for governments to pick the right point to intervene with regulatory control regimes and licensing.

International trade in precursor chemicals can be exploited by traffickers through a variety of means. Chemicals can be imported legally into drug-producing countries with official import permits and subsequently diverted—sometimes smuggled into neighboring drug-producing countries. In parts of the developing world, traffickers often pick the path of least resistance and arrange for chemicals to be shipped to countries where no viable regulatory systems exist for their control.

Criminals also employ stratagems to conceal their true identities and the controlled chemicals that they require. Often, traffickers conceal their identity by using front-companies or by misusing the

names of well-known legitimate companies. They also obtain chemicals by bribing or blackmailing the employees of legitimate companies. In some cases they disguise the destination or nature of chemical shipments by mislabeling or re-packaging controlled chemicals as unregulated materials.




Traffickers also obtain precursors through theft, either from storage or during transit. Criminals have often employed violence to steal chemical supplies.

In the past year, transshipment or smuggling from third countries into drug producing countries has increased dramatically. This tactic is emerging as a key method in response to the increasing efforts of more countries to implement legislative and administrative controls to prevent diversion from legitimate commercial trade.

In 2008 and 2009 there has been a dramatic increase in criminal efforts to take greater advantage of finished pharmaceutical products. This includes extracting precursor chemical ingredients, particularly those containing pseudoephedrine, a key precursor for methamphetamine. Pharmaceutical preparations are not controlled by the 1988 UN Drug Control Convention, and can be traded internationally without being subject to the reporting requirements in place for raw or bulk chemicals.

## *2009 Chemical Diversion Control Trends and Initiatives*

The United States continues to be at the forefront in promoting international chemical control efforts. The diffuse nature of the threat requires international cooperation and commitment, and to increase our impact, the United States cooperates closely with other governments through both multilateral and bilateral efforts. The multilateral institutions that have long underpinned

international drug control, principally the United Nations and its affiliated International Narcotics Control Board (INCB) are critical to this effort, providing the treaty framework and the venue for cooperation. In 2009, the INCB continued to serve as the focal point for the exchange of information that led to coordinated law enforcement operations.

The most notable of these was the extension of activities targeting amphetamine-type stimulants under Project Prism with Governments exchanging information through the INCB on legitimate trade and trafficking trends. INCB-coordinated Operation PILA, a time-bound voluntary operation focusing on the trade of ephedrine and pseudoephedrine, including pharmaceutical preparations and ephedra, tracked shipments to the Americas, Africa, Oceania, and West Asia. This operation included regulatory and law enforcement officials and is designed in accordance with the CND resolution for a nine-month period to gather intelligence on diversion of amphetamine-type stimulants (ATS), precursors, clandestine laboratories and links to trafficking organizations. Pre-export notifications (PEN online) served as a primary source of information.

Given the successful results in 2008 of Operation Ice Block, a follow-on operation, Operation PILA, was initiated in 2009 to, inter alia, target pharmaceutical preparations of ephedrine and pseudoephedrine and new smuggling routes. Operation PILA will be conducted over a nine-month period from July 1, 2009, until March 31, 2010. From July to October 2009 10 tons of bulk shipments as well as 31.83 million tablets of ephedrine and pseudoephedrine were suspended, stopped or seized. Of the 10 tons, 7.73 tons were pharmaceutical preparations. The operation revealed that many of the suspicious shipments were destined for Mexico, with the leading source country shifting from China to India. This shift may be a result of new legislative and administrative efforts in China. This year, analysis of data and seizures indicated that India was the source and Mexico the primary destination of ephedrine and pseudoephedrine. A special emphasis was put on pharmaceutical preparations and on the trade in phenylacetic acetic with fewer controls that can be substituted to produce methamphetamine and the amphetamine phenylpropanolamine, P-2. Building on information received from last year, the operation also focused on trafficking and diversion of amphetamine-type stimulants in Africa and West Asia.

As the primary source of the world's opium poppy and the location of an increasingly high percentage of heroin production, Afghanistan remains one of the world's most challenging drug control environments on a variety of fronts, including precursor chemical control. In 2009, under the auspices of the INCB-led Project Cohesion Task Force participants including the United States, agreed to continue efforts to target acetic anhydride, the key precursor necessary for producing heroin. This time bound voluntary operation continues to focus on the exchange of information on seizures and on identifying diversion and suspicious shipments of chemicals. Operation DICE – involved exchanging information through the INCB Secretariat's online PEN system from 2008-2009. These cases involved over 135,000 tons of acetic anhydride with China and the United States being the largest exporters of this chemical. Analysis of seizures in a range of countries in Europe, the Middle East and East Asia identified definite patterns of diversion and trafficking. Traffickers are increasingly using new smuggling routes for acetic anhydride in Africa as well as seeking new distributors located in Africa, or Asia, to include Iran and Iraq. In 2009 shipments were stopped in Djibouti, Iran, Iraq, and Egypt, as well as in European countries and in Latin America. In several instances traffickers also exploited small European non-chemical export companies to obtain acetic anhydride. It was also evident that heroin precursors are being smuggled as well as diverted from legitimate trade.

This INCB operation received further political support in coordination with several other efforts, including follow-up to a political effort to engage the UN Security Council and to support the adoption of a resolution that focused on the need to target heroin production in Afghanistan. The United Nations Office on Drugs and Crime (UNODC) under the Paris Pact law enforcement coordination mechanism also promoted expanded international cooperation between law

enforcement agencies active in border control through and around Afghanistan. The INCB-coordinated Project Cohesion Task Force continued to foster international law enforcement cooperation to seize smuggled shipments. Illicit smuggling of precursors in countries along Afghanistan's opium supply chain remains a challenging problem due to widespread gaps in intelligence and limited specialized international law enforcement expertise in detecting chemicals. The United States and international partners have made progress in developing an infrastructure capable of achieving increased intelligence sharing, law enforcement cooperation and expansion of regulatory expertise in the region. Other multilateral efforts in the region complement these initiatives.

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

In South America, the INCB-led Project Cohesion Task Force focuses on monitoring the imports of potassium permanganate to cocaine processing areas. Developing an effective multilateral effort focused on potassium permanganate has proved difficult, and the INCB and others are encouraging countries in South America to make this a priority in 2010. In 2008-09 Project Cohesion Task Force participants expressed concern over the paucity of information pertaining to the trade of potassium permanganate in Latin America. Despite the lack of multilateral operations focusing on potassium permanganate, Colombia continues to report large numbers of seizures.

In Asia, methamphetamine production, transit, and consumption remain significant problems. To help stem production, trafficking, and abuse in East and Southeast Asia, in 2009 the United States supported bilateral and multilateral initiatives that included UNODC's project to promote regional cooperation for precursor chemical control in the South East Asian region. The U.S. Department of Defense through Joint Interagency Task Force (JIATF) West also continues to support Interagency Fusion Centers (IFCs) in various partner nations throughout Asia. IFCs contribute to developing host nation infrastructure and aid local law enforcement to fuse and share information to detect, disrupt and dismantle drug and drug-related national and transnational threats. The United States also has provided law enforcement training to a variety of countries, including training in basic drug investigations, chemical control, and clandestine laboratory identification (and clean-up) training. These relatively low-cost programs help encourage international cooperation with these countries in pursuing our common counternarcotics and broader geopolitical objectives with the countries of the region, as well as undercut illegal drug producers that could eventually turn their sights on U.S. markets.

2009 saw progress in the development of a more complete and systematic reporting regime covering the international trade in synthetic drug precursors. In 2006, a U.S.-sponsored CND resolution provided a way to institutionalize the process for collecting information on synthetic drug precursor chemicals. The resolution also requests countries to permit the INCB to share such information with concerned law enforcement and regulatory agencies. The U.S. continues to work with the INCB and other international allies to urge countries to take steps towards implementation.

A prerequisite for implementing this is developing the considerable infrastructure of commercial information and regulation—not a simple task for many countries. However, at the end of 2009, the INCB reports that more than 120 countries and jurisdictions (up from 100 in 2008) are now cooperating and providing voluntary reporting on their licit requirements for the aforementioned chemicals. The INCB published the data collected in its annual report on precursor chemicals and updates the information regularly on its website. The data serves as a baseline for authorities in importing and exporting countries, facilitating verification of the chemicals and the quantities

proposed in commercial transactions. Authorities can then determine whether importation is warranted—or, if no legitimate commercial use is apparent, whether pending shipments require additional law enforcement scrutiny.

To promote the full implementation of the CND resolution and support ongoing INCB activities, including Project Prism, the Department of State contributed $700,000 in Fiscal Year 2007, an additional $700,000 in Fiscal Year 2008, and $700,000 in FY09.

## *The Road Ahead*

The U.S. will continue to urge other countries to implement the provisions of the 1988 UN Convention. Development of effective chemical control regimes is critical to implementation. Against this backdrop, countries will need to have in place the legislation to criminalize the diversion of precursors. Additionally, it is important to develop the administrative and procedural tools to successfully identify suspicious transactions, as well as to make better use of watch lists and voluntary control mechanisms.

As a critical objective, and in conjunction with the INCB and other Member States, the United States will continue to promote efforts through the task forces of Project Cohesion and Project Prism to target precursor chemicals. The United States will promote implementation of the new mechanisms that have been enacted to foster the broader exchange of information and expertise pertinent to the control of methamphetamine and other synthetic drugs. The U.S. will also urge countries to avail themselves of the PEN system to actively provide and exchange information on legitimate commercial precursor chemical shipments and estimates on legitimate commercial needs to the INCB, and to provide the necessary support to enable the INCB to fulfill its expanding role.

Through the CND the USG is supporting an effort to move phenylacetic acid from Table II to Table I of the 1988 UN Convention in order to increase surveillance, monitoring and control of this precursor chemical that can be used in the production of methamphetamine.

In this hemisphere, the USG will continue to work through the Inter-American Drug Abuse Control Commission (CICAD), the counternarcotics arm of the Organization of American States (OAS) to further cooperation against diversion of precursor chemicals. OAS/CICAD receives considerable U.S. funding to counter the trafficking and abuse of illegal drugs, including methamphetamine. Guided at the policy level by the CICAD Commissioners (delegates from 34 Member States in the region), the Supply Reduction Unit of CICAD carries out a variety of initiatives in this important field, and is supported by its Experts Groups on Chemicals and Pharmaceuticals, which usually meet annually.

The issue of precursor chemicals and the need to tighten controls in the Western Hemisphere has been elevated via the OAS/CICAD's Multilateral Evaluation Mechanism (MEM), through which the 34 Member States evaluate drug control progress and take initiatives to advance steps across the board against illegal drug trafficking. Through the MEM, countries have received specific recommendations on chemical controls.

Over 50 participants from 17 CICAD Member States participated in the August 2009 Meetings of the Groups of Experts on Chemical Substances and Pharmaceutical Products in Lima, Peru. During the meeting of the chemical experts, member states proposed to revise and update the OAS/CICAD model chemical control regulations. They also proposed using the U.S. Centers for Drug Information (CDI) Program communications network as a forum for the exchange of information by the Groups of Experts on Chemical Substances and on Pharmaceutical Products. The Group initiated the drafting of a guide for an administrative and criminal framework for the control of materials and chemical substances; a manual of best practices for the development of regulatory controls on

equipment used to produce synthetic drugs; another best practices guide to increase private sector involvement in the control of chemical substances and pharmaceutical products.

The Group of Experts on Pharmaceutical Products finalized a guide for the control of ephedrine and pseudoephedrine. The Group also continued work on developing an expanded guide on illegal Internet sales of drugs.

In 2009, OAS/CICAD held several specialized training seminars aimed at building member state capacity to control chemicals that may be used in the production of illicit drugs. These seminars also provided law enforcement officers, customs officers, chemists, and regulatory/administrative officials with the knowledge, skills, and resources to safely and effectively conduct their chemical control activities. The U.S. supported a training seminar concerning chemical control and officer safety based on a methodology developed by OAS/CICAD's Group of Experts on Chemical Substances. This five-day workshop was conducted in cooperation with the Government of Chile for 120 Chilean officials. The U.S. also supported two five-day regional chemical control workshops on chemical controls in Jamaica and St. Lucia.

Synthetic drugs such as methamphetamine and ecstasy, represent a growing threat to OAS/CICAD member states. Supported by U.S resources, Haitian and Dominican experts participated in a five-day seminar in Santo Domingo on synthetic drugs and their effects, the methods and precursor chemicals used to produce them, illicit laboratories and other issues related to these substances. The training activities related to chemical control and synthetic drugs serve to increase awareness among the participants regarding the threats that these substances pose for their communities and the importance of controlling them. Most important, they raise national awareness of the need to update national laws and regulations.

In 2009, with U.S. support, OAS/CICAD continued its series of seminars in response to the growing problem of illegal Internet sales of drugs. A program held in Colombia involved concerned experts from Colombia, Brazil, Ecuador, Panama and Venezuela. The second seminar in the Bahamas included officers from the Bahamas, Barbados, Grenada, Haiti, Jamaica and Trinidad and Tobago. A third seminar in Argentina involved participants from Argentina, Brazil and Chile. All of these seminars served to raise general awareness of the problem of the illegal sale of drugs via the Internet.

A key theme throughout the March 2009 High-level Commission on Narcotic Drugs was the showcasing of best practices and implementation of existing multilateral tools. During the year-long review and the negotiations of new commitments, the U.S. sought to highlight the increased use of unregulated substitute chemicals in synthetic drug manufacture; the need for all countries to develop the necessary legislation to establish strong chemical control regimes; and the importance of using the online PEN system. The United States is increasing cooperation with international chemical producers and transporters in the private sector in order to promote effective diversion-prevention practices. In 2009, the INCB published a draft code of conduct for the industry to promote ways to prevent diversion of chemicals. The U.S. is consulting with the EU and other nations on ways to develop follow-up activities to build on this outreach to promote efforts to implement voluntary measures and increased cooperation between the private and public sectors.

# Major Chemical Source Countries and Territories

The countries included in this section are those with large chemical manufacturing or trading industries that have significant trade with drug-producing regions, and those countries with significant chemical commerce susceptible to diversion domestically for smuggling into neighboring

drug-producing countries. Designation as a major chemical source country does not indicate a country lacks adequate chemical control legislation and the ability to enforce it. Rather, it recognizes that the volume of chemical trade with drug-producing regions, or proximity to them, makes these countries the sources of the greatest quantities of chemicals liable to diversion. The United States, with its large chemical industry and extensive trade with drug-producing regions, is included on the list.

Many other countries manufacture and trade in chemicals, but not on the same scale, or with the broad range of precursor chemicals, as the countries in this section.

Article 12 of the 1988 UN Drug Convention is the international standard for national chemical control regimes and for international cooperation in their implementation. The annex to the Convention lists the 23 chemicals most essential to illicit drug manufacture. The Convention includes provisions for the Parties to maintain records on transactions involving these chemicals, and to provide for their seizure if there is sufficient evidence that they are intended for illicit drug manufacture.

# *The Americas*

## Argentina

As one of South America's largest producers of precursor chemicals, Argentina is vulnerable to diversion of chemicals into the illicit drug market. Argentina continues to be targeted by traffickers in ephedrine, though a change in import requirements in 2008 eliminated a loophole that traffickers had exploited to bring in illicit ephedrine.

Argentina is a party to the 1988 UN Drug Convention and has laws meeting the Convention's requirements for record keeping, import and export licensing, and the authority to suspend shipments. Presidential decrees have placed controls on precursor and essential chemicals, requiring that all manufacturers, importers or exporters, transporters, and distributors of these chemicals be registered with the Secretariat for the Prevention of Drug Addiction and Narcotics Trafficking (SEDRONAR). Decrees in 2008 and 2009 enhanced the role of the National Administration of Food, Medicine and Medical Technology (ANMAT) to play a role in monitoring precursor chemical trade. Argentina's National Drug Plan includes steps to enhance criminal charges that can be used against persons diverting precursors toward illegal use.

Following changes in late 2008 enhancing government controls over the importation of ephedrine, legal imports for Argentina's pharmaceutical industry were minor in 2009. This was an important improvement over 2007 and early 2008, when large imports of the substance were clearly linked to transshipment of the chemical to the U.S. and Mexico. However, the new law does not regulate pseudoephedrine, and there is evidence of continuing efforts by traffickers to illegally import ephedrine. With DEA support, Argentina continues to participate in Project Cohesion and the regional Operation Sin Fronteras ("Without Borders"). Argentina also participates in "Operation Andes III," a joint program sponsored by Interpol and the World Customs Organization (WCO) to coordinate the interdiction of precursor chemicals in South America.

## Brazil

Brazil has South America's largest chemical industry and also imports significant quantities of chemicals to meet its industrial needs. Chemical control initiatives in Brazil have evolved since its initial 1995 law to control chemical products that could be used for cocaine production. Since the law was expanded in 2004, Brazil has the capability to control the illegal production, diversion or trafficking in 146 controlled chemical substances that could be used as precursors for drug

production. Considered the most rigorous in Latin America, the law requires that approximately 22,000 companies that actively manufacture, import, export, or distribute listed substances to register with the DPF's Chemical Control Division and pay yearly fees. These companies are required to file monthly reports online of their sales, purchases, and usages of chemicals. These procedures are managed through the DPF's Chemical Products Control System (Sistema de Controle de Produtos Quimicos—SIPROQUIM), an internet-based system. The DPF Chemical Control Division has inspected 479 companies through the end of October and has seized 183.3 tons of controlled chemicals.

Additionally, there are twenty-two materials referred to as precursors that are controlled by the National Sanitary Vigilance Agency (ANVISA). This agency is regulated by the Health Ministry. The substances being controlled by ANVISA are finished pharmaceutical products that contain any one of the 146 controlled unfinished substances detailed under Brazilian law.

In addition to carrying out administrative and regulatory duties in chemical control, the DPF also conducted two enforcement interdiction operations in 2009. Operation Seis Fronteras (Six-Borders) is a South American regional chemical control and enforcement initiative that is supported by the DEA. These initiatives have been ongoing for ten years. Phase eleven took place between the dates of March 30—April 3, and between dates August 3-August 7, 2009 respectively.

The DPF performed enforcement activities and mobile checkpoints in the Brazilian states of Rio Grande do Sul, Santa Catarina, Mato Grosso, Mato Grosso do Sul, Rondonia, Parana, Amazonas, and Acre.

DEA reports that the DPF arrested 76 suspects; seized 52 vehicles, 10 firearms, and $212,600 in cash; searched 7,281 subjects, 4839 vehicles, and 632 boats/airplanes during the operations. There were 25 companies inspected resulting in 21 violations cited. The DPF opened 26 new investigations for further follow-up inquiries.

## Canada

Canada remains both a destination and transit country for the precursor chemicals used to produce synthetic drugs, particularly methamphetamine and MDMA (3, 4-methylenedioxymethamphetamine, or ecstasy). The U.S. continues to work closely with Canada in countering these threats, and the Government of Canada is making a serious effort to curb the diversion of precursor chemicals required for methamphetamine production for both domestic and U.S. markets. Canadian law enforcement authorities also have worked productively with U.S. counterparts in joint law enforcement operations that disrupted drug and currency smuggling operations along both sides of the border. U.S.-Canadian law enforcement cooperation and Canada's efforts to strengthen its chemical control laws and enforcement have helped significantly to reduce the amount of Canadian-sourced pseudoephedrine discovered in clandestine U.S. methamphetamine labs. However, there is some evidence that Canada's domestic production of methamphetamine and MDMA continues to increase—which will require continued careful monitoring on both sides of the border. The U.S. will continue to work closely with Canadian partners to identify and dismantle MDMA and methamphetamine laboratories.

Canada is a party to the 1988 UN Convention and complies with its record-keeping requirements. Canada participates in Project Prism, targeting synthetic drug chemicals, and is a member of the North American working group. Although it supports Project Cohesion and contributes on an ad hoc basis, it is not actively engaged in it.

## Chile

Chile has a large petrochemical industry engaged in the manufacturing, importation, and exportation of thousands of chemical products. Chile has been a source of ephedrine for methamphetamine processing in Mexico. In 2009, Chilean authorities arrested and prosecuted individuals who purchased large amounts of ephedrine through a local chemical company and then covertly sent the ephedrine to Mexico using commercial mailing companies. Chile is also a source of precursor chemicals used in coca processing in Peru and Bolivia.

Chilean law enforcement entities have specialized chemical diversion units. Companies that import, export, or manufacture chemical precursors must register with CONACE, maintain customer records, and are subject to CONACE inspections. There is pending legislation in the Chilean Congress to expand the list of companies subject to inspection by government authorities. CONACE has also requested additional resources to hire more inspectors so it can provide stronger oversight and regulation of the petrochemical industry.

## Mexico

Mexico has made significant changes that have had implications for its major chemical manufacturing and trading industries that once produced, imported, and exported most of the chemicals necessary for illicit drug manufacture. Several years ago, production of methamphetamine was on the increase in Mexico. Although such production continues, there are signs that traffickers' efforts to smuggle and obtain precursors are being thwarted by Mexico's efforts and assistance from other countries in the region. The country's Federal Commission for the Protection against Sanitary Risk (COFEPRIS) responded to this issue by taking stringent steps to counter chemical precursor diversion. Previously, COFEPRIS placed restrictions on chemical importers, limited imports to only three ports, and required that pseudoephedrine in transit be kept under guard. The Government of Mexico went further in 2008, announcing the importation of pseudoephedrine and ephedrine would be banned completely. Sellers of pseudoephedrine products were given until the end of 2009 to deplete their inventory, after which use of these products would be illegal in Mexico. Official GOM reports indicate that legal imports of pseudoephedrine, ephedrine, and its derivatives have fallen from approximately 216 tons in 2004 to less than 2 tons in 2008—and only allowed to be brought in using 2007 import permits. The last permit was issued in November 2007 and was valid for 180 days.

Seizures of both raw ephedrine and pseudoephedrine continue in Mexico and Mexican authorities reported seizures to the INCB that included some of the largest totals it has reported to date: 2.8 tons of raw pseudoephedrine, and 3.2 tons raw ephedrine at the end of 2008.

Mexico's continued participation in the INCB initiatives, during the periods November 2008-October 2009, have had led to some progress in thwarting traffickers' efforts to obtain bulk ephedrine and pseudoephedrine. The seizures from this operation provide information on how traffickers are now increasingly turning to pharmaceutical preparations (tablet form) and using new routes to obtain these substances. Seizures showed that shipments continue to originate in India, through a variety or routes through European countries, North America and Central America, and Argentina. Countries of origin included Argentina, Canada, Hong Kong, India, and the United Kingdom. However, seizures also indicate new patterns from India, through South Korea destined for Mexico.

Meanwhile, illicit methamphetamine production continues in Mexico. The INCB indicates that Mexican authorities reported the seizure of a large scale laboratory in Sinaloa that included a seizure of pharmaceutical preparations including pseudoephedrine, in June 2009. They also reported a seizure of a complex methamphetamine production site in Durango in August 2009 that included 22

individual facilities on a 240 hectare site. 32,800 liters of chemical associated with the methamphetamine manufacture process were seized.

The GOM is providing regional leadership, collaborating with and providing training to Central American officials. In 2009, Mexico became a participating member in the PRELAC initiative—Prevention of the Diversion of Precursor Chemicals in Latin America and the Caribbean. PRELAC is a European Commission/United Nations-led working group designed to strengthen the capacities of national administrative control authorities to prevent the diversion of precursor chemicals from the licit market into Latin America and the Caribbean. At the working group's inaugural session in 2009, members agreed to focus on several initiatives including: establishing a web-based system of information exchange between all participating countries; standardizing precursor control mechanisms and legal frameworks; improving inspection and investigation techniques; developing synergies between the control agencies and chemical operators in both the public and private sector; and enhancing the effectiveness of customs administrations in the control of precursor chemicals. While the effort is in nascent stages, it could potentially enhance the GOM's efforts to control precursor chemicals over the long term.

There is a strong bilateral working relationship between USG and GOM authorities involving information exchange and operational cooperation. The two governments also cooperate to convey best practices to Central American countries that have become affected by the trafficking of precursor chemicals. Mexico is a party to the 1988 UN Drug Convention and has laws and regulations that meet the Convention's chemical control requirements.

## The United States

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

The basic U.S. chemical control law is the Chemical Diversion and Trafficking Act of 1988. This law and 6 subsequent chemical control amendments were all designed as amendments to U.S. controlled substances laws, rather than stand-alone legislation. The Drug Enforcement Administration (DEA) is responsible for administering them. In addition to registration and record keeping requirements, the legislation requires traders to file import/export declarations at least 15 days prior to shipment of regulated chemicals. DEA uses the 15-day period to determine if the consignee has a legitimate need for the chemical. Diversion investigators and special agents work closely with exporting and receiving country officials in this process. If legitimate end-use cannot be determined, the legislation gives DEA the authority to stop shipments.

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

The U.S. has played a leading role in the design, promotion and implementation of cooperative multilateral chemical control initiatives. The USG also actively works with other concerned countries, the United Nations Office of Drugs and Crime (UNODC), and the International Narcotics Control Board (INCB) to develop information sharing procedures to better control pseudoephedrine and ephedrine, the principal precursors for methamphetamine production. USG officials participate in the task forces for both Project Cohesion and Project Prism. It also has established close

operational cooperation with counterparts in major chemical manufacturing and trading countries. This cooperation includes information sharing in support of chemical control programs and in the investigation of diversion attempts.

# *Asia*

## China

China has one of the world's largest chemical industries, producing large quantities of chemicals that can be used for illicit drug manufacture such as acetic anhydride, potassium permanganate, piperonylmethylketone (PMK) and pseudoephedrine and ephedrine. China was the fifth largest exporter of pseudoephedrine with exports of 39,302 kilograms in 2008 according to the Global Trade Atlas. Organized crime groups divert legitimately manufactured chemicals, especially ephedrine and pseudoephedrine, from large chemical industries throughout China to produce illicit drugs. The PRC continues efforts to prevent diversion and is a party to the 1988 United Nations (UN) Convention. The PRC produces and monitors all 23 of the chemicals on the tables included in the 1988 UN Drug Convention. China continues to closely cooperate with the United States and other concerned countries in implementing a system of pre-export notification for dual-use precursor chemicals. China strictly regulates the import and export of precursor chemicals. According to NNCC statistics, PRC authorities successfully investigated 170 cases on illegal trade and smuggling of precursor chemicals in 2008, and seized 1,113 tons of precursor chemicals (compared to 592 tons in 2007).

China is a major producer of licit ephedrine and pseudoephedrine. Many international law enforcement agencies believe that large-scale methamphetamine producers in other Asian countries and Mexico use Chinese-produced ephedrine and pseudoephedrine as a precursor. Numerous examples from criminal investigations confirm this suspicion. Diverted Chinese precursor chemicals may sustain synthetic drug production in other countries as far away as Mexico, Belgium, Indonesia, and the Netherlands. Although China enacted more stringent precursor chemical control laws in November 2005 and is engaged in multilateral and bilateral efforts to stop diversion from its chemical production sector, it has not yet found a way to effectively prevent diversion of precursor chemicals in its large chemical industry.

In November 2005, China passed an Administrative Law on Precursor Chemicals and implemented an Administrative Regulation on Narcotic Drugs and Psychotropic Substances. In the same month, China issued Provisional Administrative Regulations on the Export of Precursor Chemicals to Special Countries, strengthening the regulation of exports of 58 types of precursor chemicals to countries in the Golden Triangle. Twenty-three of these precursor chemicals were classified as more stringently controlled. In 2008, public security agencies throughout China recorded 6.15 tons of "ice" and tablets were seized.

China cooperates in international chemical control initiatives such as Project Cohesion, which targets the diversion of potassium permanganate and acetic anhydride, and Project Prism, which targets the precursor chemicals used in the illicit manufacture of amphetamine-type stimulants. With relation to Project Cohesion, China accounts for 70 percent of the worldwide seizures of potassium permanganate. China continued its participation in the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD).

China is a main source for natural ephedra, which is used in the licit production of ephedrine. China is also one of the world's largest producers of ephedrine, licit synthetic pseudoephedrine, and ephedra products. China has a large pharmaceutical industry, and these products all have legitimate medicinal use, but they can also be used in the production of amphetamine-type stimulants (ATS). The PRC Government, supplemented by stricter controls in critical provinces such as Yunnan and

Zhejiang, makes efforts to control exports of these key precursors. Despite these efforts, there is a widespread belief among law enforcement authorities in Asia and Mexico that large-scale production of methamphetamines—most notably in super and mega-labs in the Asia Pacific Rim and in Mexico—uses China-produced ephedrine and pseudoephedrine. Large-scale seizures of Chinese-made chemicals that have been diverted are almost commonplace in law enforcement investigations around the world.

Chinese authorities continued to seize clandestine methamphetamine laboratories. In the past, the majority of the labs were discovered and/or seized in Fujian and Guangdong provinces, although recently there have been laboratories seized in northeast China, specifically Shenyang and Liaoning province. On August 7, 2008, a special operations unit of MPS seized a methamphetamine manufacturing factory in Huizhou, China. The unit arrested six suspects and seized nearly 1,700 kilograms of mixed liquid substance containing methamphetamine.

Traffickers continue to use Guangzhou, Shenzhen, and Zhuhai in Guangdong province as transit and transshipment points for heroin and crystal methamphetamine exiting China. In addition, Xiamen and Fuzhou in Fujian province are major exit points.

Methamphetamine tablets trafficked from the Golden Triangle increased. In 2008, approximately 2.4 tons of methamphetamine tablets from northern Burma were seized in Yunnan province.

## India

India is one of the top producers of ephedrine and pseudoephedrine. 2008 data from the Global Trade Atlas indicate that India is the top exporter of ephedrine (188,967 kilograms) and pseudoephedrine (462,761 kilograms).

India has implemented legislation and a system to prevent diversion of ephedrine and pseudoephedrine. However, information from Operation Ice Block indicates that traffickers are now targeting India as the key source of ephedrine and pseudoephedrine for methamphetamine processing.

India is a party to the 1988 UN Drug Convention, but it does not have controls on all the chemicals listed in the Convention. The Government of India (GOI) controls acetic anhydride, N-acetylanthranilic acid, anthranilic acid, ephedrine, pseudoephedrine, potassium permanganate, ergotamine, 3, 4-methylenedioxyphenyl-2-propanone, 1-phenyl-2propanone, piperonal, and methyl ethyl ketone, all chemicals listed in the convention. Indian law allows the government to place other chemicals under control. Violation of any order regulating controlled substance precursors is an offense under the Narcotics Drugs and Psychotropic Substances Act, the key law controlling trafficking, and is punishable with imprisonment of up to ten years. Intentional diversion of any substance, whether controlled or not, to illicit drug manufacture is also punishable under the Act.

The NDPS (Regulation of Controlled Substances) Order, 1993, requires every manufacturer, importer, exporter, seller and user of controlled substances (both ephedrine and pseudoephedrine have been notified as controlled substances) to maintain records and file returns with the Narcotics Control Board (NCB). Every loss or disappearance of a controlled substance must also be reported to the Director General, NCB. Exports of ephedrine and pseudoephedrine require a No Objection Certificate from the Narcotics Commissioner, who issues Pre-Export Notification to the Competent Authority in the importing country as well as to the International Narcotic Control Board (INCB).

The Indian Government in partnership with the Indian Chemical Manufacturing Association imposes controls on acetic anhydride, a key precursor chemical for heroin. Chemical manufacturers visit customers to verify the legitimacy of their requirements, and shipments are secured with specially fabricated sealing systems to prevent diversion. Domestic and export sales of acetic anhydride require a letter of no objection from the government.

India has also been actively involved in operations like Project Prism which target precursors to manufacture ATS.

India has also been actively involved in international operations dealing with precursor control such as Project Cohesion and Project Prism. India issues pre-export notifications (PEN) for export of precursors using the online system developed by the INCB. Law Enforcement Agencies in India continued to exchange information on a regular basis with Drug Law Officers (DLOs) based in India. The NCB and other drug law enforcement agencies continued their extensive cooperation with the U.S. Drug Enforcement Agency through its Country Attaché.

## Singapore

Singapore has a large pharmaceutical industry and is a major importer and exporter of both ephedrine and pseudoephedrine, precursors used in the production of methamphetamine. In 2008, data from the Global Trade Atlas indicates that Singaporte was the fourth largest exporter of both ephedrine—with 14,010 kilograms and pseudoephedrine –with 46,501 kilograms. The Global Trade Atlas also indicates that Singapore was the fourth largest importer of ephedrine—with 12,501 kilograms and the third largest importer of pseudoephedrine with 50,014 kilograms. The quantities that remain in country are used primarily by the domestic pharmaceutical industry. To date, no domestic clandestine methamphetamine production has been detected in Singapore. Singapore's position as one of the world's largest importer/exporters of ephedrine and pseudoephedrine parallels the rapid growth of pharmaceutical and biomedical industries in the country. On a combined basis, the pharmaceutical industry currently accounted for nearly 8 percent of Singapore's GDP in 2006, up from less than one percent in 2000. Singapore is also one of the largest distributors of acetic anhydride in Asia. Used in film processing and the manufacture of plastics, pharmaceuticals, textiles, and industrial chemicals, acetic anhydride is also the primary acetylating agent for heroin.

Singapore participates in multilateral precursor chemical control programs, including Cohesion and Operation Prism, and is involved in law enforcement initiatives developed under these projects to halt worldwide diversion of precursors to illicit chemical trafficking and drug manufacturing organizations. The CNB works closely with the U.S. to track the import of precursor chemicals for legitimate processing and use in Singapore. CNB's precursor unit monitors and investigates any suspected domestic diversion of precursors for illicit use. Singapore is a party to the 1988 UN Drug Convention and controls precursor chemicals, including pseudoephedrine and ephedrine, in accordance with its provisions. It will not authorize imports of precursors until it has issued a "No Objection" letter in response to the exporting country's pre-export notification. Pre-export notifications are issued on all exports; transshipment cases are treated as an import followed by an export. The Government of Singapore (GOS) conducts rigorous site visits on companies dealing with controlled chemicals to ensure awareness of the requirements and overall compliance.

## South Korea

With one of the most developed commercial infrastructures in the region, South Korea (the Republic of Korea or ROK) is an attractive location for criminals to obtain precursor chemicals. The ROK produces and exports precursor chemicals such as acetone, toluene, and sulfuric acid. The ROK continued its international cooperation efforts to monitor and investigate transshipment cases, but most shipping containers never formally enter ROK territory and thus limits the ROK's ability to intercept narcotics or precursor chemicals. Redoubled efforts by the Korean Customs Service (KCS) have resulted in increased seizures of methamphetamine. Most methamphetamine smuggled into the ROK comes primarily from China.

As of 2009, 25 precursor chemicals are controlled by Korean authorities. Both the Korean Customs Service (KCS) and The Korean Food and Drug Administration (KFDA) participate in Projects

Cohesion and Prism. In addition, the KCS, KFDA and other Korean law enforcement agencies, such as the Korean National Police, participate in sub-programs of those projects, such as Data and Intelligence Collection (DICE) and the Information Sharing System (ISS). The KFDA closely monitors imports and exports of precursor chemicals, particularly acetic anhydride, and investigates shipments suspected of being diverted for illicit purposes. Permits must be obtained for all shipments and records of transactions are maintained for a minimum of two years. The KFDA works with governments of several Southeast Asian nations to verify documents and confirm the existence of importing businesses, and sends representatives to the region to investigate. Pending legislation will require manufacturers and exporters of precursor chemicals to register with the government, and will also provide education to Korean businesses to prevent them from unknowingly exporting such chemicals to bogus importers.

The U.S. and ROK authorities have jointly investigated multi-ton illegally exported shipments of acetic anhydride. Other precursor chemicals, including acetone, toluene, hydrochloric acid and sulfuric acid, are produced in large quantities within the ROK for in-country use and for export. In September 2009, prosecutors arrested a Korean suspect who allegedly attempted to smuggle 10 tons of acetic anhydride to Afghanistan through Pakistani agents who are suspected of having shipped 6.6 tons of acetic anhydride to Afghanistan in February.

## Taiwan

Taiwan's chemical industry has long been a driving force in boosting Taiwan's economic development. Aided by both public and private sector investment, the industry has become competitive globally, exporting specialty industrial chemicals and resins for plastics production as well as importing solvents and cleaning materials for the high-tech electronics sector. On an international level, Taiwan has experienced problems resulting from chemical diversion and illicit drug trafficking, but has taken measures to prevent and monitor chemical diversion. Taiwan Customs and DEA are progressing in the implementation of a precursor chemical initiative. Although Taiwan is not a member of the United Nations and therefore cannot be a party to the 1988 UN Drug Convention, Taiwan authorities have taken measures to comply with the convention.

Of the twenty-three (23) chemical precursors listed in the 1988 UN Drug Convention, five (5) chemicals to include ephedrine and pseudo-ephedrine fall under the scope of the Executive Yuan's (EY) Department of Health. The other seventeen (17) precursor chemicals including acetic anhydride and potassium permanganate are considered industrial raw materials, and are controlled by the Ministry of Economic Affairs' (MOEA), Industrial Development Bureau.

The MOEA provides specific guidance for reporting precursor chemicals as industrial raw materials for the prevention of diversion into drug manufacturing. It also provides related manufacturers and businesses with information concerning which items to report and procedures for reporting. Although Taiwan's Department of Health regulates the control of ephedrine and pseudo-ephedrine, pharmaceuticals containing these chemicals are not controlled.

## Thailand

Thailand is a transshipment point and a net importer of amphetamine-type stimulants (ATS). Methamphetamine is smuggled from Burma across Thailand's northern border for domestic consumption, as well as for export to regional and international markets. Additionally, traffickers move methamphetamine and some heroin from Burma through Laos and across the Mekong River into Thailand's northeastern border provinces.

Drug smugglers travel south through Laos into Cambodia where they enter Thailand across the Thai-Cambodian border. Drugs are also transported from Burma through Laos to Vietnam and Cambodia for regional export. Thailand is a party to the 1988 UN Drug Convention.

The emergence of crystal methamphetamine or "ice" production in the Shan State of Burma is a serious concern to the Thai authorities. MDMA (ecstasy) trafficking is more common in Thailand. Ecstasy typically is smuggled into Thailand via commercial air carriers from Europe; the drug also is smuggled overland from Malaysia. Most ketamine is believed to transit from neighboring countries, especially Malaysia and Singapore. It is also smuggled into Thailand across the Thai-Cambodian border.

Thailand's chemical control policy is established in the Emergency Decree on Controlling the use of Volatile Substances B.E. 2533 (1990)." Government agencies responsible for chemical controls are the Thai Office of Narcotics Control Board (ONCB) and the Food and Drug Administration, which closely monitor the importation of precursor chemicals. Regular inspections are conducted of companies that import such substances, and every chemical shipment into Thailand is subject to review and selective unloading and search. Thai law provides for a maximum three-year jail term for individuals not complying with required reporting and tracking processes. Thai authorities are vigilant in monitoring imports and the licit use of precursors, but despite strong efforts by the Royal Thai Government, limited quantities of certain chemicals—especially acetic anhydride, and ephedrine—transit Thailand to laboratories in Burma. Most precursor chemicals and substances that transit Thailand originate in Indonesia or Malaysia. Some of the chemicals, like acetic anhydride, are produced in Indonesia while others are brokered through Indonesian chemical houses and transported through Malaysia into Thailand and northward to Thai chemical houses in Chiang Mai or Chiang Rai. ONCB has the responsibility for detecting chemical and precursor diversion, interdicting illicit shipments and monitoring the activities of the chemical trading houses.

## *Europe*

Chemical diversion control within the European Union (EU) is regulated by EU regulations binding on all member states. The regulations are updated regularly, most recently in 2005. The EU regulations meet the chemical control provisions of the 1988 UN Drug Convention, including provisions for record keeping on transactions in controlled chemicals, a system of permits or declarations for exports and imports of regulated chemicals, and authority for governments to suspend chemical shipments. The EU regulations are directly applicable in all 27 of its Member States. Only a few aspects require further implementation through national legislation, such as law enforcement powers and sanctions.

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

The U.S.-EU Chemical Control Agreement, signed May 28, 1997, is the formal basis for U.S. cooperation with the European Commission and EU Member States in chemical control through enhanced regulatory co-operation and mutual assistance. The agreement calls for annual meetings of a Joint Chemical Working Group to review implementation of the agreement and to coordinate positions in other areas. The annual meeting has been particularly useful in coordinating national or joint initiatives such as resolutions at the annual UN Commission on Narcotic Drugs, and the review of the ten year commitments made at the 1998 UNGA Special Session on narcotics issues.

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

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

## Belgium

Belgium has a substantial pharmaceutical product sector. The country has limited manufacture of licit methamphetamine precursors and it is not a final destination for international shipments of these precursors. The illicit ephedrine diversion market is controlled by Mexican traffickers who purchase both legal (i.e., cold medicine and dietary supplements) and illegal ephedrine, and ship it to Mexico. It is then used to produce methamphetamine for distribution in the U.S. Increased regulations in the U.S. appear to have led to increased transshipments in Belgium and other Western European countries of ephedrine and other methamphetamine precursors through their countries. The Belgian authorities reported the seizure of 13,400,000 ephedrine pills in 2 incidents during 2008. Data for 2009 is unavailable. Belgian authorities cooperate with the U.S. on international controlled deliveries (ICD) to the destinations, or by seizing the shipments.

## Germany

Germany continues to be a leading manufacturer of pharmaceuticals and in 2008 was the second largest exporter of pseudoephedrine with exports totaling 333,500 kilograms. All types of precursor and essential chemicals are manufactured and/or sold by the vast German chemical and pharmaceutical industry. Germany is a large manufacturer of pseudoephedrine and ephedrine used in its large licit pharmaceutical industry and exported to other countries.

Germany is a party to the 1988 United Nations Convention against Illicit Traffic in Narcotics Drugs and Psychotropic Substances and implements its chemicals control provisions. Germany's chemical control laws are based on EU law and the federal Precursor Control Act. Although Germany's developed chemical sector makes the country susceptible to precursor chemical diversion, German legislation tightly controls the movement of chemicals throughout the country. Cooperation between chemical control officials and the chemical industry is a key element in Germany's chemical control strategy. The restructuring of the EU precursor control regime in 2005 led to required amendments to German law. The amendments, which became effective in 2008, supplement three EU directives by regulating the monitoring of the precursor market by the authorities.

The Federal Center for Drugs and Medical Devices is responsible for authorizing the import, export or transit of all precursor chemicals in Germany. Germany works closely with the USG on chemical control issues, including exchanging information and cooperating both bilaterally and multilaterally, to promote transnational chemical control initiatives. Germany also works closely with the UN's International Narcotics Control Board (INCB), including on UN chemical control operations, such as Projects Cohesion (targeting potassium permanganate and acetic anhydride) and Project Prismtargeting amphetamine-type stimulants).

## The Netherlands

The Netherlands has a large chemical industrial sector that makes it an attractive location for criminals to attempt to obtain chemicals for illicit drug manufacture. There are large chemical storage facilities and Rotterdam is a major chemical shipping port. Currently, there are no indications that the Netherlands is a significant source for methamphetamine chemicals. Trade in precursor chemicals is governed by the 1995 Act to Prevent Abuse of Chemical Substances. The law

seeks to prevent the diversion of legal chemicals into the illegal sector. Violations of the law can lead to prison sentences (maximum of six years), fines (up to 50,000 Euros), or asset seizures. The Fiscal and Economic Information and Investigation Service (FIOD-ECD) oversees implementation of the law. The NR synthetic drug unit and the Public Prosecutor's Office have strengthened cooperation with countries playing an important role in precursor chemicals used in the manufacture of MDMA. The GONL signed an MOU with China concerning chemical precursor investigations. The Netherlands is an active participant in the INCB/PRISM project's taskforce. In 1994, the Netherlands established procedures to maintain records of transactions of an established list of precursor chemicals essential in the production of some drugs. They also renewed their agreement to cooperate on interdiction of narcotics through third-country transit routes, by exchanging, on a police-to-police basis, information such as IP addresses, telephone numbers and, where appropriate, financial information on a regular basis. The Dutch continue to work closely with the U.S. on precursor chemical controls and investigations.

The country remains an important producer of MDMA (ecstasy), although less appears to be destined for the United States than in previous years. The Dutch Government has been proactive in meeting in seizures and law enforcement efforts and according to the National Police, the number of MDMA (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 National Crime Squad's synthetic drug unit and the Public Prosecutor's Office have strengthened cooperation with countries playing an important role in precursor chemicals used in the manufacture of MDMA. Many of the important Ecstasy precursor chemicals originate in China, which makes the MOU singed with China in 2004 an important element of enforcement cooperation. In 2005, the Dutch assigned a liaison officer to Beijing to promote closer sharing of intelligence on precursor chemical investigations.

## The United Kingdom

The United Kingdom is one of world's largest exporters of ephedrine according to Global Trade Atlas data. In 2008, the UK exported 9,000 kilograms of ephedrine—making it the fifth largest exporter of this precursor that can be used for methamphetamine production. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations and is a party to the 1988 UN Drug Convention. Several small clandestine methamphetamine laboratories have been seized in the UK. DEA's London Country Office (LCO) continues to exchange information and training initiatives with several UK law enforcement agencies regarding the threat from methamphetamine.

In 2006, the UK reclassified methamphetamine from a Class B to a Class A drug—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. Ecstasy consumed in the UK is believed to be manufactured in the Netherlands or Belgium; but some tablet making sites have been found in the north of England. Most illicit amphetamines were imported from continental Europe, but some were manufactured in the UK in limited amounts. While the UK government made the "date rape" drug GHB illegal in 2003, GBL, a close chemical equivalent of GHB, remained uncontrolled. In August 2009, UK Home Secretary Alan Johnson announced that the UK intended to classify both GBL and BZP (Benzodiazepine), another "party drug" as Class C soon. As part of this review the UK also intends to ban synthetic cannabionoids, which are chemicals that are sprayed on herbal smoking products. Often referred to by its street name, "SPICE" has become readily available in the UK. Synthetic drugs continued to originate from Western and Central Europe; amphetamines, Ecstasy, and LSD were again mainly traced to sources in Belgium, the Netherlands, and Poland, with some supplies originating in the UK. The makers rely heavily on precursor chemicals made in China. The UK intercepts the most amphetamine in Europe. Since 1998, the UK has seized more than 17.8 metric tons. The annual prevalence rate of 1 percent for amphetamine use in 2007/08 in

England and Wales is one third of the level one decade ago, but in Scotland annual rates of amphetamine use increased from 0.5 percent in 2000 to 2.2 percent in 2006.

# Major Illicit Drug Manufacturing Countries

## *Asia*

### Afghanistan

Afghanistan produces most of the world's opium. There are indications that the trend in processing heroin and morphine base by drug traffickers is increasing. However, there is no domestic chemical industry, or legitimate use for acetic anhydride, the primary precursor chemical used in heroin production. The principal sources are believed to be China, Europe, the Central Asian States and India, but traffickers skillfully hide the sources of their chemicals by re-packaging and false labeling. (Comment: Note that in 2008, Afghanistan informed the INCB that there were no legitimate uses for AA within the country, and GOA would therefore no longer issue permits for any import of AA.)

Large quantities of precursor chemicals used in heroin production are illicitly imported into Afghanistan. According to UNODC, markets and processing facilities are clustered in areas that border Iran, Pakistan and Tajikistan. UNODC has reported that trafficking routes for opiates (which are exported) and precursor chemicals (which are imported) are largely similar.

Afghanistan is a party to the 1988 UN Drug Convention. However, it lacks the administrative and regulatory infrastructure to comply with the Convention's record keeping and other requirements.

Afghan law requires the tracking of precursor substances but the MCN has not created an active registry to record data. And this year, the Government of Afghanistan did not report statistics to the INCB in accordance with Article 12, so the Board was unable to confirm amounts seized.

Progress in this effort requires the establishment of new laws, a system for distinguishing between licit and potentially illicit uses of dual-use chemicals, and a specialized police unit to enforce the new system. UNODC has helped established a five-man unit at CNPA that is charged with tracking precursor chemicals. Limited police and administrative capacity hampered efforts to interdict precursor substances and processing equipment. Yet, recent cooperative international interdiction efforts under the INCB's leadership have led to an increase in the number of identified diversion to Afghanistan, and large seizures have been reported there including 14,000 liters of acetic anhydride in 2008

### Burma

Despite Burma's overall decline in poppy cultivation since 1998, a dramatic surge has taken place in the production and export of synthetic drugs. Burma does not have a significant chemical industry and does not manufacture ephedrine and pseudoephedrine used in synthetic drug manufacture, or acetic anhydride used in the remaining heroin manufacture. Burma is a significant player in the manufacture and regional trafficking of amphetamine-type stimulants (ats).

Most of the chemicals required for illicit dug manufacture are imported and diverted or smuggled into Burma from China, Thailand and India.

The Golden Triangle, where the borders of Burma, Thailand and Laos converge on the Mekong River, is now dotted with drug labs producing synthetic drugs for the Asian market. Drug gangs,

primarily ethnic Chinese based in the Burma-China and Burma-Thailand border areas, produce several hundred million methamphetamine tablets annually. These are destined for markets in Thailand, China, and India, as well as for onward distribution beyond the region. There are also indications that groups in Burma have increased the production and trafficking of crystal methamphetamine, known as "ice."

Currently there is no accurate methodology for estimating the scale of methamphetamine production in Burma. However, it is clear that production of ATS is extensive, and production of the crystalline form of methamphetamine "ice" is growing sharply. Most ats and heroin in Burma is produced in small, mobile labs located near Burma's borders with China and Thailand, primarily in territories controlled by active or former insurgent groups. A growing amount of methamphetamine is reportedly produced in labs co-located with heroin refineries in areas controlled by the United Wa State Army (UWSA), the Shan State Army-South (SSA-S), and groups inside the Kokang autonomous region.

However, Burmese law enforcement officials have achieved some successes, including increased seizures including a nearly thirteen-fold increase in the seizure of methamphetamine tablets and sharp upward spikes in the amounts of precursor chemicals seized. Most notably, there are increased signs of GOB cooperation with foreign law enforcement partners. Burma is a party to the 1988 UN Drug Convention, but it does not have laws and regulations to meet all its chemical control provisions. In 1998, Burma established a Precursor Chemical Control Committee responsible for monitoring, supervising and coordinating the sale, use, manufacture, and transportation of imported chemicals. In 2002, the Committee identified 25 substances as precursor chemicals, and prohibited their import, sale or use in Burma.

## Indonesia

Diversion and unregulated importation of precursor chemicals remains a significant problem facing Indonesia's counternarcotics efforts.

Increased law enforcement efforts by the Government of Indonesia appear to be pressuring drug trafficking organizations to change their operations. In the recent past, Indonesian enforcement encountered and destroyed large clandestine MDMA (Ecstasy) and methamphetamine "Super Laboratories." In 2009, clandestine laboratory operations appear to be much smaller, possibly in response to Indonesian law enforcement efforts. There are also indications that laboratories are being moved outside large metropolitan areas to rural areas where law enforcement is not as prevalent.

Illicit methamphetamine production originates from diverted pseudoephedrine imported into Indonesia from China. Smaller-sized laboratories are becoming much more prevalent in Indonesia than the super labs. Laws to control the diversion of illicit drug precursors such as pseudo ephedrine are still lax, but beginning in 2010, enforcement agencies will have more authority to regulate the importation of precursor chemicals. However, the diversion potential remains with the numerous legitimate large international pharmaceutical and chemical corporations that operate throughout Indonesia.

The scale of amphetamine type stimulant (ats) and Ecstasy manufacturing in Indonesia is already large, and the country may potentially displace Europe as the supply source for Ecstasy in the region.

Iranian drug trafficking organizations smuggle large amounts of methamphetamine into Indonesia via Iranian couriers. On October 19-20, 2009 alone, Indonesian customs seized approximately 50 kilograms of methamphetamine from Iranian traffickers. In late 2009, Indonesian Customs has been making seizures of methamphetamine from Iranian traffickers once per week.

These syndicates secure precursor chemicals from China. Previously, production syndicates relied upon chemists trained in the Netherlands for the production of MDMA (Ecstasy), as well as chemists from Taiwan and Hong Kong for the production of crystal methamphetamine.

Historically, MDMA has been smuggled into Indonesia from sources in the Netherlands or produced in China and smuggled to Indonesia by Chinese organized crime syndicates based in Hong Kong. However, in recent years, importation has been unnecessary as there has been large-scale MDMA and methamphetamine production in Indonesia itself. MDMA and methamphetamine produced in Indonesia is trafficked both domestically and internationally.

An MDMA and methamphetamine laboratory seizure took place in Depok, West Java on May 4, 2009. The Metro Jaya Police Department conducted a two-month-long investigation that resulted seizures of 4 tons of various chemicals, 30 kilograms of methamphetamine, 128 kilograms of ephedrine and 1700 Ecstasy pills, and 15 arrests. Police officials estimated that if all the raw materials in the laboratory were used, 11.5 million Ecstasy pills could have been produced.

In an effort to more effectively control precursor chemicals and pharmaceutical drugs, the GOI reorganized the Ministry of Trade and Industry and the Ministry of Health. In 2004, the Ministry of Trade became a separate agency from the Ministry of Trade and Industry. Currently the Ministry of Trade is responsible for licensing of non-pharmaceutical precursor chemical imports. Similarly, in 2005, the Ministry of Health, assumed responsibility for the management of pharmaceutical precursor chemical licenses, from the National Agency for Drug and Food Control under the Ministry of Health. The National Agency for Drug and Food Control now controls post-market or finished products of precursor chemicals.

## Laos

Laos is an important transit point for Southeast Asian heroin, amphetamine-type stimulants (ats), and precursor chemicals en route to other nations in the region. This transit drug trade includes criminal gangs with links in Africa, Latin America, Europe, and the United States, as well as in other parts of Asia. Laos is a party to the 1988 UN Drug Convention.

Individuals or small-scale merchants undertake the majority of street-level methamphetamine sales. Criminal gangs involved in drug trafficking across border areas adjacent to Vietnam, China, Thailand and Burma, including ethnic minority groups operating on both sides of those borders, constitute a particular problem for Lao law enforcement

In December 2007, the Lao National Assembly passed a drug law (Law on Drugs and Article 46 of the Penal Law), signed by the Prime Minister in early 2008, that defines prohibited substances and pharmaceuticals for medical use. In March 2009, the Prime Minister's Office issued a "Decree" to the revised drug law to clarify criminal liability that includes a list of chemical precursors which could be used for illicit purposes (32 including caffeine).

Responsibility for regulating precursor and essential chemicals lies with the Food and Drug Administration of the Ministry of Public Health. In January 2005, that agency issued a decree imposing legal controls on 35 chemicals, including all of those which the 1988 UN Convention requires be subject to regulation. The Health Ministry also is responsible to issue licenses for the legal importation of very limited quantities of pseudoephedrine or ephedrine which are used (by government-owned pharmaceutical plants) for preparation of cold medications, which are available for sale in pharmacies without prescription. (The Ministry is currently considering, but has not yet approved, one application for importation of 25 kilograms of pseudoephedrine by a Laotian Government-owned pharmaceutical plant.) Initially, officials of the Food and Drug office were assigned at major international entry points to Laos, but due to shortage of personnel and conflicting requirements, the Health Ministry withdrew these staff members and now conducts inspections of

imported chemicals only upon request to visit an importer's warehouse or storage facility. The Ministry is not known to conduct any end-use inspection of any licensed imports or uses.

Laos' law enforcement and criminal justice institutions remain inadequate to deal effectively with chemical control issues. The limited law enforcement presence in rural areas makes Laos vulnerable to establishment of clandestine drug production or processing activities. Laos does not currently possess the means to accurately assess the extent of production, transport or distribution of ATS or its precursors. There was a significant increase in seizures of ATS transiting through Laos to neighboring countries in 2009. There are indications that methamphetamine laboratories may be operating in the northwest.

## Malaysia

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

## The Philippines

Crystal methamphetamine remains the primary drug of choice in the Philippines. Intensified nationwide counternarcotics operations by Philippine law enforcement agencies have had an impact on drug prices.

The price of methamphetamine in areas that reportedly have clandestine methamphetamine laboratories, particularly in southern Luzon, had been decreasing in the last quarter of 2009. Wholesale quantities of crystal methamphetamine are smuggled into the country, and it continues to be manufactured clandestinely in the Philippines. Precursor chemicals are smuggled into the country from China, India, and Taiwan through international airports, seaports, the mails, as well as via large unpatrolled expanses of the Philippine coastline. There were nine known transnational criminal drug organizations operating in the country in 2009, compared with three in 2008. Chinese and Taiwanese chemists continue to establish clandestine laboratories in the Philippines for the manufacture of methamphetamine; these organizations remain the most influential foreign drug-trafficking groups in the Philippines, and control domestic methamphetamine production. These traffickers typically produce methamphetamine in relatively small-scale clandestine methamphetamine labs commonly referred to as "kitchen-type" labs. These labs more easily avoid detection by law enforcement authorities, and in the event that they are discovered and destroyed, less equipment and chemicals are lost. These Chinese and Taiwanese chemists rent apartment units, condominiums, and houses in small villages and affluent residential villages in rural and metropolitan areas. The move away from large "mega-labs" likely resulted from their having been targeted in the past by law enforcement agencies. In addition to large organized criminal transnational organizations, DDB reported that there were 85 local drug-trafficking groups in 2009.

The Philippines is a likely source of methamphetamine for other countries in East Asia and Oceania such as Australia, Canada, Japan, and South Korea. In addition, the Philippines is a primary source of methamphetamine for Guam and Hawaii.

In November 2009, the DDB approved the inclusion of N-Benzylpiperozine (BZP) in the list of dangerous drugs. In 2009, authorities seized 931 kilograms of methamphetamine. During the year, Phillippine Drug Enforcement Agency (PDEA) and Philippine National Police (PNP) also raided several clandestine laboratories, resulting in the seizure of chemicals and laboratory equipment along with the arrest of ethnic Chinese chemists and traffickers.

# *Latin America*

## Bolivia

Because Bolivia does not have a large chemical industry, most of the chemicals required for illicit drug manufacture come from abroad, either smuggled from neighboring countries or imported and diverted. Precursor chemicals are shipped to Bolivia from Chile, Peru, Brazil, and Argentina. The Bolivian Special Counter Narcotics Police (FELCN) Chemical Control Group , Grupo de Investigaciones de Substancias Quimicas, works with the Vice Ministry of Social Defense and Controlled Substances to control access to precursor chemicals and investigate diversion for illicit purposes.

EISUQ specializes in investigating and controlling the traffic of chemical substances and precursors to prevent diversion to drug trafficking. EISUQ primarily searches for the substances used in the traditional cocaine preparation process, such as sulfuric acid, kerosene, diesel oil, and limestone. EISUQ is headquartered in La Paz and has officers stationed in Oruro, Cochabamba and Santa Cruz.

EISUQ reports that traffickers attempt to evade law enforcement and to speed up the cocaine production process by replacing traditionally used chemical substances with new substances that are not prohibited under Bolivian Law 1008, but may be used in the more efficient “Colombian” production method. For example, EISUQ reports that traffickers are replacing sulfuric acid with “electrolyte,” a substance found in car batteries, and traditional base solvents, such as limestone and cement, with “urea.”

Through September 2009, EISUQ seized 719.2 metric tons of solid substances (a 97 percent increase from 2008) and 1,277,240 liters of liquid substances (a 20 percent increase from 2008).

Pseudoephedrine can be easily obtained in markets but there is little evidence of domestic methamphetamine production.

## Colombia

Chemical trafficking is a serious problem in Colombia. Unlike illicit drugs, chemicals have a legitimate use. The onus is on the police to prove that the chemicals are intended for illicit drug production.

Currently, there are approximately 4,500 chemical companies in Colombia authorized to handle precursor chemicals for legitimate use. Chemical companies must have governmental permission to import or export specific chemicals and drugs. Pre-notification to “Fondo Nacional de Estupefacientes” (National Dangerous Drug Fund, equivalent to the U.S. Food and Drug Administration) is required to export chemicals from Colombia. No companies in Colombia have governmental authorization to export ephedrine or pseudoephedrine, key precursors in the production of methamphetamines. However, Colombian companies can and do import these precursors, which are necessary for the production of cold medications and other legitimate

products. The Government of Colombia (GOC) controls legal importation to correspond to legitimate national demand. The GOC cooperates fully with the International Narcotics Control Board (INCB) and other multilateral chemical control initiatives. It provides annual estimates of licit chemical use to the INCB in accordance with international obligations.

Controlled chemicals are camouflaged and clandestinely imported into Colombia with false or misleading information. In many instances, the alleged importing "company" does not exist, is out of business, or has no actual involvement in importing the products. Many chemicals have also been diverted at large Colombian chemical companies, whose management has no knowledge of the illegal activities. Chemicals, such as potassium permanganate, are imported into Colombia. Chemical traffickers and clandestine laboratories also use non-controlled chemicals, such as N-propyl acetate, to replace controlled chemicals that are difficult to obtain. Since there are no restrictions on non-controlled chemicals, these are diverted with impunity, and appear in large quantities at clandestine labs. Chemical traffickers also recycle chemicals in order to decrease their need to constantly divert precursor chemicals. Along with this practice, traffickers are recycling the chemical containers, making it difficult to trace their origin.

The Colombian National Police (CNP) has a special investigative unit Chemical Sensitive Intelligence Unit (SIU) dedicated to national and international enforcement of precursor chemical control laws that was formed in June of 1998. The seizure and interdiction of precursor chemicals used to produce cocaine and heroin have been steadily on the rise. The unit's primary mission was to confirm the existence of companies bringing in chemicals from other countries including the United States. They were also charged with inspecting the companies to confirm that they were conducting a legal business. The primary mission of the group changed near the end of 2000 when the focus shifted to investigative work as opposed to solely regulatory inspections.

In 2007, the regulatory function was transferred to a separate unit within the SIU, while the SIU maintained its investigative focus. The SIU unit is currently comprised of 40 members, while the Regulatory Unit is comprised of 20 members. The SIU is spread out over four cities in Colombia (Bogota, Medellin, Villavicencio, and Cali), and the Regulatory Unit is based in Bogota but travels as needed to other cities within Colombia.

The primary mission of the SIU is to target and dismantle large-scale chemical trafficking organizations that provide chemicals to cocaine, heroin, and synthetic drug producing organizations within Colombia and Mexico. The SIU and Regulatory Unit are also responsible for spearheading the multi-national chemical targeting operation Six Frontiers ("Seis Fronteras"). The SIU coordinates all operations within Colombia in which participants include the Colombian Military, DAS, CTI, Colombian Prosecutors office, Colombian Customs, and various other agencies. This operation has resulted in large quantities of chemicals being seized by participating countries (with Colombia as the lead). By October 2009, the SIU had arrested 108 people and seized 2,203 gallons of hydrochloric acid, 2,197 kilograms of calcium chloride, 76,781 kilograms of sulfuric acid, 260 kilograms of active carbon, 3.2 kilograms of acetic anhydride, 145 kilograms of potassium permanganate, 1,400 kilograms of sodium carbonate, 2,350 kilograms of urea, 38,732 kilograms of cement, 1,630 gallons of methyl ethyl ketone (MEK), 325 kilograms of sodium metabisulfite, 478 gallons of gasoline, 371 gallons of diesel fuel, 16,284 kilograms of solvent #1A, 5,644 kilograms of isopropyl alcohol, 47,400 kilograms of thinner, 8,150 kilograms of potassium chloride, 70 kilograms of lime, 500 kilograms of caustic soda, 9,550 gallons of N-propyl acetate, 60 gallons of acetone, and 19 kilograms of ephedrine.

Ephedrine seizures in Colombia increased slightly in 2009. Although Colombian drug trafficking organizations profit from the illicit trafficking of ephedrine, a key ingredient in decongestant medication, there is little evidence that the traffickers are using the substance as a chemical precursor in large-scale methamphetamine production. There have been minor seizures of ecstasy in

Colombia, but no indication of significant production or export. The GOC has held a number of seminars and training sessions on this threat.

### Peru

Peru is a major importer of precursor chemicals that can be used in cocaine production, such as acetone and potassium permanganate. Many tons of these chemicals are diverted from legitimate channels to clandestine cocaine-production laboratories with a major concentration in the coca valleys. Peru also produces some precursor chemicals such as sulfuric acid and calcium oxide that can be used for processing coca base into cocaine base.

In Peru, 90 percent of chemical precursors are smuggled from Lima to drug trafficking areas where the chemicals are utilized in the cocaine manufacturing process. Drug traffickers transport precursor chemicals to cocaine labs using individuals, animals, vehicles, and boats.

Peruvian National Police (PNP) have identified principal routes of precursor chemicals from Lima into the drug sources areas. In 2009, the PNP installed a number of checkpoints strategically located in the gateways to the Andes and in the jungle, as part of the effort to control and prevent chemicals from reaching coca maceration pits and cocaine laboratories. Drug traffickers now seek alternate routes to move chemicals.

On May 28,1993, the GOP created the PNP's Control and Investigative Unit for Chemical Precursors (DICIQ), a multi-faceted initiative focused on chemical company audits, interdiction efforts, and liaison with industry and regulatory agencies through Minister of Production and Peruvian Internal Revenue and Customs authority (SUNAT). The major objective is to stop the illicit diversion of acetone, sulfuric acid, hydrochloric acid, and potassium permanganate. PNP efforts resulted in multi-ton seizures totaling 498 metric tons of these chemicals in 2009.

In 2009, Peru participated in Operation Seis Fronteras, which supports investigation and interdiction efforts against chemical trafficking and illicit diversion of controlled chemicals used in manufacturing cocaine and heroin. Operation Seis Fronteras focuses on regulatory inspections/audits of suspect chemical distributors, interdiction operations along routes where chemicals are transported; disrupting and dismantling criminal organizations involved in the diversion and movement of illicit chemicals. DICIQ was responsible for the seizure of 75 metric tons of chemical precursors in 2009, as well as asset seizures of nearly three million U.S. dollars, and the arrest of 81 traffickers.

The Government of Peru continues to work on developing a chemical user registry, which is needed to fully implement the Precursor Chemical Control law. On November 17, 2009, the Peruvian Congress approved a law that enforces the control of and stipulates penalties for trafficking in chemical precursors. The U.S.G. is supporting the creation of specialized mobile police units to expand interdictions of precursor chemicals being trafficked all over the country.

## Methamphetamine Chemicals

Recent efforts in reducing and preventing methamphetamine production through a global campaign to prevent diversion of precursor chemicals are forcing traffickers to seek new sources, trafficking routes, and production methods. The United States continues to work in close cooperation with two international entities that have played a critical role this regard: the United Nations (UN) Commission on Narcotic Drugs (CND) and the International Narcotics Control Board (INCB). The CND is the central policy-making body within the United Nations system dealing with drug-related matters. The INCB is an independent, quasi-judicial body that monitors the implementation of the three United Nations international drug control conventions.

High-level meetings of the UN Commission on Narcotic Drugs and a special plenary meeting at the UN General Assembly led to significant increased commitments by the international community on the topic of Amphetamine-type stimulants (ATS). This issue was one of the top at the decade review of the 1998 UN General Assembly Special Session commitments at the CND in March 2009. During the year-long review process the ATS issues received unparalleled support from all nations and the final meeting is expected to endorse commitments that include bolstering implementation of key resolutions and activities including:

- a U.S.-sponsored 2006 CND resolution that requested governments to provide an annual estimate of licit precursor requirements and to track the export and import of such precursors;
- a resolution drafted by the United States and the European Union that strengthened controls on pseudoephedrine derivatives and other precursor alternatives;
- the INCB Secretariat's program to monitor licit shipments of precursor chemicals through its Pre-Export Notification (PEN) online system which was further strengthened this year by the availability of national licit estimates. (The INCB is using these estimates to help relevant countries evaluate whether a chemical shipment is suspicious. Countries can then take steps to block such shipments before they are diverted to methamphetamine production and to undertake other investigative and law enforcement action, as appropriate.)

The UN Security Council also committed to greater action against the diversion of precursor chemicals used in production of heroin in Afghanistan—the world's largest producer.

## Combat Methamphetamine Epidemic Act (CMEA) Reporting

Section 722 of the CMEA amends Section 489(a) of the Foreign Assistance Act of 1961 (22 USC Section 2291h) by requiring the following information to be included in the annual International Narcotics Control Strategy Report (INCSR):

- The identification of the five countries, not including the United States, that exported the largest amounts of pseudoephedrine, ephedrine and phenylpropanolamine (including the salts, optical isomers, or salts of optical isomers of such chemicals, and also including any products or substances containing such chemicals) during the preceding calendar year.
- An identification of the five countries, not including the United States, that imported the largest amounts of these chemicals during the preceding calendar year and that have the highest rate of diversion for use in the illicit production of methamphetamine (either in that country or in another country). The identification is to be based on a comparison of legitimate demand for the chemicals—as compared to the actual or estimated amount imported into the country. It also should be based on the best available data and other information regarding the production of methamphetamine in the countries identified and the diversion of the chemicals for use in the production of methamphetamine.
- An economic analysis of the total worldwide production of pseudoephedrine, ephedrine, and phenylpropanolamine as compared to legitimate worldwide demand for the chemicals.

In addition, Section 722 of the CMEA amends Section 490 (a) of the Foreign Assistance Act of 1961 to require that the countries identified as the largest exporters and importers of these chemicals be

certified by the President as fully cooperating with U.S law enforcement or meeting their responsibilities under international drug control treaties.

The Department of State, in consultation with the Department of Justice, is required to submit to Congress a comprehensive plan to address the chemical diversion within 180 days in the case of countries that are not certified.

Section 723 of the CMEA requires the Secretary of State, acting through the Assistant Secretary of the Bureau of International Narcotics and Law Enforcement, to take such actions as are necessary to prevent the smuggling of methamphetamine into the United States from Mexico. Section 723 requires annual reports to Congress on its implementation.

## Major Exporters and Importers of Pseudoephedrine and Ephedrine (Section 722, CMEA)

This section of the INCSR is in response to the Section 722 requirement for reporting on the five major importing and exporting countries of the identified chemicals. In meeting these requirements, the Department of State and DEA considered the chemicals involved and the available data on their export, import, worldwide production, and the known legitimate demand for them.

Ephedrine and particularly pseudoephedrine are the preferred chemicals for methamphetamine production. Phenylpropanolamine, a third chemical listed in the CMEA, is not a methamphetamine precursor, although it can be used as an amphetamine precursor. In 2000, the FDA issued warnings concerning significant health risks associated with phenylpropanolamine, and as a result, manufacturers voluntarily removed the chemical from their over-the-counter medicines. A limited amount is imported for veterinary medicines, but there is little data available on its production and trade. Since phenylpropanolamine is not a methamphetamine precursor chemical, and in the absence of useful trade and production data, this section provides information only on pseudoephedrine and ephedrine.

The Global Trade Atlas (GTA), compiled by Global Trade Information Services, Inc. (www.gtis.com), provides export and import data on pseudoephedrine and ephedrine collected from major trading countries; however, 2008 is the most recent year with full-year data. It is important to note, however, that the data, including previous year data, is continually revised as countries review and revise their data in subsequent years. GTA data have been used in the following tables.

Obtaining data on legitimate demand remains problematic, but it is more complete for 2008 than in any previous year. It is still not fully sufficient to enable any accurate estimates of diversion percentages based on import data. There are significant numbers of countries which have yet to report their legitimate domestic demand to the INCB on a regular basis. The number of countries reporting legitimate data has increased from 100 in 2008 to 120 in 2009. Also, some countries and regions do not report trade in ephedrine and pseudoephedrine when it is incorporated into a finished pharmaceutical product, such as a tablet or gel cap, due to concerns that this type of information infringes on commercially sensitive information. Further challenges also include governments that may not be able to ascertain this data if, for example, they do not subject pharmaceutical preparations to national control, or if a different ministry with different or less stringent means of oversight regulates preparations versus bulk chemicals. These circumstances prohibit reasonable estimates about the trade in the end products that form a very large share of legitimate worldwide demand for methamphetamine precursors.

Even in the case of the reporting on licit market requirements for ephedrine and pseudoephedrine, the governing UN resolutions are not mandatory, but rather urge countries to cooperate by making available information on domestic demand and trade in pharmaceutical products. The trend in this direction has been positive; since the passage of the 2006 CND resolution that the U.S. spearheaded,

over 120 countries and jurisdictions of the 183 signatories to the 1988 Convention have reported import requirements to the INCB for the bulk chemicals, ephedrine and pseudoephedrine. Before 2006, only a nominal number of countries did so, and these rare communications were scattered and not provided on any systematic basis.

A further challenge to analyzing the data is that most countries have not made any attempt to reconcile the trade data and their own reporting of licit requirements. For the first time, there are some signs of countries beginning to make efforts to reconcile the data. For instance, some countries that noted licit requirements had not reported into the Global Trade data exports or imports and have begun to do so.

Thus far the economic analyses required by CMEA, are not possible because of insufficient and constantly changing data. However, more data is available this year than in any previous year. The United States will continue to push in both diplomatic and operational forums—in both bilateral and multilateral settings—to urge countries to provide reporting on their licit domestic requirements for methamphetamine precursor chemicals to the INCB. We continue to work with the INCB and with authorities in the reporting countries themselves to secure explanations for any anomalies between reported imports and reported licit domestic requirements. We also will seek to support efforts to provide developing countries with the expertise and technical capacities necessary to develop such commercial estimates. Often the collection and reporting of such data requires a regulatory infrastructure that is beyond the means of some governments in question. The USG continues to support the INCB's efforts to assist countries in this regard. Moreover, efforts to support the implementation of prior resolutions and global commitments were a key USG objective realized in the High-level Commission on Narcotic Drugs to review the 1998 UNGASS commitments. This report provides export and import figures for both 2007 and 2008 in ephedrine and pseudoephedrine to illustrate the wide annual shifts that can occur in some countries, reflecting such commercial factors as demand, pricing, and inventory buildup. GTA data on U.S. exports and imports have been included to indicate the importance of the United States in international pseudoephedrine and ephedrine trading. Complete data on the worldwide production of pseudoephedrine and ephedrine are not available, because the major producers will not release them publicly for commercial, proprietary reasons.

The following data are for 2004-2008 and provide an indication of the volatility of the trade in pseudoephedrine and ephedrine. We are using the 2008 data in this cycle of review to identify the major participants in the trade in ephedrine and pseudoephedrine.

## *Ephedrine and Its Salts: Export Statistics*

(Commodity: 293941)

| Reporting Country | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|
| **Reporting Total** | | | 255,734 | 303,059 | |
| **India** | 79,708 | 217,106 | 185,804 | 221,105 | 188,967 |
| **Denmark** | 1,400 | 2,100 | 1,300 | 4,500 | 24,500 |
| **Germany** | 23,100 | 51,100 | 33,200 | 31,100 | 22,700 |
| **Singapore** | 12,555 | 16,350 | 14,550 | 12,426 | 14,010 |
| **United Kingdom** | 2,500 | 3,700 | 7,300 | 5,900 | 9,000 |
| **Subtotal** | 119,263 | 290,356 | 242,154 | 275,031 | 259,177 |
| **United States** | 4,388 | 5,542 | 596 | 5,821 | 1,120 |

Analysis of Export Data: According to the GTA data the top five exporters of ephedrine in 2008 include —India, Denmark, Germany, Singapore, and the United Kingdom. Although in 2007, Belgium edged out the United Kingdom for the third largest exporter, this year Belgium dropped of the list with 0 exports listed this year. (It is unclear if there are no exports or if Belgium did not report.) The lists for 2006 and 2005 included India, Germany, Singapore, the United Kingdom, and China. In 2008 the aggregate amount of ephedrine exported by the top five countries declined from 275,031 kilograms in 2007 to 259,177 kilograms. The United States is the eighth largest exporter. The worldwide aggregate volume of ephedrine exports that was reported by the Global Trade Atlas increased from 303,059 kilograms in 2007 to 519,474 kilograms in 2008. This overall increase included increases by almost every exporter with the exception of the top exporter India and the United States. Exports of ephedrine from the United States increased from 596 in the 2006 level to 5,821 kilograms in 2007 and to 1,120 kilograms in 2008.

## *Pseudoephedrine and Its Salts: Export Statistics*

(Commodity: 293942)

| Reporting Country | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|
| **Reporting Total** | | | 722,044 | 1,132,665 | |
| **India** | 303,157 | 270,600 | 301,068 | 360,718 | 462,761 |
| **Germany** | 579,400 | 389,700 | 229,700 | 546,400 | 333,500 |
| **Taiwan** | 41,141 | 31,546 | 45,830 | 43,785 | 66,180 |
| **Singapore** | 0 | 0 | 0 | 43,750 | 46,501 |
| **China** | 177,907 | 107,914 | 50,279 | 70,591 | 39,302 |
| **Subtotal** | 1,101,605 | 799,760 | 626,877 | 1,065,244 | 948,244 |
| **United States** | 55,540 | 28,895 | 36,715 | 14,714 | 26,499 |

For pseudoephedrine, the aggregate volume of worldwide exports dropped to 1,032,207 kilograms in 2008 from 1,132,665 kilograms in 2007. As in the past two years, the top five exporters of pseudoephedrine were India, Germany, Taiwan, Singapore, and China. Germany and Taiwan showed decreases, but India, Singapore, and China all showed increases. Exports from the United States as the seventh largest exporter also rose from 14,714 kilograms to 26,499 kilograms.

## *Ephedrine And Its Salts: Import Statistics*

(Commodity: 293941)

| Reporting Country | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|
| **Reporting Total** | | | 191,766 | 321,975 | |
| **South Korea** | 7,600 | 17,550 | 17,150 | 15,650 | 25,150 |
| **Argentina** | 2,599 | 3,925 | 6,100 | 20,450 | 15,650 |
| **Indonesia** | 15,110 | 16,177 | 15,407 | 11,407 | 12,893 |
| **Singapore** | 14,529 | 19,875 | 12,750 | 14,000 | 12,501 |
| **Denmark** | 0 | 600 | 700 | 5,000 | 9,500 |
| **Subtotal** | 39,838 | 58,127 | 52,107 | 66,507 | 75,694 |
| **United States** | 218,118 | 178,657 | 89,624 | 166,886 | 81,432 |

## *Pseudoephedrine and Its Salts: Import Statistics*

(Commodity: 293942)

| Reporting Country | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|---|---|---|---|---|
| **Reporting Total** | | | | | |
| **Egypt** | | 0 | 0 | 0 | 60,973 |
| **Switzerland** | 95,114 | 67,800 | 38,891 | 56,399 | 54,952 |
| **Singapore** | 24,121 | 37,830 | 45,400 | 50,950 | 50,014 |
| **Thailand** | 35,578 | 30,475 | 43,955 | 34,929 | 45,600 |
| **South Korea** | 28,380 | 32,050 | 34,150 | 27,800 | 42,230 |
| **Subtotal** | 183,193 | 168,155 | 162,396 | 170,078 | 253,769 |
| **United States** | 616,346 | 319,998 | 171,195 | 312,209 | 148,468 |

Analysis of Import Data: This year's top five ephedrine importers include South Korea, Argentina, Indonesia, Singapore and Denmark. South Korea and Singapore have been on the list three years in a row. Indonesia continues to be on the list for the second year. U.S. imports of ephedrine rose from 89,624 kilograms to 166,886 kilograms in 2007 then showed a marked decline to 81,432 kilograms in 2008. The 2007 increase may have been due to companies attempting to obtain more of the chemical in advance of the quota system called for in the CMEA. The aggregate volume also fluctuated from 188,606 kilograms in 2006 to 314,419 kilograms in 2007 and to 208,738 kilograms in 2008.

Shifts in trade of pseudoephedrine have also resulted in a change in the top five importers for 2008 that now include Egypt, Switzerland, Singapore, Thailand, and South Korea. Egypt had not previously reported any imports of pseudoephedrine, although they had reported annual legitimate requirements of 54,000 kilograms. The United Kingdom's is no longer on the list because imports continued to drop significantly from 140,600 to 33,300.kilograms from 2006-07 and then to 18,600 in 2008.

Mexico in the top five in 2006 has also continued to its dramatic declining volume —down from 43,428 kilos in 2006 to 11, 502 in 2007 and now down to 2,325 kilograms in 2008. As noted previously in this report, Mexico stopped issuing licenses for imports of ephedrine, pseudoephedrine, and products containing these chemicals in November 2007.

In contrast, however, the United States remains the top importer of pseudo ephedrine with imports of 148,468 kilograms in 2008. However, this is down from of 312,209 kilograms in 2007, which in turn was up from 171,195 kilograms in 2006.

After a significant increase in 2007, the aggregate imports from the top five importers of pseudoephedrine this year declined from 482,287 kilograms in 2007 to 402,237 kilograms in 2008. These aggregate total figures remain far below the 2005 levels of 1,201,629 kilograms. We have no way of knowing if the current increase in volume is an anomaly due purely to vagaries of the commercial market. Another possibility is that this increase may have been due to companies attempting to obtain more of the chemical in advance of the quota system called for in the CMEA. Additional annual reporting will be required to determine whether this data points to an upswing in sales or represents a temporary statistical variance. U.S. imports are expected to continue to decline next year.

The accuracy of this trade data also should be viewed with a great deal of caution; clearly, some countries have less sophisticated infrastructures and methodologies at their disposal than others for measuring the volume and commodities of legitimate trade. Furthermore, although this data can be useful for determining overall trends in legitimate trade, it cannot accurately identify trends in smuggling or diversion involving conscious subterfuge. In the case of Mexico, where the government has aggressively cracked down on precursor chemical diversion and limited the flow of trade in such chemicals, increased smuggling of chemical precursors through Central American countries and across Mexico's southern border is already occurring.

Trade data also fails to reflect illicit smuggling that has been detected by law enforcement and other official reporting in Africa, the Middle East and other parts of Asia. During the INCB-led Operation Crystal Flow in 2006-07, it was observed that China was the origin of shipments to African destinations and that India, to a lesser extent, was a source country either directly or via Europe to the Americas. However, Operation Ice Block, a more recent time-bound operation agreed by the Project Prism Task Force, has indicated several key shifts in methamphetamine production and trafficking in 2007-09. Forty –nine tons of ephedrine and pseudoephedrine were suspended, stopped, or seized during the nine month operation in 2008 that focused on gathering intelligence data. Of the 49 notifications, 22 shipments were either declared as going to or likely to be destined for Mexico. Moreover, a distinct shift was detected towards India as the major source country with shipments to newly targeted countries in both Africa and Central America. Africa remains a major transit and diversion point for trafficking in diverted precursors and Europe emerged as a major transshipment point for precursor and pharmaceutical preparations destined to North and Central America.

Another key conclusion was that operations targeting ephedrine and pseudoephedrine resulted in efforts by traffickers to seek non-controlled substances such as l-phenylacetylcarbinol or less controlled phenylacetic acid to circumvent controls.

Available trade data is silent on legitimate commercial sales of commodities, including the substitutes. Similarly, in Burma, there is no available trade data to account for the massive scale of methamphetamine production that reportedly continues within that country.

Other sources of information from the United States, the United Nations and other governments have indicated that considerable quantities of chemicals are being smuggled across Middle Eastern and Southeast Asian borders without any corresponding record in official trade data. Iran and Syria for example, have reported licit national requirements for pseudoephedrine (55 metric tons and 50 metric tons, respectively) that would place them among the top five importers worldwide, but no trade data for pseudoephedrine is available for these countries that could be used to verify whether these volunteered estimates are accurate. Egypt provided for the first time trade data on these substances. It is unclear why the import/export of these two substances is so high or the reason for the significant increase legitimate needs.

Based on the available data, it may be possible to speculate that the trade in ephedrine and pseudoephedrine appears to be diversifying, and is less concentrated along traditional routes in major trading countries. Traffickers are also clearly exploiting sources for preparations of these substances in high volumes. The estimates that are now being provided to the INCB regarding legitimate national requirements can provide a tool for governments to get a sense of imports and exports, and we will continue to watch these trends carefully. The United States will work closely with the INCB and with its international partners to further refine the methodologies used to determine these estimates and urge for additional voluntary reporting from States. Many countries, including the United States, have faced challenges in preparing these estimates. All nations, especially large importers and exporters such as the United States, should take steps to ensure that these estimates are as accurate and useful as possible.

# INCB Tables on Licit Requirements

**Annual legitimate requirements reported by Governments for ephedrine, pseudoephedrine, 3,4-methylenedioxyphenyl-2- propanone, 1-phenyl-2-propanone and their preparations in kilograms**

Status: 13 Jan 2010

| *Country or territory* | *Ephedrine* | *Ephedrine preparations* | *Pseudoephedrine* | *Pseudoephedrine preparations* | *3,4-MDP-2-P*[a] | *P-2-P*[b] |
|---|---|---|---|---|---|---|
| Afghanistan | 50 | 0 | 5000 | 0 | 0 | 0 |
| Albania | 1 | | | | | |
| Algeria | 10 | | 17 000 | | | |
| Argentina | 156 | | 9 700 | | | 1 |
| Australia | 5 | 15 | 9 000 | 1 250 | | 40 |
| Austria | 130 | 67 | 1 | 1 | 1 | 1 |
| Azerbaijan | 20 | | 10 | | | |
| Bangladesh | 368 | | 49 021 | | | |
| Barbados | 250 | | 160 | | | |
| Belarus | | 60 | 50 | | 1 | 1 |
| Belgium | 250 | | 21 000 | | 0 | 200 |
| Belize | | | P | P | | |
| Benin | 2 | | | 15 | | |
| Bosnia and Herzegovina | 20 | | 1 500 | | 0 | 0 |
| Botswana | 300 | | | | | |
| Brazil | 2 200 | | 12 160 | | 0 | 3 807 |
| Bulgaria | 50 | | | | | |
| Cambodia | 200 | 50 | 300 | 900 | | |
| Canada | 2 000 | 5 | 20 000 | | 0 | 0 |
| Chile | 270 | | 6 800 | | 0 | 0 |
| China | 140 000 | | 110 000 | | | |
| *Hong Kong SAR* | 4 500 | 0 | 4 300 | 0 | 0 | 0 |
| *Macao SAR* | 1 | 10 | 1 | 159 | 0 | 0 |
| Colombia | 26 | | 20 393 | | | |
| Cook Islands | | 1 | | | | |
| Costa Rica | 1 | | 918 | | 0 | 0 |
| Côte d'Ivoire | 31 | 1 | 0 | 0 | 0 | 0 |
| Croatia | 100 | | 400 | | | |
| Cuba | 140 | | | 5 | | |
| Cyprus | | | 100 | | | |
| Czech Republic | 660 | 14 | 2 300 | 2 000 | 0 | 1 |
| Democratic People's Republic of Korea | 2 300 | | | | 10 | |
| Democratic Republic of the Congo | 250 | | 900 | | | |
| Dominican Republic | 100 | | | 500 | | |
| Ecuador | 100 | | 7 500 | | | |
| Egypt | 2 000 | | 58 000 | 2 000 | | |

| *Country or territory* | *Ephedrine* | *Ephedrine preparations* | *Pseudoephedrine* | *Pseudoephedrine preparations* | *3,4-MDP-2-P*[a] | *P-2-P*[b] |
|---|---|---|---|---|---|---|
| El Salvador | 10 | 5 | 0 | | | |
| Estonia | 6 | | | | | |
| *Falkland Islands (Malvinas)* | | 1 | | 1 | | |
| Finland | 100 | | | 1 000 | | 5 |
| Georgia | 100 | 25 | 50 | 25 | | |
| Germany | 8 000 | | 20 000 | | 1 | 3 046 |
| Ghana | 2 000 | | 700 | | | |
| Greece | 50 | | 320 | | | |
| Guinea | 36 | | | | | |
| Guinea-Bissau | 0 | 0 | 0 | 0 | 0 | 0 |
| Guyana | | | 85 | | | |
| Haiti | 150 | | 360 | | 0 | 0 |
| Honduras | 150 | | | | | |
| Hungary | 800 | | 0 | 0 | 300 | 1 421 |
| Iceland | 1 | | 1 | | | |
| India | | | 0 | 0 | | 0 |
| Indonesia | 12 058 | | 29 452 | | | |
| Iran (Islamic Republic of) | 50 | 1 | 55 000 | 10 | 6 | 51 |
| Iraq | 3 000 | | 12 000 | | | |
| Ireland | 1 | 1 | 1 | 863 | 0 | 0 |
| Israel | 15 | | 1 822 | 21 | | |
| Italy | 126 | | 25 528 | | | 4 011 |
| Jamaica | | | | | 0 | 0 |
| Japan | 210 | | 10 000 | | | |
| Jordan | 1 650 | | 20 000 | | | 60 500 |
| Kazakhstan | 818 | | 1 | | | |
| Kenya | 3 000 | | 3 500 | | | |
| Kyrgyzstan | 0 | | 20 | | 0 | 0 |
| Latvia | 25 | 27 | 41 | 383 | | |
| Lebanon | 1 | | 150 | | 0 | 0 |
| Lithuania | | 1 | | 600 | | |
| Madagascar | 702 | | 150 | | | |
| Malawi | 1 000 | | | | | |
| Malaysia | 410 | 0 | 15 625 | 1 500 | 0 | 0 |
| Malta | | 220 | | 220 | 1 | 1 |
| Mauritius | 0 | 0 | 0 | 0 | 0 | 0 |
| Mexico | P | P | P | P | | |
| Monaco | 0 | 0 | 0 | 0 | 0 | 0 |
| Mongolia | 1 | | | | | |
| Montenegro | | 1 | | 1 | | |
| *Montserrat* | | 1 | | 1 | | |

| *Country or territory* | *Ephedrine* | *Ephedrine preparations* | *Pseudoephedrine* | *Pseudoephedrine preparations* | *3,4-MDP-2-P*[a] | *P-2-P*[b] |
|---|---|---|---|---|---|---|
| Morocco | 1 | 0 | 1 024 | 0 | 0 | 0 |
| Mozambique | 3 | | | | | |
| Myanmar | 3 | | | | | |
| New Zealand | 50 | | 650 | | | |
| Nicaragua | | | 200 | | | |
| Nigeria | 3 849 | | 5 823 | | | |
| Norway | 300 | | | | | 1 |
| Pakistan | 22 000 | | 48 000 | | | |
| Panama | 25 | 30 | 2 500 | 2 500 | | |
| Papua New Guinea | 1 | | 200 | | 0 | 0 |
| Paraguay | | 0 | 2 500 | 0 | 0 | 0 |
| Peru | 39 | | 2 494 | 1 425 | | |
| Philippines | 61 | | 112 | | 0 | 0 |
| Poland | 100 | | 3 600 | | | |
| Portugal | | | 15 | | | |
| Republic of Korea | 15 950 | | 32 500 | | | |
| Republic of Moldova | | 10 | | 150 | | |
| Romania | 192 | | 4 575 | | | |
| Russian Federation | 1 500 | | | | | |
| *Saint Helena* | | 1 | | 1 | | |
| Sao Tome and Principe | 0 | 0 | 0 | 0 | 0 | 0 |
| Serbia | 55 | | 600 | | | |
| Slovakia | 3 | 1 | 1 | 0 | 0 | 0 |
| Slovenia | 3 | | 350 | | | |
| Solomon Islands | 0 | 1 | 0 | 1 | 0 | 0 |
| South Africa | 10 000 | 0 | 10 000 | 0 | 0 | 0 |
| Spain | 1 154 | | 7 005 | | 0 | |
| Sri Lanka | | | 0 | 0 | 0 | 0 |
| Sweden | 177 | | 1 | | 1 | 25 |
| Switzerland | | | | | 0 | |
| Syrian Arab Republic | 1 000 | | 50 000 | | | |
| Tajikistan | 38 | | | | | |
| Thailand | 16 | | 36 900 | | | |
| Turkey | 2 000 | | 23 000 | | | |
| Uganda | 200 | 1 | 2 000 | 6 | | |
| United Arab Emirates | 200 | | 2 000 | | | |
| United Kingdom | 3 335 | | 6 918 | | 3 | 0 |
| United Republic of Tanzania | 950 | | 500 | | | |
| United States of America | 140 260 | | 511 100 | | 0 | 46 803 |
| Uruguay | | | 22 | | | |
| Venezuela (Bolivarian Republic of) | 1 000 | | 20 000 | | | |

| *Country or territory* | *Ephedrine* | *Ephedrine preparations* | *Pseudoephedrine* | *Pseudoephedrine preparations* | *3,4-MDP-2-P*[a] | *P-2-P*[b] |
|---|---|---|---|---|---|---|
| Yemen | | | 5 000 | | | |
| Zambia | 5 | | 10 | | | |

*Notes*: The names of territories and special administrative regions are in italics.

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

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

Reported quantities of less than 1 kg have been rounded up and are reflected as 1 kg. The letter "P" signifies that importation of the substance is prohibited.

[a] 3,4-Methylenedioxyphenyl-2-propanone.

[b] 1-Phenyl-2-propanone.

# COUNTRY REPORTS

# Afghanistan

## I. Summary

Afghanistan remained the world's largest cultivator of opium poppy in 2009. However, according to the United Nations Office on Drugs and Crime (UNODC), opium poppy cultivation decreased from 160,000 hectares (ha) in 2008 to 120,000 ha in 2009, a 22 percent decline. This reduction in the area planted with poppy followed a 19 percent decline in 2008. Because improved weather conditions led to increased yields, however, production of opium gum declined by only 10 percent; UNODC estimates that Afghanistan produced 6,900 metric tons of raw opium in 2009, down from 7,700 metric tons in 2008. A combination of economic factors, including decreased opium prices relative to abnormally high wheat prices, and improved governance and security in key provinces were the primary reasons for the decline in cultivation. In Helmand Province alone, poppy cultivation declined by 34,000 ha, in part because of the high-profile law enforcement and incentives campaign implemented by the provincial governor.

The connection between poppy cultivation, the narcotics trade, and insurgency groups became more evident in 2009; nearly all significant poppy cultivation now occurs in areas with active insurgent elements. Cultivation was largely confined to six provinces in the south and west of the country. Narcotics traffickers provide revenue and material support, such as vehicles, weapons, and shelter, to the insurgents, who, in exchange, provide protection to growers and traffickers and promise to prevent the Afghan government from interfering with their activities. The UN estimates that insurgents extract approximately $125 million per year (on average over the past four years) from taxing opium farmers and traders. Although Afghan law enforcement and justice institutions have significantly improved their capacities to interdict large quantities of narcotics and arrest and try high value targets, Afghanistan's narcotics industry continues to threaten efforts to establish security, governance, and a licit economy throughout the country.

## II. Status of Country

UNODC estimates that Afghanistan produces 90 percent of the world's opium. Afghanistan is involved in the full narcotics production cycle, from cultivation to finished heroin. Drug traffickers trade in all forms of opiates, including unrefined opium, semi-refined morphine base, and refined heroin. Improvements to Afghanistan's infrastructure since 2002 have created more viable economic alternatives to poppy cultivation and enhanced the Afghan government's ability to combat drug trafficking in some parts of the country. These improvements, such as roads and modern communications, can also be exploited by narcotics traffickers and insurgents. Growing insecurity in Afghanistan's south, where most poppy was grown, impeded the extension of governance and law enforcement. Narcotics traffickers also exploited government weakness and corruption.

For the most part, farmers choose to plant opium poppy because it is a profitable, hardy, and low-risk crop. Advance credit is available from narcotics traffickers to financially support the farmer while the crop is planted and matures, and when the opium is harvested, it is easy to sell, even in isolated areas where selling other crops might be a problem. Traffickers will frequently buy opium at near-by markets and accept the risk of moving opium to consumers in Afghanistan and other downstream markets. Economic and development assistance alone is not sufficient to defeat the narcotics trade in Afghanistan; more comprehensive approaches are needed. Alternative development opportunities can and do yield reasonable incomes to potential poppy planters, but must also be backed by measures to increase risk to those who plant poppy, traffic in narcotics, and support cultivation and trafficking. An increasing number of provincial governors have shown success in significantly reducing or completely eliminating poppy

cultivation in their provinces through determined campaigns of public information, law enforcement, and alternative development.

Opium poppy cultivation is currently almost entirely limited to six provinces in the south and west: Helmand, Farah, Kandahar, Uruzgan, Day Kundi and Badghis, which re-emerged as a major opium cultivating province in 2009. Together, these six provinces account for over 97 percent of Afghanistan's poppy cultivation. At the same time, poppy cultivation continues to decline in many of Afghanistan's northern, central, and eastern provinces. In 2009, 20 of Afghanistan's 34 provinces were declared poppy-free by UNODC, up from 18 in 2008 and 13 in 2007. According to UN estimates, seven other provinces cultivated less than 1,000 ha, and could reach poppy-free status in 2010 or 2011. Nationwide, UNODC estimates that 6.4 percent of Afghans were involved in poppy cultivation in 2009, down from 9.8 percent in 2008.

The Government of the Islamic Republic of Afghanistan (GIRoA) generally relies on the international community for assistance in implementing its national counternarcotics strategy. However, more political will, greater institutional capacity, and more robust efforts at the central and provincial levels are required to decrease cultivation in the south and west, maintain cultivation reductions in the rest of the country, and combat trafficking in coming years. Afghanistan is a party to the 1988 UN Drug Convention.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Afghan government continued to use its National Drug Control Strategy (NDCS) as a basis for its counternarcotics activities. The NDCS, passed in 2006, outlines a coordinated nationwide strategy in the areas of public awareness, alternative livelihoods, law enforcement, criminal justice, eradication, institutional development, regional cooperation, and demand reduction. The Ministry of Counter Narcotics (MCN) has direct responsibility for implementing the NDCS. While the NDCS is generally regarded as being based on sound principles, the MCN has limited political influence and few resources, and it depends heavily on the support of other government agencies, such as the Ministry of Interior (MOI) and the Independent Directorate for Local Governance (IDLG), as well as the international community via support from the United States, United Kingdom, and UNODC, to execute the policy.

The MCN continued to implement the Good Performers Initiative (GPI), a U.S.-UK-funded initiative launched in 2007 to reward provinces for successful counternarcotics performance. GPI rewards provinces that are poppy free as declared by UNODC, or in which poppy cultivation has declined significantly, by funding development projects that have been vetted by Provincial Development Councils and Governor's offices. In 2009, 27 of Afghanistan's 34 provinces qualified for a share of $38.7 million in GPI development assistance projects. The MCN has used GPI funding to provide agricultural equipment to farmers' associations, repair or construct irrigation systems, and build or renovate schools. In Nangahar Province, thirteen micro-hydro projects that generate electricity for rural villages have been completed in areas where poppy used to be cultivated. Another thirty-nine are scheduled to be built in the next year.

During the pre-planting season, MCN officials traveled to key provinces to speak to governors and other local officials about the GIRoA's counternarcotics policies, and to review provincial plans to reduce or eliminate poppy cultivation. Security concerns before and after August 2009 elections prevented the MCN from holding a pre-planting workshop for provincial governors in Kabul. The MCN's U.S.-funded Counter Narcotics Advisory Teams (CNATs) convened tribal councils, or "shuras," across 7 provinces, including the southern provinces of Helmand, Farah, Kandahar and Uruzgan to discourage poppy cultivation.

Several governors were unwilling or unable to implement successful poppy reduction programs due to the lack of security and high levels of insurgent activity in their provinces. However, the Governor of Helmand, Gulab Mangal, presented a compelling example of the progress a provincial governor can

achieve through a combination of public information, agricultural assistance and robust law enforcement. The Helmand Food Zone program, launched in cooperation with the Ministry of Agriculture, the MCN, USAID and the UK Department for International Development, provided agricultural inputs such as wheat seed and fertilizer to farmers in exchange for their pledges not to cultivate poppy. Over 30,000 farmers received wheat seed in this campaign (although some farmers did not receive the seed in time to plant it for the 2009 season). Coupled with credible law enforcement and security forces from the MOI, the Food Zone program reduced Helmand's poppy cultivation by a third (34,000 ha). This reduction in Helmand alone equaled the net reduction of poppy cultivation nationwide. As a result of this substantial reduction in cultivation, Helmand province earned $10 million in Good Performers' Initiative funding to be used for approved development projects.

**Justice Reform/Criminal Justice Task Force.** The Afghan government's Criminal Justice Task Force (CJTF) is a vetted, self-contained unit, which consists of 30 Afghan prosecutors, 35 Afghan criminal investigators, seven primary court and seven appellate court judges, who are all mentored by U.S. DOJ Senior Legal Advisors. Under Afghanistan's Counter Narcotics Law, enacted in 2005, all drug cases from across Afghanistan which reach certain thresholds must be prosecuted by the CJTF before the Counter Narcotics Tribunal (CNT). These thresholds are possession of two kilograms of heroin, ten kilograms of opium and 50 kilograms of hashish or precursor chemicals. The CJTF uses modern techniques to investigate and prosecute narcotics traffickers; corruption and surveillance provisions in the Counter Narcotics Law have enabled the CJTF to increasingly target medium and high value narcotics traffickers.

To provide a secure facility for the CNT and CJTF, the United States funded the construction of the Counter Narcotics Justice Center (CNJC) in Kabul, which opened in 2009. It includes a 56-bed detention facility, courtrooms, and office space for investigators, prosecutors and judges. A 116 bed detention annex is planned but not yet funded. There are also plans for a DOD-funded CNPA forensic drug lab to be located adjacent to the CNJC. Starting in 2009, the United States, through INL, will fund all operation and maintenance costs for two years, after which the GIRoA will assume all operation and maintenance expenses.

From March 2008 to March 2009, the CJTF handled 397 cases involving 442 suspects. The Primary court convicted 259 suspects on drug trafficking offences, and acquitted 134. The Appeals Court affirmed 355 suspects, and reversed 66 (the Appeals Court heard cases that were initially decided by the Primary Court in previous years as well as those from 2008-2009). The figures for the first six months of 2009 (April to September) are roughly similar to the prior year: 194 cases involving 230 suspects; 177 convictions, 27 acquittals at the Primary Court; 260 affirmations and 32 reversals at the Appeals Court. While the number of cases has remained steady, the importance of the traffickers prosecuted is improving. The recent introduction of surveillance capability has allowed the CJTF to prosecute higher value targets.

One of these high value targets is Haji Khostel, who is charged with masterminding one of the largest heroin production and trafficking operations in Nimroz Province. Investigators obtained evidence linking Khostel to the trafficking of more than 1,700 kilograms of heroin, 4,100 kilograms of opium and 2,700 liters of precursor chemicals. The case is significant because it was the first case in which evidence was obtained from a court ordered surveillance operation; it resulted in a conviction, and Khostel was sentenced to 18 years in prison in March 2009.

The CJTF convicted another major trafficker, Haji Abdullah, in late July 2009 of drug offenses based on electronic evidence. Abdullah, the reported head of a major drug organization in Nimroz Province, was directly linked by this evidence to 1.7 tons of heroin, 4.1 tons of raw opium and 2.7 tons of heroin processing chemicals, as well as police corruption. Abdullah is regarded as a high value target because of the quantities of narcotics involved, and because of his prominent role in the drug organization.

The CJTF convicted eight former enemy military combatants of drug offenses in August. The combatants had originally been captured by coalition forces in possession of threshold amounts of narcotics as well as

weapons. The eight were convicted on both weapons and narcotics charges and received 16 year sentences. While these cases involved small amounts of narcotics, they are the results of an initiative started by DOJ Kabul to encourage coalition military forces to turn over to CJTF for prosecution enemy combatants found on the battlefield with threshold amounts of drugs.

In April 2009, President Karzai pardoned five border police officers convicted in 2007 for trafficking in 124 kilograms of heroin. The five officers had been given sentences of between sixteen to eighteen years of imprisonment, but served only fourteen months. Observers criticized the pardons as being politically motivated, and characterized them as a setback for Afghan drug control efforts.

**Law Enforcement Efforts.** Afghan authorities made some progress in developing the capacity to interdict large quantities of narcotics, and arrest and prosecute narcotics traffickers. However, counternarcotics law enforcement efforts were hampered by corruption within law enforcement and justice institutions, the absence of effective governance in many provinces and districts of the country, and a generally deteriorating security situation.

The Counter Narcotics Police of Afghanistan (CNPA), established under the MOI in 2003, is responsible for investigating narcotics cases, and maintains regional offices throughout the country. By mid-2009, the CNPA had approximately 2,200 officers out of an authorized strength of 3,200.

During 2009, the CNPA, with DEA training, mentoring and support, continued to make significant progress in developing its three specially vetted units: the National Interdiction Unit (NIU), the Sensitive Investigative Unit (SIU), and the Technical Investigative Unit (TIU), to investigate high-value targets. Personnel are recruited from a wide variety of Afghan law enforcement agencies and have to pass rigorous examinations, including background checks and polygraph screenings. The SIU and TIU develop cases based on judicially gathered evidence, culminating in the issuance of arrest and search warrants executed by the NIU. During 2009, evidence gathered by the TIU through court-ordered surveillance operations increased the number of large-scale drug trafficking and related corruption cases that were brought to the CJTF.

Afghan law enforcement units, assisted by international partners, conducted major interdiction operations throughout the year. In May 2009, Afghan National Army commandos, assisted by the CNPA and coalition forces, seized and destroyed the largest opium cache in Afghanistan, to date, in the town of Marjeh in Nad-e Ali district, Helmand Province. Marjeh is not only an insurgent stronghold, but also a major narcotics trading center where opium from nearby cultivation areas is refined into heroin in numerous labs. The operation resulted in seizure and destruction of 18,164 kilograms of brown opium, 200 kilograms heroin, 1,000 kilograms hashish, 72,727 kilograms poppy seed, 20,175 kilograms ammonium chloride, 90 kilograms morphine, 395 gallons of acetic anhydride, 17,600 kilograms soda ash, and 1,050 kilograms activated charcoal. In addition to narcotics and precursor chemicals, Afghan and coalition forces found large amounts of bomb-making materials in various buildings within the Marjeh bazaar, reinforcing the connection between drug trafficking and the insurgency.

In August and September, CNPA specialized units, supported by DEA, moved against major drug markets in Southern Afghanistan. In mid-August, Afghan forces raided a bazaar in the Now Zad District of Helmand, and seized 890 kilograms of opium, 56,000 kilograms of poppy seed, and over 7,000 liters of precursor chemicals. During a September raid on the Malmand bazaar in Kandahar, NIU officers seized 1,347 kilograms of opium and found an improvised explosive device (IED) manufacturing lab. In late September, SIU and NIU officers raided the Lakari bazaar in Helmand, seizing 1,500 kilograms of hashish, large quantities of precursor chemicals, and explosive materials.

The CNPA does not yet have a consolidated system in place to comprehensively track narcotics related arrests and seizures. Records for CNPA provincial units and DEA-mentored specialized units are maintained separately, and comparisons to previous years are possible but, because of changes in strength of units etc., comparisons are not valid. In 2009, the DEA reported the following seizure statistics in

operations involving the specialized units: 593 kilograms of heroin, 25,000 kilograms of opium, and 53,133 kilograms of hashish. During the same period, the CNPA/NIU also destroyed 25 drug labs. The specialized units seized 180,955 kilograms of solid precursor chemicals and 30,765 liters of liquid precursors. The CNPA/NIU also reported 54 arrests for narcotics trafficking.

In addition to interdictions, Afghan law enforcement units continued to conduct limited eradication operations. The number of hectares eradicated nationwide declined slightly from 5,480 ha in 2008 to 5,351 ha in 2009. This represents just 4.4 percent of the area planted to poppy in 2009. In 2009, governor-led eradication (GLE) accounted for 2,687 ha, and the Poppy Eradication Force (PEF), a centrally-led Afghan National Police unit that was demobilized in 2009, eradicated another 2,663 ha. The decreased level of nationwide eradication can be attributed to insufficient resources (including lack of tractors and poor vehicle maintenance), poor security, and the success of pre-planting programs that compelled farmers to self-eradicate or choose alternate crops to poppy. Additionally, the high degree of insecurity in Afghanistan's southern provinces hindered eradication operations in the areas of highest poppy cultivation. But, on balance, eradication remained a minor factor in controlling Afghanistan's poppy cultivation.

**Corruption.** As a matter of policy, the Government of the Islamic Republic of Afghanistan 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, many Afghan government officials are believed to profit from the drug trade, particularly at the provincial and district levels of government. Corrupt practices range from facilitating drug activities to benefiting from revenue streams that the drug trade produces.

In 2008, President Karzai and the Afghan Government took a step toward fighting corruption by implementing the recommendations set forth by the interagency anticorruption commission chaired by Supreme Court Chief Justice Abdul Salam Azimi. To this end, two new anticorruption entities were established: the High Office of Monitoring (renamed the High Office of Oversight), which oversees implementation of the Azimi Commission strategy; and the Attorney General's Anti-Corruption Unit (ACU), a group of specially selected Afghan prosecutors dedicated to the prosecution of high level corruption cases. While the ACU is still relatively new, it has 38 active cases and obtained its first conviction in January 2010. Several investigations are underway and are expected to lead to prosecutions.

Additionally, under Article 21 of the Counter Narcotics Law (CNL), which criminalizes drug trafficking-related corruption, the CJTF actively and successfully pursues public officials who facilitate drug trafficking. As a result, high ranking members of the CNPA and other government officials have been successfully investigated and prosecuted by the CJTF. From March 2008 to March 2009, the CJTF convicted 24 Afghan government officials for narcotics related corruption. In May 2009, Mohammad Saleb, the CNPA provincial Chief in Nimroz was convicted of tampering with evidence in the previously mentioned Khostel case. He was sentenced to five years in prison. The Afghan National Police (ANP) police commander for the Arghistan District of Kandahar province, Shar Shahin, was arrested in July, after Afghan Special Narcotics Force (ASNF) and U.S. DEA agents seized large quantities of weapons, hashish and opium in the Arghistan and Spin Boldak districts. Shahin and five others were taken into custody and transferred to the CJTF.

**Agreements and Treaties.** Afghanistan is a party to the 1988 UN Drug Convention, the 1971 UN Convention, and the 1961 UN Single Convention on Psychotropic Substances. Afghanistan is also a party to the UN Convention Against Transnational Organized Crime. Afghanistan ratified the UN Convention Against Corruption on August 25, 2008. The Afghan government has no formal extradition or mutual legal assistance arrangements with the United States. The 2005 Afghan Counter Narcotics law, however, allows the extradition of drug offenders under the 1988 UN Drug Convention. The GIRoA has drafted an extradition law that has been submitted to the Parliament. The text contains a number of provisions that, if

enacted, will be counter-productive to United States efforts to obtain extradition of persons charged with narcotics and other offenses.

In June 2009, Haji Baghcho Gul was transferred to the United States under the extradition provisions of the 1988 UN Drug Convention to stand trial for conspiracy to distribute heroin. Gul had been identified as one of the largest heroin traffickers in Afghanistan and had been the target of investigation for several years by numerous law enforcement agencies. Afghan authorities, with Pakistani police cooperation, arrested Gul at the Torkham Gate crossing at the border with Pakistan on May 14, 2009.

**Illicit Cultivation/Production.** Based on UNODC data, the number of hectares under poppy cultivation in Afghanistan decreased 22 percent, from 160,000 in 2008 to 120,000 hectares in 2009. Opium production decreased by less than cultivation rates, however, because yields increased. Nevertheless, according to UNODC estimates, opium production decreased 800 metric tons from 7,700 metric tons in 2008 to 6,900 metric tons in 2009. Consistent with the decline in cultivation, the number of people involved in poppy cultivation decreased 33 percent from 2.4 million in 2008 to 1.8 million in 2009—or 6.4 percent of the total population. The portion of narcotics proceeds actually received by farmers fell by 40 percent: opium poppy sold to traffickers brought in an estimated $440 million at the "farm-gate," the equivalent of only four percent of total GDP. In 2008, the farm-gate value of opium production was $730 million, or seven percent of total GDP.

According to the UNODC, the number of poppy free provinces grew from 18 to 20 in 2009. Poppy cultivation continued to consolidate in the southern and western regions. Poppy cultivation is most significant in areas where the insurgency is strong and government authority is weak, particularly in the south and southwest. A symbiotic relationship exists between the insurgency and narcotics trafficking in Afghanistan. The Taliban taxes poppy farmers to fund the insurgency. Traffickers provide weapons, funding, and other material support to the insurgency in exchange for the protection of drug trade routes, poppy fields, laboratories, and members of their organizations. For their part, narcotics traffickers thrive in areas with weak or absent governance and where the Taliban and other insurgent groups are active.

The southern province of Helmand continued to be Afghanistan's leading grower of opium poppy. However, in 2009, Helmand reduced cultivation by a third, from 100,000 hectares to 70,000 hectares. Combined with economic factors, this reduction was a direct result of the leadership of Helmand's Governor, Gulabuddin Mangal, who instituted a "food zone" program that included public awareness campaigns, law enforcement activities, and distributing wheat seed and fertilizer. Poppy cultivation declined by 37 percent in the food zone, but increased 8 percent in the rest of the province.

In addition to poppy cultivation, there is evidence of significant and growing cultivation of cannabis in Afghanistan. In past years, there had been no comprehensive effort to measure the extent of cannabis cultivation in the country; however, last year UNODC conducted the first ever cannabis survey in Afghanistan(with the assistance of funding from the USG). Unfortunately, this study was not published at the time of the publication of the INCSR.

**Drug Flow/Transit.** UNODC estimates that the equivalent of 3,500 tons of opiates (either raw opium or heroin) is trafficked out of Afghanistan each year. Primary trafficking routes are through Iran to Turkey and Western Europe; through Pakistan to Africa, Asia, the Middle East and Iran; and through Central Asia to the Russian Federation.

Drug traffickers and financiers lend money to Afghan farmers in order to promote poppy cultivation in the country. Traffickers buy the farmers' crops at previously set prices or accept repayment of loans with deliveries of raw opium. Often, traffickers come to the farmers' homes to buy the raw opium directly, eliminating the danger and expense of transporting it to market, as would be necessary with licit crops. In many provinces, opium markets exist under the control of local and regional warlords who also control the illicit arms trade and other criminal activities, including trafficking in persons. Traders sell to the

highest bidder in these markets with little fear of legal consequences, and corrupt officials and insurgent groups tax the trade.

Drug laboratories operating within Afghanistan process a large portion of the country's raw opium into heroin and morphine base, which reduces the bulk of raw opium by about one-tenth and facilitates its movement outside of the country. Large quantities of precursor chemicals used in heroin production are illicitly imported into Afghanistan. According to UNODC, markets and processing facilities are clustered in areas that border Iran, Pakistan and Tajikistan. UNODC has reported that trafficking routes for opiates (which are exported) and precursor chemicals (which are imported) are largely similar.

**Domestic Programs/Demand Reduction.** The Afghan government acknowledges a growing domestic drug abuse problem, particularly opium and increasingly heroin. In 2005, Afghanistan's first nationwide survey on drug use was conducted in cooperation with UNODC. This survey estimated that Afghanistan had 920,000 drug users, including 150,000 users of opium and 50,000 heroin addicts, with 7,000 intravenous users. An updated report is due to be released in early 2010. UNODC anticipates that the new report will reflect a much higher rate of drug use and addiction than previously thought, both because of an expected increase in drug use and an improved methodology in conducting the survey.

Substance abuse is not limited to opiates in Afghanistan. Consumption of cannabis/hashish is significant in Afghanistan. In UNODC's 2005 Drug Use Survey, 2.2 percent of the population 520,000 were reported as hashish users. This figure has increased since 2005 and affects all sectors of Afghan society. For example, Afghan National Police recruits who tested positive for drug use were found to consume hashish above other drugs.

Drug demand reduction programs, including treatment for drug abusers and prevention, are elements of the NDCS. However, the government has devoted limited resources to such programs, and has relied almost exclusively on funding from the international community.

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

**Bilateral Cooperation.** In 2009, the United States continued to support the Government of Afghanistan's National Drug Control Strategy, which calls for decisive action in the near term and identifies an extensive array of tactics in all sectors:

- Interdictions: The DEA has increased its presence in Afghanistan and will continue to train and mentor specialized CNPA units, to improve their capacity to interdict significant quantities of narcotics and precursor chemicals, investigate and arrest mid- and high-value targets, and destroy drug labs and stockpiles. The DEA utilizes permanently assigned personnel at the Kabul Country Office (KCO) and Foreign-deployed Advisory Support Teams (FAST) in Afghanistan. The FAST teams, which consist of eight special agents, one intelligence analyst, and one supervisor, operate in Afghanistan on 120-day rotations and deploy around the country with the Afghan National Interdiction Unit (NIU).
- Criminal Justice: A team of DOJ attorneys mentors the CJTF. The goal of the DOJ/ CJTF mentoring effort is to develop the capacity of Afghan institutions to prosecute and try mid -to high-level drug traffickers. Through the Corrections System Support Program (CSSP), the United States is helping to improve the Afghan corrections system with training, capacity-building, and infrastructure. The CSSP works closely with the U.S.-funded Justice Sector Support Program (JSSP), which has over 60 U.S. and Afghan justice advisors who provide training, mentoring, and capacity-building for Afghanistan's criminal justice system.

- Alternative Livelihoods: USAID will continue its comprehensive agricultural programs, which in FY 2009 provided approximately $210 million for projects throughout the country. USAID agricultural programs in the major opium cultivation areas provided incentives for farmers to permanently move away from planting poppy crops by promoting orchards or vine crops, as opposed to wheat. In Helmand and Kandahar, USAID's AVIPA Plus program is providing agriculture-related cash-for-work programs (irrigation canal cleaning, market and irrigation rehabilitation) as well as in-kind grants to farmers' associations and others (for farm machinery) and cost-share vouchers to farmers to foster crops that will help permanently break the annual cycle of farmers deciding whether to plant poppy or not.
- Political Incentives: The U.S. will continue to fund the Good Performers Initiative (GPI), which rewards provinces in which poppy cultivation has been significantly reduced or eliminated. The MCN administers GPI, which funds development projects that are vetted by provincial authorities. Since 2007, the U.S. has committed over $80 million to fund projects that have included repairing irrigation systems, building schools, and providing agricultural equipment to farmers' associations. GPI enables Provincial Governors to demonstrate to their constituent populations that there is direct, immediate and tangible positive benefit for accomplishing the difficult job of eliminating or significantly-reducing poppy cultivation.
- Public Information: A U.S. funded counternarcotics public information campaign, implemented in conjunction with the MCN, focuses on discouraging poppy cultivation, preventing drug use, and encouraging alternative crop production. The campaign targets various segments of the population, specifically women and children, with media, community, and face-to-face interactions. In addition, public information campaigns during the poppy-planting season are conducted through the U.S.-funded Counter Narcotics Advisory Teams, and involve farmers, district and provincial leaders, and religious officials.
- Demand Reduction: The U.S. is the largest donor for treatment programs in Afghanistan, funding 16 treatment centers in 2009, including three treatment facilities for women and their children. Treatment programs are managed by local NGOs with training and program administration provided by the Colombo Plan, an international organization with expertise in drug treatment training. The treatment centers, located in Kabul, Wardak, Khost, Takhar, Balkh, Bamiyan, Daikundi, Herat, Helmand, Kandahar, and Paktia provinces, provide residential, outpatient, and home-based treatment for up to 4,000 addicts per year. Treatment capacity building is supported with U.S.-sponsored training of drug treatment professionals. A three-year outcome evaluation is also underway to assess the long-term impact of U.S.-funded drug treatment services. In addition, the U.S. continued its support in 2009 for a second-year of a study to conduct special testing of children exposed to second-hand opium smoke. Initial results from this study suggest significant damage to the health of children exposed to second-hand opium smoke. The U.S. also supports 15 mosque-based outreach and aftercare centers that provide a myriad of community-based services: shelter and crisis intervention for destitute drug addicts, individual and group counseling, aftercare services for recovering addicts (Narcotics Anonymous), peer/family support group meeting facilities for recovering persons, relapse prevention services, and basic drug information to schools and community members.

# Afghanistan Statistics (2003-2009)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|
| ***Drugs Seized (kilograms)*** | | | | | | | |
| ***Opium*** | 2,171 | 17,689 | 50,048 | 40,052 | 39,304 | 37,530 | 25,000 |
| ***Heroin*** | 977 | 14,006 | 5,592 | 1,927 | 4,249 | 4,936 | 593 |
| ***Morphine Base*** | 111 | 210 | 118 | 105 | 617 | 3,232 | |
| ***Hashish*** | 10,269 | 74,002 | 40,052 | 17,675 | 71,078 | 629,952 | 53,133 |
| ***Precursor Chemicals*** | | | | | | | |
| ***Solid (kilograms)*** | 14,003 | 3,787 | 24,719 | 30,856 | 37,509 | 65,969 | 180,955 |
| ***Liquid (liters)*** | 0 | 4,725 | 40,067 | 12,681 | 33,008 | 2,577 | 30,765 |
| ***Arrests (for trafficking)*** | | | | | | | |
| ***Arrests*** | 203 | 248 | 275 | 548 | 760 | 703 | 54 |
| ***Drug Labs Destroyed*** | | | | | | | |
| ***Labs Destroyed*** | 31 | 78 | 26 | 248 | 50 | 94 | 25 |

# Albania

## I. Summary

Albania is a transit country for narcotics traffickers moving primarily Afghan heroin from Central Asia to destinations around Western Europe. In 2009, seizures of heroin increased but seizures of marijuana declined. Cannabis continues to be produced in the remote mountain regions of Albania for markets in Europe. In response to continued international pressure, the Government of Albania (GOA), is aggressively confronting criminal elements but continues to be hampered by a lack of resources, expertise 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 make it an attractive stop on the smuggling route for traffickers moving shipments into Western Europe, due in part to counternarcotics measures that are under-financed, and poorly supervised corrupt law enforcement officials. Marijuana is produced domestically for markets in Europe, the largest being Italy and Greece. While the majority of drugs have historically been smuggled across the Adriatic Sea, the Albanian Government's recent more aggressive policies and enhanced policing of its coast have redirected some trafficking over land borders with Kosovo and Montenegro for transit into Serbia and Bosnia.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** A 2005 Moratorium outlawing speedboats and several other varieties of water vessels on all of Albania's territorial coastal waters was scheduled to expire in early 2009, but the Ministry of Interior has commanded its forces to continue to enforce the ban until Parliament specifically repeals it. The moratorium has slowed the movement of drugs and trafficking in persons by smaller waterborne vessels, particularly to Italy. In January 2009, Lockheed Martin completed installation of a seven-radar sea-surveillance system which provides the Albanian Ministries of Defense and Interior a complete real-time picture of their entire sea border. In 2009 the Albanian Coast Guard/Navy received a 143-foot Damen patrol vessel from the Netherlands and will receive four more for the purpose of combating smuggling off of Albania's coasts. As a result of these measures, the preferred route by traffickers now appears to be through Serbia and Bosnia and then on 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, which 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." The EC echoed many of these findings in its Annual Progress Report on Albania in October.

**Law Enforcement Efforts.** The Albanian State Police (ASP) continues to seize more heroin each successive year. Italian statistics continue to show that the amount of Afghan heroin seized in Italy, having transited directly from Albania, remains minimal. According to the Ministry of Interior, in the first 9 months of 2009 the ASP seized 73.95 kilograms of heroin compared with 59 kilograms seized in the same period of 2008. Since January 2009, the ASP has arrested 320 persons for drug trafficking and is seeking to arrest 24 others. The ASP has also seized 2030 kilograms of marijuana and destroyed 123,681 marijuana plants. This is down slightly from 2008 but this can be attributed to the intense eradication efforts by the government and the more remote regions that the growers must use in order to evade detection. The ASP also seized 3.85 kilograms of cocaine, and in the process arrested 27 suspects—the seizures were mostly dealers and not traffickers. There have been several reported attempts to transport

heroin from Italy back across the Adriatic to Albania, but these have been the exception rather than the rule.

**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, judges, and customs officials. Corruption aids and abets organized crime and drug trafficking. Albania ratified the UN Convention against Corruption in 2006. In 2008 and the first half of 2009, the police and judiciary have been more active in investigating government officials and law enforcement personnel for corruption. During 2008, the prosecutorial system registered 683 cases for corruption-related offenses against 295 defendants, or 47 percent more cases registered against 16 percent more defendants compared to 2007. Prosecutors have referred to court 154 cases against 300 defendants, or 39 percent more cases referred to court against 66 percent more defendants compared to 2007. During 2008, the courts rendered 155 guilty verdicts, or 70 percent more convictions compared to 2007.

Although these numbers are a significant improvement over previous years, Albania continues to lack the judicial independence for unbiased, transparent proceedings and many cases are never resolved. High-ranking government officials, including judges and members of parliament enjoy immunity from prosecution, which hinders corruption investigations. However, the creation of a Joint Investigative Unit to Fight Economic Crime and Corruption (JIU) has had a tangible impact on the fight against corruption in Albania's capital. (See Section IV for a complete description of this unit and its work.)

To date, in 2009, 80 criminal complaints have been sent to the prosecution office involving 97 police officers including one officer of mid-level management, 26 officers of first line supervision level and 70 operational level officers. 43 complaints involving 52 police officers involved corruption related offences.

In the beginning of November 2008, a new law on the Internal Control Service (ICS) entered into force, determining that the ICS Directorate in the Ministry of Interior would establish an Inspections Directorate in addition to utilizing the Integrity Test as a tool to fight corruption within police ranks. While the new structure of the ICS which includes the Inspections Directorate was approved on 3 September 2009, the directorate itself has yet to be established due to lack of funding.

**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, and since February 2008, to the protocol against illicit trafficking in firearms. The TOC Convention enhances the bilateral extradition treaty by expanding the list of offenses for which extradition may be granted. The U.S. has applied the TOC most recently in a few extradition requests to Albania.

**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. The cultivation of marijuana is decreasing slightly due to enforcement action by the ASP and poppy production remains insignificant with the seizure of only 4.5 kilograms of opium plants. No labs for the manufacture of synthetic drugs were discovered in 2009, 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.** Trafficking in narcotics in Albania continues as one of the most lucrative illicit occupations available. Organized crime groups use Albania as a transit point for drugs and other types of

smuggling, due to the country's strategic location, porous borders, weak law enforcement, and unreformed judicial systems. Albania remains a transit country for Afghan heroin and a source country for marijuana, especially to Italy and Greece. While the majority of drugs has historically been smuggled across the Adriatic Sea, Albania's more aggressive policies and policing of its coast have redirected some trafficking over land borders with Serbia and Bosnia. Albanian nationals appear to be taking a greater role in the financing and distribution of heroin outside of Albania, especially in the Northern Balkans and Western Europe, especially Germany.

**Domestic Programs/Demand Reduction.** The Ministry of Health has stated that drug use is on the rise. While the Ministry has declared repeatedly that there are 30,000 drug users in Albania, it has no reliable data about drug abuse to substantiate these claims. Neither does it have statistics on the number of estimated addicts as opposed to users. However, anecdotal evidence suggests that marijuana use is increasing in school-aged children.

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. 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, thus 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, primarily heroin, and most were intravenous drug users. There were two NGO's operating in Albania during 2009, 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

**Policy Initiative.** The GOA continues to welcome assistance from the United States and Western Europe. The U.S. is involved in judicial sector assistance programs in the areas of law enforcement and legal reform through technical assistance, equipment donations, and training. One of the problems in training continues to be deep political polarization 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.

The State Department-supported U.S. Department of Justice ICITAP and OPDAT programs continued their programs at the Ministry of the Interior, the General Prosecutor's Office, 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 illicit trafficking in people and drugs. ICITAP funded by State/INL assistance continued to provide support for the GOA`s counternarcotics strategy and efforts through its activities within the International Consortium and the Mini-Dublin Group.

In 2009, OPDAT and ICITAP continued to work with the Albanian Ministry of Interior, Ministry of Finance, General Prosecutor's Office, and State Intelligence Service in forming additional Economic Crime and Corruption Joint Investigative Units (JIU) to improve the investigation and prosecution of financial crimes, especially money laundering and corruption. The JIU formally began operations in September of 2007 and has shown promising initial success, opening 222 cases in the first year of operation and successfully convicting the Deputy Minister of Transportation and the General Secretary of the Ministry of Labor on corruption charges. OPDAT has supported the JIU throughout 2009 with an imbedded OPDAT anticorruption legal advisor and an intensive program of training, along with equipment donation. During 2009, the JIU has started investigation in 124 new criminal cases.

OPDAT continues to have a direct and visible impact on the JIU's work. The presence of an American prosecutor at the JIU has increased the public's trust in their work and also provided political cover for the prosecution of highly-placed public officials. Procurement fraud and property issues continue to lead the types of cases being prosecuted, with the number of money laundering investigations steadily increasing.

On May 6, 2009, the Prosecutor General, Minister of Interior, Minister of Finance, Director of State Intelligence Service (SHISH), the head of High State Audit, and the head of the High Inspectorate for the Declaration of Assets (HIDAA) publicly signed a Memorandum of Cooperation formally establishing six regional anticorruption and financial crime units in the cities of Durres, Fier, Korça, Shkoder, Vlora, and Gjirokaster. OPDAT will support these regional units through a USG-funded MCC (Millennium Challenge Corporation Grant)-program of training, mentoring, and equipment.

The Witness Protection (WP) Directorate in the Ministry of Interior continues to work with the U.S. and other members of the international community to strengthen the existing witness protection legislation. The WP Directorate has helped to protect a number of witnesses, and witness families, in trafficking and drug related homicide cases. Witness Protection Law reform is being accomplished through the IC working group, with prosecutors and police working with international advisors to revise the law written in 2004. The new law is now being considered by the Albanian Parliament.

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. TIMS is now operational in all 21 major border crossing points and by October 31, 2009 will have been installed at the last 5 remaining remote 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 border policing resources answerable to one central authority. The Department of Defense also assisted by contracting, through the U.S. European Command, for the renovation of SHISH field stations at Vlore and Lezhe. Other U.S., EU, and international assistance programs include support for customs reform, judicial training and reform, improving cooperation between police and prosecutors, and anticorruption programs. The U.S. Coast Guard (USCG) provided maritime law enforcement training to Albanian officers through two visits of a mobile training team, and has one uniformed maritime advisor attached to the U.S. Embassy under the EXBS program. 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.

ICITAP has teamed up with the New Jersey National Guard under the Partners for Peace Program to introduce a Drug Awareness-Demand Reduction Program in the Tirana Public Elementary Schools. ASP Community Policing specialists will be trained both in Albania and the United States to deliver essential information to children ages 9 thru 14. This program is part of a broader based community policing strategy that includes international police assistance programs, educators and NGO`s as well as the police and local citizens.

**The Road Ahead.** The Albanian government has made the fight against organized crime and trafficking one of its highest priorities. The police are taking an increasingly active role in counternarcotics operations. Albania's desire to enter into the European Union and its entry in 2009 into 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.

# Algeria

## I. Summary

Algeria is primarily a transit country for drugs, but both domestic production and consumption are rising. Drug seizures increased substantially in 2008 and the first half of 2009. The Government of Algeria (GOA) is committed to addressing the problem and has begun several domestic programs to combat drug use and production, but Algeria faces significant difficulties in securing its borders against cross-border trafficking. Algeria is a party to the 1988 UN Drug Convention.

## II. Status of Country:

Algeria currently is not a major center of drug production, money laundering, or production of precursor chemicals. However, it remains a significant transit point for drug trafficking into Europe and is evolving from merely a transit point into a destination and producer of drugs as well. There is a small but growing domestic market for harder drugs such as heroin and cocaine, but cannabis remains the most widely-used illicit drug in the country.

The government takes the drug problem seriously, and efforts are underway to combat both distribution and use. The GOA has introduced a public awareness program and has established treatment facilities to educate and treat those affected by drug use, and law enforcement and border security agencies are actively engaged in stopping the production and flow of drugs through Algeria. Trafficking arrests and drug seizures are frequently reported in the Algerian press.

According to Algeria's National Office for the Fight Against Drugs and Addiction (ONLCDT), Algeria is a transit point for drugs smuggled from Morocco to Europe. Algerian officials assert that Morocco is the principal source of drugs such as cannabis entering Algeria. The GOA at times also blames an increase in illegal immigration through Algeria for the increase in drug usage by Algerian youth. Algeria faces serious problems with cross-border trafficking, particularly in the southern areas of the country, where the vast desert along Algeria's southern border is almost impossible to secure completely. There was a significant increase in drug trafficking attempts in 2008 due to the proliferation of drug networks throughout the country and the refinement of their methods, drawn from their collaboration with international drug networks and their use of improved communications equipment. The National Gendarmerie reports that the bulk of drugs seized in Algeria is intended for export, while there is likely a large increase in domestic drug consumption as well. Public statements by the National Gendarmerie indicate that the GOA is committed to combating drug trafficking, which it sees as a national threat.

In addition to smuggling activities, Algeria in recent years has seen an increase in domestic drug production, particularly cannabis being cultivated in the southeast and in the area of the capital, Algiers. In 2008, there also were several front-page press reports of domestic poppy production, noting that areas of Algeria's southern Sahel region were being used for poppy cultivation. Algeria's judicial police division indicated that drug seizures increased markedly from 2007 to 2008, and the amount of cannabis seized in the first half of 2009 exceeds that of the entire year of 2008.

## III. Country Actions Against Drugs:

**Policy Initiatives**. Algeria's official national drug policy consists of five stated goals: (1) revision of laws related to drugs and addiction; (2) education and information campaigns; (3) improved national coordination mechanisms; (4) improved law enforcement capacity; and (5) reinforcement of bilateral, regional, and international efforts on counternarcotics and border control.

The Government's internal counternarcotics legislative policies strive to adapt Algerian drug and trafficking laws to address the increased trafficking and consumption levels, and to bring Algerian legislation into conformity with international conventions, particularly the 1988 UN Drug Convention. Other plans include drafting regulations governing incineration of seized narcotics and reviewing control mechanisms for the legal production, marketing, and storage of drugs containing opiates and psychotropic substances.

The ONLCDT is charged with developing national policies in the realms of drug prevention, treatment, and suppression, and with coordinating and ensuring follow-through. The office is the government's center for the collection and analysis of data on trafficking, use, and treatment in the country. ONLCDT in 2008 held four regional seminars on the creation, enactment, and evaluation of counternarcotics programs and participated in several conferences hosted by the United Nations Office on Drugs and Crime and European counternarcotics organizations.

**Law Enforcement Efforts.** The following table is a summary of Algeria's drug seizures since 2007, based on statistics provided by the ONLCDT.

| | 2009 (January-June) | 2008 | 2007 |
|---|---|---|---|
| ***Cannabis*** | 44,600 Kg;<br>1618 plants | 38,041 Kg;<br>10,712 plants | 16,641 Kg,;<br>20,987 plants |
| ***Cocaine (including crack)*** | 537 gr | 784 gr | 22,055 gr |
| ***Heroin and Opium*** | 372 gr; 977 plants | 110 gr; 77,612 plants | 382 gr; 74,817 plants |
| ***Other psychotropic substances*** | 42,164 tablets;<br>990 Ml solutions | 924,398 tablets;<br>2,050 Ml solutions | 233,950 tablets;<br>5,960 Ml solutions |

Algerian security agencies are expanding their capabilities to respond to crime by adding personnel and attempting to engage in more training. Increased interagency intelligence sharing and interdiction efforts improved the effectiveness of government responses, increasing seizures in 2008; seizures of cannabis and heroin to date in 2009 are far exceeding those of 2008.

In the first half of 2009, Algeria arrested 6,163 individuals on drug-related offenses, comprising 2,021 arrested for drug trafficking, 4,128 arrested for drug use, and 14 arrested for cultivating cannabis and opium. Of those arrested, 46 were foreigners, including 8 Nigerians, 5 Malians, 5 Nigerians, 3 Moroccans, 3 Liberians, 2 French, 1 Spanish, 1 Tunisian, and 18 of unspecified nationality. In 2008, Algeria arrested 10,954 individuals on drug-related offenses, comprising 3,520 arrested for drug trafficking, 7,365 arrested for drug use, and 69 arrested for cultivating cannabis or opium. Of those arrested, 118 were foreigners, including 23 Nigerians, 15 Malians, 12 Nigerians, 11 Moroccans, 9 Gambians, 5 Cameroonians, 5 French, 3 Spanish, 3 Ghanaians, 2 Ugandans, 1 Congolese, 1 Ivorian, 1 Liberian, 1 Sierra Leonean, 1 Chadian, 1 Tunisian, 1 Turk, and 23 of unspecified nationality.

Algerian law provides for a prison sentence of 2 months to 2 years and a fine of roughly $70 to 750 for personal consumption of narcotics or psychotropic substances and a term of 10 to 20 years and a fine of roughly $70,000 to $700,000 for production or distribution.

**Corruption.** The Algerian government does not as a matter of government policy 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, some cases of narcotics-related corruption among governmental, judicial, military, or law enforcement officials almost certainly occur; the Algerian press periodically includes reports of arrests of low-level police or military officers for drug offenses. Algerian law provides a maximum prison sentence of ten years and fines ranging from $2,500 to $150,000 for public officials convicted of any form of corruption.

**Agreements and Treaties.** Algeria is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the UN Convention against Corruption. Algeria also is a party to the UN Convention against Transnational Organized Crime and its protocols.

**Cultivation/Production.** The GOA has stated its commitment to the total eradication of domestic cannabis and opium poppy production. In the cannabis-producing southern and western regions of the country, the government is implementing an eradication program linked to a development strategy involving reform of local government and a highly subsidized crop substitution program. Nevertheless, Algerian drug officials have indicated that crop substitution programs have made little headway in providing economic alternatives to cannabis production. The government in 2008 reported that as a result of intensified law enforcement and interdiction measures it eradicated illicitly cultivated opium poppy in small areas in the north of the country. Over 74,000 poppy seedlings were eradicated in 2007, and almost 80,000 were eradicated in the first nine months of 2008.

**Drug Flow/Transit.** Algeria is a source of hashish for Europe. Shipments include hashish produced domestically and in Morocco. Spain, Italy, and France are all transfer points for Europe-bound Algerian drug flows. Most large shipments of illicit drugs bound for Europe reportedly travel via fishing vessels or private yachts.

Algeria's vast desert and ocean borders make smuggling of all kinds a significant challenge for the country's police, border security, customs, and immigration forces. Algeria's long and often poorly demarcated borders with Tunisia, Libya, Niger, Mali, Mauritania, and Morocco lend themselves to cross-border trafficking. The large expanse of desert along Algeria's southern border is almost impossible to secure in its entirety, but public statements by the National Gendarmerie indicate that the government is keen to combat drug traffickers and is doing what it can.

Algerian officials frequently comment on the large amounts of illegal drugs that enter Algeria from Morocco, and the GOA recognizes the need for better regional cooperation on border security and drug trafficking. Security force sources say that more than 13 tons of drugs were seized near the Algerian/Moroccan border during 2008. Algerian officials also have suggested that drug smuggling networks in the south are coordinating with terrorist groups, which engage in extortion and money laundering.

**Domestic Programs (Demand Reduction).** To address prevention and treatment, the GOA's national drug policy includes the introduction of lessons on the dangers of drugs into mosque sermons, the expansion of education programs to increase public awareness, and efforts to coordinate better actions taken by different ministerial departments, particularly Health, Education, and Justice. The ONLCDT also conducts counternarcotics use campaigns in schools and local communities.

Algerian officials have increasingly voiced their concern about signs of growing domestic heroin and cocaine use. In 2008, the GOA launched a public campaign to reduce domestic demand for those drugs as well as for cannabis. The Ministry of Health has established a program to train the staffs of psychiatric hospitals in the treatment of drug addiction and launched a program to establish drug centers countrywide. Algeria's national drug policy also includes the support and expansion of drug treatment facilities and the creation of post-rehabilitation centers to provide extended treatment and to help reintroduce drug addicts into society in an effort to prevent recidivism.

## IV. U.S. Policy Initiatives:

**Bilateral Relations.** The USG supports Algeria's efforts to improve its counternarcotics capabilities and plans to begin training Algerian police and customs officials in FY 2010, particularly in regard to trafficking.

**The Road Ahead.** The U.S. will cooperate with Algeria to improve drug law enforcement and will endeavor to be responsive to any Algerian request for assistance on drug treatment or prevention.

# Argentina

## I. Summary

Argentina continued to be an important transshipment route for Andean-produced cocaine during 2009, with most of the traffic going to Europe, as well as ephedrine bound for illicit trafficking in Mexico and the United States. Marijuana also entered the country in significant quantities, much of it for domestic consumption. Argentina is a source country for some precursor chemicals sent to neighboring countries for the production of cocaine. Argentina is not a narcotics producing country, though there is evidence of small labs that transform cocaine "base" into cocaine hydrochloride (HCl). An Argentine Supreme Court decision in September 2009 acquitted a group of defendants for possessing small quantities of marijuana; the decision suggests decriminalization of possession of small amounts of drugs, but does not alter criminal penalties for selling or trafficking drugs. Argentina is a party to the 1988 United Nations (UN) Drug Convention.

## II. Status of Country

Argentina is a transshipment route for cocaine from Bolivia, Peru, and Colombia intended for Europe and other destinations. The counternarcotics efforts in Mexico and Colombia are having a balloon effect on Argentina that is pushing traffickers into the country, according to Argentine officials. Large seizures of cocaine in Europe have been linked to Argentina, and individual carriers of small quantities from Argentina to Europe are regularly discovered. There is evidence of increasing use by traffickers of light aircraft to bring drugs into the country across the long northern borders with Bolivia and Paraguay. Most of the cocaine leaving the country is thought to be smuggled by sea. A cheap, readily available, and mentally debilitating drug, "paco" (a derivative of cocaine production), is consumed in Argentina's poorer neighborhoods. Significant seizures of illicit ephedrine continued in 2009.

Argentina cooperated effectively with the United States, European and other South American partners in narcotics investigations, and regularly participated in U.S.-sponsored training in 2009. Although Argentine law enforcement agencies search for and temporarily hold unregistered precursor chemicals, the country does not have criminal penalties for the transport of unregistered chemicals nor can the chemicals be permanently seized. This lack of deterrence contributes to Argentina's status as a regional source country for precursor chemicals.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In September 2009, Argentina's Supreme Court issued a ruling acquitting a group of young men convicted for possessing small amounts of marijuana. Statements by members of the Court made it apparent the ruling was intended to decriminalize personal possession and use of small amounts of marijuana and that it may be applied to other drugs as well. Convictions of the drug dealers in the same marijuana case were upheld. Government of Argentina (GOA) officials have also advocated legislation to decriminalize personal possession of small quantities, arguing that such a measure would permit shifting of scarce police and judicial resources away from individual users and toward drug trafficking organizations, as well as free up funds for substance abuse treatment. Congress has not acted on this proposal.

In September 2009, the GOA established, under the authority of the Chief of Cabinet, a National Coordinating Commission for Public Policy Regarding Prevention and Control of Illicit Drug Trafficking, International Organized Crime, and Corruption. The Commission is composed of leading jurists, social scientists, and scientists who had participated in a 2008-2009 Scientific Assessment Committee focused on the same issues. The new Commission is to have a leading role in implementing a National Counter-

Drug Plan. Many elements of the plan focus on efforts to deal with prevention and treatment of addictions. It also envisions a role in enhancing coordination among national and provincial law enforcement agencies, as well as addressing cooperation with international partners. The commission has proposed tighter controls over certain medicines as well as mechanisms to detect suspicious patterns in the trade of precursor chemicals. The National Plan envisions redefining the role of SEDRONAR, the Secretariat of Planning for the Prevention of Drug Addiction and Drug Trafficking.

Separately in 2009, GOA law enforcement agencies worked to apply additional resources to what many viewed as an increasing push by drug traffickers across the country's northern borders by both land and air. One effort focused on increasing the current minimal radar coverage in the north.

**Accomplishments.** Argentine security forces actively seized cocaine during 2009, including several seizures during the first half of the year of over 200 kilograms of cocaine. Almost 92 percent of total Drug Enforcement Administration (DEA)-assisted cocaine seizures of 2,373 kilograms from January through September 2009 were made in the northwest border region by the Northern Border Task Force (NBTF), the Gendarmeria (Frontier Guard), or the Salta and Jujuy provincial police forces. Over 14 metric tons of marijuana was seized in Argentina during this time frame, principally on the eastern border region where Argentina, Brazil, and Paraguay meet or along the western border with Chile. Argentine authorities seized over 8,750 kilograms of ephedrine during 2009 in the greater Buenos Aires area, as well as 80,000 units of MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) seized by provincial law enforcement authorities. In addition, Gendarmeria forces in northern Argentina seized 85 liters of sulfuric acid and 200 liters of hydrochloric acid.

**Law Enforcement Efforts.** The Government of Argentina is seeking to shift resources from the arrest and prosecution of individual users toward the disruption and prosecution of drug traffickers and other organized crime. It has achieved the greatest success targeting in-bound cocaine shipments across its northern border. It utilizes routine and targeted inspections of outbound maritime traffic, including fish, commodities, and containerized cargos, to disrupt outbound illicit traffic, but limited inspection resources and the high volume of legitimate trade means that much of the traffic escapes detection. The shift will require further refinement of investigative capacities among law enforcement agencies and the judicial system and additional refinements to eliminate case backlogs and other delays in the legal system. There is less-than-optimum sharing of case information among federal law enforcement agencies and between federal and provincial law enforcement agencies, which has hampered Argentina's effectiveness in combating the illegal drug trade. Though most of the state judiciaries have moved to an accusatory legal system, other systems remain a combination between the inquisitorial and accusatorial models. Inefficiencies in these legal systems are an impediment to effective drug prosecutions in some cases.

Corruption. The GOA is publicly committed to fighting corruption and prosecuting those implicated in corruption investigations. It is not government policy, nor are any senior GOA officials known to engage in, 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. Independent judges and an active investigative press are known to explore allegations of corrupt practices by individual law enforcement or judicial authorities.

**Agreements and Treaties.** Argentina is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances; the UN Convention against Transnational Organized Crime and its three Protocols; and the UN Convention against Corruption. The United States and Argentina are parties to an extradition treaty that entered into force on June 15, 2000, and a bilateral mutual legal assistance treaty (MLAT) that entered into force on December 4, 1990. Both of these agreements are actively used by the United States and the GOA. Argentina has bilateral narcotics cooperation agreements with many neighboring countries. In addition, Spain, the United Kingdom, Germany, Australia, France, Italy and the Netherlands provide limited counternarcotics training and equipment. In 1990, U.S. Customs and Border Protection signed a Customs

Mutual Assistance Agreement with the Government of Argentina. Argentina is also a party to the Inter-American Convention against Corruption, Inter-American Convention of Mutual Assistance in Criminal Matters, the Inter-American Convention against Trafficking in Illegal Firearms, and the Inter-American Convention against Terrorism.

**Cultivation/Production.** Some marijuana is grown in Argentina, but most marijuana consumed appears to enter from neighboring countries. There are occasional discoveries of small labs converting cocaine base to HCl in the country, utilizing imported cocaine paste. The discovery of one lab preparing to transform ephedrine in 2008 raised concerns about the emergence of synthetic drug production in the country.

**Drug Flow/Transit.** Colombian cocaine HCl entering Argentina is largely destined for international cocaine markets, primarily Europe but also Asia and the United States. Federal law enforcement agencies reported nearly 4 metric tons seized during the first nine months of 2009. There is an indigenous population along the northern border with Bolivia that traditionally consumes coca leaf. Maceration pits were discovered there in 2009, though the scale of cocaine production is thought to be limited. Proceeds from drug smuggling ventures organized in Argentina are often brought back to the country by couriers in bulk cash shipments and then wired to the United States for investment or smuggled directly into the United States. Most of the marijuana consumed in Argentina originates in Paraguay and is smuggled across the border into the provinces of Misiones and Corrientes, from where it is then transported overland to urban centers or onward to Chile. Argentina received significant legal ephedrine imports in 2007 and the first half of 2008, but changed its regulations on ephedrine imports in September 2008. Subsequent investigations and seizures indicated that much of the legally imported chemical had been bound for illicit commerce to Mexico or the United States. The regulatory change seems to have had the desired effect as legal ephedrine imports in 2009 were reduced to a very small amount. However, the new law does not regulate pseudoephedrine and legitimate chemical preparations are often diverted to be used in the manufacture of illicit drugs. The GOA should reform its chemical control regulations to include the control and monitoring of finished preparations containing ephedrine, pseudoephedrine such as cold and allergy medications. Though there is evidence of continued smuggling, Argentina has enhanced the effectiveness of its port and border controls and related criminal investigations. Argentine and U.S. law enforcement officials continue to collaborate against attempts by drug traffickers to illicitly import or transship the chemical.

**Demand Reduction Programs.** Drug use by Argentine youth has been steadily climbing over the past decade, with marijuana prevalence among high school students recorded at 8.1 percent in 2007 while cocaine use among the population aged 15-64 was 2.67 percent, according to the United Nations Office of Drug Control. SEDRONAR has played a lead role in coordinating GOA demand reduction efforts, but that role may be evolving with the establishment of the National Coordinating Commission for Public Policy Regarding Prevention and Control of Illicit Drug Trafficking, International Organized Crime, and Corruption. The GOA, in collaboration with private sector entities, sponsors a variety of print and broadcast information campaigns which have a nationwide reach.

## IV. U.S. Initiatives and Programs

**Policy Initiatives.** U.S. efforts in Argentina focus on four core areas: reducing Argentina's role as a transit point for drug trafficking by disrupting and dismantling the major drug trafficking organizations in the region; promoting regional counternarcotics cooperation among Andean and Southern Cone nations; maximizing host nation drug enforcement capabilities; and fortifying bilateral cooperation with host nation law enforcement agencies.

**Bilateral Cooperation.** U.S. Government agencies work closely with host nation counterparts, including the Argentine Federal Police (PFA), the Gendarmeria (Frontier Guard), Prefectura (Coast Guard), Special Airport Police (PSA), Customs, and judicial authorities to pursue specific investigations and to provide

training and equipment to enhance host nation capacity. Key U.S. Government agencies operating in Argentina with counterparts include the DEA, Immigration and Customs Enforcement (ICE), and the Legal Attaché (FBI). The State Department and U.S. Military Group, responsive to the U.S. Southern Command, provide support for training that contributes to the counternarcotics mission. The U.S. Coast Guard provided a Maritime Law Enforcement Mobile Training Team to Prefectura members in 2009. Argentine authorities are receptive to training, cooperation on investigations, and equipment donations.

A key element of U.S.-Argentine cooperation, supported with State Department Bureau of International Narcotics and Law Enforcement Affairs (INL) and DEA resources, is the Northern Border Task Force (NBTF), a joint law enforcement group comprising federal and provincial elements operating in Argentina's northwestern provinces of Jujuy and Salta to interdict the drug flow from Colombia, Peru, and Bolivia. The U.S. Government also supports an Eastern Border Task Force (EBTF), located in Misiones Province that acts against illicit drug smuggling activities in the tri-border area with Paraguay and Brazil.

Argentine authorities actively coordinate counternarcotics activities with neighboring countries. U.S. Government support has helped facilitate this cooperation by supporting joint training and seminars in the region and providing software and equipment for the sharing of real-time drug investigation leads.

**The Road Ahead.** The GOA has made progress in enhancing its interdiction capabilities and its controls over precursor chemicals. It seeks to apply new resources to prevention of use and the treatment and rehabilitation of addiction. Such efforts are crucial given the rapidly changing nature of the drug trade and the potentially damaging impact of increasingly potent drugs available through international traffic.

Embassy Buenos Aires has offered additional technical assistance and training related to precursor chemicals, investigative techniques, interdiction, and legal assistance. Some steps that could be usefully taken by Argentina include improving judicial case processing efficiency; enhancing the regulatory authority of law enforcement agencies to permanently seize unregistered precursor chemicals and to levy fines for their transport; regulating pseudoephedrine; outlawing money laundering-type transactions without the necessity of proving an illicit origin for the money; improving judicial procedures for the confiscation and administrative sale of seized criminal properties; and enhancing vigilance of the national borders and air space, particularly in the north-central part of the country.

# Armenia

## I. Summary

Armenia is not a major drug-producing country and domestic abuse of drugs is relatively small. Drug-related arrests and interdictions of illegal drugs increased sharply in the first six months of 2009 compared to the same period in 2008, reversing a decrease from 2007 to 2008. This increase probably reflects a combination of improved law enforcement efforts, some increase in domestic consumption, and rising use of Armenia as a transit country as other routes have become more difficult for traffickers. Also, because the number of cases and the volume of illegal drugs seized remain small, even modest fluctuations in these figures can appear as large percentage changes.

The Government of Armenia recognizes Armenia's actual and potential role as a transit route for international drug trafficking. In an attempt to improve its interdiction ability, Armenia, 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 provided legislative assistance to promote the use of European standards for drug prosecutions, collection of drug-related statistics, rehabilitation services to addicts, and drug-awareness education. The SCAD program in Armenia ended in 2009, but may receive renewed funding in 2010. 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. However, Armenia's two longest borders, those with Turkey and Azerbaijan, are currently closed. The resulting limited transport options between Armenia and its neighboring states have kept the country a secondary traffic route for drugs. As Turkish interdiction efforts lead smugglers to seek new routes into Europe, and because the 2008 war between Russia and Georgia closed smuggling routes into Georgia from Russia, more traffickers have turned to Armenia. 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 is not widespread in Armenia, and according to the police the local market for illicit narcotics is relatively small. The majority of Armenian drug users use hashish or other forms of cannabis. Opiates, especially opium, are the second most abused drug group. Over the last decade there has been a general increasing trend in the abuse of heroin, but the overall demand for both heroin and cocaine remains fairly low. Illegal drug use in Armenia is not particularly the province of the young. Police statistics show that over 65 percent of convicted traffickers are male Armenian citizens between the ages of 30 and 49. Of those registered for drug treatment, 95 percent are over age 25 and 64 percent are over 35.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009 the Armenian government implemented new policies under legislation enacted in June 2008, designed to bring Armenian drug laws closer into line with EU standards and to focus law enforcement efforts on drug trafficking while emphasizing prevention and treatment in dealing with drug users. Specifically, these changes decriminalized the use of illegal drugs and the transfer of small amounts of drugs without purpose of sale (e.g., sharing of small quantities among users). Previously, a person convicted of using drugs could be jailed for up to two months for a first offense, a threat which the UN SCAD Program's experts found discouraged drug addicts from seeking treatment. Under the new system, a first-offense user is subject to a fine up to 200,000 Armenian drams, or roughly $600, but that fine is waived for a user who voluntarily seeks drug treatment.

The Ministry of Justice also enlisted SCAD support in developing a new National Drug Strategy for 2009 to 2014. A project to expand Armenia's own Border Management Information System (BMIS) to all border crossing points, partly funded by the USG, was completed in late 2008 and centralizes immigration data, giving law enforcement agencies access to information on drug interdiction efforts at Armenia's borders.

**Law Enforcement Efforts.** Police statistics for the first six months of 2009 show drastic increases in total number of drug-related offenses, total number of traffickers, and total amount of drugs seized compared to the first six months of 2008: 228 to 539 offenses (not counting offenses decriminalized in mid-2008), 246 to 475 individuals, and 4.4 kilograms to 21.7 kilograms respectively. Notably, most of the increase in drugs seized came from opium, rather than bulkier drugs such as cannabis. The amount of opium seized more than quadrupled from 3.6 kilograms to 17.0 kilograms, after having more than doubled from the first six months of 2007 to the first six months of 2008. As noted above, given the small scale of the drug problem in Armenia, fairly minor changes in absolute figures can generate large percentage variations, especially when comparing relatively short periods of time. Nevertheless, the large and continuing increase in opium seizures suggests that this trend is not merely a statistical aberration.

Measures to identify and eradicate both wild and illicitly cultivated cannabis and opium poppy continued in 2009. The Armenian Police, along with elements of the Ministry of Defense and local governments, conducted an annual search for hemp and opium poppy fields in the countryside, as well as distribution networks in the cities. In September 2009, Armenian law enforcement agencies again participated in "Channel," an annual joint operation among the member states of the Collective Security Treaty Organization (Armenia, Belarus, Kazakhstan, the Kyrgyz Republic, Russia, Tajikistan, and Uzbekistan) dedicated to identifying and stopping the cross-border flow of illegal drugs and other contraband and disrupting the travel of criminals. During this exercise, the Armenian authorities scrutinized vehicles and cargo crossing the border with increased focus on possible concealed drugs. 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 operation.

**Corruption.** Corruption remains a serious problem throughout Armenia, but there appears to be little high-level corruption related to drug trafficking. The new administration that took office in April 2008 has made limited efforts to crack down on corruption in some government agencies, including the customs service. However, the corruption targeted in these agencies generally was not drug-related. The Government of Armenia does not encourage or facilitate illicit production or distribution of narcotic drugs and psychotropic substances, nor does it encourage or facilitate the laundering of proceeds from illegal drug transactions. No senior government officials have been reported to engage in these activities.

The main form of drug-related corruption occurs when individual drug users found with drugs in their possession bribe police to avoid arrest. The decriminalization of drug use could reduce this tendency, but many drug users may be unaware of the legislative changes or may still resort to bribes to avoid the administrative fines under the new law.

**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. There is also some small-scale illegal cultivation of both of these crops.

**Drug Flow/Transit.** Transit of illegal drugs through Armenia to other countries is relatively small in absolute terms, but appears to have risen sharply in the last several years. In a few cases, some of these drugs have been found to reach the U.S. The principal production and transit countries from which drugs are smuggled into Armenia are Iran (heroin and opiates) and Georgia (opiates, cannabis and hashish). Armenia's borders with Turkey and Azerbaijan remain closed, but small amounts of opiates and heroin are smuggled to Armenia from Turkey via Georgia. There have also been cases of small-scale importation from other countries, mostly by mail or by airline passengers arriving in Yerevan with illegal narcotics concealed on their persons or in their baggage. Should Armenia's closed borders reopen, police predict drug transit will increase significantly.

**Domestic Programs (Demand Reduction).** Armenia has adopted a policy of focusing on prevention of drug abuse through awareness campaigns and treatment of drug abusers. These awareness campaigns were implemented under the now completed SCAD program. The Drug Detoxification Center, part of the Armenian Narcological Clinic and funded by the Ministry of Health, provides short-term drug treatment. Two new drug treatment facilities opened in 2009, one of which is part of the prison hospital system. These new facilities should help alleviate the lack of long-term treatment and counseling that previously limited the success of treatment efforts. In 2009 the Narcological Clinic began offering methadone substitution treatment.

## 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. Recent and on-going joint activities include the development of an independent forensics laboratory, the improvement of the law enforcement infrastructure and the establishment of a computer network enabling Armenian law enforcement offices to access all law enforcement databases. In 2009, the Department of State also continued to assist the Armenian government through the Export Control and Related Border Security (EXBS) program. 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. The USG promotes reconciliation between Armenia and its neighbors, and seeks a future of open borders in the region. Continued USG assistance should help Armenia secure reopened borders against narcotics trafficking as well as other forms of transnational crime.

# Australia

## I. Summary

Australia is a leader in the international effort to combat illicit drugs, cooperating with the United States and the international community on law enforcement activities. Australia is not a major exporter or transit point for narcotics, but continues to fight relatively widespread domestic availability and abuse of illicit substances. The government views narcotics control as a priority and has combined aggressive prosecution of drug related cases with efforts to control demand. Australia is party to the 1988 UN Drug Convention.

## II. Status of Country

Cannabis is still the most abused drug in Australia followed by MDMA Ecstasy, methamphetamine, and cocaine. The availability of heroin in Australia remains constant and according to some local reporting, heroin use is on the rise. Australian officials continue to seize substantial quantities of their main drugs of abuse, particularly methamphetamine, MDMA, and most recently, cocaine. According to the Australian Federal Police (AFP), the 2007-08 Drug Harm Index, (the AFP's measurement of the estimated damage seized drugs may have caused society, had they not been seized), totaled approximately US$704 million domestically and an additional US$24 million internationally. The 2008-09 figures (July-December) are already at $687 million with an additional $40 million through the AFP's contribution to international seizures. These figures have increased substantially from 2006/2007 when $563 million was reported and 2005/2006 when $150 million was reported.

Marijuana and hashish (cannabis resin) are readily available throughout most areas of Australia. Marijuana is Australia's most highly abused illicit substance. The drug continues to be used by a cross section of the society and is not necessarily restricted to particular groups or regions. The market is dominated by domestic production. Price and quality vary significantly between each state. Significant indoor and hydroponic cultivation seizures of marijuana and disruption of cultivation continue to be reported by law enforcement in all states and territories.

Amphetamine/methamphetamine continues to be readily available within Australia. Although marijuana is the most abused drug in Australia, crystal methamphetamine and methamphetamine abuse rates continue to be an area of concern. The demand for methamphetamine is met by both domestic production and importation. In 2008 authorities seized approximately 434 clandestine laboratories of which 398 were methamphetamine. This number is a slight increase over 2007 and 2006. Australian officials estimate clandestine laboratories seizures may exceed 550 in 2009. As clandestine laboratory seizures continue to climb and Asian groups continue to facilitate the importation of methamphetamine, officials believe this drug will remain available and readily abused by Australians.

The availability of South East Asian heroin in Australia is steady throughout the nation and exists in all of Australia's states and territories. Although officials believe heroin use will remain steady at levels significantly below the usage rates of the late 1990s/early 2000s, the Australian 2007 Illicit Drug Reporting System (IDRS) report showed an increase of heroin use among users who inject drugs in Australia's capital cities. Some local reporting indicates heroin trafficking and use is on the rise. The Victoria Police have noted an increase in the purity of heroin and a decrease in the price. Officials also note an increase in SWA heroin availability.

Cocaine availability and seizures in Australia have increased. Enhanced associations between Australia and South America/Mexico criminal networks have led to an increase in the flow of cocaine into Australia. Multi-ounce and kilogram quantities of cocaine are readily available in the Sydney, Brisbane and Melbourne regions. Recent seizures indicate an increased involvement of Asian, Colombian and

Mexican organized crime groups in the distribution of large-scale amounts of cocaine into Australia. The cocaine user population continues to grow and the price and purity of cocaine remains high. There is little presence of "crack" cocaine, which is reportedly unpopular among the user population. Cocaine remains expensive by U.S. standards and its use is limited to up-market users who obtain the cocaine from a variety of distributors operating in popular nightclubs. Currently, a gram of cocaine ranges from $181 to $408 and one kilogram of cocaine costs between $122,000 and $163,000.

Illicit dangerous drugs remain popular in Australia. Australia has one of the highest per capita usage levels of MDMA in the world and MDMA is the second most abused drug in Australia. A capsule of MDMA ranges from $27 to $54. Recent seizures of domestic MDMA laboratories and substantial quantities of precursor chemicals in Australia have law enforcement concerned about the extent of MDMA abuse and production.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009 Australia announced that the AFP would play a greater role in combating narcotics production in Afghanistan. The 2009 budget included a $43 million program to deploy additional AFP personnel to Afghanistan. The officers provide high-level advice to the National Police of Afghanistan and support various capacity building and narcotics control programs.

Parliament is currently considering several pieces of legislation aimed at least in part at combating narcotics. The Crimes Legislation Amendment (Serious and Organized Crime) Bill is aimed at enhancing the ability of the police forces to prosecute large criminal organizations. It includes provisions that would make it easier for police to pursue wiretaps, prosecute members of a group who conspire to commit a crime, and investigate people with wealth shown to be in excess of their legal income. The government has also proposed a bill banning the importation of tablet presses to help combat the domestic production of illicit pills.

**Law Enforcement Efforts.** Federal, state, and territorial police agencies share responsibility for drug law enforcement. Each police force is an independent organization with jurisdiction over the laws of its state or territory. The exception is the Australian Capital Territory, which is administered by the Australian Federal Police. At the federal level, the Australian Federal Police (AFP), the Australian Customs and Border Protection Service (ACBPS) and the Australian Crime Commission (ACC) are engaged in drug law enforcement and interdiction. The AFP is the primary law enforcement agency in Australia, and it is the lead agency in narcotics enforcement investigations involving importation and/or international trafficking activities. The Australian Government has mandated the AFP give priority to drug trafficking investigations targeting major organizations and drug importations.

In 2009, Australian law enforcement authorities vigorously targeted and dismantled significant drug trafficking organizations. Asian, European, South American and Mexican drug trafficking organizations target Australia to facilitate the distribution of large quantities of heroin, cocaine, amphetamine type stimulants (ATS), including MDMA, and precursor chemicals. Australian authorities have seized substantial quantities of cocaine from Mexican trafficking organizations including the seizure of approximately 194 kilograms of cocaine in January 2009. The trafficking of bulk quantities of cocaine into Australia by Mexican organizations is a relatively new threat which has been aggressively attacked by authorities with positive outcomes. However, the seizure of bulk cocaine shipments to Australia is not a new phenomenon. In 2008, authorities seized approximately 173 kilograms of cocaine shipped from Canada. This shipment was controlled by one Vietnamese group. The bulk shipments not withstanding, most shipments of cocaine seized in Australia are from couriers, parcel post and international mail deliveries smuggling one kilogram or less. West African trafficking organizations continue to be involved in the shipment of smaller amounts of cocaine into Australia. According to local reporting, cocaine seizures at the border increased by 71 percent in 2007-2008, the vast weighted majority (80 percent) occurred in sea cargo shipments, and the number of national cocaine seizures is the largest ever recorded.

Australia continues to receive notable quantities of heroin from South East Asia (SEA) and South West Asia (SWA). The smuggling of SEA heroin into Australia is predominantly controlled by Asian trafficking groups, West Africans, and Australian criminal organizations. SEA heroin is smuggled in smaller quantities in a variety of methods including couriers, parcel post, international mail and cargo shipments. Heroin distribution networks throughout the country are usually controlled by Asian organized crime groups. In contrast, the smuggling of SWA heroin into Australia is largely controlled by Pakistani, Indian, and Australian criminal groups. SWA heroin is also smuggled via couriers, parcel post, international mail and cargo shipments. In 2007-2008, authorities report the cumulative weight of heroin seizures increased by 22 percent at the border. This trend continued as seen in February 2009 when authorities seized approximately 20 kilograms of heroin in Melbourne shipped from Pakistan.

According to the United Nations Office on Drugs and Crime (UNODC) World Drug Report, Australia continues to maintain one of the highest Amphetamine Type Stimulant (ATS) and MDMA abuse rates in the world. MDMA is smuggled into Australia by a variety of groups with ties to sources in Western Europe. In 2008, authorities seized substantial bulk quantities of MDMA including the seizure of 9 kilograms in March of 2008, 44 kilograms shipped from Eastern Europe in May of 2008 and 121 kilograms shipped from Canada in June of 2008. In 2007-2008, the total weight of MDMA seizures decreased significantly as compared to 2006-2007. This was due to a 4.1 ton MDMA seizure in June 2007. In 2009, MDMA seizure rates have continued to decline; although, the drug is still readily available.

Asian organized crime groups dominate the distribution and trafficking of methamphetamine, and Canada remains a significant source of methamphetamine for Australia. In 2008, authorities seized approximately 260 kilograms of methamphetamine, most of which was controlled by Asian crime groups. Seizures have declined overall in 2009; however, methamphetamine is widely available throughout Australia. In January 2009, authorities seized approximately 5 kilograms of methamphetamine shipped from Canada.

The illicit domestic production of methamphetamine in Australia continues to be a major concern for authorities and likely accounts for the majority of methamphetamine in the country. Methamphetamine laboratories have been seized in every state and territory, but the state of Queensland (Brisbane) seizes the most. The number of clandestine laboratories seized in Australia in 2009 is expected to exceed 550. In 2008, Australian authorities seized approximately 434 clandestine laboratories. The majority of laboratories seized in Australia were small capacity methamphetamine operations; however, authorities have also seized sophisticated methamphetamine “superlabs.” In Western Australia (WA), methamphetamine laboratory seizures have risen dramatically since 2008. As of June 2009, authorities have seized 38 laboratories and officials expect to seize approximately 144 laboratories in 2009.

Domestically produced marijuana is readily available throughout Australia. Australia produces enough domestic marijuana to satisfy demand. Law enforcement officials in all states have reported the seizure of cannabis fields of various sizes but the states of Queensland and New South Wales are still the primary areas for outdoor cultivation due to favorable climate. Law enforcement officials advise many of these outdoor cultivation sites have a high degree of sophistication such as the use of solar powered irrigation systems. Authorities in New South Wales continued to seize significant marijuana plots ranging from hundreds to thousands of plants. Queensland law enforcement officials have reported that they suspect significant quantities of marijuana is likely grown in Queensland; however, officials lack appropriate resources to eradicate outdoor cultivation sites.

Law enforcement officials throughout the country continued to report the seizure of significant hydroponic (indoor) grow operations. Some intelligence reporting indicates hydroponic marijuana production may equal or even exceed outdoor grow operations.

The marijuana produced in Australia is almost exclusively for domestic use. According to the Australian Customs and Border Protection Service, there have been no instances of large-scale Australian-produced marijuana seized on the international market.

**Corruption.** Historically, corruption is not a problem in Australia. Corruption in the law enforcement community occasionally occurs at State Police agencies, but is the exception. The most recent corruption case at the state level occurred in June 2008 when the Assistant Director of Investigations with the New South Wales Crime Commission was arrested by the Australian Federal Police after an 18 month investigation. The subject was charged with attempting to facilitate the importation of pseudoephedrine into Australia. The arrest was widely reported by the local media and this case is still pending before the local courts.

The ACC, AFP, the internal affairs investigative sections of State Police departments and legislative-established commissions actively investigate and pursue corruption or misconduct. Generally, investigations involving public corruption are adequately reported by the media. Australia does not, as a matter of official government policy, 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 U.S. and Australia cooperate extensively in law enforcement matters, including drug prevention and prosecution, under a bilateral mutual legal assistance treaty and an extradition treaty. In addition, Australia is a party to 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 Transnational Organized Crime and its three protocols, and the UN Convention against Corruption. Australia is actively involved in many international organizations that investigate drug trafficking. Australia acts as co-chair of the Asia-Pacific Group on money laundering, is a member of the Financial Action Task Force, INTERPOL, the Heads of Narcotics Law Enforcement Association (HONLEA), the International Narcotics Control Board, the South Pacific Chiefs of Police, the International Drug Enforcement Conference (IDEC) and the Customs Cooperation Council among others. Australia and the U.S. also have a Customs Mutual Assistance Agreement (CMAA).

**Cultivation/Production.** The licit cultivation and processing of opium poppies in Australia is strictly confined to the Australian state of Tasmania. Tasmania is considered one of the world's most efficient producers of poppies with the highest yield per hectare of any opiate producing country. Tasmania supplies approximately one half of the world's legal medicinal opiate market. The Australian poppy industry utilizes the Concentrated Poppy Straw process, which processes the dry poppy plant material 'poppy straw' for use in the production of codeine and thebaine. The Australian Federal Government and the Tasmanian State Government share responsibility for control of the poppy industry. During the growing and harvesting season, crops are regularly monitored by the Poppy Advisory and Control Board field officers and any illegal activity is investigated by the Tasmania Police Poppy Task Force. The export to the U.S. of Australia's narcotic raw material (NRM) is regulated by the '80/20 rule' which reserves 80 percent of the NRM market to traditional suppliers (India and Turkey) while the remaining 20 percent is shared by non-traditional suppliers (Australia, France, Hungary, Poland and currently, Former Yugoslavia). There were approximately 1000 poppy growing licenses granted in Australia for the 2006/2007 growing season in which 13,000 hectares were under poppy cultivation.

**Drug Flow/Transit.** There has been no evidence that Australia is a flow/transit point for illegal narcotics.

**Domestic Programs/Demand Reduction.** The use and abuse of illicit narcotic drugs is regarded by the Government of Australia (GOA) as a major problem. Concerted efforts to address this problem are continuing in the areas of law enforcement, education, and demand reduction. The GOA has established a national campaign to minimize the effects of both illicit and licit drug abuse and improve the quality and quantity of drug use services. The availability of treatment services for drug users remains an integral part

of Australia's National Drug Strategy. There is a wide range of treatment options available throughout the country.

Safe injection rooms continue to be a controversial subject in federal government. The government of the State of New South Wales continues to report operations of the first "heroin injection room" (a.k.a. "safe injection room"), is "successful" since there were no fatal overdose cases in the locations. Supporters of these rooms hail the statistics as a success. Business and community leaders in the area around the "safe injecting rooms" have complained about the detrimental impact (i.e. increased crime, street dealing) these sites have had on their businesses. Nevertheless, the state governments have extended the "trial" program until 2010.

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

**Bilateral and Multilateral Cooperation.** The United States undertakes a broad and vigorous program of counternarcotics activities in Australia, enjoying close working relationships with Australian counterparts at the policy making and working levels. There is active collaboration in investigating, disrupting, and dismantling international illicit drug trafficking organizations. The United States and Australia cooperate under the terms of a Memorandum of Understanding that outlines these objectives. U.S. and Australian law enforcement agencies also have agreements in place concerning the conduct of bilateral investigations and the exchange of intelligence information on narcotics traffickers. Both countries continue to pursue closer relations, primarily in the area of information sharing.

**The Road Ahead.** Australia continues to be a world leader in the fight against narcotics. The United States welcomes Australia's continued cooperation and coordination in our efforts to control the production and use of narcotics both domestically and around the world, especially the unique contribution the Australian Federal Police are making in Afghanistan.

# Austria

## I. Summary

Austria is primarily a transit country for illicit drugs; it is not a drug-producing country. Experts see no change in the usual pattern of illegal traffic in narcotic substances in 2009, except for certain precursor chemicals, where since 2007 Austria has served as a depot country for interim storage of precursor chemicals transiting elsewhere. Foreign criminal groups from former Soviet-bloc countries, Turkey, West Africa, and Central and South America, dominate the organized drug trafficking scene in Austria. Austria's geographic location along major trans-European drug routes makes it easier for criminal groups to bring drugs into the country. Production, cultivation, and trafficking by Austrian nationals remain insignificant. Drug consumption in Austria is well below average west European levels, and authorities do not consider it to be a severe problem. However, they see a trend toward abuse of more high-risk drugs. The number of drug users is currently estimated at between 22,000 and 33,000, and the number of drug-related deaths remained essentially stabile (169 for 2008, compared to 175 in 2007). The Austrian government continued efforts to stiffen antidoping legislation with a view to eradicating a doping network active in moving products like steroids during the past few years. Measures include draft legislation to criminalize doping athletes. International cooperation led to significant seizures, frequently involving cooperation among multiple countries, including the U.S.

In 2009, Austria continued its efforts to intensify regional police cooperation, particularly in the Balkans. Austria also continued its focus on providing police training 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

There was no significant increase in the number of drug users in Austria during the period of January-October 2009. However, the past decade saw a rise in the use of cannabis from 5 percent in 1993 to 15 percent of total illicit drug abusers in 2008, and of Ecstasy and amphetamines, now at 4 percent. A 2007 estimate put the number of individuals using problematic drugs (mostly poly-toxic substances plus opiates) between 22,000 and 33,000. Austria counted 169 drug-related deaths in 2008, compared to 175 in the previous year. Some critics argue the downward trend could be a result of the reduced number of autopsies performed. However, the number of deaths from mixed intoxication continues to rise as drug users consume more high-risk substances. According to police records, total violations of the Austrian Narcotics Act decreased in 2008 and 2009. The latest prosecution statistics (for 2008) show 20,043 charges, a drop of 17 percent from the previous year's total. Of these charges, 961 involved psychotropic substances and 19,082 involved narcotic drugs. Two offenses involved precursors. Ninety percent of the charges were misdemeanors. Amphetamines and derivatives ("Ecstasy" pills) are predominantly smuggled in from the Netherlands via Germany, and Austria increasingly serves as a transit country for onward smuggling to Slovenia and Bosnia-Herzegovina.

According to a survey commissioned by the Health Ministry, approximately one-fifth of respondents admitted to the 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 between ages of 19 to 29, about 34 percent admit to "some experience" with cannabis at least once in their lifetime. 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 2009

**Policy Initiatives.** Following a series of high-profile doping cases among Austrian athletes—particularly the admission of doping by Austrian cyclist Bernhard Kohl shortly after winning third place in the 2008 Tour de France, the Austrian government moved to tighten antidoping legislation. The law also made manipulation of blood plasma for athletes, allegedly conducted by a Vienna company until 2006, a criminal offense. A proposed amendment to take effect on January 1, 2010 would punish athletes caught doping with prison terms of up to 10 years.

Statistical data suggest that Austrians' attitudes toward drug use have become less liberal since 2000. Public opinion has turned against the call to legalize hashish. One exception to this trend is the approval of distribution of sterile syringes to addicts. Rising crime figures in 2009, and a public perception that foreigners commit most drug-related crime, are cited as possible explanations for this change in public attitude.

Against this background, the Austrian government reinforced and expanded its no- tolerance policy regarding drug traffickers, while upholding its traditional "therapy before punishment" policy for non-dealing offenders through adjustments of its legal code.

In an effort to implement the European Framework Decision, Austria amended its Narcotics Substances Act (SMG) in 2008. An amendment regulating provisions regarding trafficking and dealing in narcotic substances and precursor substances, as well as the narcotic drugs data registry, went into effect on January 1, 2009. A 2005 amendment allows certain types of surveillance of illegal drug behavior, by permitting the installation of cameras in high-crime public areas. However, critics argue that this only moves the drug scene to other areas. Another law provides for the establishment of a "protection zone" around schools and retirement centers, in which police may ban suspected drug dealers for up to thirty days. Austrian authorities continue to demand stricter EU-wide regulations regarding the internet trade of illegal substances such as "spice."

Vienna is the seat of the UN's drug assistance agency, the United Nations Office for Drugs and Crime (UNODC). Austria contributed 550,000 Euros ($825,000) to this organization in 2009. Additionally, Austria pledged 300,000 Euros ($450,000) for drug interdiction in the West African region, specifically for capacity building in Mali. Overall, Austria spent about 1 million Euros ($1.5 million) for drug-related projects. In Afghanistan, Austria engaged in capacity building with regard to criminal law and criminal justice. Austria has been working with the UNODC and the EU to establish more effective border control checkpoints along the Afghan-Iranian border to prevent drug trafficking, particularly in opiates. Within the UNODC, Austria also participates in crop monitoring and alternative development plans in Peru, Bolivia, and Columbia. Austria values the "vital role" played by foreign liaison drug enforcement officers accredited in Austria, as well as by the network of Austrian liaison personnel stationed in critical countries abroad.

During its last 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. The Partnership reflected Austria's strong, year-long focus on the Balkans during its Presidency. One element of this strategy is the "Police Cooperation Convention for Southeastern Europe," which Austria co-signed.

In 2009, Austria maintained its lead role among EU countries within the Central Asian Border Security Initiative (CABSI). Austria participated in the 8th meeting in Tashkent October 1-3, 2009 where members discussed border security and cross-border cooperation in the region.

**Law Enforcement Efforts.** According to seizure statistics for 2008 (the latest figures available), a total black market value of 24.8 million Euros ($37.2 million) of illicit drugs was seized. Seizure amounts dropped in almost all categories (e.g. -31 percent for cannabis, -11 for heroin). The amount of LSD seized was 78 percent lower than the previous year. The Interior Ministry's 2008 drug report states that Austria's

Precursor Monitoring Unit dealt with 247 cases in relation to precursors and clandestine drug laboratories—a noticeable increase of 19.9 percent from the 206 cases in the previous year. In 2008, three illegal drug laboratories were raided in Austria, producing a relatively small seizure of synthetic methamphetamines. The estimated street value of illicit drugs remained largely stable throughout 2008 and 2009. One gram of cannabis sold for 10 Euros ($14); one gram of heroin for 85 Euros ($120); and one gram of cocaine for 80 Euros ($112). Amphetamines sold for 25 Euros ($35) per gram and one LSD trip for 35 Euros ($49).

**Corruption.** Austria has been a party to the OECD antibribery 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 which went into effect on January 1, 2008 substantially increased penalties for bribery and abuse of office. As of fall 2009, there were no pending corruption cases involving bribery of foreign public officials. 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. In addition, In addition, all 27 EU member states, including Austria, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocols with Austria, and they will enter into force on February 1, 2010. Furthermore, in fall 2009 Austria and the U.S. were in the final stages of signing an asset-sharing agreement regulating the allocation of confiscated assets between the two countries.

**Cultivation/Production.** Production of illicit drugs in Austria continued to be marginal in 2008 and 2009. The Interior Ministry's annual report on drug-related crime noted a rise in private, indoor-grown, high-THC-content cannabis. Austria recorded no domestic cultivation of coca or opium in the period January-October 2009.

**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 the DEA's quarterly trafficking report, illicit drug trade by Austrian nationals is negligible. Foreign criminal groups (e.g. Turks, Serbs, Bosnians, Russians, Albanians, and Bulgarians) carry out organized drug trafficking in Austria. The Balkan route into the country is a particularly difficult one to control. 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. A continuing trend in Austria is West African narcotics smugglers using women from former Soviet-bloc countries to smuggle drugs into Austria. The GOA reports a noticeable increase in Austria's growing role as a transit country for "Ecstasy" coming from the Netherlands to the Balkans.

**Domestic Programs/Demand Reduction.** Austrian authorities and the public generally view drug addiction as a disease rather than a crime. This is reflected in its relatively liberal drug legislation and court decisions. Conversely, there is growing public pressure on legislators to move more rigorously against (mostly foreign) drug traffickers. The government remains committed to measures to prevent the social marginalization of drug addicts. Federal guidelines ensure minimum quality standards for drug treatment facilities. The 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 are commonplace among intravenous drug users at 59 percent. Policies toward greater diversification in substitution treatment (methadone, prolonged-action morphine, and buprenorphine) continued in 2009. Austria is one of the few countries allowing use of retarding morphine for substitution treatments. Austria currently has approximately 10,000 people in rehabilitation programs.

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

**Bilateral Cooperation.** Cooperation between Austrian and U.S. authorities continued to be excellent in 2009. Several bilateral efforts exemplified this cooperation, including DEA/Austrian BKA counternarcotics operations, the ongoing DEA support of Austria's Drug Policing Balkans initiative, and the government's ongoing antidoping strategies. Throughout 2009 Austrian Interior Ministry officials continued to consult the FBI, DEA, and DHS on criminal investigations of mutual concern. DEA has also continued cooperation with Airport Police at Austria's Schwechat airport in an effort to intercept drug couriers. Drugs seized in golf balls during 2009 provided valuable insights into new methodologies used by international drug rings. As in 2008, leads passed from the Bangkok DEA office to Airport Police at Schwechat airport throughout 2009 proved valuable with respect to drug seizures, arrests and intelligence sharing between agencies. In addition, the U.S. Embassy regularly sponsors speaking tours for U.S. counternarcotics experts in Austria.

**The Road Ahead.** The U.S. will continue to support Austrian efforts to combat drug trafficking, including the creation of more effective tools for law enforcement. As in past years, the U.S. will work closely with Austria within the framework of U.S.-EU initiatives, the UN, and the OSCE (Organization for Security and Cooperation in Europe). Promotion of a better understanding of U.S. drug policy among Austrian officials will remain a U.S. priority.

# Azerbaijan

## I. Summary

Azerbaijan is located along drug transit routes running from Afghanistan and Central Asia or Iran to Russia and Europe, and transshipments of illegal substances from East to West via its territory remain Azerbaijan's primary narcotics issue. Domestic consumption and cultivation of narcotics as well as seizures have continued to increase. The United States has funded counternarcotics assistance to Azerbaijan through the FREEDOM Support Act since 2002. Azerbaijan is 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" during the wars among the countries of the former Yugoslavia. According to the Government of Azerbaijan (GOAJ), most of the narcotics transiting Azerbaijan originate in Afghanistan and follow any of four primary routes to Russia and Europe. Azerbaijan shares a 380 mile (611 km) frontier with Iran, and its security forces need additional material resources and training to combat increasingly sophisticated trafficking groups. Iranian and other traffickers are exploiting this situation.

The most widely abused drugs in Azerbaijan are opiates—especially heroin. Also, illicit medicines, cannabis, Ecstasy, hashish, cocaine and LSD are widely abused. The GOAJ has registered 23,254 persons as drug addicts. Unofficial figures are estimated at approximately 300,000, the majority of which are heroin addicts. The majority of heroin users are concentrated in the region of Absheron, which includes the capital Baku, while the rest are primarily in the Lankaran District near Iran. Drug use and drug dealing among women has been rising, and illegal drug use among unemployed young men in rural areas is a chronic problem.

## III. Country Actions Against Drugs in 2009

**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 held the chairmanship of the GUAM group of countries (Georgia-Ukraine-Azerbaijan-Moldova) from July 2007-July 2008 and had pushed for sharing 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. In December 2008 members of GUAM signed a protocol that would increase the level of information shared through VLEC; however, the extent to which the information is shared appears to remain limited. Azerbaijan is also party to the European Commission-funded South Caucasus Anti-Drug Program, which aims to reduce supply and demand for drugs by improving governments' capacity to address drug issues. The 2007-2009 program promoted drug policies and legislation that are in harmony with EU standards, refurbished a rehabilitation and treatment center for the Ministry of Justice, sponsored an awareness campaign and training courses, gathered information about drug addicts in the penitentiary system, and improved coordination between EU and Azerbaijani law enforcement agencies.

**Law Enforcement Efforts.** During the first nine months of 2009, Azerbaijani law enforcement agencies confiscated approximately 900 kilograms of narcotics. This represents a 60 percent increase compared to the same period in 2008. Of this amount, the majority was seized while being smuggled across the border with Iran. During the year 1956 drug traffickers were arrested. Of the 1956 people who were arrested for drug-related crimes in Azerbaijan, 1843 were described as able bodied, unemployed people who were not in school, 392 had a previous criminal record, 65 were women and 4 were underage children. In October 2009, the Central Department to Combat Law Violations in Customs seized 20 kilograms of heroin that was smuggled by an Azerbaijani/Iranian citizen through the southern border with Iran. This case is illustrative of numerous seizures that occurred throughout the year, in which large quantities of drugs were transported from Iran and through Azerbaijan by multinational criminal groups. While the majority of drugs enter Azerbaijan via land routes from Iran, some are transported by ships on the Caspian Sea.

**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 much of society. Azerbaijani judges, prosecutors and investigators attended U.S. DOJ training courses on corruption investigation, prosecution techniques, investigating money laundering, and terrorism-financing. These broad-based skills may aid in the prosecution of drug-related cases and limit the scope of corruption. In October 2008, several police officers from a Baku counternarcotics trafficking unit were arrested on distribution charges. One kilogram of heroin was seized during the search of their offices.

**Agreements and Treaties.** Azerbaijan is 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 three protocols.

**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 only to a modest extent. During 2009 448 tons of illegally cultivated and wild narcotic producing plants were destroyed.

**Drug Flow/Transit.** Afghan opiates transit to Azerbaijan by three primary routes: from Central Asia and across the Caspian Sea, or from Iran through the south of the country or through uncontrolled regions, which remain in conflict. The Iranian route accounts for 95 percent of this flow, with commercial trucks and horses serving as the mode of transportation across the border. Drugs are then smuggled through Azerbaijan to Russia, and finally on to Central and Western Europe. Efforts by Turkey to increase enforcement along its border with Iran may have contributed to increased transit through Azerbaijan. 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. In 2008, Azerbaijan created 50 new border guard outposts and coast guard bases and a canine training center. Smugglers are increasingly trafficking by air: during 2009 the number of seizures at airports increased. The Government of Azerbaijan is currently in the process of ratifying a new customs code, which has not been modernized since Soviet times. This modernization process should assist in interdicting illicit drugs at Azerbaijan's borders before they enter into transit through Azerbaijan. In April 2008, the Ministry of Internal Affairs signed an agreement with the Russian Federal Drug Control Service that facilitates joint operations, cooperative training and the sharing of interdiction techniques. This joint operation has led to the seizure of approximately 200 kilograms of narcotics.

**Demand Reduction/Domestic Programs.** In 2009, the GOAJ discontinued its counternarcotics public service announcement program that used kiosks and billboards in downtown Baku. In its place, the GOAJ has created a new counternarcotics campaign that primarily focuses on students. Lesson plans and

homework have been created for primary school children. On university campuses, the GOAJ funded NGOs to receive training on narcotics, create on campus counternarcotics advertisements, and have drug specialists meet with students. Azerbaijan is also focusing counternarcotics campaigns on prison inmates. Information is being disseminated to inmates about narcotics, and a database of prisoners that abuse narcotics is being created. Journalists also received guidelines on how to write reports that deal with narcotics.

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

**Bilateral Cooperation.** In 2009, 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) and other GOAJ agencies involved in export control and related border security. EXBS training and assistance efforts, while aimed at the nonproliferation of weapons of mass destruction and their delivery systems, directly enhanced Azerbaijan's ability to control its borders and to interdict contraband, including narcotics. During the year, EXBS sponsored border control and management courses for SBS and SCC officers. The focus of these courses was advanced cargo inspection methods and border control tactics for ports of entry. Others efforts were aimed at improving the Border Guard's control of Azerbaijan's southern border. The U.S. donation of search tools and related equipment, such as all terrain vehicles, and watchtower construction materials, significantly enhanced the Border Guards' ability to interdict illegal smuggling through Azerbaijan's southern border. The donation of x-ray metal analyzers and x-ray machines improved State Customs Committee Contraband Teams' detection capabilities. Several SCC officers were trained on the use of x-ray machines for scanning vehicles at the main ports of entry into Azerbaijan. During the year EXBS continued negotiations for U.S. technical assistance for a National Targeting Center being constructed as SCC HQ in Baku, and in July officials from the State Customs Committee visited the U.S. national targeting centers. Additionally, the EXBS program continued increasing Azerbaijani Coast Guard (AJCG) capabilities with vessel and land-based radar systems, long term training of AJCG officers at U.S. Coast Guard facilities in the U.S., and mobile USCG training teams to Azerbaijan to cover leadership and management, small boat operations, and maritime law enforcement.. During 2006, EXBS helped equip a maritime base near Azerbaijan's southern border in Astara. The base now hosts two patrol boats and two fast response boats, and is also used for extended patrols by larger vessels from Baku. During 2009, INL-funded law enforcement assistance programs were canceled as the GOAJ failed to cooperate with the required Leahy vetting process and as a result, ICITAP was unable to conduct training program for law enforcement or military personnel.

**The Road Ahead.** The U.S. and GOAJ will continue to expand their efforts to conduct law enforcement assistance programs in Azerbaijan.

# The Bahamas

## I. Summary

The Bahamas is a major transit point for cocaine from South America bound for both the U.S. and Europe, and for marijuana from Jamaica. The Government of the Commonwealth of The Bahamas (GCOB) cooperates closely with the U.S. Government, including participating in Operation Bahamas, Turks and Caicos Island (OPBAT), to stop the flow of illegal drugs through its territory. The GCOB also cooperates to target Bahamian drug trafficking organizations, and to reduce the Bahamian domestic demand for drugs. The Bahamas is a party to the 1988 UN Drug Convention.

## II. Status of Country

Cocaine, marijuana and other illegal drugs are transshipped through The Bahamas' 700 islands and cays spread over an area the size of California. Drug trafficking via maritime and aerial routes between South American source countries and the United States make detection difficult. While there is no official estimate of the number of hectares under cultivation, marijuana grown on remote islands and cays is of concern to Bahamian authorities. In 2009, The Bahamas continued to participate in OPBAT, a multi-agency international drug interdiction effort established in 1982 to stop the flow of cocaine and marijuana through The Bahamas to the U.S.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The GCOB upgraded its interdiction capabilities with the acquisition of two fixed wing surveillance aircraft for the Royal Bahamas Defense Force (RBDF) and one fixed-wing transport aircraft for the Royal Bahamas Police Force (RBPF). Plans to upgrade the RBDF base on the island of Great Inagua continue to be moribund due to the damage inflicted by Hurricane Ike in 2008 and GCOB budget cuts in response to the downturn in the Bahamian tourism industry. The GCOB continued to enforce its ban on Haitian wooden hulled sloops in Bahamian waters. In addition to posing serious safety concerns, these vessels historically were a convenient method used for smuggling narcotics and illegal migrants through The Bahamas. According to media reports, during a July 2009 meeting Bahamian Prime Minister Hubert Ingraham and Haitian President Rene Preval agreed to expand cooperation against illicit smuggling, including joint exercises between the RBDF and the Haitian Coast Guard.

**Accomplishments.** In 2009, the RBPF Drug Enforcement Unit (DEU) cooperated closely with U.S. and other foreign law enforcement agencies on drug investigations. Including OPBAT seizures, Bahamian authorities seized 1.823 metric tons of cocaine and nearly 11 metric tons of marijuana from January 2009 through October 2009. The DEU arrested over 1,000 persons on drug-related offenses and seized $4 million in cash.

**Law Enforcement Efforts.** The DEU and Bahamian Customs, in conjunction with the Drug Enforcement Administration (DEA), continued a program in Great Inagua to enforce GCOB requirements that vessels entering Bahamian territorial waters report to Bahamian Customs. During 2009, the RBDF assigned three ship-riders each month to U.S. Coast Guard (USCG) cutters. The ship-riders extend the law enforcement capability of the USCG into the territorial waters of The Bahamas. The RBPF participated actively in OPBAT, and officers of the DEU and the Royal Turks and Caicos Islands Police also flew on OPBAT missions, making arrests and seizures. The RBDF and RBPF conducted maritime smuggling and security patrols through the use of a variety of small to medium-sized vessels based throughout The Bahamas. The RBDF fleet of 14 vessels and various small boats are operated out of bases on New Providence, Grand Bahama, and Great Inagua. RBDF assets include four interceptor "fast boats" donated under U.S. Southern Command's Enduring Friendship program, and two 60 meter vessels operated out of Nassau.

The RBPF operated 11 small, short range vessels based in New Providence, Grand Bahama, Bimini, Andros, and other small islands and cays. RBPF vessels include three fast boats donated under the State Department's Bureau of International Narcotics and Law Enforcement Affairs' bilateral narcotics and law enforcement assistance program. The RBDF and RBPF vessels are generally well-maintained by properly trained crews; however the effectiveness of their maritime interdiction and security efforts is limited by the few resources they have to cover the large expanse of Bahamian territorial waters.

**Corruption.** As a matter of policy, the GCOB does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, nor the laundering of proceeds from illegal drug transactions. No senior official in the GCOB was investigated for drug-related offenses in 2009. The RBPF uses an internal committee to investigate allegations of corruption involving police officers instead of an independent entity.

**Agreements and Treaties.** The Bahamas is a party to the 1961 UN Single Convention, as amended by the 1972 Protocol; the 1971 Convention on Psychotropic Substances; the 1988 UN Drug Convention; the 1990 U.S.-Bahamas-Turks and Caicos Island Memorandum of Understanding concerning Cooperation in the Fight Against Illicit Trafficking of Narcotic Drugs; and the Inter American Convention against Trafficking in Illegal Firearms. The GCOB is also a party to the Inter-American Convention Against Corruption; the UN Convention against Corruption; and the UN Convention against Transnational Organized Crime and its three protocols.

The U.S. and The Bahamas cooperate in law enforcement matters under an extradition treaty and a mutual legal assistance treaty (MLAT). The MLAT facilitates the bilateral exchange of information and evidence for use in criminal proceedings. There are currently 51 U.S. extraditions pending in The Bahamas. GCOB prosecutors pursue USG extradition requests vigorously, however, in the Bahamian justice system; defendants can appeal a magistrate's decision, first domestically, and ultimately, to the Judicial Committee of the Privy Council in London. This process often adds years to an extradition procedure. The USG also has a Comprehensive Maritime Agreement (CMA) with The Bahamas, which went into effect in 2004 replacing a patchwork of disparate safety, security and law enforcement agreements. Among its provisions, the CMA permits cooperation in counternarcotics and migrant interdiction operations in and around Bahamian territorial waters, including the use of ship riders and expedited boarding approval and procedures.

**Cultivation and Production.** There are no official estimates of hectares of marijuana under cultivation in The Bahamas. USG and host country enforcement agencies believe Jamaican nationals are involved in the cultivation of marijuana on The Bahamas' remote islands and cays, however only a fraction of the marijuana seizures in 2009 were in plant form. Most marijuana loads were found concealed aboard smuggling vessels or stashed on sparsely populated islands. OPBAT and the RBPF cooperated in identifying, seizing, and destroying nearly 11 metric tons of marijuana during the period from January through October 2009.

**Drug Flow/Transit.** Cocaine transits The Bahamas via go-fast boats, small commercial freighters, or small aircraft from Jamaica, Hispaniola and Venezuela. DEA estimates that this accounts for approximately five percent of the cocaine flow to the U.S. According to USG law enforcement, sport fishing vessels and pleasure crafts then transport cocaine from The Bahamas to Florida, blending into the legitimate vessel traffic that moves daily between these locations. Larger go-fast and sport fishing vessels transport marijuana from Jamaica, through The Bahamas and into Florida in the same manner that cocaine is moved. From January through October 2009, USG and host country law enforcement assets interdicted seven vessels and disrupted numerous attempts to smuggle illicit drugs through The Bahamas. DEA/OPBAT estimates that there are 12 to 15 major Bahamian drug trafficking organizations operating in The Bahamas. Bahamian law enforcement officials also identified shipments of drugs in Haitian sloops and coastal freighters. Information acquired by host country law enforcement suggests drug trafficking organizations have utilized air drops and remote airfields to deliver large cocaine shipments to the Turks

and Caicos Islands and The Bahamas from Venezuela and Colombia. Illegal drugs are also smuggled using commercial maritime means. Illegal drugs have been seized from cargo containers transiting the port container facility in Freeport. The Department of Homeland Security's Immigration and Customs Enforcement investigations into alien smuggling operations in the Bahamas often have revealed a connection to drug trafficking as well.

**Domestic Programs/Demand Reduction.** The Bahamas National Anti-Drug Secretariat (NADS) coordinates the demand reduction programs of the various governmental entities such as Sandilands Rehabilitation Center and of NGO's such as the Drug Action Service and The Bahamas Association for Social Health. Although NADS received additional funding and support from the USG in 2009, it requires a significant increase in personnel and funding in order to coordinate, plan, and implement The Bahamas' 2004 Anti-Drug Plan. In 2009, GCOB and NGO drug prevention efforts focused primarily on schools and youth organizations on New Providence, Grand Bahama, and other population centers.

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

**Policy Initiatives.** The goals of USG assistance to The Bahamas are to: stem the flow of illegal drugs through The Bahamas and into the United States; dismantle drug trafficking organizations; and strengthen Bahamian law enforcement and judicial institutions to make them more effective and self-sufficient in combating drug trafficking and money laundering.

**Bilateral Cooperation.** During 2009, INL funded training, equipment, travel and technical assistance for GCOB law enforcement and drug demand reduction officials, procured computer and other equipment to improve Bahamian law enforcement capacity to target trafficking organizations through better intelligence collection and more efficient interdiction operations, repaired and upgraded RBPF interdiction boats based at Grand Bahama, and supported the GCOB's "Drug Free Schools" initiative with funding for teacher training, transportation, and course materials.

The USCG moved forward with plans to rebuild the OPBAT hangar on Great Inagua. Pending the successful conclusion of lease negotiations with the GCOB, construction will begin in 2010 with completion planned for 2012. The new hangar will allow USCG to base helicopters flying in support of OPBAT on Great Inagua. USCG's helicopters have been operating from Providenciales, Turks and Caicos Islands since hurricane Ike destroyed the original Great Inagua hangar in 2008. The USCG provided resident, mobile and on-the-job training in maritime law enforcement, engineering and maintenance, professional development for the officer and enlisted corps, and medical practices to the RBDF. Before the end of 2009, the Department of Defense will deliver two additional 43-foot interceptor boats and communications equipment to the RBDF under the U.S. Southern Command's Enduring Friendship program.

**The Road Ahead.** Despite the Bahamian Government's strong commitment to joint counternarcotics efforts and to extradite drug traffickers to the U.S., the slow movement of extradition requests through the overburdened Bahamian judicial system is a source of concern. There have been credible reports of subjects of U.S. extradition requests continuing to participate in illegal drug smuggling activities while on bail awaiting resolution of their cases. We encourage GCOB efforts to decrease the time needed to resolve these and other criminal cases by increasing the resources and manpower available to prosecutors, judges, and magistrates. Prime Minister Ingraham's call for greater cooperation between The Bahamas and Haiti was also welcome. The GCOB could enhance its drug control efforts further by integrating Creole speakers into the DEU and encouraging information sharing between the RBPF, RBDF, and the Haitian National Police (HNP) to develop information on Haitian drug trafficking organizations operating in The Bahamas. The GCOB enhanced OPBAT's maritime interdiction capabilities by basing the four interceptor boats acquired under Operation Enduring Friendship in 2008 on New Providence, Grand Bahama, and Great Inagua. These capabilities could be developed further by stationing the two new boats received in 2009 on Grand Bahama and Great Inagua.

# Bangladesh

## I. Summary

There was no evidence that Bangladesh is a significant cultivator or producer of narcotics. Government of Bangladesh (GOB) officials charged with controlling and preventing illegal substance trafficking continued to lack sufficient training, equipment, continuity of leadership, and other resources to detect and interdict the flow of drugs. Law enforcement agencies nevertheless continued to interdict narcotics, from the Golden Crescent in South Asia and the Golden Triangle in Southeast Asia, smuggled into Bangladesh along its porous land border with India and Burma and by fishing trawlers, but not as efficiently as they could if training and equipment needs were met. Corruption also hampers the country's drug interdiction efforts. Bangladesh is a party to the 1988 UN Drug Convention.

## II. Status of Country

The country's porous borders facilitated the illegal flow of narcotics from neighboring countries and made Bangladesh an attractive transfer point for drugs transiting the region. Assessments conducted by several U.S. agencies in 2008 confirmed numerous land, sea and air border security vulnerabilities in Bangladesh that could be easily exploited by narcotics traffickers. The Bangladesh Department of Narcotics Control (DNC) said it was unable to estimate the number of drug addicts in the country, and NGO sources also have no real idea, since their estimates range wildly between 100,000 to 1.7 million addicts, with 20,000-25,000 injecting drug users and 45,000 heroin smokers, as best guesses for these classes of drug abusers. Other drugs used in Bangladesh were methamphetamines, marijuana, and the codeine-based cough syrup phensidyl. Most of the "ya ba" (methamphetamine pills) circulating in Bangladesh is smuggled from neighboring countries such as Burma.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Although government officials said in 2007 that they planned to introduce a new interagency drug abuse monitoring group, no such agency existed by late 2009, as this report was being prepared.

**Law Enforcement Efforts.** Law enforcement units engaged in operations to counternarcotics included the police, the DNC, the border defense forces known as the Bangladesh Rifles (BDR), customs, the navy, the coast guard, local magistrates and the Rapid Action Battalion (RAB), an elite group that played a leading role in fighting terrorism, corruption and narcotics abuse. Customs, the navy, the coast guard and the DNC all suffered from poor funding, inadequate equipment, understaffing and lack of training. For example, the DNC budget for 2008-2009 was 184 million taka (about $2.6 million), only slightly more than the actual expenditure for the previous fiscal year. Its work force of about 940 people also was 337 positions short of the number approved by the government. The DNC did not maintain a presence at the international airports in Chittagong and Sylhet and only two officials were posted at Dhaka airport. DNC officers throughout the country were not authorized to carry weapons. Although RAB had become perhaps the highest-profile counternarcotics force in the country, it did not have a special counternarcotics section. Its drug-fighting resources, which appeared stronger than other law-enforcement agencies, included a recently expanded canine corps of 51 dogs.

The smuggling, diversion and abuse of pharmaceuticals originating from India is considered one of the single largest drug problems in Bangladesh. The BDR seized 32,870 liters of phensidyl, a codeine-based, highly addictive cough syrup produced in India, in addition to the more traditional drugs of abuse, such as 14.7 kilograms of heroin, and 9,626.4 kilograms of marijuana from January through September 2009. The DNC keeps tabs primarily on seizures by its own officers. Drugs seized by the department from January

through September 2009 (latest statistics) are as follows: 17.6 kilograms of heroin (compared to 29.0 kilograms in all of 2008 and 20.9 kilograms in 2007); 1,540 kilograms of marijuana (compared to 2,302 kilograms in 2008 and 1,768 kilograms in 2007); more than 46,187 bottles of phensidyl; 83 ampoules of pethedine, an injectable opiate with medical application as an anesthetic; and 3,179 tablets of ya ba tablets which consist of caffeine and methamphetamine. Meanwhile, RAB reported 516 drug related arrests as of September 2009.

**Corruption.** The drive against corruption launched by the Caretaker Government in January 2007 slowed following the December 2008 national elections. The Awami League formed the Government following elections, replacing the Caretaker Government. The Anti-Corruption Commission (ACC) faced criticism from both ruling and opposition party leaders for what they described as "harassment" of politicians during the two years of the state of emergency. The ACC saw a change of leadership and a government review committee recommended withdrawal of 875 cases, mostly involving Awami League leaders, as of October, 2009. Prime Minister Sheikh Hasina vowed to continue the campaign against corruption. The GOB did not, as a matter of government policy, encourage or facilitate illicit production or distribution of drugs or controlled substances or launder proceeds from their transactions. No senior official had been identified as engaging in, encouraging, or facilitating the production or distribution of drugs or controlled substances.

**Agreements and Treaties.** Bangladesh 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. Bangladesh acceded to the UN Convention against Corruption in February 2007 but has neither ratified nor acceded to the UN Convention against Transnational Organized Crime. There is neither an extradition nor a mutual legal assistance treaty between the United States and Bangladesh.

**Cultivation/Production.** The International Narcotics Control Board estimated small quantities of cannabis are cultivated in Bangladesh for local use. The DNC acknowledged that some small amount of cannabis is cultivated in the hill tracts near Chittagong, in the southern silt islands, and in the northeastern region, noting it is for local consumption. The DNC also reported that as soon as knowledge of a cannabis crop reached its officers, that crop was destroyed in concert with law enforcement agencies. The DNC said there were no significant crop destruction activities in the first 10 months of 2009.

**Drug Flow/Transit.** The most frequently abused drug traditional drug of abuse is heroin, thereafter, phensidyl (Codeine based cough syrup) illegally smuggled from India and the third highest is cannabis. Bangladesh has borders with India on its three sides except the south, which borders the Bay of Bengal. There were few media reports of major narcotics seizures in the first 10 months of 2009. The International Narcotics Control Board in its 2007 report cited evidence that "heroin consignments destined for Europe are increasingly passing through Bangladesh." It said heroin was smuggled into Bangladesh by courier from Pakistan, by commercial vehicle or trains from India, by truck or public transport from Burma and by sea via the Bay of Bengal. The Chittagong seaport appeared to be the main exit point for narcotics leaving Bangladesh, the report added. Bangladesh Navy officials said they suspected Bangladesh was a transit zone for heroin smuggled out of the Golden Crescent in South Asia and the Golden Triangle in Southeast Asia. Smugglers used Bangladeshi, Burmese and Thai Fishing Trawlers for trafficking heroin into Bangladesh.

Several recent U.S. government assessments confirmed vulnerabilities along Bangladesh's land, sea and air borders. One report from the Department of Homeland Security described a chaotic situation at Benapole, the main land border crossing between India and Bangladesh, which could easily be exploited by narcotics traffickers. The report said examination of luggage items was said to be cursory at best. Opium-based pharmaceuticals and other drugs containing controlled substances are being smuggled into Bangladesh from India. White (injectable) heroin comes in from Burma.

**Domestic Programs/Demand Reduction.** Law enforcement officials believe that drug abuse, while previously a problem among the ultra-poor, is becoming a major problem among the wealthy and well-educated young as well. The Department of Narcotics Control ran treatment centers in Dhaka, Chittagong, Rajshahi, Khulna, Jessore and Comilla. In the nine months through September 2008, 3,120 patients received treatment at the government facilities, the vast majority of them being male. A drug addicts' rehabilitation organization, APON, operates six long-term residential rehabilitation centers, including the first centers in Bangladesh for the rehabilitation of female addicts (opened in 2005 and a more permanent facility in 2009). APON says it is the only organization that includes street children in its drug rehabilitation program. The International Narcotics Control Board in its 2007 report said prescription controls in Bangladesh were not adequately enforced at the retail level. It said pharmaceutical preparations were stolen from both hospitals and pharmacies.

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

**Bilateral Cooperation.** The USG continued to support Bangladesh's counternarcotics efforts. For example, the U.S. Embassy in Dhaka provided a grant of $52,000 to APON for a new rehabilitation center for female drug addicts, which opened in November 2009.

**The Road Ahead.** The USG will continue to provide law enforcement and forensic training for GOB officials, which the USG hopes will be useful to Bangladesh's counternarcotics efforts. New Delhi-based Drug Enforcement Administration officials visited Dhaka in November 2009 to liaise with Bangladeshi law enforcement agencies about future counternarcotics cooperation.

# Belarus

## I. Summary

Belarus remains a transit route for illicit drugs and drug precursors. Drug use and drug-related crime increased in Belarus in 2009, although there is no evidence of large-scale drug production in the country. In October 2008 the government adopted a National Action Plan for 2009-2013 to coordinate government and NGO counternarcotics efforts. In early 2009 the General Prosecutor's office drafted a bill on measures to prevent drug abuse. The bill is expected to strengthen Belarusian laws against drug related crimes and will be submitted for parliamentary consideration in 2010.

The government has taken regulatory steps to tighten control over precursors, smoking mixes and chewing tobacco. In addition, the government facilitated UN technical assistance programs. Some significant drug seizures were made during 2009, but the quantities involved may only hint at the true scale of trafficking. Law enforcement efforts suffer from a lack of coordination as well as inadequate funding and equipment shortfalls. Some non-governmental organizations concerned with narcotics treatment and mitigation which were denied registration in previous years resumed their operations in 2008 and continued their work into 2009. In short, availability and quality of drug treatment services have improved somewhat, but a great deal of work still remains. Belarus is a party to the 1988 UN Drug Convention.

## II. Status of Country

Because of its geographical location, good transportation infrastructure, and the presence of corruption in its law enforcement system, Belarus is an attractive transit route for illicit drugs. The lack of border controls between Belarus and Russia makes drug transit easier. Belarus' law-enforcement officials expect this problem to become worse when members of the Eurasian Economic Community (Belarus, Russia, and Kazakhstan) create a customs union in 2010. There is no evidence of large-scale drug production in, or export from Belarus, although synthetic and plant-based narcotics production does seem to be growing. Indications are that although plant narcotics dominate the illicit drug market (approximately 75-85 percent plant-based to 15-25 percent synthetic) the ratio appears to be shifting toward synthetic drugs. According to the data of Belarus' Health Ministry, while five years ago about 93 percent of drug addicts in Belarus consumed opium and its derivatives, at present these drugs are consumed by approximately 70 percent. Most synthetic drugs found in Belarus are produced in Poland, with a lesser amount produced in the Baltic States. Amphetamine-type stimulants are the predominant synthetic drug available on the Belarusian market. Although law enforcement officials of neighboring countries maintain that Belarus is a source of precursor chemicals, senior officials of Belarus' Interior Ministry flatly deny this. It is more likely that Belarus is a transit country for precursor chemicals produced in Russia en route to production sites in Poland and the Baltic States. Whatever drug production and cultivation may exist in Belarus, they are not perceived in Belarus as the most pressing problem. Drug abuse prevention, treatment, and transit issues must be addressed first, Belarus officials believe, if the country is to reach full compliance with the 1988 UN Drug Convention.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In October 2008, the Belarusian government adopted the National Action Plan to counteract drug abuse and illicit drug trafficking and related crimes in Belarus. From 2009 through 2013, this Plan will consolidate the counternarcotics efforts of all government agencies and NGOs under Interior Ministry coordination. Drug trafficking is routinely addressed at the regular meetings of the Domestic Belarus National Security Council's Interagency Committee on crime, corruption and drugs.

The Belarus' Health Ministry passed a resolution in July 2009, which expanded the National List of Narcotics, Psychotropic Substances and Their Precursors Subject to Government Control in Belarus to include 3,4 metilendioxifenil-2 and red phosphorus as well as synthetic cannabinoids (JWH-018 and CP-47, 497) "Spice". The resolution will come into effect on January 1, 2010. In an effort to prevent mailings of Cannabis seeds for their subsequent planting the government is contemplating introducing a ban on such mailings. No decision had been made as of late November 2009.

**Law Enforcement Efforts.** Local Belarusian media are reporting more instances of drug use and drug-related crimes in Belarus in 2009 than in 2008. Belarusian law enforcement authorities attribute this increase to improved detection, but acknowledge that the overall, non-drug-related crime rate is also higher than a year ago. Police discovered four synthetic drug labs in the country.

Between January 1 and October 1, 2009, authorities seized approximately 17.3 kilograms of psychotropic substances and 586 kilograms of other drugs. Drugs seized (in kilograms) are as follows: Poppy Straw (353.2); Marijuana (213.4); Raw Opium (0.826); Heroin (3.144); Amphetamine (2.692); Methamphetamine (8.249); Ecstasy (MDMA) (0.069); Acetylated Opium (0.381); Hashish (4.420); Hashish oil (0.004); Cocaine (0.122); Raw opium (8.715); Methadone (1.481); Morphine (0.006); Tetrahydrocannabinol (1.458). In the first six months of 2009, 1,021 people were convicted for drug related crimes in Belarus. From June through August within the framework of "Poppy" program police discovered 3,635 illegal plantations, and destroyed 75.8 metric tons of poppy straw and other drugs containing plants from a total planting area which exceeded 390 square kilometers. Poppy straw is converted into acetylated opium, an injectable opiate that is cheaper and easier to produce than heroin and is widely abused throughout the region. The Interior and other government agencies conducted routine checks of legal manufacturers of narcotic and psychotropic substances within the framework of their "Doping" program to ensure their compliance with production, storage and sales regulations, and to avoid the leak of such substances to the illicit drug market.

According to official statistics, 3,533 drug-related crimes were recorded in the first nine months of 2009. These comprised: thefts of narcotics substances—27, instances of illicit trafficking in controlled substances—3,257, cultivation of narcotic plants—32, street drug sales—23, and the organizing of illicit drug consumption rooms—95. In September 2009, officers of Belarus' Interior Ministry, Customs Committee, KGB and Border Guard Committee actively participated in CANAL-2009, a joint operation with Collective Security Treaty Organization (CSTO) members aimed at the prevention and interdiction of illicit drug deliveries from Afghanistan and precursor deliveries to Belarus. During this operation, 104 drug-related crimes were recorded, criminal charges were brought against 92 persons, and more than 118.5 kilograms of narcotics were seized. The Interior Ministry officials conceded that official seizure figures do not reflect the true scale of the problem. In June 2009 presidents of the CSTO member states decided to make CANAL operation a permanent project. This is expected to help intensify their counternarcotics efforts and improve results.

**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. A few high-level personnel within the Interior Ministry were charged with corruption in 2009, but none of the charges were drug-related. Nevertheless, the perception that corruption remains a serious problem facilitating drug trafficking was supported by the General Prosecutor Grigory Vasilevich in his November 2009 remark that through-September corruption has grown 20 percent year-on-year.

**Agreements and Treaties.** Belarus 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. Belarus is also a party to the UN Convention against Corruption, and the UN Convention against

**Transnational Organized Crime.** Belarus is a member of the Collective Security Treaty Organization (CSTO) with Armenia, Kazakhstan, Kyrgyzstan, Tajikistan and Russia and conducts joint counternarcotics operations with those countries. Russia and Belarus planned to complete before the end of 2008 a unified list of narcotics, psychotropic substances and their precursors subject to state control, in order to avoid criminal liability in one country for drugs which are legal in the other. According to Belarus' Interior Ministry, this job has not been completed as of mid-November 2009.

**Cultivation/Production.** Some drug crop cultivation and synthetic drug production exists, but the scale is hard to estimate. Official government figures are unreliable. Precursor chemicals continue to be imported in volume, but the current legal structure makes it difficult to prevent their diversion to illicit uses. In 2007, 1,990 entities had licenses for manufacturing and storage of precursors and 15,000 employees have access to the substances. No up-to-date data are available but there is no indication that these numbers have significantly changed. Reported increases in demand for poppy-seed, and subsequent tenfold increase in price, prompted a December 2007 ban on retail sale of poppy at grocery markets-poppy seed is used in certain cakes and breads. According to Belarus' Interior Ministry, domestic producers of illicit drugs sell them inside the country but also make every effort to sell them abroad, primarily in Russia, as prices on drugs there are generally higher than in Belarus. According to the Belarus' Health Ministry, such manufacturers work hard to invent new chemical substances, which possess drug effect and which as yet have not been put on the National List of Narcotics, Psychotropic Substances and Their Precursors Subject to Government Control, and are therefore completely legal.

**Drug Flow/Transit.** Heroin enters and transits Belarus from Afghanistan via Central Asia and Russia. Poppy straw, opium, and marijuana enter through Ukraine; Ecstasy, amphetamines, hashish and marijuana come from Poland and Lithuania; cocaine comes from Latin America and precursor chemicals for the preparation of drugs from Russia. Heroin and methadone from Russia transit Belarus en route to Lithuania and other European countries. East-bound marijuana, hashish and cocaine transit Belarus and Lithuania as well. Press reports and anecdotal evidence continue to indicate that the control infrastructure along the border with Ukraine is particularly weak. In accordance with their bilateral customs union agreement, Belarusian border guards are not deployed on the border with Russia, which is policed by Russian forces. Apparently, customs officers currently inspect only five percent of all inbound freight nationally, and border guards often lack the training and equipment to conduct effective searches.

The Interior Ministry conducted routine checks of businesses, which export, import and arrange for the transit of chemical substances via Belarus. Through September 2009 the Interior Ministry officers discovered 36 channels of drug delivery and transit and seized 27 kilograms of hashish, 5 kilograms of amphetamine-type stimulants, 4000 tablets of ephedrine, more than 1.4 kilograms of heroin, about 1 kilograms of cocaine and other psychotropic substances.

**Domestic Programs/Demand Reduction.** Belarusian authorities have begun to recognize the growing domestic demand problem, particularly among young people. Ministry of Health chief addiction officer, Vladimir Maksimchuk, announced that the number of registered drug users in the country has increased to nearly 12,000 registered drug abusers (as of October 2009), but acknowledged that the actual number of users was approximately seven times higher. According to the Health Ministry official, approximately 120 drug addicts die in Belarus annually because of overdoses. The largest number of drug users is between 20 and 30 years old, and prevention programs in schools remain under-funded. News reports indicate that the ratio of consumers of oral (vs. injected) drugs is growing due to the relative ease of concealment of oral drug use. The government generally treats drug addicts in psychiatric hospitals or at outpatient narcotics clinics (of which there are 21 in Belarus), either as a result of court remand or self-enrollment. Addicts are also treated in prisons. On the whole, treatment emphasizes detoxification over stabilization and rehabilitation. In April 2009, the Ministries of Health and Interior, the General Prosecutor's office, the Belarusian State University and a number of counternarcotics NGO's conducted a seminar to review the possibility of mandatory treatment in lieu of criminal liability for first-time users,

unless guilty of a serious crime. To date no decision has been taken, but seminar participants established a working group to examine the practices of foreign states and decide on the relevance of their practices to Belarus. The methadone replacement clinic opened by the Ministry of Health in Minsk in July 2009 was the second such clinic in operation. Another clinic is scheduled to be built in the city of Soligorsk in the Minsk region before the end of 2009. Both clinics are expected to serve approximately 100 people this year.

There are at least twelve small-scale NGO-run rehabilitation centers in various areas of Belarus. On the whole, availability and quality of services have improved somewhat. NGO-run centers provide fee-rehabilitation services to both registered and anonymous drug addicts, while government-run centers provide similar services for free, but only to registered addicts. Since drug use remains highly stigmatized in Belarusian society, and because the official drug addict registry is readily available to Belarusian law enforcement and other government agencies, drug addicts still often avoid seeking treatment, fearing adverse consequences at work, at school, or in society writ large if their addiction becomes known.

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

**Bilateral Cooperation.** The USG has not provided counternarcotics assistance to the GOB since February 1997. Although some working-level assistance and contacts have existed in the area of law enforcement, these ceased in early 2008, when the GOB forced a draw down of the official American presence in Belarus from 35 to 5 Americans and began denying visas to U.S. law enforcement personnel for visits. The imposition of restrictions in 2005 by the Government of Belarus on technical assistance including the taxation of humanitarian aid poses additional hurdles to cooperation. Moreover, the USG is currently prohibited by domestic U.S. legislation from providing direct assistance to the government of Belarus, including in this sphere. Although the USG hopes for improvement in the bilateral relationship, present conditions do not permit closer cooperation.

**The Road Ahead.** The USG will continue to encourage Belarusian authorities to enforce their counternarcotics laws and cooperate on cases as appropriate.

# Belgium

## I. Summary

With a major world port at Antwerp, an airport with connections throughout Africa, and its proximity to major consumers in the United Kingdom (U.K.) and The Netherlands, Belgium has become a crucial transit point for a variety of illegal drugs, especially cocaine and heroin. 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. Methods of shipment vary, but most drugs seized have been found in cargo freight, or taken from couriers using air transportation.

Belgian authorities take a proactive approach to interdicting drug shipments and cooperate with the U.S. and other foreign countries to help uncover distribution rings. However, fighting the drug trafficking problem in Belgium can be difficult due to the large ethnic population centers, language, and cultural differences and the cross-border nature of the trafficking trend. Belgium is a party to the 1988 United Nations (UN) Drug Convention, and is part of the Dublin Group of countries concerned with combating narcotics trafficking.

## II. Status of Country

Belgium remains a key transit point for illicit drugs bound for The Netherlands, the U.K. and other points in Western Europe. The majority of large cocaine shipments transiting Belgium are bound for The Netherlands, where Colombian groups continue to dominate drug trafficking. Significant seizures continue to be made from sea and air shipments en route from South and Central America or West Africa. In 2008, a total of 3,852 kilograms of cocaine were interdicted. In 2009 through October, 2,766.7 kilograms of cocaine were confiscated by the Belgian Federal Police (BFP) ) and Belgian Customs authorities..

Turkish groups, predominately from the Kurdish region of Turkey, control most of the heroin trafficked in Belgium. This heroin is principally shipped through Belgium and The Netherlands to the U.K. 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. Belgium consumes an estimated 4 tons of heroin per year, which is mostly accounted for by drug tourism from neighboring countries. Belgian authorities seized a total of 63 kilograms of heroin during 2008. Between January and October 2009, this heroin seizure amount rose to 198.9 kilograms.

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 be encountered. Belgian authorities seized 4,891 kilograms of marijuana and 1,529 kilograms of hashish during 2008. Between January and October 2009, marijuana seizures totaled 378.38 kilograms and hashish seizures totaled 11,563 kilograms. Belgium produces small amounts of Amphetamine Type Stimulants (ATS) and Ecstasy. Seizures of ATS and Ecstasy have dropped compared to previous years. During 2007, Belgian authorities seized 483.1 kilograms of amphetamine and 541,245 Ecstasy tablets. These seizure numbers fell in 2008, with 411 kilograms of amphetamine and 162,821 Ecstasy tablets seized. Between January and October 2009, Belgian authorities have seized 34.24 kilograms of amphetamine and 29,331 Ecstasy tablets. Belgium has a substantial pharmaceutical product sector. The country manufactures methamphetamine precursors for licit products to a very limited extent, and it is not a final destination for international shipments of these precursors. The illicit ephedrine diversion market is mainly controlled by Mexicans who purchase both legal (i.e., cold medicine and dietary supplements) and illegal ephedrine, and ship it to Mexico, where it is used to produce methamphetamine for distribution in

the U.S. Since ephedrine is strictly regulated in the U.S., Belgium and other Western European countries have seen an increase in transshipments of ephedrine and other methamphetamine precursors. In instances where precursor diversion for methamphetamine manufacturing purposes was suspected, Belgian authorities have cooperated by executing international controlled deliveries (ICD) to the destinations, or by seizing the shipments when the ICD is not possible.

In the past, Israeli groups controlled most of the MDMA/Ecstasy (3,4-methylenedioxy-methamphetamine) production and shipping to the U.S., but these organized crime groups have been disrupted by enforcement measures and their influence has diminished.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Belgium is a major supporter for COSPOL (Comprehensive Operational Strategic Planning for the Police), which is a new methodology for multinational police cooperation. This program was created by the Police Chiefs Task Force functioning under direction of the European Union. At a 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.

**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 and U.S. Immigration and Customs (ICE) officials stationed in Brussels. At Brussels' Zaventem International Airport, non-uniformed police search for drug couriers and continue to be effective in that effort. Authorities utilize canine and aerial apprehension strategies on both the local and federal levels to help fight illicit drug production and shipment in Belgium. The Canine Support Service (DSCH) has trained 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 it spends in the sky in an attempt to detect drug laboratories across the nation. Belgium participates in a recent initiative to set up a database for European airports. The database is used to transfer narcotic related information to airports throughout Europe in order to increase cooperation among police forces and governments. The Belgian authorities reported the seizure of 13,400,000 ephedrine pills in 2 incidents during 2008. No figures for 2009 are available yet. The shipments seized in 2008 were reportedly destined for Mexico. During 2008, Belgian authorities also encountered and seized 23 liters of GHB, 5,119 kilograms of khat, 55 kilograms of phenacetine, 0.6 kilograms of opium, and 10,240 pills of benzodiazepine. In 2009 up to October, the BFP seized 88.1 liters of GHB, 758.9 kilograms of khat, 55 kilograms of phenacetine, 4.5 kilograms of opium, and 6,180 pills of benzodiazepine.

**Corruption.** Legal measures exist to combat and punish corruption. While corruption amongst longshoremen and stevedores remains a concern at the Port of Antwerp, no serious cases of corruption of government officials related to drugs have been uncovered in Belgium thus far in 2009. 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 is known to have engaged in, encouraged or facilitated the illicit production or distribution of drugs and illegal substances, or the laundering of proceeds from illegal drug transactions.

**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 U.S. and Belgium have an extradition treaty and a Mutual Legal Assistance Treaty (MLAT). In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010. Under a bilateral agreement with the U.S., 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 Belgian Navy vessels in the Caribbean Sea.

**Cultivation/Production.** Belgium's role as a transit point for major drug shipments, particularly heroin and cocaine, is more significant than its own production of illegal drugs. However, cultivation of cannabis increasingly involves elaborate, large-scale indoor operations in Belgium, particularly near The Netherlands, and increasingly in other regions. Dutch traffickers are frequently involved in these production operations. Belgian authorities seized 113,513 marijuana plants during 2008. Initial statistics for this year show that 422 cannabis plantations have been dismantled between January and October 2009 in Belgium. The dismantled plantations had a total capacity of 178,055 plants. Dutch traffickers are also involved in Belgium's production of Amphetamine-Type Stimulants (ATS). As Dutch law enforcement pressures mount on producers of Ecstasy and 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. During 2008, Belgian authorities discovered 6 synthetic drug laboratories: 4 amphetamine labs, 1 GHB lab, and 1 Ecstasy lab. Between January and October 2009, Belgian authorities seized 2 synthetic drug laboratories; both described as "kitchen labs", and have also seized 4 synthetic drug waste dumpsites.

**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. As large share of these drugs are ultimately shipped to the U.K., The Netherlands, and other points in Western Europe. Antwerp's port continues to be one of the preferred transit points for cocaine imported to Europe. The flow of cocaine to Belgium is mainly controlled by Colombian organizations with representative residing in Africa and in Europe. Some Antwerp port employees have been documented as being involved in the receipt and off-loading of cocaine upon arrival at the port. Zaventem National Airport has become a major point of entry for couriers, who hide drugs in their baggage or on their persons. The cocaine originates in South America and transits through either West Africa or other countries in South America; however, between January and October 2009, cocaine couriers reportedly departed from Central and South America more often than from West Africa Additionally, in 2009 Caribbean-based organizations utilized express consignment packages to conceal cocaine shipments destined for Belgium. The other active cocaine trafficking groups in Belgium are Surinamese, Chilean, Ecuadorian, Dominican and Israeli.

The Port of Antwerp is also an important transit point for cannabis and hashish. 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 over the past five years and intelligence indicate that Belgium continues to be a secondary distribution and packaging center for heroin coming along the Balkan Route. Turkish groups dominate the trafficking of heroin in Belgium. The Belgian Federal Police have identified commercial (TIR) trucks from Turkey as the single largest transportation mechanism for westbound heroin entering Belgium.

**Domestic Programs/Demand Reduction.** 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 continues to direct

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 counternarcotics 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 U.S. and Belgium regularly share drug-related information. Counternarcotics officials in the BFP, Belgian Customs, Federal Prosecutor's Office, and Ministry of Justice are fully engaged with their U.S. counterparts. The U.S. continues to coordinate with Belgian authorities to identify and investigate both suppliers and shippers of precursor chemicals. The U.S. 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 U.S. looks forward to continued cooperation and support from Belgium in combating drug-related crime.

# Belize

## I. Summary

Belize is a transit point for narcotics traveling from Colombia, destined for the United States. While relatively small amounts transit Belize as compared with the rest of Central America, Belize's porous borders, combined with a lack of resources, make it vulnerable to traffickers. The Government of Belize (GOB) collaborated with the United States on joint counternarcotics operations and investigations in 2009 and on the apprehension and return of 19 U.S. fugitives wanted in the United States. Belize is also cooperating with the USG through the Merida Initiative. However, even with this assistance, limited resources hampered the GOB's ability to reduce the crime rate in Belize. Belize is a party to the 1988 UN Drug Convention.

## II. Status of Country

The borders in Belize are porous, composed of long stretches of unmanned, unpopulated forests on its borders with Guatemala and Mexico, and unpatrolled coastline. The territory of Belize also includes hundreds of small cayes and atolls make it vulnerable to trans-shipment of illicit drugs between Colombia and Mexico. While in recent years the Belize Coast Guard, Anti-Drug Unit, and U.S. authorities have increased their efforts to monitor coastal waters, their ability to counter the threat has been hampered by limited resources and lack of political will. In an attempt to diversify Belize's economic activities, authorities have encouraged the growth of offshore financial activities that are vulnerable to money laundering. Although money laundering in Belize is still thought to be limited, this, combined with weak enforcement of laws regulating offshore financial interests, contributed to an increase in money laundering incidents in 2009.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009, several in-country training workshops were carried out for members of the Belize Police Department, Customs, Immigration, and Ministry of Health. In addition, Belize is engaged in discussions with its counterparts in Central America to pursue structured courses in chemical control strategies and techniques. These were made possible by chemical control actions taken in 2008, including enactment of a statutory instrument prohibiting the bulk importation of pseudoephedrine and ephedrine and the signing of a Memorandum of Understanding with the United Nations Office on Drugs and Crime for training and capacity building to control the diversion of chemical substances. In addition, Belize is engaged in discussions with its counterparts in Central America to pursue structured courses in chemical control strategies and techniques.

**Accomplishments.** In 2009 the Belize Police Department (BPD), Belize Defense Force (BDF), and Belize National Coast Guard (BNCG) continued to conduct counternarcotics operations with USG assistance. Seizures through September 2009 include: 28.3 kilograms of cocaine, 0.26 kilogram of crack cocaine, 291.5 kilograms of marijuana, 3.6 kilograms marijuana seeds, as well as 423 kilograms of ephedrine, worth $1.7 million. A total of 1,299 arrests were made during this period. Belize's dismal seizure rates reflect law enforcements' need to focus on day-to-day patrolling in response to a growing crime rate that detracts from their ability to develop the intelligence necessary to take down major traffickers and their organizations.

**Law Enforcement Efforts.** In 2009, the BPD and BDF continued joint patrols along both the northern and western borders, in order to monitor illegal entry points into Belize that are also used as routes for trafficking cocaine and marijuana over land. However, much of the illegal substances which transit Belize do so by air and by sea. During 2009 the BDF monitored and destroyed covert runways used by

traffickers. However, the lack of a national maritime strategy to deal with counternarcotics operations has resulted in a lack of cooperation between the various maritime assets and no maritime interdictions in 2009. The BDF received two Enduring Friendship go-fast boats from the U.S. Military Liaison Office (MLO) to assist with maritime interdictions and the BNCG will receive two similar vessels in 2010, which will be purchased with Merida Initiative funding. The Anti-Drug Unit (ADU) of the BPD also has three vessels of which only one is operational; however, it does not have the capability to intercept the go-fast vessels used by traffickers.

In April, there was a change to the structure of the BPD, increasing the number of Assistant Commissioners of Police from three to five. This change was recommended by a Caribbean police consultant who was contracted to evaluate the strengths and weaknesses of the BPD from June through November 2008. Although the positions and names were announced shortly thereafter, the Security Services Commission has been slow to confirm the nominees, and to date only three of the positions were confirmed. These latest promotions have brought public attention to a morale issue within the BPD that has been brewing for a number of years where officers have expressed concern that some promotions were not made in compliance with the police subsidiary law and have filed cases in the courts and with the Ombudsman.

It is difficult to obtain convictions on drug crimes because the Office of the Director of Public Prosecutions (DPP) lacks the staff and resources necessary to devote to each case. Police Prosecutors, who are responsible for the prosecution of minor offenses, lack formal legal training, which often results in cases being overturned on technicalities. The widespread issue of victim and witness intimidation is also one of the main deterrents to successful prosecutions.

Given the increase in money laundering activity in Belize, the Financial Intelligence Unit (FIU) was given additional resources, including the addition of one police investigator dedicated to its staff, and it plans to increase the staff by adding two Financial Examiners and one Police Officer. The FIU is currently investigating several cases of alleged money laundering, the most prominent of which has resulted in charges being brought against seven individuals in connection with a scheme run through Money Exchange International. Two cases currently before the courts have benefited from rulings favorable to the FIU and have received a lot of media attention; however, the trial phase is not scheduled to begin until early 2010. The BPD is in the process of setting up a Financial Crimes Unit which will work closely with FIU.

**Corruption.** As a matter of policy, the GOB 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. However, a lack of resources and weak enforcement has allowed these activities to continue within Belize. Belize has not yet acceded to the United Nations Convention against Corruption, 2003. However, the Convention is pending review with the Attorney General and a draft document has been prepared for Cabinet.

In the 2008 high profile cases involving several high level officials charged with the theft of $10 million, cases involving two of the officials were thrown out due to lack of evidence and, because the thefts occurred abroad, the Belize courts did not have jurisdiction to hear these cases. Earlier this year a Coast Guard vessel was stolen from the station where it was docked. Four Coast Guard Seamen are being held in connection with this crime, but the Ministry of National Security is still investigating the matter. In May and September of 2008, Customs officials discovered that the contents of two shipping containers were lost and that the containers were fraudulently cleared from the Customs compound. One of the suspected Customs officials involved in the May incident was dismissed, while the second individual was transferred to another GOB department. The individual suspected of the September incident is involved in an ongoing internal proceeding. Neither of the cases went to court due to a lack of sufficient evidence.

**Agreements and Treaties.** Belize is a party to the 1988 UN Drug Convention, the 1961 Single Convention on Narcotics Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Belize is one of three countries that have ratified the Caribbean Regional Agreement on Maritime Counter Narcotics. In September 1997, the GOB signed the National Crime Information Center Pilot Project Assessment Agreement (data- and information-sharing). Belize passed the Money Laundering and Terrorism (Prevention) Act in 2008. This act establishes money laundering as an autonomous offense. Belize has failed to accede to the Inter-American Convention on Mutual Assistance in Criminal Matters, 1992, despite The Organization of American States' Inter-American Drug Abuse Control Commission (CICAD) urging it to do so for the past ten years. However, Belize has been participating in the Ministers of Justice or Attorneys General of the Americas (REMJA) workshops, the last meeting of which was in 2008 and was attended by Minister of Foreign Affairs and Attorney General Wilfred Elrington.

Belize has also failed to accede to the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components, and Ammunition of the United Nations Convention against Transnational Organized Crime, despite CICAD urging it to do so for the past seven years.

Bilateral agreements between the U.S. and Belize include a protocol to the Maritime Agreement that entered into force in April 2000, a bilateral Extradition Treaty that entered into force in March 2001, and the Inter-American Convention on Serving Criminal Sentences Abroad that entered into force in 2005. The U.S.—Belize Mutual Legal Assistance Treaty (MLAT) entered into force in 2003, but was not implemented by the GOB until 2005. While assistance in the capture and repatriation of U.S. citizen fugitives is excellent (19 fugitives deported so far in 2009), responses to formal U.S. extradition requests for Belizean nationals is frustratingly slow due to limited criminal justice system resources and a system lacking judicial incentives to promote speedy trials. Belize is a party to the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling. In 2005, Belize joined other Central American countries participating in the Cooperating Nations Information Exchange System (CNIES), which assists in locating, identifying, tracking, and intercepting civil aircraft in Belize's airspace.

**Cultivation/Production.** Marijuana is cultivated for local consumption in scattered plots throughout Belize. Police investigate and burn the plants, but often the marijuana fields are planted on government property, ownership of the illegal plants cannot always be determined, and no further action is taken. There are no industries in Belize requiring the import of precursor chemicals.

**Drug Flow/Transit and Distribution.** Cocaine is trans-shipped through Belize's territorial waters for onward shipment to Mexico and the U.S. The primary means for smuggling drugs are go-fast boats transiting Belizean waters for transshipment along navigable inland waterways, and on to remote border crossings into Mexico. There are also indications that drugs travel across land borders as well. Interdiction is hampered by the lack of adequate host nation resources and lax Customs enforcement. During 2009, 423 kilograms of pseudoephedrine valued at $1.7 million was seized. Belize is quickly becoming a stop for poly-drug shipments where traffickers combine cocaine, pseudoephedrine, and marijuana into packaged shipments for onward transit.

**Domestic Program/Demand Reduction.** The National Drug Abuse Control Council (NDACC) coordinates GOB's demand reduction efforts through education, counseling, rehabilitation, outreach, and a public commercial campaign. Drug abuse and treatment statistics are not readily available in Belize and drug rehabilitation facilities are virtually non-existent for the local population. The only Narcotics Anonymous meetings in Belize are held at the Belize Central Prison, which is run by the non-profit Kolbe Foundation.

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

**Bilateral Cooperation.** The U.S. supported Belize's efforts to combat transnational crime and narcotics trafficking by providing training, equipment, and technical assistance to the GOB. The support modernized and enhanced law enforcement capacity, improved prison management, and assisted antigang initiatives. The USG is providing support to the Belizean Forensic Laboratory to improve investigations and prosecution of crimes by purchasing a bullet catcher, and through planned training for their Firearms Examiner in the U.S. The USG also provided support for maritime security through Enduring Friendship (see Law Enforcement Efforts) And, in 2010, plans to assist the GOB in improving its maritime interdiction capabilities through training, the construction of a BNCG forward operating base in the offshore islands, construction of a new BNCG headquarters building, and donation of additional equipment and boats through Enduring Friendship. Belize has two cadets attending the U.S. Coast Guard Academy, and one attending the U.S. Naval Academy.

**The Road Ahead.** Over the next decade Belize will face many threats in its battle against narcotics trafficking, but it has many opportunities that do not exist in other countries in the region. As its neighbors continue to push back against traffickers or in some cases to capitulate to them, even more pressure will fall on Belize to protect its borders. It is vital that the GOB show the will to increase its efforts, through policy, resource allocation, and operations, to halt the flow of illegal drugs, drug money and money laundering activities within and across its borders. While monetary and human resources are sparse, a reexamination of current policies and practices, combined with the assistance provided through the Merida Initiative, MLO, and the Drug Enforcement Administration, could result in decreasing the ability of traffickers to use Belize as a transit location. At the same time, Belize is encouraged to pass and implement pending legislation requesting wider authority for intelligence collection and electronic intercepts, and a Chemical Precursors Control Act with punitive sanctions. The GOB could enhance its drug control efforts further by adequately funding and training prosecutors in the DPP's office, as well as Police Prosecutors, in narcotics prosecutions.

# Bolivia

## I. Summary

Bolivia is one of 20 major narcotics producing or transit countries. On September 15, 2009, the President of the United States determined for the second consecutive year that the Government of Bolivia (GOB) "failed demonstrably" to adhere to its obligations under international counternarcotics (CN) conventions. In this determination, the President raised concern with rising Bolivian coca cultivation and cocaine production and explained that the GOB's expulsion of the Drug Enforcement Administration (DEA) severely undermined Bolivian law enforcement efforts to identify and dismantle drug trafficking organizations. The President noted that despite Bolivia's success in meeting minimum eradication goals, the total effort by the GOB fell short of its obligations as outlined in the United Nations (UN) Conventions and bilateral agreements.

In 2009, the GOB reported eradication of over 6,341 hectares of coca nationwide, 84 percent of which took place in the Cochabamba tropics (Chapare). Although the GOB met its minimum bilateral requirement to eradicate 5,000 hectares of coca, these efforts have not kept pace with rising coca cultivation and cocaine production. Bolivia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Bolivia is the world's third largest producer of cocaine, and it is a significant transit zone for Peruvian-origin cocaine. The United States Government (USG) estimates that Bolivia's coca cultivation increased by ten percent in 2009, and potential cocaine production increased by 50 percent from 130 metric tons in 2007 to 195 metric tons in 2008 and remained at that level in 2009. Increased potential cocaine production over the past two years can be attributed to the adoption of more efficient, Colombian-style cocaine processing methods and the increased presence of Colombian and Mexican drug traffickers in Bolivia. The majority of cocaine trafficked from or through Bolivia is destined for Brazil, Chile, Argentina, and Paraguay, with a significant amount transshipped to Africa and Europe.

GOB coca eradication forces face resistance from local coca growers on average one to three times per month when they attempt to carry out eradication missions. These missions are negotiated with and agreed upon by the General Directorate of Integral Development for Regional Coca Production (DIGPROCOCA) and relevant coca federations. Resistance includes throwing stones at eradicators and gathering groups of hundreds of coca growers to physically resist the eradicators. Most incidents occur in so-called "zero coca zones," such as protected Bolivian national parks. When facing resistance, eradication forces usually retreated in order to avoid injuries or conflict escalation. Coca cultivation expansion led to recent violent incursions by coca growers into the Indigenous Territory National Park Isiboro Secure (TIPNIS), leaving one person dead in September 2009. Police acted to remove the coca growers.

President Morales remains the leader of a coca growers' federation, and the GOB continues its efforts at the international level to obtain the legalization of trade in coca leaf.

The expulsion of the DEA from Bolivia in January 2009 negatively impacted CN programs, especially in the area of interdiction operations and drug-related investigations. The expulsion reduced Bolivia's ability to identify, investigate, and dismantle drug trafficking organizations (DTOs) and severely limited the amount of actionable law enforcement leads developed in Bolivia.

In June, 2009, the President of the United States did not determine that Bolivia satisfied the eligibility requirements under the Andean Trade Promotion Act, including criteria on counternarcotics, and Bolivia's trade preferences under the Act were not reinstated.

On September 15, 2009, the President of the United States determined for the second consecutive year that the Government of Bolivia (GOB) "failed demonstrably" to adhere to its obligations under international counternarcotics (CN) conventions. In this determination, the President raised concern with rising Bolivian coca cultivation, cocaine production, and lack of control over "licit" coca markets resulting in diversion of excess coca leaf to cocaine production. The President also explained that the GOB's expulsion of DEA severely undermined Bolivian law enforcement efforts to identify and dismantle drug trafficking organizations. The President noted that despite Bolivia's limited success in meeting eradication goals, the total effort by the GOB fell well short of its obligations as outlined in the United Nations (UN) Conventions and bilateral agreements.

The USG continues to provide administrative and logistical support to Bolivian CN programs, and to work productively with the GOB at the technical level, but program accomplishments have diminished as a result of GOB policies and actions. The U.S. remains committed to working with the GOB to improve counternarcotics results.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The GOB promotes a policy of "zero cocaine but not zero coca" and has continued its policy to allow an increase in coca cultivation from 12,000 to 20,000 hectares, which violates Bolivian Law 1008 and international agreements. Bolivia produces coca leaf for traditional purposes, such as chewing, making tea and religious rites, but this coca leaf is also diverted to cocaine production. Current Bolivian law permits up to 12,000 hectares of legal coca cultivation in the "traditional coca growing area," most of which is in the Yungas, to supply the licit market. In September 2008, the GOB signed an agreement with 25,000 coca growers from the Yungas federation to eradicate 6,900 hectares by 2010. This agreement simultaneously permitted an additional 6,500 hectares of coca to be grown in new areas in and around the Yungas. In 2009 the GOB also continued the policy that allows one cato (between one-sixth and one-quarter of a hectare) of coca to be cultivated annually per coca growing family in the Chapare region. This policy has resulted in at least 7,000 additional hectares of coca growth. It is widely recognized that coca grown in the Chapare is not suitable for chewing, and there is no evidence to suggest that Chapare coca is currently used for any other licit purposes, such as the manufacture of tea and other commercial products.

In October 2008, the GOB, with substantial support from the U.S. and neighboring countries, completed a one-year project designed to significantly improve the GOB's money laundering, antiterrorism financing, and asset forfeiture legislation. The draft legislation, currently pending Bolivian Congressional approval, would provide the requisite legal resources to law enforcement entities to improve their ability to conduct and prosecute narcotics trafficking, money laundering, terrorist financing, and corruption cases in Bolivia. The legislation also contains provisions that would allow judicial intercepts of wire communications, plea bargaining, and other reforms to the Code of Criminal Procedure.

**Accomplishments.** The GOB eradicated 6,341 hectares of coca nationwide in 2009—84 percent (5,359 hectares) in the Chapare, 8 percent (521 hectares) in Yapacani, and 7 percent (459 hectares) in the Yungas.

In 2009, the Special Bolivian Counter Narcotics Police (FELCN) seized approximately 1,574 metric tons of coca leaf, 22 metric tons of cocaine base, and 5 metric tons of cocaine hydrochloride (HCl), totaling approximately 27 metric tons of illicit cocaine product. These illicit cocaine product seizures are fewer than the same period in 2008 and are insufficient to stem rising potential cocaine production. The GOB counternarcotics forces located and destroyed 24 cocaine HCl processing and chemical recycling labs; 4,864 cocaine base labs; and 6,666 maceration pits. In comparison to 2008, forces interdicted fewer base labs and maceration pits, but seized more cocaine HCl processing and chemical recycling labs. These results track the rising prevalence of Colombian-style manufacturing methods, rather than traditional maceration pits, and the increasing presence of Colombian and Mexican drug traffickers in Bolivia.

Additionally, operations intended to disrupt drug labs frequently fail to seize drugs processed at the labs and only result in the arrest of low-level workers. FELCN seized approximately 1,937 metric tons of marijuana; 872 metric tons of solid precursor chemicals; and 1,578,681 liters of liquid precursors in 2009, an increase over prior year results. The lack of DEA or other international law enforcement working with FELCN in the field on a daily basis makes it difficult to independently verify the accuracy of these figures reported by the GOB.

The GOB arrested 3,397 persons on narcotics-related offenses in 2009. The GOB opened 2,903 narcotics cases during 2009 with 1,236 defendants. Of the total, formal charges of narcotics violations have taken place in 1,160 cases. 104 of the cases have judicial resolution, while 1,056 remain pending in court. Internal reviews of the statistical conviction rates by the Public Ministry and a survey conducted by the National Fiscal Training Facility in Sucre indicate that there continue to be significant problems within the CN prosecutor's offices relating to the ability of the prosecutors and their understanding of the accusatory judicial system that began in 2001.

**Law Enforcement Efforts.** FELCN is mandated to combat all aspects of drug trafficking, including interdiction of drugs, illicit coca, and precursor chemicals, intelligence gathering, money laundering investigations, and rural operations. The Department of State's Bureau for International Narcotics and Law Enforcement Affairs' (INL) Narcotics Affairs Section (NAS) continues to provide logistics and administrative support to the FELCN and the Bolivian National Police (BNP) training academy. However, without DEA presence, the USG does not have the capability to support operational engagement or sharing of actionable law enforcement information with Bolivian counterparts.

FELCN reported that throughout 2009 it focused on higher level violators, resulting in more priority target organizations being investigated with the assistance and support of regional partner nations. The U.S. has no information on priority target drug trafficking organizations dismantled or high level violators arrested by the GOB in 2009. The increase of cocaine supply, expansion of drug trafficking activities, the presence of sophisticated organizations operating in Bolivia, and proliferation of large foreign-managed cocaine laboratories pose a growing challenge, given FELCN's limited capacity. Bolivia is seeking support from other countries and has improved law enforcement cooperation with Brazil, Argentina and Chile. However, this improvement has not sufficiently addressed the gap in operational support and enhanced investigative capabilities to target and dismantle drug trafficking organizations created by DEA's expulsion.

**Corruption.** There are no proven cases of senior GOB officials encouraging or facilitating the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

The USG continues to provide significant administrative support to the BNP Office of Professional Responsibility (OPR) and the Disciplinary Tribunal. The OPR is the "Internal Affairs Investigators" of the BNP. The Tribunal is responsible for the review of cases and determination of punishment, if appropriate, for police officers involved in misconduct and other integrity-related violations. The BNP/OPR reports that they have investigated a total of 2,444 allegations of various forms of misconduct involving police officers during 2009. Of these cases, 176 involved officers assigned to the FELCN. To date, the Tribunal has reviewed and undertaken prosecutorial, disciplinary or other administrative action in 1,378 of these OPR cases. The remainder of the cases are pending investigations, or awaiting tribunal action.

**Agreements and Treaties.** Bolivia 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.

Bolivia is a party to the UN Convention against Transnational Organized Crime and its Protocols on Trafficking in Persons and Migrant Smuggling, the UN Convention against Corruption, and the Inter-

American Convention against Corruption. Nevertheless, Bolivia is lacking many of the legal and enforcement mechanisms needed to fully implement these agreements. Bolivia has signed, but has not yet ratified, the Inter-American Convention on Extradition.

**Extradition.** The GOB and the United States signed a bilateral extradition treaty in 1995, which entered into force in 1996. The treaty permits the extradition of nationals for most serious offenses, including drug trafficking. The United States has one pending extradition request to Bolivia as of December 2009.

Cultivation/Production. Overall coca cultivation increased ten percent in 2009 to 35,000 hectares according to official USG estimates, up from 32,000 hectares in 2008. (The United Nations Office on Drugs and Crime (UNODC) estimated that in 2008 Bolivians cultivated 30,500 hectares, a 6 percent increase from 2007. UNODC figures for 2009 were not available.) Regional changes from 2008 to 2009 are as follows: Chapare cultivation increased 6 percent (8,300 to 8,800 hectares); Yungas cultivation increased 10 percent (21,000 to 23,000 hectares); Caranavi cultivation increased 37 percent (1,600 to 2,200 hectares); Vandiola cultivation decreased 19 percent (315 to 255 hectares); and Apolo cultivation decreased 60 percent (660 to 260 hectares). Bolivia also produces marijuana, primarily for domestic consumption. GOB estimates show that marijuana production increased significantly from 195 metric tons in 2008 to more than 1,831 metric tons in 2009.

USG estimates indicate that potential pure cocaine production increased approximately 50 percent, from 130 metric tons in 2007 to 195 metric tons in 2008 and remained at 195 metric tons in 2009. Estimated potential export quality cocaine (derived after pure cocaine has been cut, mixed, and diluted) in 2009 was 240 metric tons, largely due to less efficient leaf yield from new plants. (UNODC estimated that 2008 potential pure cocaine production in Bolivia was 113 metric tons, a 9 percent increase from 2007.)

Over the last couple of years, Bolivian CN units, as well as DEA (prior to its departure), have observed a steady increase in the use of the more efficient "Colombian" methods for cocaine production during lab seizures, including use of mechanized coca maceration and solvents, instead of acids for alkaloid extraction.

**Drug Flow/Transit.** Although cocaine production in Bolivia is increasing, there continues to be limited information on how much Bolivian cocaine is seized outside of Bolivia. Existing reports indicate that most Bolivian-origin cocaine exports flow to other Latin American states for either domestic consumption or onward transit towards Europe, with little exported to the U.S. Still, there appears to be a growing number of Mexican and Colombian traffickers in Bolivia. A GOB official stated that Mexican drug cartels are working with Colombian drug cartels to invest capital in Bolivia and Peru to help ensure a sufficient supply is available to satisfy market demand. The official noted that Mexican cartels provide money to the Colombians, who then administer the funds to secure sufficient supply. DEA is monitoring its Cocaine Signature Program for any indication of an increase in Bolivian cocaine appearing in the U.S. market.

The increase in coca cultivation and cocaine production, particularly since 2007, as well as the lack of effective government response in Bolivia, directly affects neighboring countries. DTOs in the Southern Cone—Argentina, Brazil, Chile, Paraguay, and Uruguay—have taken advantage of the current situation in Bolivia to increase their drug trafficking activities in the region. All countries bordering Bolivia have experienced an increase in drug trafficking from Bolivia during the reporting period, especially Brazil and Chile. All report increased seizures of Bolivian drugs and arrests of drug traffickers linked to Bolivia, as well as the increased use of small aircraft and containerized shipments to move large quantities of cocaine from land-locked Bolivia to international destinations. Argentine authorities report the presence of cocaine HCl labs in their countries, supplied by Bolivian cocaine base. Brazilian authorities have stated that most of the cocaine seized in São Paulo comes from Bolivia

**Alternative Development.** The USG's Integrated Alternative Development (AD) program provides support to help diversify the economies of Bolivia's coca growing regions, reduce communities'

dependency on coca, and complement the Government of Bolivia's voluntary eradication program. AD assistance helps strengthen the competitiveness of Bolivia's agricultural products (e.g., coffee, bananas, pineapples, cocoa, and palm hearts) in national and world markets, improve basic social conditions (e.g., access to clean water), and improve rural road infrastructure and access to markets. Beginning in Fiscal Year (FY) 2007, AD support shifted focus from the Tropics of Cochabamba to the Yungas region in accordance with the GOB's rationalization plans. In 2009, USAID terminated most of its work in the Tropics of Cochabamba at the request of the GOB.

Cooperation between USAID and the Vice Ministry of Coca and Integrated Development (VCDI) continued over the past year. Activities and investments under the programs to promote productive and social development were all jointly approved by USAID and VCDI counterparts. These include a relatively large number of new productive initiatives in La Asunta, an under-developed, highly coca dependent region of the Yungas, where the GOB started to eradicate in agreement with the coca growers' federations. Project personnel worked closely with principal GOB counterparts, the La Asunta federation, and communities to prioritize investments and identify the most promising products to be developed. There has been significantly more demand for alternative production among communities than originally envisioned.

Data on results achieved over the last year indicate that USAID's Integrated Alternative Development program activities continued to produce results. U.S. assistance helped introduce, establish or rehabilitate 4,047 hectares of crops, such as bananas, cocoa, palm hearts and coffee, and helped place an additional 614 hectares under forest management plans. Income from some of the first yielding crops, such as the natural sweetener product stevia, began in November 2009.

In FY 2009, the annual value of USAID-promoted exports reached nearly $39.5 million, an 11percent increase over FY 2008. The assistance provided to farm communities and businesses helped generate 5,866 new jobs and $29 million in sales of AD products. Approximately 12,660 families benefited directly from U.S. assistance. More than 530 kilometers of roads were maintained or improved and 19 bridges were constructed. In addition, four potable water systems were constructed, benefiting 1,269 families in the Yungas region.

**Domestic Programs/Demand Reduction.** A 2008 UNODC report stated that Bolivian domestic drug consumption continued to increase. The most recent credible study on drug use in Bolivia, conducted in 2005 by the Latin American Center for Scientific Research (CELIN), showed that 4.9 percent of the population uses illegal drugs (cocaine, marijuana, hallucinogens and others). Despite this, GOB support for drug abuse prevention programs is inadequate. The USG provided support to CELIN to update the 2005 study on illegal drug use in Bolivia and several demand reduction programs. Due to the lack of GOB support on a national level, the USG focused drug prevention outreach activities at the municipal and prefectural levels throughout 2008 and 2009. Since February 2008, the USG has worked with UNODC to conduct a drug abuse prevention and citizen safety project in El Alto that has reached over 80,000 teachers, students, and community members. The USG also works with the non-governmental organization Communication, Research and Action of Social Policies (CIAPS) on a community-based drug abuse prevention program for high-school students in the cities of La Paz and Sucre. The CIAPS program is expected to reach 20,000 people.

Since 2000, the USG-supported Drug Abuse Resistance Education (DARE) program educated 142,290 school children on drug prevention. The program reached 18,000 students in 2009. In the Department of Cochabamba, the USG helped implement the region's "Healthy Schools Drug Prevention Program" by training health professionals, teachers, and parents on drug abuse prevention techniques. During the reporting period, the USG conducted training in demand reduction issues and techniques for several technical teams of trainers from the municipalities of Cochabamba, Tarija, Sucre, and Guayaramerin. The USG also conducted a counternarcotics-themed sports outreach effort by sponsoring the "Tahuichi" Soccer Academy in Santa Cruz. The Academy launched a tournament in the coca growing area of Los

Yungas that involved three teams and 70 youth participants. The USG also provided three year-long soccer scholarships to at-risk children from rural areas of the country. The scholarships allow the children to live, study, and train at the academy for one year.

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

**Policy Initiatives.** USG programs aim to enhance the capabilities of the GOB to reduce coca cultivation; arrest and bring drug traffickers to justice; promote alternative economic development; disrupt the production of cocaine within Bolivia; interdict and destroy illicit drugs and precursor chemicals moving within and through the country; reduce domestic abuse of cocaine and other illicit drugs; institutionalize a professional law enforcement system; and improve the awareness of the Bolivian population regarding the dangers of illicit drugs. The USG also provides logistics support that enables training for BNP officers in modern money laundering and terrorism financing investigative techniques, and on trafficking in persons (TIP) and human rights.

**Bilateral Cooperation.** Bilateral cooperation continued to be challenging in 2009. However, Bolivian and U.S. officials meet regularly to implement programs and to advance common issues of concern.

In February 2009, the GOB advised the USG that U.S.-sponsored training for military and police personnel outside of the country would no longer be supported by the GOB and that any future training nominations would be directed to the respective unit commanders for initial approval. These nominations would then be forwarded to the Minister of Government and President for their respective approvals. This new policy has serious detrimental effects on the continued development and professionalism of the national police and military forces, due to their inability to attend U.S. sponsored training courses, especially management courses.

Despite this setback, the USG supported a number of GOB institutional developmental projects, including a basic and advanced law enforcement training program. In 2009, the Law Enforcement Development Program supported sixty-two (62) training courses, seminars and/or conferences that have reached 5,600 police officers, prosecutors, and GOB and non-government organization counterparts. The USG provided administrative support to four special BNP TIP investigative units consisting of 28 police officers and 12 full time prosecutors in La Paz, Santa Cruz, and Cochabamba.

**The Road Ahead.** With sharply rising potential drug production levels, the presence of Colombian and Mexican drug traffickers operating in Bolivia, as well as increasing potential for conflict between coca growers and the GOB in the national parks, the USG is concerned about the effectiveness of the GOB's counternarcotics policies and actions. The GOB's policies supporting the expansion of coca cultivation contribute to rising excess coca cultivation and increases in cocaine production. The GOB is encouraged to revise its policies on coca cultivation and implement a national eradication strategy that improves efficiency and effectiveness of eradication, leading to net reductions in coca cultivation that keep pace with replanting. We also encourage the GOB to take measures to prevent diversion of coca to cocaine production by establishing strict controls over the licit coca market and closing illegal markets. Bolivia has stated its intention to nationalize eradication efforts, but this goal will require increased financial support from the GOB. The legal and regulatory framework in Bolivia hinders law enforcement and prosecutorial efforts to effectively and efficiently combat drug production and trafficking, money laundering, corruption, and other transnational crime and requires GOB action. There is also a growing gap in international law enforcement/counternarcotics information sharing caused by DEA's expulsion. To that end, we encourage Bolivia to enhance its collaborative efforts with Brazil, Argentina, Chile, and other neighboring and international partners on counternarcotics.

## V. Statistical Table

| | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Coca** | | | | | | | | | | | |
| Net Cultivation (ha) | 35,000 | 32,000 | 29,500 | 25,800 | 26,500 | 24,600 | 23,200 | 21,600 | 19,900 | 19,600 | 21,800 |
| Eradication (ha) | 6,341 | 5,484 | 6,269 | 5,070 | 6,073 | 8,437 | 10,000 | 11,839 | 9,435 | 7,953 | 16,999 |
| Leaf: Potential Dried Harvest (MT) | 43,000 | 43,500 | 38,500 | 37,000 | 36,000 | 37,000 | 33,000 | 35,000 | 32,000 | - | - |
| HCL: Potential (MT)[1] | 195 | 195 | 130 | 115 | 115 | 115 | 100 | 110 | 100 | - | - |
| | | | | | | | | | | | |
| **Seizures** | | | | | | | | | | | |
| Coca Leaf (MT) | 1,574 | 2,066.0 | 1,705.0 | 1,344.0 | 887.4 | 395.0 | 152.0 | 101.8 | 66.0 | 51.9 | 56.0 |
| Cocaine Base (MT) | 21.9 | 21.6 | 14.9 | 12.7 | 10.2 | 8.2 | 6.4 | 4.7 | 4.0 | 4.5 | 5.5 |
| Cocaine HCl (MT) | 4.9 | 7.2 | 2.9 | 1.3 | 1.3 | 0.5 | 6.5 | 0.4 | 0.5 | 0.7 | 1.4 |
| Combined HCl & Base (MT) | 26.8 | 28.8 | 17.8 | 14.0 | 11.5 | 8.7 | 12.9 | 5.1 | 4.5 | 5.2 | 6.9 |
| | | | | | | | | | | | |
| **Arrests & Detentions** | 3,397 | 3,525 | 4,268 | 4,503 | 4,376 | 4,138 | 3,902 | 3,229 | 2,948 | 3,414 | 3,503 |
| | | | | | | | | | | | |
| **Labs Destroyed** | | | | | | | | | | | |
| Cocaine HCl | 16 | 7 | 7 | 3 | 3 | 4 | 2 | 2 | 1 | 2 | 1 |
| Cocaine Base | 4,864 | 4,988 | 4,076 | 4,070 | 2,619 | 2,254 | 1,769 | 1,285 | 877 | 620 | 893 |

[1] The reported leaf-to-HCl conversion ratio is estimated to be 370 kilograms of leaf to one kilogram of cocaine HCl in the Chapare, 315:1 in the Yungas.

# Bosnia and Herzegovina

## I. Summary

Bosnia and Herzegovina ("Bosnia") is considered a transit country for drug trafficking due to its strategic location along historic Balkan smuggling routes. Narcotics control capabilities in Bosnia remain in a formative stage and have not kept pace with developments in other areas of law enforcement. Weak state institutions, lack of personnel in counternarcotics units, and poor cooperation among the responsible authorities also contribute to Bosnia's vulnerability. The political will to improve narcotics control performance exists in some quarters of the Bosnian government. However, faced with ongoing post-war reconstruction issues, the government has to date focused limited law enforcement resources on investigating and prosecuting war crimes, counterterrorism and combating trafficking in persons and has not developed comprehensive counternarcotics intelligence and enforcement capabilities. Despite some improvement in cooperation among entity and cantonal law enforcement agencies and substantial legal reforms, the current political divisions which hamper reform efforts have contributed to poorly coordinated counternarcotics 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 2009, Bosnia finally took several steps to fulfill the terms of a 2005 law designed to create a state-level coordination body and develop a strategy to improve Bosnia's ability to combat trafficking in illegal drugs. Furthermore, law enforcement agencies, often in cooperation with neighboring countries, succeeded in making some substantial heroin-related arrests and seizures. 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 a still evolving justice system, public sector corruption, and the lack of specialized equipment and training. Bosnia is increasingly becoming a storehouse for drugs, mainly marijuana, cocaine, 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 information indicate that demand for illicit drugs is steadily increasing. The state-level Ministry of Security has created a Counternarcotics Office in its Sector for the Suppression of Serious Crimes. Although this new office has the mandate to collect and disseminate drug-related data, its work is hindered by the occasional refusal of local law enforcement agencies to share information with it.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** On November 8, 2005, the Bosnian House of Representatives passed legislation designed to address the problem of narcotics trafficking and abuse. Although there was a delay of three years in implementing this law, in September and October Bosnia finally created a state-level counternarcotics coordination body and a commission for the destruction of illegal narcotics. The counternarcotics coordination body adopted a counternarcotics strategy and action plan; however, the by-laws for the commission have not yet been adopted by the Council of Ministers and the Ministry of Finance has not yet allocated operational funds. 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 Border Police (BP) 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.** Law enforcement agencies made some significant drug-related arrests during 2009; however, overall counternarcotics efforts 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 2009 (latest available statistics), law enforcement agencies in Bosnia (including SIPA), the Border Police, Federation Ministry of Interior, Republika Srpska Ministry of Interior and Brcko District Police) have filed criminal reports against 1,029 persons for drug related offenses. These agencies also report having seized 35.27 kilograms of heroin, 9.37 kilograms of cocaine, 76.11 kilograms of amphetamines, 150.3 kilograms of marijuana, 3,118 cannabis plants, 2,639 cannabis seeds, 499 Ecstasy tablets, and 800 grams of hashish.

The Border Police (BP), founded in 2000, is responsible for controlling the country's three international airports, as well as Bosnia's 55 international border crossings covering 1,551 kilometers. The BP has been considered one of the more effective border services in Southeast Europe and is one of the few truly multi-ethnic institutions in Bosnia. However, declining relative wages vis-à-vis other local and entity law enforcement agencies along with harsh working conditions have led to sustained personnel shortages in the BP. There are still a large number of illegal crossing points, including rural roads and river fords, which the BP is unable to patrol. Moreover, many official checkpoints and many crossings remain understaffed. SIPA, once fully operational, is supposed to be a conduit for information and evidence between local and international law enforcement agencies; however, several local law enforcement agencies, including the Republika Srpska police, have at times refused to cooperate with SIPA.

**Cultivation/Production.** Bosnia is not a major narcotics cultivator. Officials believe that domestic cultivation is limited to small-scale marijuana crops grown mostly in southern and eastern Bosnia. Bosnia is not a major synthetics narcotic producer or refiner of hard drugs, such as heroin.

**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, protected by a few corrupt government officials according to anecdotal evidence, uses the narcotics trade to generate personal revenue. There is no solid 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 a party to the 1961 UN Single Convention as amended by the 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; the UN Convention against Transnational Organized Crime and its protocols against migrant

smuggling, trafficking in persons, and trafficking in illicit firearms, and to the UN Convention against Corruption. A 1902 extradition treaty between the U.S. and the Kingdom of Serbia applies to Bosnia as a successor state.

**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 assert 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, Montenegro, Croatia, Austria, Germany, and Italy.

**Domestic Programs/Demand Reduction.** In Bosnia there are only two methadone maintenance drug replacement 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. As part of an overall public campaign to promote a "122 Crime Stoppers" hotline that citizens can use to report crimes in progress, the Federation police included a short video that encourages citizens to report any drug deal they witness. The Citizen's Association for Support and Treatment of Drug Addicted and Recovered Persons (UG PROI in the local language) maintains a private facility to help drug addicts near Kakanj. During the year, UG PROI presented counternarcotics messages to students through a drama program in elementary schools throughout Bosnia. In what has now become an annual event, UG PROI organized in 2009 a race against drugs involving both a fund-raising event and a large counternarcotics abuse demonstration in downtown Sarajevo. The NGO "Prijatelji" conducted programs in Bihac to distribute clean needles to drug addicts and to destroy used needles from hospitals and veterinary clinics to prevent them from being utilized by addicts. The group has been hindered in expanding its activities due to a lack of funding sources.

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

**Policy Initiatives.** USG rule of law policy objectives in Bosnia include reforming the criminal justice system, strengthening state-level law enforcement and judicial institutions, improving the rule of law and de-politicizing the police. 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) program, funded by the State Department, provided specific counternarcotics training to entity Interior Ministries, SIPA and BP. The USG Export Control and Border Security (EXBS) program provides equipment and training to law enforcement agencies including the BP and the Indirect Taxation Administration (ITA), which has increased their 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) office in Rome maintains liaison with its counterparts in Bosnian state- and entity-level law enforcement organizations. The DEA

has also sponsored specific narcotic interdiction training courses in Bosnia. The Department of Defense also assisted by providing counternarcotics equipment for border police through the U.S. European Command. In addition, law enforcement officials from Bosnia attended regional training courses held in Serbia and Montenegro by the U.S. Coast Guard on small boat operations and maintenance.

**The Road Ahead.** Strengthening state-level law enforcement and judicial institutions, promoting 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 these areas and on related subjects such as public sector corruption and border controls. Additionally, the USG will continue to provide political support to state-level institutions in the face of significant attacks on them by national forces intent on destroying the state. The U.S. Embassy will encourage Bosnia to proceed with the full implementation of its national counternarcotics strategy. The international community is also working to increase local capacity and to encourage interagency cooperation by mentoring and advising the local law enforcement community.

# Brazil

## I. Summary

Brazil is the only country in the world that borders all three cocaine producing countries—Colombia, Bolivia, and Peru. It is a major transit point for illicit drugs destined for Africa and Europe, with some going to the United States. The transit of illicit drugs through Brazil has increased significantly this year due to increased coca cultivation in neighboring Bolivia and the Government of Bolivia's expulsion of the Drug Enforcement Administration (DEA). Bolivia has now become the main source of cocaine base and crack cocaine for Brazil, which is the second- largest consumer of cocaine in the world after the United States. Turf battles among criminal organizations continue to fuel rising drug-related violence throughout Brazil and, in 2009, most of the homicides in Brazil were drug related. In an effort to control the proliferating traffic of narcotics within their borders, Brazil's Federal Police (DPF) law enforcement programs expanded in 2009 with United States assistance. Brazil is a party to the 1988 UN Drug Convention.

## II. Status of Country

Brazil shares 10,492 miles of land borders with 10 South American countries, including significant borders with all three of the world's cocaine producing countries. In addition, Brazil's growing international airport system, busy seaports, extensive coastline, countless clandestine airstrips, and an enormous violent organized crime network willing to accept drugs as payment for distribution make Brazil a major transit country for major international drug trafficking organizations. The majority of the Bolivian-origin cocaine is consumed domestically. The more refined Colombian and Peruvian narcotics generally are trafficked through Brazil en route to other markets, including the United States. Low-quality marijuana grows widely in the vast northeastern region of Brazil and is used primarily by urban youth. Higher-quality marijuana is smuggled into Brazil from Paraguay and distributed throughout Brazil by organized criminal organizations and gangs such as Sao Paulo's Primeiro Commando da Capital (PCC) and Rio de Janeiro's Commando Vermelho (CV). These gangs control drug distribution in Brazil's largest cities and pose an extreme security threat to the DPF and other Brazilian state and local law enforcement agencies. Both are involved in the importation, transportation, and distribution of weapons, in addition to narcotics. The importation and consumption of Lysergic Acid Diethylamide (LSD) and MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) has also increased in the major metropolitan areas.

## III. Country Actions Against Drugs In 2009

**Policy Initiatives.** Brazil's drug policies have shifted in recent years, including passage of a 2006 counternarcotics law that makes drug abuse a social and medical problem rather than a law enforcement problem. Instead of incarceration, offenders in possession of "personal use" quantities of any drug are cited and offered rehabilitation and community service. The law gives judges flexibility in determining the amount of drugs that constitute personal use. Criminal penalties remain for offenders charged with trafficking or distribution of drugs. In June 2008, Brazil passed a zero-tolerance law for drivers with any measurable content of alcohol or drugs in their blood, with a reported drop of 57 percent in traffic-related deaths in the state of Sao Paulo alone after heavy enforcement of the zero-tolerance law.

Pending anti-money laundering legislation drafted in 2005 that would give law enforcement officials greater access to financial and banking records was re-offered to the Brazilian Congress in June 2008 with amended language. However, after extensive political battles, the Brazilian Congress had still not voted on the legislation as of November 2009.

In October 2009, the Brazilian Minister of Justice proposed reforming the penal code to provide harsher penalties for major drug trafficking offenses. The Government of Brazil (GOB) is also undertaking a major evaluation of Brazil's public security situation in preparation for the 2014 World Cup, which will be hosted in 12 Brazilian cities, and is looking to improve the security situation in Rio de Janeiro prior to the 2016 Summer Olympics. The situation was brought to the forefront of international press during the weekend of October 17, when territorial fighting between rival gangs in Rio's favelas (slums) killed 14 people, including three policemen when their helicopter was shot down. The violence came just two weeks after the Olympic Committee selected Rio to host the 2016 Olympics.

During the 2009 reporting cycle for Brazil's aerial interdiction (shoot-down) program, there were no incidents in which the Brazilian Air Force security forces, including the Brazilian Air Force, federal police and other law enforcement agencies, used lethal force against aircraft or any deaths or injuries resulting from Brazilian Air Force action related to the program.

**Accomplishments.** With cooperation of the DEA in Brazil and DEA in Romania, the DPF seized 3.78 metric tons of cocaine packed in plywood inside a container at a southern Brazilian seaport, destined for export to Romania. The case developed from information provided to the DPF by DEA following a January 2009 seizure of over one metric tons of cocaine at the port of Constanta, Romania that came from Brazil. Follow-through investigation on the shipping company by the DPF, DEA, and U.S. Customs and Border Protection (CBP) resulted in the seizure of nearly four metric tons of cocaine ready for export to Romania. This cocaine seizure was the second-largest in Brazil's history.

Police arrest and seizure statistics for state and local police agencies in Brazil are not centrally reported and are not always reliable. We rely on DPF records for statistics, and their estimates through November 2009 include seizures of: 18.9 metric tons of cocaine, 513 kilograms of crack cocaine, 1.4 metric tons of cocaine base, 150.6 metric tons of marijuana, 3.3 kilograms of heroin, and 183.3 tons of precursor chemicals. The DPF indicted 4,534 individuals on narcotics-related charges during this same period. According to the DEA, asset seizures yielded approximately $15 million in proceeds.

The DPF Special Investigation Units have been very successful in conducting complex international narcotics investigations in recent years. They have embraced the benefits of working in cooperation with other international law enforcement agencies to gain better investigative results. In 2009, the DPF culminated an investigation that dismantled a significant drug courier organization that transported cocaine to Europe and Ecstasy and LSD to Brazil. Twenty-eight defendants were arrested. Search warrants yielded seizures of 90,000 dosage units of Ecstasy and 50,000 dosage units of LSD, all of which were smuggled into Brazil from Europe.

This year, several key international arrests and seizures were made at the federal level including the head of an international cocaine and Ecstasy drug trafficking organization between Brazil and Europe. Pursuant to the arrests of the head trafficker in Denmark, the DPF served seizure warrants on a $2 million ocean-side home and a $150,000 32-foot custom cabin cruiser in Rio de Janeiro. Additionally, during an investigation in cooperation with the DEA, the DPF seized nearly four metric tons of cocaine in a container at the seaport of Paranagua, Parana State, Brazil.

**Law Enforcement Efforts.** Due to the difficulty in combating drug and contraband trafficking along its vast borders, Brazil increasingly relies on intelligence-driven interdiction operations. Through bilateral cooperation with the United States, Brazil has committed resources to increasing the number of DPF Special Investigative Units at drug transshipment points and interdiction units at Brazil's major international airports. Brazil has improved its drug and contraband detection capabilities at seven international airports: Sao Paulo, Rio de Janeiro, Manaus, Fortaleza, Salvador, Natal, and Recife. The DPF Mobile Airport Teams, created in 2008, continue to conduct unannounced interdiction operations at Brazil's other60 airports. Their operations are based on intelligence collection and analysis of drug

trafficking patterns, focused especially on the growing number of international flights to and from the airports in northeastern Brazil.

In 2009, the DPF began conducting training for police from several Portuguese-speaking African countries, graduating 35 students from a two-month Organized Crime training course at the DPF National Academy. Countries that participated were Guinea-Bissau, Sao Tome and Principe, Angola, and Mozambique.

The DPF Canine Drug Detection Program has grown in size from 43 dogs to 55 dogs to support interdiction operations at over 20 key locations throughout Brazil. Twenty additional dogs will be purchased in early 2010. In 2009, the DPF added explosive detection capabilities to its Canine program operations.

**Corruption.** As a matter of policy, neither the GOB nor any of its senior officials encourage or facilitate production, shipment, or distribution of illicit drugs or laundering of drug money. However, non-narcotics related corruption remains worrisome. While the current government generally receives adequate marks for its anticorruption initiatives, domestic political scandals continued to be exposed in 2009 in the Brazilian media. Several schemes involving monthly payments from contractors to politicians were revealed over the past year, implicating officials at the federal, state, and municipal levels. In one high-profile case, the President of the Brazilian Senate, who is also a former president of Brazil, was accused of a range of improprieties, including holding an illegal bank account outside of Brazil and allowing a foundation carrying his name to receives hundreds of thousands of dollars in grant money from the state-run oil company, Petrobras. Senate investigative committees dismissed charges against the Senate President and Petrobras later in the year. Opposition bloc politicians, including the Governor of Brasilia, are also under investigation for corrupt practices. Prosecution of corruption within government remains slow; few convictions for corruption within government were recorded in 2009.

**Agreements and Treaties.** Brazil is a party to the 1988 UN Drug Convention, the 1971 UN Convention against Psychotropic Substances and the 1961 UN Single Convention and its 1972 Protocol. Bilateral agreements based on the 1988 UN Drug Convention form the basis for counternarcotics cooperation between the United States and Brazil, resulting in a new Memorandum of Understanding on Narcotics Control and Law Enforcement signed in August 2008. Brazil is a party to the UN Convention against Transnational Organized Crime and its three protocols, and the UN Convention against Corruption. Brazil is also a party to the Inter-American Convention against Corruption, the Inter-American Convention on Mutual Assistance in Criminal Matters, the Inter-American Convention against Terrorism, and the Inter-American Convention against Trafficking in Illegal Firearms. The U.S. and Brazil are parties to a 2001 bilateral mutual legal assistance treaty and a 2002 mutual assistance agreement on customs matters. These treaties provide the basis for the exchange of information to help prevent, investigate, and redress any offense against applicable laws of the United States or Brazil. Brazil has narcotics control or similar agreements with several South American neighbors: Argentina, Bolivia, Chile, Colombia, Paraguay, Peru, Uruguay, and Venezuela. Brazil also has accords with Portugal, Spain, the UK, Lebanon, Mexico, and South Africa. Even in the absence of treaties or similar arrangements, Brazil routinely cooperates with other countries in regards to narcotics-related crime investigations and actively participates in the UN Drug Control Program and the Organization of American States Anti-Drug Abuse Control Commission.

**Extradition.** The U.S. and Brazil cooperate in extradition matters under a 1961 extradition treaty. The Brazilian constitution prohibits the extradition of natural-born Brazilian citizens but allows for the extradition of naturalized Brazilian citizens for crimes committed prior to naturalization. Brazil extradited two individuals to the United States in 2009; the individuals were from Haiti and Colombia and were wanted on narcotics-related charges. Brazil cooperates with other countries in the extradition of non-Brazilians accused of narcotics-related crimes.

**Cultivation/Production.** To date, there is no evidence of cocaine-producing laboratories in Brazilian territory. However, as Brazil is the largest chemical producer in South America, the possibility of sourcing cocaine laboratories in Brazil exists and the DPF has discovered locals who are experienced in transforming cocaine base into crack cocaine for domestic use, primarily in the states of Amazonas, Acre, and Rondonia, Mato Grosso, Mato Grosso do Sul, and Sao Paulo. Gangs such as the PCC and CV are involved in the conversion and distribution of crack in Brazil's major cities.

Cannabis is cultivated in the northeast region of Brazil for distribution nationally. In some areas the plants grow wild. The DPF conducts annual eradication operations in that region, with no USG assistance. In June 2009, the DPF discovered and destroyed a plantation of 168,000 marijuana plants. In October 2009, they destroyed two plantations, of 23,000 and 70,000 plants respectively. The DPF estimates that an initial investment of $11,000 in an illegal marijuana plantation will net the trafficker a profit of $350,000 from distribution. Brazilian marijuana is not considered good quality in comparison to Paraguayan marijuana and is typically sold in poorer urban areas at approximately $450 per kilogram.

**Drug Flow/Transit.** Cocaine base and cocaine hydrochloride (HCl) enter Brazil for both domestic consumption and for exportation abroad. Multi-ton shipments of cocaine transit Brazil each year by air, land, and river. Small aircraft from Colombia and Peru transit Brazil bound for Venezuela and Suriname. Aircraft from Bolivia land at clandestine airstrips on isolated ranches or uninhabited areas mainly in the state of Goias, in Brazil's central-west region. Two such aircraft loaded with Bolivian cocaine were forced to land by the Brazilian Air Force this year in Goias, which borders the Federal District, Brazil's capital. Brazilian authorities have expressed concern with the increase in Bolivian cocaine entering Brazil and being consumed domestically.

New trafficking routes and patterns through Brazil continue to emerge. The proximity of Brazil's northeast coast to West Africa makes it an excellent transshipment point for South America's criminal organizations. DEA reports that West Africa has been adapted into a storage and transshipment location for narcotics bound for the United States, Europe, and the Middle East. A significant portion of Colombian cocaine is transshipped to Guinea-Bissau through Brazil by air and sea. Large maritime fishing or freight vessels leave the northeastern Brazilian coast and can complete their undetected journey to West Africa in about five days. Recife, the closest point to Africa, is only 1,656 nautical miles from Guinea-Bissau.

Consequently, Brazil's northeast has become a location of choice for some Colombian trafficking organizations. This year, the DPF arrested numerous couriers with cocaine concealed on their body or in luggage leaving Brazil's airports en route to destinations such as Angola, Cape Verde, Nigeria, Sao Tomé & Principe, and South Africa. The DPF's excellent interdiction efforts at Sao Paulo's international airport alone have yielded seizures of over one ton of cocaine through the first 10 months of 2009.

Ecstasy and LSD use in Brazil has been on the rise for the last two years. Although there is no known trend of Ecstasy or LSD production in Brazil, there is a continuous air passenger and cargo flow of the drugs from Europe to Brazil. In May 2009, the DPF arrested a 35 year old Romanian with 21,000 dosage units of Ecstasy at the Natal airport. The route of Amsterdam to Natal, via Lisbon, was arranged by a Dutch male. Within 10 days, the DPF individually arrested three more Romanians transporting Ecstasy under similar circumstances.

Criminal organizations, such as the Brazilian PCC and CV, benefit from the importation and distribution of drugs and weapons in Brazil. Their turf battles continue to fuel rising drug-related violence throughout Brazil, but mainly in Sao Paulo and Rio. Gangs smuggle weapons and hundreds of metric tons of marijuana from Paraguay annually, as well as cocaine from Bolivia and Colombia. They have also stolen weapons from police and military installations.

The PCC has an estimated 20,000 members throughout the country and is responsible for crimes such as prison riots, bank robberies, kidnappings, extortion, and murder, in addition to crack cocaine and weapons

trafficking. The National Secretariat of Public Security (SENASP) stated in October 2009 that of the over 30,000 homicides per year in Brazil, 23,000 are drug related. Rio de Janeiro police report that crack cocaine seizures have increased 542 percent over the same period in 2008.

The gangs of Brazil use the proceeds from the sale of narcotics to purchase weapons and tighten their control of the favelas in Sao Paulo, Rio de Janeiro, and other urban centers. Most recently, the Civil Police in Brasilia reported that the PCC has extended its reach to the Federal District by forming a new criminal gang called the PLD (Peace, Liberty and Justice). This violent gang receives crack cocaine from the PCC and distributes it in the satellite cities of the Federal District.

**Domestic Programs (Demand Reduction).** The National Secretariat of Policy on Drugs (SENAD) falls under the Office of the President. It was created in 1998 and is charged with overseeing the modernization of the National Policy on Drugs (PNAD). The new policy was completed and instituted in 2001. SENAD administers the National Anti-Drug Fund (FUNAD) and the Brazilian Observatory of Drug Information (OBID). With U.S. assistance, the OBID website is being upgraded by integrating information systems of the Federal Police, Health Ministry, and others. It is a site that offers information on drug use and its dangers, survey results, and medical research from recognized publications. SENAD is currently conducting numerous national demand reduction programs including a study of university students' drug and alcohol usage, a study of the effect of controlled substance use on the transit system, drug prevention education in primary schools (with USG support), training on detection and treatment of drug abuse for health care professionals, implementation of the Viva Voz 24-hour substance abuse counseling hotline, training of religious leaders in drug prevention for at-risk groups, and capacity building of the national highway police to enforce Brazil's zero-tolerance alcohol and drug law.

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

**Policy Initiatives.** United States counternarcotics policy in Brazil strives to improve cooperation at the policy and law enforcement levels to reinforce the GOB's ability to identify and dismantle international narcotics trafficking organizations, particularly those with linkages to criminal groups in the United States. Both the U.S. and GOB are concerned by the progressive rise in Bolivian coca production that affects Brazil. Two essential goals of the U.S. Government are to assist Brazil to strengthen its laws for narcotics and money laundering control and to enhance cooperation at the appropriate governmental levels.

**Bilateral Cooperation.** Bilateral agreements provide the means for cooperation between U.S. Law Enforcement Agencies and Brazil's Ministry of Justice (MOJ), National Secretariat of Public Security (SENASP), National Department of Prisons (DEPEN), and the National Secretariat of Policy on Drugs (SENAD). Cooperation has been excellent in the areas of drug prevention, combating drug trafficking, money laundering and diverse financial crimes, arms trafficking, and other organized crimes. In coordination with Brazilian law enforcement entities, the USG provided extensive training courses in 2009 on varied topics such as airport interdiction techniques, cyber crime investigations, forensics, device recovery data, and intelligence analysis. U.S. assistance continued to focus on improving the investigative and intelligence capabilities of Brazilian law enforcement agencies, especially the DPF. The U.S. Coast Guard provided mobile training in Incident Command System and in the development of an Emergency Operations Center to the Brazilian forces.

The DPF, with USG support, expanded the Special Investigation Unit (SIU) program to "satellite" installations in 20 states that link to the three main units located in Brasilia, Rio de Janeiro, and Sao Paulo. These units, in collaboration with DEA and other foreign police, have been vital in conducting successful investigations and making seizures of internationally trafficked drugs, weapons, and money laundering.

The DPF also increased their airport interdiction capabilities by expanding operations from three to seven major international airports. With USG support, specialized equipment is being installed at airports in Sao Paulo, Rio, Manaus, Salvador, Fortaleza, Recife, and Natal.

The DPF Canine program has expanded their capabilities from solely drug detection to also include detection of explosives. With USG support, the Canine Unit has greatly increased their current working dog roster to be deployed in airports, seaports, and regional offices. They have also begun the first phase of a breeding project to meet long-term goals.

At the invitation of the GOB, the State Department's Bureau of International Narcotics and Law Enforcement Affairs' Senior Corrections Advisor conducted an assessment of Brazil's Federal Prison system (DEPEN) in August 2009. Soon thereafter, DEPEN and the embassy's Narcotics Affairs Section entered into a partnership with the goals of curbing the ability of organized criminals to operate transnational crimes from within prisons, improve infrastructure capacities within DEPEN and the state prisons of Brazil, support DEPEN'S strategic plan to improve the corps of professionally trained managers, and provide consulting on appropriate, cost-effective designs for future prisons.

The USG continues to provide support to the National Secretariat of Public Security (SENASP) training center, inaugurated in September 2008. The first group of 550 officers is taking the year long course in 2009. The end goal is for the training of 50 officers from each state who will return to their respective states to respond to civil unrest, prison riots, or gang violence. The U.S. provides support by donating special equipment and training specific to their needs.

The GOB improved antiterrorist financing capabilities by enhancing the role of the Financial Activities Oversight Council (COAF) to monitor and prevent possible funding for terrorist groups in Brazil. With U.S. assistance, COAF upgraded its database and data collection mechanisms. COAF is proactive in exchanging intelligence with its U.S. counterpart, the Department of the Treasury's Financial Crimes Enforcement Network (FINCEN).

**The Road Ahead.** The USG commends Brazil on its efforts to combat the international trafficking of illicit drugs and the related crimes that perpetuate the drug trade. Expanding DPF Special Investigative Units to reach all major shipment points in Brazil, continuing to expand airport interdiction efforts to cover the increasing amount of international flights and continuing to increase DPF presence in the states bordering Bolivia will help Brazil combat the rising level of cocaine production in neighboring Bolivia. Brazil's police forces, particularly the DPF, can further enhance their investigative and interdiction efforts by expanding the use of intelligence collection conducting focused counternarcotics operations. With ongoing efforts to expand its capacity, the DPF's Canine Unit is only a few years away from being a first-rate, self-sufficient program, capable of fulfilling its large responsibilities for upcoming major events. We also encourage the GOB to continue developing the capabilities of COAF, which has the potential to be South America's model for combating financial crimes. In addition, strengthening coordination between various federal law enforcement and public security entities, as well as state law enforcement agencies, will facilitate a unified front against the international drug cartels that smuggle drugs into and through Brazil, the national gangs that distribute drugs within Brazil, and the money laundering that fuels the trade.

# Bulgaria

## I. Summary

Bulgaria is a transit country for heroin and cocaine, as well as a producer of illicit narcotics, especially amphetamine type stimulants. Astride 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 via the Northern Balkan route, while chemicals used for making heroin move through Bulgaria to Turkey and Afghanistan. Marijuana and cocaine are also transported through Bulgaria. The Bulgarian government is very cooperative, working with many U.S. agencies, especially DEA, and has reached out to neighboring states to cooperate in interdicting the illegal flow of drugs and persons. Despite formidable challenges, including in its legal system and longstanding problems with corruption, the newly elected Bulgarian government has shown a strong commitment to reforming its law enforcement agencies and judiciary. At the end of 2009, the government advanced legislation to improve its ability to investigate, prosecute, and adjudicate illicit narcotics trafficking cases and other serious crimes. Parliament is also reviewing legislation to close legal loopholes used by organized crime and drug kingpins to avoid sentencing. Bulgaria is a party to the 1988 UN Drug Convention.

## II. Status of Country

Bulgaria continues to be primarily a drug transit country for heroin and cocaine. Cannabis was the most used drug in Bulgaria followed by synthetics. Heroin use remained constant during the year with experts estimating the number of heroin users to be 20,000 to 30,000 in 2009. Consumption of cocaine, primarily consumed by the wealthy, continued to increase. Despite success in reducing locally produced synthetic drugs, according to NGOs and international observers, Bulgaria continues to be a source of some synthetic drug production, including amphetamines, which are produced for the domestic market and exported to Turkey and the Arabian Peninsula.

The new government, elected in July, stepped up efforts to combat organized crime and drug trafficking. The new customs chief implemented reforms, including firing 104 unqualified or corrupt employees. From July to October 2009, customs seized 860 kilos of drugs compared to 169 kilos seized from January to June, a 408 percent increase. In October, the new government created anticorruption and organized crime joint taskforces to target high level organized crime members, including known drug traffickers. Despite progress in reforming law enforcement agencies and proposal of new legislation, a lack of financing, inadequate equipment, lingering corruption, and excessively formalistic judicial procedures continue to be challenges in counternarcotics efforts. The new government has proposed amendments to the criminal procedure code to streamline evidence collection, expedite the judicial process, and close legal loopholes.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Bulgarian government adopted a new five-year National Strategy for Drug Control (2009-2013) in November. Proposed changes to the criminal procedure code being debated in parliament would streamline evidence collection, expedite the judicial process, and close legal loopholes that organized crime figures and known drug traffickers use to avoid sentencing. The new government is also pushing through legislation to strengthen its asset forfeiture laws, which would prevent drug kingpins from transferring assets to family members or associates to avoid seizure.

**Law Enforcement Efforts.** The Customs Agency under the Ministry of Finance and the Ministry of Interior (MOI), along with several specialized police services under the MOI, including the Border Police and the Bulgarian National Police (BNP) and General Directorate for Combating Organized Crime

(GDBOP), are engaged in counternarcotics efforts. In November, the parliament passed a high-profile bill to reform the State Agency for National Security (DANS), clarifying its law enforcement role in relation to the Ministry of Interior. The bill removed organized crime, drugs, dual use goods, and trans-border crime from the agency's jurisdiction, and prohibited DANS from conducting controlled delivery and undercover operations. The bill was widely viewed as a step in the right direction by local observers and Bulgarian law enforcement, as it clarified the role and responsibility of relevant agencies. Law enforcement bodies generally maintained drug seizures, despite a noticeable decrease in the first half of the year. In 2009, police seized 218 kilograms of heroin, 1.1 kilograms of cocaine, 253 kilograms of amphetamines, 6,635 tablets of ecstasy, 40 kilograms of marijuana, and 9,881 kilograms of cannabis. From January to November, the Customs Agency seized 719 kilograms of heroin, 234 kilograms of cocaine, 23 kilograms of ecstasy, 5 kilograms of marijuana, 44 kilograms of hashish and 588 tablets of psychotropic substances. Bulgarian authorities shared information and developed joint operations with international law enforcement agencies. Police 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. Bulgaria's Commission for asset forfeiture (an independent agency) filed charges under Bulgarian law against a U.S. cocaine trafficker convicted in federal court in Miami, using that U.S. conviction to proceed against his properties in Bulgaria. From January to June there were 1453 investigations, 1042 prosecutions and 872 convictions for drug crimes.

**Corruption.** Corruption remains a serious problem in law enforcement and the judiciary. Despite some reforms, the judiciary as a whole (which includes prosecutors and judges) consistently receives poor scores in the area of public confidence in opinion polls. As a matter of government policy, Bulgaria 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 also no evidence that senior Bulgarian officials engage in these activities.

**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 Council of Europe Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime. Bulgaria is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its three Protocols. A new U.S.-Bulgarian Extradition Treaty entered into force in 2009, which includes narcotics offenses as extraditable offenses and allows for the extradition of Bulgarian nationals. The first extradition of a Bulgarian national—in November 2009—was to face drug trafficking charges in the District of Nebraska. The U.S. and Bulgaria also have a Customs Mutual Assistance Agreement. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010.

**Cultivation and Production.** The only illicit drug crop known to be cultivated in Bulgaria is cannabis, primarily for domestic consumption. The full extent of this illicit drug cultivation is not precisely known, but is a major source of supplementary income for retirees in some areas in the southwestern part of the country. Experts ascribe cultivation of cannabis to the ready availability of uncultivated land and Bulgaria's amenable climate, particularly along the Greek border. Bulgarian Cannabis is not trafficked significantly beyond Bulgaria's own borders. Recent evidence suggests that there has been a decrease in the manufacture of synthetic stimulant products in Bulgaria after some illegal laboratories relocated to Eastern Turkey, Syria, Lebanon, and Armenia in order to be closer to consumers and to reduce risks associated with border crossings. Local production of amphetamines, mainly for the local market, usually takes place in small laboratories with limited capacity. From January to November the police closed five such facilities.

**Drug Flow/Transit.** Synthetic drugs, heroin, and cocaine are the main drugs transported through Bulgaria. Heroin from Afghanistan has traditionally been trafficked to Western Europe on the Balkan

route through 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 on to Afghanistan. Synthetic drugs produced in Bulgaria are also trafficked through Turkey to markets in the Middle East, especially the Arabian Peninsula. 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 by motor vehicles and maritime vessels in larger quantities.

**Domestic Programs/Demand Reduction.** The Bulgarian government includes methadone maintenance as a heroin treatment option in the national healthcare system. Nationwide there are 30 outpatient units offering methadone substitution programs with the capacity to treat 5,560 patients and 15 inpatient clinics with the capacity to treat approximately 2,000 drug addicts and alcoholics. None of these facilities has a separate unit for juvenile patients. In addition, there are seven social rehabilitation programs, two of which are long-term community based programs. The Bulgarian National Center for Addictions (NCA), co-funded by the EU Monitoring Center for Drug Addictions, conducts prevention campaigns. There are 26 regional councils on narcotics implementing national drug prevention policy at the local level and 22 information centers. The information centers, financially supported by the municipalities, have been consistently under-funded, which adversely effects staff retention. According to press reports, more than 30 percent of high school students reported having tried marijuana, and five percent report having used amphetamines at least once. According to the National Focal Center for Drugs and Addictions, Bulgaria now has more than 20,000-30,000 heroin addicts of which just 4,000-5,000 undergo treatment each year. Officials estimate that there are between 40,000 to 45,000 drug addicts total. In 2008, the National Statistical Institute reported 74 drug-related deaths, compared to 52 in 2007.

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

**Bilateral Cooperation.** DEA operations for Bulgaria are managed from the U.S. Consulate General in Istanbul. DEA's current emphasis in Bulgaria is on conducting and coordinating joint international investigations with MOI counterparts and providing DEA technical and legal expertise and assistance. DEA, with some support from DoD through the U.S. European Command, also strives to arrange for counternarcotics training for Bulgarian law enforcement personnel; for example, a U.S. Coast Guard mobile training team provided a course in professional military education in 2009. A joint operation between DEA and local police resulted in closing a laboratory for synthetic drugs production near Sofia and seizing 150 kilograms of amphetamine tablets and 2.5 kilograms of amphetamine substances. A DOJ resident legal advisor, funded by State Department INL assistance, works with the Bulgarian government on law enforcement issues, including trafficking in drugs and persons, intellectual property, cyber-crime, and other issues. Another DOJ prosecutor advises the Bulgarian government on organized crime cases. Although final approval has still not come from Washington, DEA has plans to create a full-time presence in Bulgaria, a move strongly supported by the mission.

**The Road Ahead.** The new Bulgarian government has demonstrated political will to combat major organized crime rings and has begun prosecuting numerous cases of high-level corruption. The U.S. government will continue to actively support Bulgaria's efforts to strengthen its asset forfeiture, money laundering, and anticorruption laws. Increased international assistance and engagement on law enforcement and judicial reform will boost Bulgaria's internal capacity and bolster new reforms.

# Burma

## I. Summary

The annual U.S. government estimate for Burma's opium production showed that poppy cultivation increased 4 percent to 22,500 ha in 2008 from 21,700 ha in 2007. The U.S. survey found that potential opium production increased 26 percent to 340 metric tons, sufficient to produce 32 metric tons of pure heroin. Ninety-four percent of poppy was grown in Shan State, with limited cultivation observed in Kachin State. A significant downward trend in poppy cultivation observed in Burma since 1998 was reversed in 2007. Preliminary results from "off-season" UNODC surveys of poppy cultivation and production in Burma indicate growers are producing crops during periods not previously associated with poppy cultivation, perhaps to avoid government eradication efforts. The Government of Burma (GOB) made significant steps in poppy eradication efforts over the last decade, a period during which Burma sunk to a distant second after Afghanistan, in world poppy cultivation rankings, but it would seem the direction of cultivation and production have reversed in response to very high regional opium prices in Southeast Asia. Opium farmers are also reportedly taking advantage of efficiencies provided by improved inputs (fertilizer and irrigation systems) to increase yields. The GOB has not provided most opium farmers with access to alternative development opportunities, though UN and other international programs have had some impact. Production and export of synthetic drugs (amphetamine-type stimulants, crystal methamphetamine and Ketamine) from Burma continue unabated.

Despite Burma's overall decline in poppy cultivation since 1998 a dramatic surge has taken place in the production and export of synthetic drugs. The Golden Triangle, where the borders of Burma, Thailand and Laos converge on the Mekong River, is now dotted with drug labs producing synthetic drugs for the Asian market and beyond. Burma is a significant player in the manufacture and regional trafficking of amphetamine-type stimulants (ATS). Drug gangs based in the Burma-China and Burma-Thailand border areas, many of whose members are ethnic Chinese criminals, produce several hundred million methamphetamine tablets annually for markets in Thailand, China, and India, as well as for onward distribution beyond the region. There are also indications that groups in Burma have increased the production and trafficking of crystal methamphetamine, known as "Ice."

Through its Central Committee for Drug Abuse Control (CCDAC), the GOB cooperates regularly and shares information with the U.S. Drug Enforcement Administration (DEA) and Australian Federal Police (AFP) on narcotics investigations. In recent years, the GOB has also increased its law enforcement cooperation with Thai, Chinese, and Indian counternarcotics authorities, especially through renditions, deportations, and extraditions of suspected drug traffickers. Burmese authorities, working in cooperation with several foreign partners, made significant seizures in 2009 including: a sizeable maritime seizure in Burmese waters, a large seizure of ATS, and the largest heroin seizure in Southeast Asian history. During the 2009 drug certification process, the U.S. determined that Burma was one of three countries in the world that had "failed demonstrably" to meet its international counternarcotics obligations. Major concerns include: unsatisfactory efforts by Burma to deal with the burgeoning ATS production and trafficking problem; failure to take concerted action to bring members of the United Wa State Army (UWSA) to justice following the unsealing of a U.S. narcotics trafficking indictment against that group in January 2005; failure to investigate and prosecute military officials for drug-related corruption; and failure to expand demand-reduction, prevention, and drug-treatment programs to reduce drug-use and control the spread of HIV/AIDS. Burma is a party to several international narcotics control agreements, including the 1988 UN Convention.

## II. Status of Country

Burma is the world's second largest producer of illicit opium. Eradication efforts and implementation of poppy-free zones by hill tribe growers reduced cultivation levels dramatically between 1998 and 2006, especially in Wa territory. In 2007, a significant resurgence of cultivation occurred, particularly in eastern and southern Shan State and also in Kachin State. In 2008, the upward trend in cultivation and production continued.

According to the UNODC, opium prices in the Golden Triangle have increased in recent years. This trend continued in 2008. Burmese village-level opium prices or farm-gate prices increased from $153 per kilogram in 2004 to $187 in 2005, to $230 in 2006, to $261 in 2007, and to $301 per kilogram in 2008. Cumulatively, this represents an increase in the farm gate opium price of almost 97 percent. UNODC estimates that Burmese opium sales contribute less than half of the annual household cash income of farmers who cultivate opium, but many farmers use their opium income to pay for food between harvests. In the areas where opium contributes most to household income, Southern Shan State and Kayah State, 46 percent of the average yearly income of opium cultivating households was derived from opium sales in 2008. At the other end of the spectrum for the less important opium growing areas, poppy cultivation accounted for only 6 percent of household income for cultivators in Northern Shan State, according to UNODC.

The cumulative decline in poppy cultivation in Burma since 1996 has been accompanied by a sharp increase in the local production and export of synthetic drugs. Opium, heroin, and ATS are produced predominantly in the border regions of Shan State and in areas controlled by ethnic minority groups. Between 1989 and 1997, the Burmese government negotiated a series of ceasefire agreements with many armed ethnic minorities, offering them limited autonomy and continued tolerance of their narcotics production and trafficking activities in return for peace. In June 2005, the UWSA announced implementation in Wa territory of a long-delayed ban on opium production and trafficking.

Although poppy cultivation in the Wa territory remains low, the U.S. government survey revealed that 380 ha of poppy were grown there in 2008, down from 480 ha in 2007. While the cultivation of opium poppies in Wa territory has decreased to almost nothing in 2008, there are indications from many sources that UWSA leaders replaced opium cultivation with the manufacture and trafficking of ATS pills and "Ice" in their territory. The leadership of the largest armed trafficking groups is ethnic Chinese criminals. Although the government has not succeeded in persuading/forcing the UWSA to stop its illicit drug production and trafficking, the GOB's Anti-Narcotic Task Forces continued to pressure UWSA traffickers in 2009 and arrested low- to mid-level UWSA traffickers outside Wa controlled territory.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Burma's official 15-year counternarcotics plan, launched in 1999, calls for the eradication of all narcotics production and trafficking by the year 2014, one year ahead of an ASEAN-wide plan of action that calls for the entire region to be drug-free by 2015. To meet this goal, the GOB initiated its plan in stages, using eradication efforts combined with a few planned alternative development programs in individual townships, predominantly in Shan State. The government initiated its second five-year phase in 2004. Ground surveys by the Joint GOB-UNODC Illicit Crop Monitoring Program indicate a steady decline in poppy cultivation and opium production in areas receiving focused attention, due to the availability of some alternative livelihood measures (including crop substitution which is usually financed by external donors), the discovery and closure of clandestine refineries, stronger interdiction of illicit traffic, and annual poppy eradication programs. The UNODC estimates that the GOB eradicated 4,820 hectares of poppies during the 2008 cropping season compared to 3,598 hectares in 2007, a 34 percent increase. The most significant multilateral effort in support of Burma's counternarcotics program is the UNODC presence in Shan State.

**Law Enforcement Efforts.** Burmese law enforcement officials have achieved meaningful successes during 2009. Seizures are up, including a nearly thirteen-fold increase in the seizure of methamphetamine tablets and sharp upward spikes in the amounts of precursor chemicals seized. Most notably, there are increased signs of GOB cooperation with foreign law enforcement partners.

The CCDAC, under the control of the Ministry of Home Affairs, leads all drug-enforcement efforts in Burma and comprises personnel from the national police, customs, military intelligence, and army. The CCDAC coordinates 26 counternarcotics task forces throughout Burma. Most are located in major cities and along key transit routes near Burma's borders with China, India, and Thailand. As is the case with most Burmese government entities, the CCDAC suffers from a severe lack of funding, equipment, and training to support its law-enforcement mission. The Burmese Army and Customs Department support the police in drug enforcement. Burma is engaged in drug abuse cooperation with its neighbors China, India, and Thailand, with varying levels of interaction. Since 1997, Burma and Thailand have had more than 12 cross-border law enforcement cooperation meetings. According to the GOB, Thailand has contributed over $1.6 million to support an opium crop substitution and infrastructure project in southeastern Shan State. Beginning in 2007, the Thai Office of Narcotics Control Board (ONCB) posted an officer at the Thai embassy in Rangoon.

Burma/China cross-border law enforcement cooperation has increased significantly, resulting in several successful operations and the handover of Chinese fugitives who had fled to Burma. While China has not formally funded alternative development programs, it has actively encouraged investment in many projects in the Wa area and other border regions. There are indications that China has conducted its own opium cultivation and production surveys in regions of Burma bordering the PRC, although Chinese officials have not shared data resulting from those surveys with other parties.

After Burma and India signed an agreement on drug control cooperation in 1993, the two countries agreed to hold cross border law enforcement meetings on a bi-annual basis, though the last meeting took place on September 11, 2004, in Kolkata.

On January 22, 2009, CCDAC seized 112 kilograms of heroin at a house in Rangoon, Burma, the largest seizure of heroin ever to occur in Rangoon. On January 25, 2009, CCDAC seized 26 kilograms of heroin hidden inside a container of lumber on the MV Kota Tegap bound for Singapore. This was the first ever seizure by Burmese authorities on an outbound container vessel.

On February 19, 2009, the CCDAC arrested UWSA associate U Hla Aung in Rangoon. According to Burmese law enforcement, U Hla Aung was engaged in the underground remittance of narcotics proceeds between Special Region Number Two (UWSA-controlled) and Rangoon. CCDAC stated that the transactions were all conducted on behalf of the UWSA. CCDAC speculated that U Hla Aung may have conducted financial transactions on behalf of targets connected to the January heroin seizures in Rangoon.

On February 24, 2009, CCDAC and the Burmese Army raided a camp utilized by the Naw Kham Militia in Pa Hsa Village, Tachilek, Burma. Naw Kham was a former Mong Tai Army officer who now taxes narcotics shipments along the Mekong River. During the raid, Burmese authorities seized 3,326,695 tablets of methamphetamine, 25 kilograms of ephedrine, 12.1 kilograms of heroin, as well as weapons, munitions, and currency.

On July 10, 2009, the CCDAC Tachileck Anti-Narcotics Task Force (ANTF) seized approximately 762 kilograms of heroin and 340,000 tablets of methamphetamine, representing the largest heroin seizure ever recorded in Southeast Asia.

On August 8, 2009, Burmese authorities raided a compound belonging to the ethnic Kokang (Han Chinese) Myanmar National Democratic Alliance Army (MNDAA) leader Peng Chia-sheng. The GOB claimed the site was used to manufacture weapons and store methamphetamine. The Burmese Police issued arrest warrants for Peng Chia-sheng and several relatives. According to the GOB, on August 27,

2009, MNDAA forces loyal to Peng Chia-sheng took 39 Burmese police officers hostage and detained them in a small detention facility in Laukai. On August 28, 2009, the Burmese Army assaulted the detention facility. At some point, either prior to or during the assault, MNDAA forces executed 14 of the police officers, according to GOB accounts. After brief combat with MNDAA forces, the Burmese Army gained control of Laukai and Special Region Number One. The raid and ensuing combat broke a ceasefire which had stood for 20 years and sparked a short-term exodus of refugees to China. Upon gaining control of Laukai, Burmese authorities claim they seized approximately 12 million tablets of methamphetamine, 8 million tablets of ephedrine, 246 kilograms of ephedrine, 6,814 liters of various acids, 3,076 liters of ether, 64,000 tablets of cold medicine, 7,056 liters of acetone, 2,161 liters of ethyl alcohol, 5,979 liters of chloroform, as well as lesser amounts of other chemicals. The GOB attributed this contraband to Peng Chia-sheng and his immediate family.

On August 24, 2009, the CCDAC Tachilek ANTF seized 2,926,000 tablets of methamphetamine, 36.4 kilograms of heroin, and 10 kilograms of methamphetamine (in “Ice” form).

On September 11, 2009, the Tachilek CCDAC Anti Narcotics Task Force (ANTF), acting on detailed information provided by DEA Rangoon, raided a residence in Tachilek, Burma. The raid resulted in the seizure of approximately 2.6 million methamphetamine tablets and the arrest of four suspects.

Burmese law enforcement officials coordinate closely with DEA and share information to conduct joint investigations. Some of the most notable seizures recorded this year, such as the one in Tachilek, were the product of collaboration between DEA and the CCDAC.

The GOB has not taken direct action against the seven living UWSA leaders indicted by a U.S. court in 2005, although authorities have taken action against other, lower-ranking members of the UWSA syndicate.

Summary statistics provided by Burmese drug officials indicate that from January 2008 through December 2008, Burmese police, army, and the Customs Service together seized 1,464 kilograms of raw opium, 2,452 kilograms of low quality opium, 80 kilograms of opium oil, 88 kilograms of heroin, 206 kilograms of morphine base (#3 heroin), 1,102,199 methamphetamine tablets, 15 kilograms of crystal methamphetamine (“Ice”), 724 kilograms of ephedrine, 9,335 liters of other precursor chemicals, 1,922 kilograms of precursor chemical powder, and 1,378 kilograms of caffeine. For the period of January 2009 through September 2009, Burmese authorities indicate they seized 632 kilograms of raw opium, 456 kilograms of low quality opium, 19 kilograms of opium oil, 1,045 kilograms of heroin, 324 kilograms of morphine base (#3 heroin), 13,105,418 tablets of methamphetamine, 330 kilograms of powdered methamphetamine, 124 kilograms of crystal methamphetamine (“Ice”), 1,639 kilograms of ephedrine, 19,836 liters of other precursor chemicals, 1,388 kilograms of precursor chemical powder, and 1,078 kilograms of caffeine.

**Corruption.** There are no Burmese laws specifically related to corruption. While no public reports have emerged from the secretive Burmese regime to indicate that senior officials in the Burmese Government are directly involved in the drug trade, there are credible indications that mid- and-lower level military leaders and government officials, particularly those posted in border and drug-producing areas, are involved in facilitating the drug trade. A few lower-ranking officials have been prosecuted, but Burma has failed to indict any military official above the rank of colonel for drug-related corruption. Given the extent of drug manufacture and trafficking in Burma, most observers believe it is likely that other individuals with high-level positions in the Burmese regime, and their relatives, are involved in narcotics trafficking or misuse their positions to protect narcotics traffickers. The government of Burma does not as a matter of government policy encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions.

The Burmese regime monitors travel, communications, and activities of its citizens to maintain tight control of the population. GOB officials are likely aware of the cultivation, production, and trafficking of illegal narcotics in areas they control.

**Agreements and Treaties.** Burma is a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Burma is a party to the UN Convention Against Transnational Organized Crime and its protocols on migrant smuggling and trafficking in persons, and has signed but has not ratified the UN Corruption Convention.

**Cultivation and Production.** According to the UNODC opium survey, in 2008 the total land area under poppy cultivation was 28,500 hectares, a 3 percent increase from 2007. However, UNODC estimated that yield per hectare dropped by 12.7 percent, resulting in a 10.9 percent decrease in potential dry opium production, from 460 metric tons in 2007 to 410 metric tons in 2008. The decrease in potential opium production in 2008 may reflect unfavorable growing weather in major opium poppy growing areas. While the UNODC undertakes annual estimates of poppy cultivation and production, the U.S. has not conducted a joint crop survey with Burma since 2004. The United States continues to seek GOB cooperation to perform a new joint crop survey, working under the assumption that the results of such a survey would be useful for policy officials in both governments.

A U.S.-only opium survey of Burma found different results from the UNODC survey. The annual U.S. government estimate for Burma's opium production showed that poppy cultivation increased 4 percent to 22,500 ha in 2008 from 21,700 ha in 2007. The U.S. survey found that potential opium production increased 26 percent to 340 metric tons, sufficient to produce 32 metric tons of pure heroin. Ninety-four percent of poppy was grown in Shan State, with limited cultivation observed in Kachin State.

Most ATS and heroin in Burma is produced in small, mobile labs located near Burma's borders with China and Thailand, primarily in territories controlled by active or former insurgent groups. A growing amount of methamphetamine is reportedly produced in labs co-located with heroin refineries in areas controlled by the UWSA, the Shan State Army-South (SSA-S), and groups inside the Kokang autonomous region.

**Drug Flow/Transit.** Ethnic Chinese criminal gangs dominate the drug syndicates operating in Wa, Shan, and Kokang areas. Heroin and methamphetamine produced by these groups is trafficked overland and via the Mekong River, primarily through China, Thailand, India, Laos and, to a lesser extent, via Bangladesh, and within Burma. There are credible indications that drug traffickers are increasingly using maritime routes from ports in southern Burma to reach transshipment points and markets in southern Thailand, Malaysia, Indonesia, and beyond.

**Domestic Programs/Demand Reduction.** Although opium addiction remains high in places of historic or current opium production, usage of more expensive opiate derivates (e.g. heroin) and ATS has historically been lower in these regions. Traditionally, some farmers used opium as a painkiller and an antidepressant, often because they lack access to other medicine or adequate healthcare. There has been a shift in Burma away from opium smoking toward injecting heroin, a habit that creates more addicts and poses greater public health risks. Extremely difficult economic conditions will likely continue to stifle substantial growth in overall drug consumption, but the trend toward injecting narcotics is of significant concern.

The GOB maintains there are fewer than 100,000 registered addicts in Burma. Surveys conducted by international organizations and NGOs suggest the addict population could be many times larger. According to the most recent UNODC figures on ATS use from 2005, Burma's ATS use prevalence was 0.2 percent among the population age 16-64. The most recent UNODC opiate use estimates from 2008 indicate a prevalence of 0.6 percent, second highest in the East and South East Asia region. The UNODC

estimated in 2004 that there were at least 15,000 regular ATS users in Burma; there are likely many more now, although official figures are unavailable.

Intravenous drug use is, to an extent, driving the spread of HIV/AIDS in Burma. According to Burma's National AIDS Program in 2008, one third of officially reported HIV/AIDS cases are attributable to intravenous drug use, one of the highest rates in the world. Infection rates are highest in Burma's ethnic regions, and specifically among mining communities in those areas where opium, heroin, and ATS are most readily available.

Burmese demand reduction programs are in part coercive and in part voluntary. Addicts are required to register with the GOB and can be prosecuted if they fail to register and accept treatment. Demand reduction programs and facilities are limited, however. There are six major drug treatment centers under the Ministry of Health, 49 other smaller detoxification centers, and eight rehabilitation centers. The Ministry of Health in 2006 began to treat heroin addicts with Methadone Maintenance Therapy (MMT) in four drug treatment centers.

In 2009, UNODC opened five new drop-in drug treatment centers to complement the 12 centers already established. UNODC-sponsored drop-in centers and outreach workers treated approximately 6,800 persons for drug abuse through November 2009. The GOB conducts narcotics awareness programs through the public school system. In addition, the government has established several demand reduction programs in cooperation with NGOs. These include programs coordinated with CARE Myanmar, World Concern, and Population Services International (PSI), focused on addressing injected drug use as a key factor in halting the spread of HIV/AIDS.

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

**Policy and Programs.** As a result of the 1988 suspension of direct USG counternarcotics assistance to Burma, the USG has limited engagement with the Burmese government in regard to narcotics control. U.S. DEA, through the U.S. Embassy in Rangoon, shares drug-related intelligence with the GOB and conducts joint drug-enforcement investigations with Burmese counternarcotics authorities. In 2008 and 2009, these joint investigations led to several significant seizures, arrests, and convictions of drug traffickers and producers. The U.S. conducted opium yield surveys in the mountainous regions of Shan State from 1993 until 2004, with assistance provided by Burmese counterparts. These surveys gave both governments a more accurate understanding of the scope, magnitude, and changing geographic distribution of Burma's opium crop. In 2005-2009, the GOB and USG did not conduct joint opium yield surveys, although the U.S. did conduct a unilateral study in late 2009. Bilateral counternarcotics projects are limited to one small U.S.-supported crop substitution project in Shan State, which received its final grant of U.S. funds during FY 2009. No U.S. counternarcotics funding directly benefits or passes through the GOB. In September 2009, the USG identified Burma as having "failed demonstrably" to meet its international counternarcotics obligations, one of three countries in the world that failed to meet this standard.

**The Road Ahead.** The GOB has made meaningful gains over the past decade in reducing opium poppy cultivation and opium production. Increased domestic efforts, as well as expanded cooperation with UNODC and regional partners, particularly China and Thailand will help maintain those gains.

In order to be sustainable, a true opium replacement strategy must combine an extensive range of counternarcotics actions, including crop eradication and effective law enforcement, alternative development options, support for former poppy farmers, and openness to outside assistance. To reach its goals of eradicating all narcotics production and trafficking by 2014, the GOB must seek to cooperate closely with the ethnic groups currently involved in drug production and trafficking, especially the Wa, to reduce production and must refuse to condone continued involvement by ceasefire groups in the narcotics trade;. Corruption always plays a role in narcotics trafficking. To become opium-free by 2014, the GOB

will have to confront corruption effectively; and must enforce its counternarcotics laws consistently. The GOB must further take action against high-level drug traffickers and their organizations, strictly enforce its money-laundering legislation, and expand prevention and drug treatment programs to reduce drug use and control the rapid spread of HIV/AIDS.

The GOB needs to consider effective new steps to address the explosion of ATS production and trafficking from Burmese territory by gaining closer cooperation from ethnic groups, especially the Wa, to counter the manufacture and distribution of ATS. Finally, the GOB will want to consider the troubling growth of domestic demand for heroin and ATS, and find some response.

Increased international aid—including development assistance and law-enforcement aid—could complement the GOB's own required efforts in reducing drug production and trafficking in Burma. However, the direct provision of assistance to the Burmese government by many donors, including the U.S. has been contingent on meaningful political change.

# Cambodia

## I. Summary

Cambodia has a significant and growing illegal drug problem consisting of increased levels of consumption, trafficking, and production of dangerous drugs. Cambodia's proximity to the "Golden Triangle" and porous land, river, sea, and air borders make it attractive to traffickers of contraband of all sorts including drugs. Recent trends indicate that Cambodia also produces narcotics destined for local and regional markets. Drug use, particularly of amphetamine-type stimulants (ATS) such as crystal methamphetamine (commonly referred to as "ice"), is escalating and cuts across socio-economic lines. The Royal Government of Cambodia (RGC) is committed to reducing the threat of drug abuse and trafficking and achieving the regional goal of a drug-free ASEAN by 2015, however continuing concerns about corruption, limited resources, and lack of capacity and coordination hamper government efforts. The National Authority for Combating Drugs (NACD) and the Cambodia Anti-Drug Department (CADD) cooperate closely with the U.S. Drug Enforcement Administration (DEA), regional counterparts, and the United Nations Office on Drugs and Crime (UNODC).

According to NGO officials working with drug addicts, the number of drug users in Cambodia is on the rise, with increased availability of drugs reaching deeper into the rural areas. The availability and quality of drug treatment centers is inadequate to cope with the rising demand. Although Cambodia's 1996 drug law provides guaranteed access to drug treatment for all who need it, government rehabilitation centers lack trained professionals, resources, and standards of care. Cambodia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Cambodia continues to play a role in the regional transit of drugs from the Golden Triangle. A spill-over effect has resulted in an expansion of the country's narcotics problem with higher domestic illicit drug consumption and, as evidenced by recent discoveries of large and medium-scale production sites, an increased production capability for synthetic drugs like methamphetamine. Many experts believe additional clandestine labs, engaged in tableting as well as production, are operating within the country. Cambodia continues to be a producer and exporter of natural sassafras oil, which can be used as a precursor for Ecstasy (MDMA) in addition to many licit products such as perfumes, insecticides, and soaps. The harvest, sale, and export of sassafras oil are illegal in Cambodia.

ATS is the most prevalent narcotic in Cambodia, accounting for nearly 81 percent of drug use according to the NACD. Both ATS tablets, known locally as yama, and crystal methamphetamine are widely available. Heroin addiction, currently a problem for a relatively small number of users located mainly in Phnom Penh, is a growing problem in Cambodia. A recent UNODC baseline survey of 12 provinces found injecting drug use was especially prominent in the border areas, but some injecting drug abusers were found in all survey provinces. Cocaine, ketamine and opium are also available in Cambodia. It is a common practice among the homeless population to sniff glue or similar inhalant products, particularly for minors living on the streets. NACD statistics reveal 77 percent of all drug users are below the age of 26; however local NGO Korsang surveys reveal 93 percent of drug users contacted via outreach and 68 percent of drug users who frequent Korsang's drop-in center are over 25. The majority of Korsang's clients are injecting drug users.

Although the exact number of illicit drug users in Cambodia is not known, the NACD estimates 5,900 users and the National Center for HIV/AIDS, Dermatology and STD (NCHADS) estimates 13,000. According to NGOs and law enforcement experts working in the field, the actual figures are likely to be much higher than any of these estimates, and could reach over 60,000. Data now indicates that the drug

problem in Cambodia has spread further into the rural areas, with the highest usage in the provinces bordering Laos and Thailand. The HIV prevalence rate among all drug users as a group is only slightly higher than the national average of 0.9 percent. However, among injecting drug users (IDUs), it is estimated at 24.4 percent.

Cambodia has historically been an easy target for traffickers of illicit cargo given its porous borders, corruption, and weakened capacity for law enforcement. Heroin made in Burmese drug labs as well as cocaine and Ecstasy are trafficked through Cambodian international airports, land, and maritime borders. The arrest of Chinese nationals involved in large narcotics cases suggests linkages with transnational criminal syndicates. A surge of activity related to West African organized crime elements is of concern to the CADD. UNODC contends that the majority of meth tablets feeding the growing domestic demand are produced by mixing methamphetamines manufactured in other countries with local adulterants. This process generates higher quantities of lower grade drugs which are available to a greater number of consumers at a reduced price.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Cambodian government is legitimately concerned about the rise of drug trafficking and abuse, and remains dedicated to stemming the flow of illicit drugs through the country. However, corruption, low educational levels, low salaries, limited budgets, hierarchical decision making processes, and limited information sharing between agencies all affect the quality of public services in Cambodia. In early 2009, a former commander-in-chief of the Royal Cambodian Armed Forces was appointed Deputy Prime Minister and leads the NACD as his sole responsibility. He is currently focused on drug free schools, colleges, hotels, guesthouses and entertainment establishments.

The NACD continues to implement Cambodia's first 5-year national plan on narcotics control (2006-2010), which includes demand reduction, supply reduction, drug law enforcement, and expansion of international cooperation. The next installment of the plan is expected to focus on drug users, provision of drug treatment, and health care.

Over the past few years, the Cambodian government has worked to strengthen previously weak legal penalties for drug-related offenses. The current drug law stipulates a maximum penalty of a $25,000 fine and life imprisonment for individuals convicted of certain drug trafficking violations and allows proceeds from the sale of seized assets to be used to finance law enforcement, drug awareness, and drug prevention efforts. A 2007 directive issued by the Ministry of Health increased penalties for sassafras oil production and distribution to two to five years in jail, plus fines.

The RGC has responded to the increasing complexity of the drug situation in Cambodia by introducing a new draft "Law on Drug Control" which would replace the 1996 drug law. The draft law is intended to increase the severity of punishments, strengthen provisions on seizure and forfeiture of property, and improve procedural requirements. The RGC invited UNODC and several experts to workshops during various drafting stages to ensure the draft law is consistent with UN conventions. The draft law is expected to be passed and enacted in early 2010; although the new law meets international standards, some observers fear that there is limited capacity within the RGC to develop the required regulations and procedures to support its full implementation.

**Law Enforcement Efforts.** The NACD in conjunction with the CADD has made strides in becoming a more effective organization and is emerging as a leader in the region. This improvement was reflected by the 2008 appointment of the head of the CADD to serve as Chairman of the International Drug Enforcement Conference Far East Regional Working Group (IDEC-FERWG). Moreover, there were several events in 2009 organized by the NACD where seized drugs were publicly burned. The NACD's 2009-2010 budget remained at $1.15 million, which was a slight decrease from $1.25 million in 2008-2009.

Compared to the same time period in 2008, drug-related seizures and arrests increased in the first nine months of 2009.

On August 19, 2009, Conservation International (CI) reported that Forestry Administration officials seized 2,600 liters of sassafras oil. The oil was found in barrels below a false bottom of a dump truck driven by 27-year-old Vietnamese man.

On June 17, 2009, three Nigerian nationals were arrested in Phnom Penh for possession of nearly one kilogram of heroin hidden inside large buttons on their clothes. Twenty additional Nigerian nationals were subsequently arrested for drug trafficking.

On June 12, 2009, a government-led raid resulted in the seizure of 5.7 tons of sassafras oil in a wildlife sanctuary in the Cardamom Mountains. Ministry of Environment rangers received an anonymous tip-off about the hidden cache of oil, which resulted in the largest seizure of its kind inside Phnom Samkos Wildlife Sanctuary. No arrests were made.

On June 5, 2009, Phnom Penh counternarcotics police arrested eight people for suspected involvement in an illegal drug laboratory. During the raid, police found more than 3 tons of precursor chemicals commonly used for making methamphetamine.

On March 21 and 22, 2009, counternarcotics police in cooperation with U.S. and Australian experts confiscated more than two tons of illegal substances from four clandestine methamphetamine drug laboratories in three different provinces. Four people, including two Chinese nationals, were arrested.

On March 18, 2009, police arrested three alleged drug traffickers in Phnom Penh and seized more than 25,500 methamphetamine tablets, one pistol, and one assault rifle.

**Corruption.** The Cambodian government does not, as a matter of government policy, encourage or facilitate illicit production or distribution of drugs or controlled substances, or the laundering of proceeds from illegal transactions involving drugs, nor are senior government officials known to engage in or encourage such actions. Nonetheless, corruption remains pervasive in Cambodia, making Cambodia highly vulnerable to penetration by drug traffickers and foreign crime syndicates. Senior Cambodian government officials assert that they want to combat trafficking and illicit drug production; although, corruption, low salaries for civil servants, and an acute shortage of trained personnel severely limit sustained advances in effective law enforcement, recent investigations may indicate a willingness to expose corruption within the police force. On October 9, 2009 a Phnom Penh municipal counternarcotics police chief was suspended and remains under investigation after 8,000 methamphetamine tablets were discovered in his office. This follows an October 2 arrest of another municipal counternarcotics police officer found with approximately 10 kilograms of heroin, 2 kilograms of methamphetamine and one ton of chemicals used to process and manufacture drugs concealed in his home.

Cambodia acceded to the UN Convention against Corruption in September 2007; however, there is no anticorruption law, and only a few provisions of other laws provide criminal penalties for official corruption. Public officials are not subject to financial disclosure laws. Meager salaries contributed to “survival corruption” among low-level public servants, while a culture of impunity enabled corruption to continue among senior officials. Public perception that corruption in Cambodia is rampant is widespread.

A new Penal Code was passed by the National Assembly in October 2009. Several of the articles within the Penal Code address corruption committed by civil servants and court officials, and include penalties for offenses such as misappropriation of public funds, bribery of civil servants, willful destruction and fraudulent embezzlement, and witness tampering. Officials have long stated that passage of the new Penal Code was a prerequisite to an anticorruption law and have indicated that the draft Anti-Corruption Law may be submitted to the National Assembly soon.

**Agreements and Treaties.** Cambodia 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. Cambodia is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and illegal manufacturing and trafficking in firearms. Cambodia is also a party to the UN Convention against Corruption.

Cultivation/Production. In the first nine months of 2009, 1,172 square meters of cannabis were destroyed in seven provinces. UNODC and other international organizations agree that cannabis production and cultivation have ceased to be a major concern in Cambodia. However, anecdotal information of cannabis cultivation indicates that the problem persists at a reduced level.

**Drug Flow/Transit.** ATS is typically trafficked to Thailand or Malaysia, while heroin is smuggled out to Vietnam, China and Taiwan. Heroin and ATS enter Cambodia by both primary and secondary roads and rivers across the northern border, transit through Cambodia via road or river networks, and enter Thailand and Vietnam. Effective law enforcement of the border region with Laos on the Mekong River, which is permeated with islands, is nearly impossible due to lack of boats and fuel among law enforcement forces. At the same time, improvements to National Road 7 to Laos and other roads is increasing the ease with which traffickers can use Cambodia's rapidly developing transportation network —a trend likely to continue as additional road and bridge projects are implemented. Heroin and ATS are believed to exit Cambodia via locations along the Gulf of Thailand —including the deep-water port of Sihanoukville —as well as the river port of Phnom Penh.

Airports in Phnom Penh and Siem Reap suffer from lax customs and immigration controls. According to the NACD, drug traffickers are increasingly using Cambodian airports to smuggle drugs into and out of the country. On April 5, 2009, a 44-year-old Filipino man was arrested at Phnom Penh International Airport after he was found trying to conceal 849 grams of heroin in his underwear as he boarded an airplane heading for Shanghai. On March 13, 2009, a Chinese male was arrested by police at Phnom Penh International Airport for trying to board an airplane bound for Taiwan with 809 grams of heroin. On February 6, 2009, a Taiwanese national was arrested at Phnom Penh International Airport for hiding 770 grams of heroin in his pants.

**Domestic Programs/Demand Reduction.** With the assistance of USAID, UNODC, UNICEF, WHO, the Japanese International Cooperation Agency (JICA), and several NGOs, the NACD is attempting to boost awareness about the dangers of drug abuse among Cambodians through the use of pamphlets, posters, and public service announcements. A number of NGOs such as Mith Samlanh, Family Health International (FHI), Korsang, and the Khmer HIV/AIDS NGO Alliance (KHANA) provide a range of services for high-risk and vulnerable populations, including health services related to illicit drug use, outreach/peer education, HIV prevention interventions, and drug treatment, rehabilitation, and reintegration. Most of these NGOs do not specifically target illicit drug users, but have identified illicit drug use as a significant risk factor for the populations they serve, such as street children, youth, and sex workers.

The popularity of crystal methamphetamine, or "ice", has resulted in an increase in users in the injecting drug use (IDU) scene. As heroin and ice become more widely available, which has been the trend over the past few years, there may be a rapid escalation in IDU and concomitant spread of HIV. Approximately 25 percent of current injecting drug users are HIV positive. NGOs, Mith Samlanh and Korsang, operate harm-reduction programs in Phnom Penh. In addition to needle exchange, they provide counseling services, basic and emergency medical care, training on overdose management, education on HIV/AIDS, and reproductive health. They also provide referrals to drug detoxification and rehabilitation services, medical clinics and hospitals, sexual health clinics, monitoring, and other health and non-health services such as vocational training. FHI provides technical, programmatic and financial support to government, NGOs and community partners in strategic information and HIV prevention, care, support, and treatment. KHANA works to reduce drug-related HIV risk by raising awareness among the community about illicit drug use, educating drug users to understand and prevent HIV and health risks associated with drug use,

and promoting correct and consistent condom use and responsible sexual choices. NACD and the World Health Organization are working to develop a pilot methadone maintenance program, which will be implemented at the Khmer-Soviet Friendship Hospital in partnership with Korsang, Mith Samlanh and other NGOs working on drug treatment and rehabilitation issues. The program has been in the planning stages for several years, and is scheduled to start in late 2009.

Drug addicts have historically been treated as criminals by Cambodian authorities and society. Consequently, there has been an over-reliance on law enforcement and prosecution approaches at the expense of demand reduction efforts. However local NGOs claim that the NACD is making an effort to change perceptions and is willing to work with local demand and harm-reduction NGOs to enhance cooperation and skill sharing.

Cambodia has fourteen private and state-owned treatment centers as well as one center run by a local NGO, Mith Samlanh. Given the number of drug users in Cambodia, it is evident that the need for drug treatment services far outstrips the available supply. There are no separate treatment centers for women, although some serve both sexes. Government drug treatment centers are run by several different ministries, from Health to Interior to Defense, with no single unified standard of care. They are primarily compulsory military-style boot camps with an overarching philosophy of detention and control, providing very little in the way of counter addiction counseling and rehabilitation programming. Experts contend that these centers do not meet the real needs on the ground and believe a shift toward community-based drug treatment is needed in order to provide a realistic option for those who are voluntarily in search of addiction treatment services.

Many of the shortcomings detailed in a 2007 joint NACD/Ministry of Health assessment of the government-run centers still exist. While there has been some improvement in past years, such as the incorporation of rehabilitation best practices learned from training funded by the State Department's Anti-Drug Program and provided by the U.S.-based NGO Daytop in 2007, much remains to be done. The centers do not have the capacity to conduct proper physical and psychological intake assessments, lack trained medical staff, do not obtain consent from patients, and do not have the resources to provide follow-up services. Nor do they refer patients to organizations that can provide those services. Instead, the centers rely on confinement, military-style drills, exercise, and religious discipline as the mainstay of the rehabilitation program. The government-run centers are further hampered by lack of funding and rely on donations from local markets, parents and relatives of patients, and the Cambodian Red Cross. Medical treatment for acute distress from withdrawals consists of aspirin and a Chinese herbal spirit-calming supplement when funding permits. During the first six months of 2009, 733 drug users and addicts including four females were admitted to the government-run centers

The Mith Samlanh organization operates a small residential rehabilitation program which offers medically-supervised detoxification, individual and group counseling, and referral into Mith Samlanh's extensive network of vocational training and other services. In the first nine months of 2009, 134 males and 8 females received drug detoxification and rehabilitation services through Mith Samlanh.

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

**Policy Initiatives.** While Cambodia has moved beyond its turbulent political history to a period of relative political stability, the country is still plagued by many of the institutional weaknesses common to the world's most vulnerable developing countries. The challenges for Cambodia include: nurturing the growth of democratic institutions and the protection of human rights; providing humanitarian assistance and promoting sound economic growth policies to alleviate the debilitating poverty that engenders corruption; and building human and institutional capacity in law enforcement sectors to enable the government to deal more effectively with drugs traffickers. One unique challenge is the loss by death of many of Cambodia's best trained professionals in the Khmer Rouge period (1975-1979); many of those who survived fled during the subsequent Vietnamese occupation. Performance in the area of law

enforcement and administration of justice must be viewed in the context of Cambodia's profound human capacity limitations. Even with the active support of the international community, there will be continuing gaps in performance for the foreseeable future.

**Bilateral Cooperation.** Cambodian law enforcement authorities cooperate actively with U.S. agencies, including DEA, FBI, Department of State, USAID, Department of Homeland Security, and the Department of Defense. Approximately 25 law enforcement officials each year receive drug related training at the International Law Enforcement Academy (ILEA) in Bangkok. Bangkok-based DEA agents provide technical assistance, training, and limited resources to the CADD. The U.S. Department of Defense is concentrating on raising RGC capacity to maintain maritime security and has sponsored several workshops and training events. The Joint Interagency Task Force-West (JIATF-West) provided infrastructure and held two counternarcotics trainings in 2009 for military, gendarmerie, police, and officials from Cambodia's twelve Border Liaison Offices.

Drug use among populations targeted for HIV prevention is a growing concern as needle sharing is the most efficient means of transmitting HIV. USAID HIV/AIDS programs work with populations at high risk of contracting HIV, including sex workers and their clients; men who have sex with men; and drug users. These groups are not mutually exclusive as many sex workers also use and inject drugs. Prevention programs targeting high-risk populations aim to reduce illicit drug use and risky sexual practices.

**The Road Ahead.** Government actions such as the NACD implementation of yearly action plans in addition to the five year plan; the imminent establishment of a government methadone maintenance program; the National Center for HIV/AIDS/Dermatology/STI's recent plan to refer prisoners to voluntary counseling and testing, the establishment of drug treatment and rehabilitation centers nationwide; and increased law enforcement cooperation with the DEA, FBI, the Australian Federal Police and others, indicate a strong determination to combat drugs. Cambodia is making progress toward more effective law enforcement against narcotics trafficking; however, its capacity to implement a satisfactory, systematic approach to counternarcotics operations remains low. Instruction for mid-level Cambodian law enforcement officers at ILEA and for military, police, and immigration officers by JIATF-West has partially addressed Cambodia's dire training needs. However, after training, these officers return to an environment of scarce resources and pervasive corruption.

In FY10, JIATF-West will carry out training infrastructure renovation projects for the Cambodian National Police, Maritime Police Patrol, and Ministry of Interior Forestry Administration, which will facilitate future JIATF-West training as well as build local capacity. JIATF-West will also conduct two counternarcotics training missions and a small craft maintenance training course. State Department Anti-Drug Assistance (INL) funding projected for FY10 is expected to provide a senior law enforcement advisor who will provide technical assistance to Cambodian law enforcement institutions, specifically in the areas of customs, immigration, and border control.

# Canada

## I. Summary

In 2009, Canada demonstrated continuing resolve to implement its National Anti-Drug Strategy, to reduce the supply of and demand for illicit drugs as well as associated crime. However, as in years prior, Canada remains a significant source for MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) and marijuana that are entering the U.S. market. Canada's continued enforcement efforts have reduced large scale diversion of bulk precursor chemicals across the border, but trafficking of marijuana and Ecstasy continues at high levels. In July, Canadian law enforcement authorities made one of the largest heroin seizures in Canadian history. While Canada maintains an active demand reduction effort, local and provincial authorities continue to include a drug injection site and distribution of drug paraphernalia to chronic users as part of their "harm-reduction" programs. The federal government continues to deliver a sharp message against these programs, which is in line with the International Narcotics Control Board's recommendation for the Government of Canada to eliminate drug injection sites and drug paraphernalia distribution programs because they violate international drug control treaties. Canada and the U.S. cooperate in counternarcotics efforts through increased information sharing and joint operations. Canada is a member of the UN Commission on Narcotic Drugs and party to the 1988 UN Drug Convention.

## II. Status of Country

Canada has a sophisticated and well-educated population and a high-tech economy, which provides criminal entities with technical capabilities that require the law enforcement community to utilize specialized investigative techniques. Canada's highly developed economy and its relatively high standard of living contribute to Canada's status as a significant consumer as well as producer of illicit narcotics. Canada produces significant amounts of methamphetamine and marijuana and is a major source for Ecstasy to U.S. markets. It is also a transit or diversion point for precursor chemicals such as methamphetamine, used to produce illicit synthetic drugs (notably Ecstasy). The illegal drug industry's production and distribution capabilities are sophisticated and diverse.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In August, Canada announced the Synthetic Drug Initiative (SDI), the first Canadian drug strategy to focus on a single class of drugs. Though this initiative is still in the "strategic concept" phase, the Royal Canadian Mounted Police (RCMP) are developing the program with an eventual goal of eliminating illegal synthetic drug production and distribution in Canada and reducing the overall influence of organized crime on drug trafficking in Canada. SDI will target the illicit synthetic drug industry on three fronts: enforcement, deterrence, and prevention. It also aims to inhibit the diversion of precursor chemicals from foreign and domestic sources. The RCMP will pay for the SDI through National Anti-Drug Strategy funds and by re-allocating existing resources. The RCMP has not announced a budget for SDI, but has said that funds will be allocated to domestic and international programs, including modernizing the RCMP's chemical diversion program, hiring new personnel, and improving training and awareness initiatives.

In June, the House of Commons passed new legislation (Bill C-15) on mandatory minimum penalties for serious drug offenders. As of December, the bill remains under consideration by the Senate. Bill C-15 provides mandatory one and two-year minimum jail sentences for various offenses including production, trafficking, possession for the purposes of trafficking, importing and exporting, and possession for the purposes of exporting of illegal drugs. The bill also provides for additional, aggravated penalties when offenses are carried out for organized crime purposes or if they involve selling drugs to young people.

**Accomplishments.** In 2009, Canadian and U.S. law enforcement agencies' bilateral efforts resulted in significant interdictions of narcotics arriving in Canada and the U.S. by air, passenger vehicle, truck, small aircraft, and ship, as well as seizures from Canadian drug production operations. Seized drugs included marijuana, cocaine, heroin, methamphetamine, hashish, and Ecstasy.

During February and March 2009, a coordinated effort by the Drug Enforcement Administration (DEA), RCMP, and U.S. federal and local law enforcement agencies led to the arrest of nine individuals and the seizure of 750 pounds of marijuana, over 80 kilograms of cocaine, 240,000 tablets of Ecstasy, six weapons, and two helicopters. The targeted drug trafficking organization used the helicopters to cross into the U.S. with Canadian-sourced marijuana and Ecstasy in exchange for cocaine destined for Canada. This organization was also linked to numerous marijuana indoor grow operations and a clandestine laboratory, which British Columbia provincial authorities seized in June 2008, and which held more than 1 million Ecstasy pills and 168 kilograms of Ecstasy powder.

On April 2, 2009, Border Patrol agents in Sumas, Washington discovered 126 pounds or nearly 200,000 doses of Ecstasy valued at nearly $2.5 million.

On July 7, 2009, CBP Officers at the Peace Arch Port of Entry in Blaine, WA seized 80.64 kilograms of cocaine and 27.59 kilograms of heroin concealed in a passenger vehicle during an outbound inspection.

Also in July, in a joint operation in the greater Toronto area (GTA), the Canadian Border Service Agency (CBSA), RCMP, Toronto Police, and Peel Regional Police seized 117 kilograms of heroin, with an estimated street value of $100 million, and more than $600,000 in cash, making it one of the largest heroin seizures in Canadian history.

**Law Enforcement Efforts.** 2009 law enforcement efforts continued previous trends of joint drug enforcement efforts against steady but diverse distribution patterns of traffickers. Notably, authorities have identified and dealt with failures in information-sharing among Canadian law enforcement agencies that had hampered some counternarcotics enforcement efforts. An RCMP report in 2008 revealed that more than 60 employees at Canada's eight largest airports had criminal links. On March 31, Transport Minister John Baird ordered his department to fix persistent gaps in airport employee screening after Canada's Auditor General also found that "high-risk" criminals were still able to obtain security clearances at Canadian airports due to the failure of Transport Canada and the RCMP to share data. On April 8, the two agencies signed a new information-sharing agreement to conduct expanded criminal background checks for workers with access to secure areas at Canada's airports.

Canadian officials report unofficially that most of the Ecstasy laboratories dismantled in Canada in 2009 were capable of producing multi-kilogram quantities. During 2008, the RCMP dismantled15 Ecstasy laboratories, all of which were capable of producing multi-kilogram quantities, as well as 17 methamphetamine labs, 13 of which had a multi-kilogram capability.

**Corruption.** As a matter of government policy, Canada neither encourages nor facilitates illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior government officials are known to engage in, 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. Canada has strong anticorruption controls in place and holds its officials and law enforcement personnel to a high standard of conduct. Civil servants found to be engaged in malfeasance of any kind are subject to prosecution. Investigations into accusations of wrongdoing and corruption by civil servants are thorough and credible.

Agreements and Treaties. Canada 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. Canada is a party to the UN Convention against Corruption and to the UN Convention Against Transnational

Organized Crime and its protocols against migrant smuggling and trafficking in persons. Canada is also a party to: the Inter-American Convention on Mutual Legal Assistance in Criminal Matters; the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials; and, the Inter-American Convention Against Corruption. Canada actively cooperates with international partners. The U.S. and Canada exchange forfeited assets through a bilateral asset-sharing agreement, and exchange information to prevent, investigate, and prosecute any offense against U.S. or Canadian customs laws through a Customs Mutual Assistance Agreement. Canada has in force 50 bilateral mutual legal assistance treaties and 66 extradition treaties. Judicial assistance and extradition matters between the U.S. and Canada operate under a mutual legal assistance treaty (MLAT), an extradition treaty, and related protocols, including the long-standing Memorandum of Understanding designating DEA and RCMP as points of contact for U.S.-Canada drug-related matters. Unfortunately, the process for executing extradition and MLAT requests is very slow in Canada (e.g., extraditions from Canada can take three years or more on average), and this has impacted U.S. law enforcement's ability to move as quickly and effectively as possible.

**Cultivation/Production.** Illicit narcotics are predominantly produced by organized crime organizations and gangs, composed of Canadians of East Asian origin (ethnic Vietnamese and Chinese), outlaw motorcycle gangs, and Indo-Canadian criminal groups. Large-scale marijuana cultivation exists in Canada, primarily for consumption in the domestic market. Growers use technologically-advanced organic methods. Large-scale marijuana grow operations are primarily located in British Columbia, Ontario, and Quebec provinces. Large profits from marijuana production in Canada have allowed traffickers to expand their involvement into other profitable illicit cross-border drug activities, such as expanding Ecstasy and methamphetamine production.

Organized crime dominates the methamphetamine trade, operating large-scale methamphetamine labs capable of producing at least 10 pounds of methamphetamine per cycle throughout the country. According to the 2009Annual Report on Organized Crime prepared by Criminal Intelligence Service Canada (CISC), organized crime groups in Canada conduct large-scale Ecstasy production and distribution operations to supply the domestic market, and Canada remains one of the top producers of ecstasy to the global illicit drug market. Precursor chemicals for the production of ecstasy are smuggled into Canada from source countries such as China and India on a regular basis.

**Drug Flow/Transit.** The CISC's 2009 Annual Report on Organized Crime in Canada estimated that there were approximately 750 organized crime groups in the country, of which most are involved in the illegal drug trade in some capacity. The decline in the estimated number of organized crime groups in Canada compared with the previous report likely is "reflective of an anticipated degree of fluidity in the criminal marketplace," as well as "numerous other factors including disruptions by law enforcement, changes in intelligence collection practices or a combination" of these factors, according to CISC.

Increased smuggling from Canada to the United States included both Ecstasy and combination tablets containing methamphetamine and other synthetic drugs. In 2008-2009, Canadian authorities seized approximately 30 clandestine labs capable of producing large amounts of combination tablets, roughly the same number of laboratories as in the previous reporting period in 2007-2008.

Illustrative of the level of transit, U.S. Customs and Border Protection (CBP) officers along the Michigan-Canada border seized 2,053 pounds of marijuana, 303 pounds of Ecstasy (approximately 1 million doses) and nearly $7.5 million in undeclared currency entering or exiting the United States from Canada, according to an end-of-the-year report from the agency. CBP officers reporting to the Buffalo field office seized 1,231 pounds of hydroponic marijuana, 118 pounds of Ecstasy (approximately 204,000 pills), and a combined total of $1.4 million in undeclared currency.

**Domestic Programs/Demand Reduction.** Local and provincial authorities continue to maintain a number of so-called "harm reduction" programs, including a supervised injection site research pilot

project ("Insite"). The government appealed a May 2008 British Columbia provincial Supreme Court ruling that the federal government does not have the constitutional authority to close Insite, which the Court considered a health facility and within provincial jurisdiction. The British Columbia provincial Court of Appeal heard the government's appeal in April 2009, but as of December, the Court is still deliberating on its judgment. Several cities, including Toronto and Ottawa, have also approved programs to distribute drug paraphernalia, including crack pipes, to chronic users.

There has been no change since the UN International Narcotics Control Board's (INCB) 2007 Report noted that the Vancouver Island Health Authority's approval of "safer crack kits" contravened Article 13 of the 1988 UN Drug Convention, to which Canada is a party. The INCB called upon the Government of Canada to eliminate drug injection sites and drug paraphernalia distribution programs, stating that they violated international drug control treaties.

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

**Bilateral Cooperation.** In 2009, the U.S. and Canada continued information sharing and binational cooperation through the Cross-Border Crime Forum (CBCF), Integrated Border Enforcement Teams (IBET), Border Enforcement Security Taskforces (BEST), and other fora. The 2007 U.S.-Canada Border Drug Threat Assessment jointly released at the CBCF's 2008 Spring Ministerial was a snapshot of cross-border narcotics issues and trends, and is now scheduled to be updated for release in 2011. The inter-agency forum also addressed counterterrorism, mass marketing fraud, human trafficking, organized crime, border enforcement, drug trafficking, and firearms smuggling—a particular concern for Canada. Provincial, state, and local governments also participate in the CBCF, as do police at the federal, state/provincial, and local/municipal levels. CBCF working groups met throughout the year to develop joint strategies and initiatives and collaborative law enforcement operations that were highlighted during the Ministerial meeting. Canada continues to regularly attend the annual National Methamphetamine and Pharmaceuticals Initiative (NMPI) meeting in the U.S.

In September, there was a Mini CBCF in Washington D.C., primarily to plan for the CBCF Ministerial, tentatively scheduled for the late spring of 2010. Collaborative efforts to be promoted and further explored in leading up to the ministerial include: an IBET Strategic Plan; emerging technologies and challenges for law enforcement; gangs in Canada and the U.S.; bi-national cooperation on firearms tracing; joint cross-border counter-proliferation efforts; and cross-border law enforcement and security Lessons Learned from the 2010 Olympics in Vancouver.

In September, DEA conducted a five-day seminar in Montreal on asset forfeiture and money laundering for 40 members from various law enforcement agencies. In spring 2009, DEA Vancouver and El Paso Intelligence Center personnel provided training in detecting highway drug couriers at a Canadian law enforcement school to more than 400 Canadian officers. During 2009 Canada also participated in supporting naval interdiction efforts as part of Joint Interagency Task Force South. DEA, CBP, the Department of Homeland Security's Immigration and Customs Enforcement, U.S. Coast Guard, CBSA, RCMP, and U.S. state, local, and tribal and Canadian provincial officers consult regularly and maintain channels of communication in the field and at management level to ensure a high level of cooperation and effectiveness.

On September 30, 2009 the Canadian government tabled in the House of Commons the Framework Agreement on Integrated Maritime Cross-Border Law Enforcement Operations (IMCLEO or "Ship rider") between the Canada and the U.S. and introduced implementing legislation in November, 2009. The two countries signed the framework agreement in Detroit, Michigan, on May 26, 2009. Once Canada passes implementing legislation, the agreement will allow the exchange of cross-designated ship riders in order to create seamless maritime law enforcement operations across the U.S.-Canadian maritime border. The program will facilitate more effective maritime counter-smuggling efforts by permitting officers from each country to operate from one another's vessels or aircraft.

The RCMP also contributed to a U.S. government effort under the Merida Initiative in Mexico, providing instructors to assist with the training of a new investigative force of 9,000 police in the Mexican Secretariat of Public Security. Recognized at the North American Leaders Summit, this effort began in May 2009 and is expected to continue with Canadian support in 2010.

**The Road Ahead.** The security of the continent and much of the hemisphere will benefit from continued cooperation between the United States and Canada. Fora such as the CBCF can also serve as a model for regional cooperation and collaboration for senior law enforcement, justice, and security officials to enhance and encourage intelligence sharing, investigative collaboration, and joint training opportunities. The USG encourages Canada to exert its influence in the Caribbean Basin to establish similar fora and to work with the U.S. to explore methods and means for information sharing with other regional partners.

The U.S. also encourages Canada to take stronger action to curb the rise of methamphetamine production. As producers respond to enforcement action elsewhere in the globe, particularly in Mexico, an upsurge in Canadian methamphetamine production has raised the prospect of increased smuggling from Canada to international markets, as well as further production and export of Ecstasy. Canada's continued role as a source country for Ecstasy to U.S. markets highlights the need for greater cooperation in tracking precursor chemical activity. The U.S. looks forward to future collaborative engagement with Canada to build enforcement capacity and regulatory frameworks to promote industry compliance and prevent diversion of precursor chemicals and lab equipment for criminal use. As law enforcement resources temporarily diverted to prepare for the 2010 Winter Olympics in Vancouver return to normal routines, a more effective and expansive inspection regime, in conjunction with expedited investigations and prosecutions, will also strengthen enforcement efforts.

With no change in the past year, the U.S. still urges Canada to continue to press municipalities such as Vancouver and Ottawa to implement the INCB's recommendations to eliminate drug injection sites and drug paraphernalia distribution programs as a violation of international drug control treaties.

The U.S. also hopes to see the required legislation passed for implementation of the "Shiprider" agreement. As climate change continues to redefine the maritime approaches to the continent, there will be increasing opportunity and reason for the U.S and Canada to expand collaboration in the maritime domain.

# Cape Verde

## I. Summary

Because of its location in the Atlantic Ocean, along major trade routes between South America and West Africa, Cape Verde is an important transit country for narcotics headed for Europe from South America by way of Africa. Narcotics enter Cape Verde by commercial aircraft and maritime vessels, including yachts. Cape Verde works with international agencies like the United Nations Office on Drugs and Crime (UNODC) and donor governments like the Governments of Portugal, Spain, France, Germany, Brazil, and the United States to fight international narcotics trafficking and reduce local demand. Cape Verde is a party to the 1988 UN Drug Convention.

## II. Status of Country

Cape Verde's strategic location on the maritime and aerial routes between mainland Africa, Europe, and South America makes it an attractive transit point for drug shipments from the Caribbean, Venezuela, Colombia, and Brazil en route to Europe. The country's numerous beaches, extensive territorial waters, and an inadequately-monitored economic zone allow drugs to pass through undetected. Cocaine is the most trafficked narcotic, mainly coming from Brazil, but crack cocaine, "cocktail" (a mixture of cannabis and crack, called "cochada" in Cape Verde), and locally-cultivated marijuana are also trafficked. There are also reports that Ecstasy is trafficked through Cape Verde from Europe. Cape Verdean authorities are concerned about drug abuse within the prison system and drug-related crime.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Cape Verdean law makes "consumption (of drugs), drug trafficking, and revenues resulting from drug trafficking" criminal offenses, punishable by one to twenty years' imprisonment. In May 2009, the Cape Verdean Parliament approved a new law designed to combat money laundering allowing for greater control of offshore banks, and granting authorities more power to seize assets of drug traffickers. In September 2009, the United States African Command (AFRICOM) and the U.S. Department of the Treasury sponsored, with the assistance of the U.S. Embassy at Praia and the Cape Verdean Judicial Police, a course in the capital city of Praia on financial investigation techniques and processing of evidence. Representatives from the Cape Verdean Central Bank, Financial Information Unit (FIU), Customs, and Naval Criminal Investigation Service (NCIS) attended the course, as well as members of the Judicial Police from Cape Verde and Guinea-Bissau.

**Law Enforcement Efforts.** Cape Verde has two separate law enforcement agencies that fight narcotics trafficking: the Judicial Police and the National Police. The Judicial Police is a unit of the Ministry of Justice with overall responsibility for coordinating criminal investigations. The National Police reports to the Ministry of Interior and are charged with maintaining law and order countrywide. To date in 2009, the Judicial Police has detained 141 persons, primarily Cape Verdean, Nigerian, and Portuguese nationals, for drug trafficking and seized 21 kilograms of cocaine and 640 kilograms of cannabis.

Specific cases included:

- July 10, 2009: two suspects arrested in São Vicente for transporting the equivalent of 5, 200 doses of cocaine;
- October 7, 2009: two suspects arrested in São Vicente for transporting 164.7 grams of cocaine;
- October 9, 2009: four suspects arrested in São Vicente for transporting 63.8 grams of cocaine;

- October 13, 2009: three suspects arrested in Sal for transporting several kilograms of cocaine in the city of Praia; and
- October 27, 2009: the Sal Criminal Court sentenced five individuals to sentences ranging from 12 to 24 years for trafficking 70 kilograms of cocaine. As part of the same proceeding, the court sentenced a Cape Verdean border patrol officer to twenty-five years in prison for involvement in a drug trafficking ring.

**Corruption.** The government of Cape Verde does not encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions, but as in other countries, instances of official corruption do occur: in June 2008, three Judicial Police officials were arrested for diverting over 135 kilograms of cocaine seized in a drug investigation to the illicit drugs market. The Judicial Police conducted a full investigation, and the three suspects are currently awaiting trial.

**Agreements and Treaties.** Cape Verde 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. Cape Verde is also a party to the UN Convention against Transnational Organized Crime and its three protocols. Also, on April 23, 2008, Cape Verde ratified the UN Convention against Corruption.

**Cultivation/Production.** Cape Verde is not a significant producer of narcotics. Small quantities of marijuana, however, are sometimes cultivated domestically. In September 2009, for example, the Judicial Police seized 120 kilograms of marijuana cultivated on Santiago Island.

**Drug Flow/Transit.** Cape Verde is located in the mid-Atlantic off the coast of West Africa, and therefore occupies a strategic location on the maritime and aerial routes between mainland Africa, Europe, and South America. As such, it is an attractive transit point for cocaine, marijuana, and other illegal drugs trafficked to Europe from the Caribbean, Venezuela, Colombia, and Brazil. In addition, narcotics from Europe are sometimes smuggled through Cape Verde. The U.S. has not been identified as a significant direct destination for drugs transiting through Cape Verde.

**Domestic Programs/Demand Reduction.** The National Commission for Combating Drugs (CNLCD), organized under the Ministry of Justice, is responsible for coordinating Cape Verde's counternarcotics programs. The CNLCD gathers statistics, disseminates information on narcotics issues, and manages government treatment programs for narcotics addiction. It also runs a hotline and manages several public awareness campaigns. In addition, Cape Verde has a drug rehabilitation shelter located on Santiago Island.

Moreover, an administrative body, CAVE INTERCRIN (Cape Verde Integrated Crime and Narcotics Programme), supports the self-sustainable and healthy development of Cape Verde by preventing the spread of illicit drugs, crime, and other antisocial behaviors. CAVE INTERCRIN aims to improve Cape Verde's law enforcement and border patrol capabilities through upgrades to the government's communication and intelligence capabilities, as well as through computer-based training programs.

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

**Bilateral Cooperation.** In 2009, the United States and Cape Verde cooperated on many fronts to combat drug trafficking. One of the largest cooperative efforts, led by AFRICOM and coordinated by the U.S. Embassy, is the Counter Narcotics Maritime Security and Interagency Fusion Center (CMIC), an institution to be operated by Cape Verdean military and police to coordinate maritime security and law enforcement.

Moreover, this year the Cape Verdean and U.S. Governments continued their groundbreaking joint law enforcement activities. In June 2008, the U.S. Coast Guard deployed a cutter with a Cape Verdean law

enforcement detachment (LEDET) aboard to conduct law enforcement operations in Cape Verdean territorial waters. This mission represented the first multilateral combined maritime law enforcement operation ever conducted in Africa. It also marked the first time a non-U.S. LEDET worked with the U.S. Coast Guard on a U.S. military vessel. In 2009, another LEDET operation, involving four Cape Verdean Coast Guard officers and two members of the Judicial Police on board a U.S. vessel, took place. In addition, the U.S. Government is considering negotiating a Counter Drug Maritime Agreement with the government of Cape Verde to allow future counternarcotics operations.

The Africa Partnership Station initiative, funded by AFRICOM, also continued work with the Cape Verdean military this year, paying for officers to attend training classes. For example, three officials—one each from the Cape Verdean Coast Guard, Judicial Police, and Ministry of Justice, participated in a training program in Dakar, Senegal. Lastly, as described above, AFRICOM and the U.S. Department of Treasury sponsored a course on financial investigation techniques and evidence processing, which was attended by Cape Verdean law enforcement officials.

**The Road Ahead.** Under current timetables, in 2010 the CMIC will develop into a platform for government-wide information-sharing and further progress will be made on the LEDET program. The United States and Cape Verde are also discussing the implementation of a Status of Forces Agreement, to further improve cooperation on counternarcotics issues.

# Chile

## I. Summary

Chile is a transit country for Andean cocaine shipments destined for Europe. In a new development that surfaced in 2009, Chile has become a source of ephedrine for methamphetamine processing in Mexico. It is also a source of precursor chemicals for use in cocaine processing in Peru and Bolivia and has a domestic marijuana consumption problem. Chile is a party to the 1988 UN Drug Convention.

## II. Status of Country

Chile is an attractive transit country for drug traffickers because it shares long, difficult-to-monitor borders with Peru, Bolivia, and Argentina. Chile ranked second in per capita cocaine consumption and remains first in marijuana consumption among South American countries, according to the United Nation's 2009 World Drug Report. Some marijuana is cultivated in Chile, but most is imported from Paraguay for use by Chilean teenagers and young adults. Chilean police officials report an increase in drug trafficking from Bolivia in 2009 and a corresponding increase in the domestic supply of cocaine and drop in price. At the same time, however, Chile's National Drug Control Commission (CONACE), which is responsible for formulating and implementing drug policies, released a study in 2009 that showed an increase in the perception of risk associated with drug use.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Chile contributed to worldwide drug control efforts in 2009 by assuming a leadership role in the international counternarcotics community, serving as the president of the Organization of American States Inter-American Drug Abuse Control Commission (CICAD). Chile also hosted a European Union-Latin America and Caribbean drug treatment conference and the International Criminal Police Organization's (INTERPOL) 20th Regional Conference of the Americas.

Chile classified "spice," a mixture of herbs and synthetic cannabinoid compounds that has effects similar to marijuana, as a prohibited drug in April. CONACE maintained its pilot drug court program in Santiago, Valparaiso, Iquique, and Antofagasta. There are now 18 drug courts in Chile, which are similar to U.S. drug courts in offering rehabilitation to drug offenders under judicial supervision. Average processing times for oral judgments in Chile's adversarial justice system increased from 343 in the first half of 2008 to 388 days in the first half of 2009. The increase reflects the challenges associated with managing case loads in the new system, a slight increase in the number of narcotics related cases, and general growing pains.

The Chilean Congress continued to evaluate legislation that would replace CONACE with a National Service for the Prevention of Drug Consumption and Trafficking. The National Service would have responsibilities similar to CONACE, including the development and implementation of drug prevention and rehabilitation policies, but would report to a newly created Ministry of Public Security, which would be exclusively focused on citizen security issues. The legislation is intended to improve government coordination, particularly in dealing with the link between crime and drug use.

**Accomplishments.** Through June 2009, Chile reported seizures of approximately 1,659 kilograms of cocaine; 2,537 kilograms of cocaine paste; 6,402 kilograms of processed marijuana; and 32,284 units of illegal pharmaceutical drugs. Two police operations resulted in large illegal pharmaceutical seizures, but this does not indicate a new trend. Noteworthy operations included the May 2009 seizure of 243 kilograms of cocaine near Antofagasta in northern Chile. The seizure took place using aerial surveillance and resulted in six arrests.

**Law Enforcement Efforts.** Chile's counternarcotics law enforcement efforts are led by the Carabineros de Chile (uniformed national police) and the Policia de Investigaciones (investigative police–PDI). Both the Carabineros and the PDI have dedicated counternarcotics units that are considered highly professional and competent. Law enforcement efforts target both street level dealers and major traffickers and their organizations. In 2009, Chilean law enforcement officials uncovered several advanced drug trafficking techniques, including highly compressed cocaine molded into the shape of suitcases. The Carabineros continued to implement "Plan Vigia" (Plan Lookout) in northern Chile in response to increased drug trafficking from Bolivia. The plan, which was initiated in 2008, increased counternarcotics resources in northern Chile, including the introduction of aerial surveillance and the National Customs Service's deployment of two truck scanners that are used to screen cargo at border crossings.

Chile's Coast Guard, the General Directorate of Maritime Territory and Merchant Marine (DIRECTEMAR), is responsible for all maritime law enforcement activities, including counternarcotics. DIRECTEMAR has more than 80 small, medium, and large vessels that patrol the Chilean coastline and waterways and operates two Defender fast boats in Arica to intercept maritime drug shipping. It coordinates with the Carabineros, PDI, and Customs agency to conduct maritime narcotics operations. DIRECTEMAR's ability to confront maritime trafficking is limited by Chile's extensive coastline, which stretches more than 4,000 miles.

**Corruption.** The Government of Chile (GOC) 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. Narcotics-related corruption among police officers and other government officials is not considered a major problem in Chile, and no current Chilean senior officials have been accused of such activities. In cases where police are discovered to be involved in drug trafficking, or in protecting traffickers, simultaneous termination and investigation are immediate. Chile is traditionally considered one of the least corrupt countries in the Western Hemisphere.

**Agreements and Treaties.** Chile is a party to the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Chile is also 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. The 1900 U.S.-Chile Extradition Treaty is currently in force. While the U.S. and Chile do not have a bilateral mutual legal assistance treaty (MLAT), both countries are parties to the Organization of American States' 1992 Inter-American Convention on Mutual Assistance in Criminal Matters, which facilitates mutual legal assistance. Chile has also signed, but not yet ratified, the Inter-American Convention on Extradition.

**Cultivation/Production.** Chile produces a small amount of marijuana that is consumed domestically.

**Drug Flow/Transit.** Narcotics enter and transit Chile via legal and illegal border crossings with Peru, Bolivia, and Argentina. Chile's borders with these three countries stretch more than 1,300 miles, and there are approximately 150 illegal border crossings. Rough terrain inhibits efforts to intercept narcotics along the borders. Narcotics transit out of Chile to Europe and possibly the United States by sea. Chile's international ports are generally well monitored, but inspection restrictions established by the treaty ending the War of the Pacific require Chilean authorities to seek permission from the Government of Bolivia to inspect cargo originating in that country and transiting Chile. This impedes efforts to intercept illegal narcotics as it allows some cargo to pass through ports in Arica, Iquique, and Antofagasta without Chilean inspection. Some narcotics also transit out of Chile via international airports in Santiago and Arica.

**Domestic Programs/Demand Reduction.** CONACE has offices in all 15 regions of the country and offers a wide variety of drug prevention and treatment programs. Prevention programs target schools, families, and the workplace. CONACE has also instituted a community fund that provides grants to local

organizations that design and implement prevention programs. Chile offers drug rehabilitation treatment through CONACE and the Ministry of Health at more than 200 health centers around the country. Chile does not promote or sanction harm reduction programs.

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

**Policy Initiatives.** The USG works closely with Chile to strengthen its ability to confront drug trafficking. Specific U.S. goals include enhanced interagency cooperation among Chilean law enforcement entities, an increase in Chile's ability to conduct international drug investigations, and an increase in counternarcotics resources in northern Chile.

**Bilateral Cooperation.** Chile is a strong counternarcotics partner and the U.S. works closely with Chilean partners to achieve shared objectives. In 2009, the USG continued to foster interagency cooperation, provide assistance in international investigations, and promote increased resources for northern Chile. The USG and Chile also formed a trilateral development partnership in 2009 to offer assistance, including law enforcement training and development, to other Latin America countries. In addition, the USG and GOC also worked together to address interagency cooperation and complex, international drug investigations. In March, Chilean law enforcement officials attended an anti-money laundering presentation at the U.S. Embassy. In June, police officers from the Carabineros and PDI participated in the International Law Enforcement Academy (ILEA) Drug Unit Commanders' Course in Lima, Peru. In August, chemists from Chile's Institute of Health attended a week-long course at the Drug Enforcement Administration (DEA) Laboratory in Washington, DC to enhance drug intelligence analysis. In October, DEA officers conducted a five-day Chemical Precursor course in Santiago. DEA offices in Santiago, Lima, and Asuncion continued to support an Officer Exchange Program among their respective host nations in 2009. Officials from the National Prosecutor's Office (Ministerio Publico) also traveled to the U.S. to participate in a chemical precursor course. The U.S. Coast Guard (USCG) provided resident, mobile, and on-the-job training in maritime law enforcement professional development and command and control to the Chilean Navy. In addition, the USCG held a Regional Joint Boarding Officer course with Argentine instructors in which Chilean personnel participated.

**The Road Ahead.** The USG commends Chile for its efforts to deal simultaneously with public safety and public health aspects of drug trafficking and drug abuse. The USG encourages the GOC to strengthen interagency cooperation and focus on complex drug investigations and its investment in additional resources for the northern part of the country and for maritime/port investigations. The GOC could enhance its drug control efforts further by passing draft legislation that would expand the list of companies required to register with CONACE due to their involvement with chemical precursors. We also encourage the GOC to add emerging chemicals to its list of controlled items and increase the number of inspections at companies that import, export, manufacture, store, and transport chemical precursors.

# China

## I. Summary

The People's Republic of China (PRC) continues to face problems of drug production and trafficking, which contribute to its status as an important drug transit country in the international drug trafficking arena. China is a major manufacturer of "dual use" chemicals, primarily used for licit products, but also used for illicit drugs like methamphetamine. Organized crime diverts legitimately manufactured chemicals, especially ephedrine and pseudoephedrine, from large chemical industries throughout China to produce illicit drugs. In addition to domestic drug production problems, China's proximity to the Golden Triangle, North Korea, and the Golden Crescent facilitates the trafficking of drugs such as heroin and opium. PRC authorities view drug trafficking and abuse as a major threat to China's national security, economy, and stability.

The PRC's National Narcotics Control Commission (NNCC) conducted a new round of the "People's War against Drugs" in 2009 to maintain an "in-depth and continuous improvement" of controlling drug production and trafficking. The absolute number of seizures of illicit drugs increased over recent years. However, corruption in drug-producing and drug transit regions of China limits what dedicated enforcement officials can accomplish. PRC authorities continue to take steps to integrate China into regional and global counternarcotics efforts, and cooperation with U.S. counternarcotics officials improved over the past year. The PRC is a party to the 1988 United Nations (UN) Drug Convention.

## II. Status of Country

The NNCC leads the efforts of narcotics control in China and is responsible for the national coordination of drug control activities. The NNCC includes representatives from a range of government ministries. The Ministry of Public Security (MPS), through the Narcotics Control Bureau (NCB), enforces narcotics control measures. The NCB operates from central headquarters in Beijing and from provincial offices. China Customs Anti Smuggling Bureau also has significant involvement in narcotics control.

A signatory to the 1988 UN Drug Convention, the 1961 Single Convention on Narcotic Drugs, and the 1971 Convention on Psychotropic Substances, the PRC takes strong measures against the use and trafficking of narcotics and dangerous drugs. The PRC government subscribes to "the Four Prohibitions," which include: 1) disruption of trafficking organizations by attacking the source and stemming the flow of drugs entering China, 2) strict enforcement of all relevant laws and regulations, 3) treatment of drug users by determining root causes of drug use and empowering communities to address their particular drug problems, and 4) actively cooperating with other countries and international drug control organizations. China's location, geographical size, population, and current economic condition pose obstacles to its ability to adhere to these "Four Prohibitions."

The PRC's physical proximity to major narcotics producing areas in Asia—Southeast Asia's Golden Triangle, and Southwest Asia's Golden Crescent—exacerbates its drug trafficking problem. PRC officials recognize the Golden Crescent is a source of increasing amounts of heroin trafficked into western China, particularly into Xinjiang province. China's 97-kilometer border with Afghanistan is remote, but PRC authorities are increasingly concerned that heroin and opium from Afghanistan enter China through other countries in South and Central Asia. In the past, quantities of heroin and methamphetamine produced in North Korea entered China's northeastern provinces, but there have been intermittent indications of such drug trafficking from North Korea recently. Internal drug production problems exist as well, but Beijing claims that there are no heroin refineries in China.

With a large and developed chemical industry, China is one of the world's largest producers of licit chemicals, some share of which are diverted to illicit uses, including acetic anhydride, potassium

permanganate, piperonylmethylketone (PMK), pseudoephedrine, ephedrine and ephedra, despite Chinese efforts to prevent such diversion. China produces and monitors all 22 of the chemicals on the tables included in the 1988 UN Drug Convention. China continues to closely cooperate with the United States and other concerned countries in implementing a system of pre-export notification for dual-use precursor chemicals. China strictly regulates the import and export of precursor chemicals. According to NNCC statistics, PRC authorities successfully investigated 170 cases on illegal trade and smuggling of precursor criminals in 2008, and seized 1,113 tons of precursor chemicals (compared to 592 tons in 2007).

China is a major producer of licit ephedrine and pseudoephedrine, which are diverted from licit use by drug criminals, and used in the manufacture of methamphetamine. Many international law enforcement agencies believe that large-scale methamphetamine producers in other Asian countries and Mexico use Chinese-produced ephedrine and pseudoephedrine as a precursor. Numerous examples from criminal investigations confirm this suspicion. Diverted Chinese precursor chemicals may sustain synthetic drug production in other countries as far away as Mexico, Belgium, Indonesia, and the Netherlands. Although China enacted more stringent precursor chemical control laws in November 2005 and is engaged in multilateral and bilateral efforts to stop diversion from its chemical production sector, it has not yet found a way to effectively prevent diversion of precursor chemicals in its large chemical industry.

The NNCC reported an increase of drug users within China from 955,000 in 2007 to 1,126,700 in 2009. However, some officials acknowledge the actual number of addicts is much higher, and other published reports state that China might have as many as 15 million drug abusers. PRC Government reports indicate that 77.5 percent of all registered drug addicts are heroin users. Youth below the age of 35 make up the largest percentage of registered addicts (59.7 percent). In order to create a social environment for a "drug-free Olympics" in 2008, the PRC government conducted more rigorous screening and monitoring measures targeted on drug users. According to NNCC statistics for that year, 264,000 people received compulsory drug treatment, labor re-education treatment, and compulsory seclusion treatment throughout China.

As China's economy has grown, its population has enjoyed increasing levels of disposable income and personal freedom, despite severe restrictions on many political and civil rights. Concomitantly, drug abuse has become more prevalent among China's youth in large and mid-sized cities. The number of abusers of new drugs is increasing, and drugs such as crystal methamphetamine, Ecstasy, Ketamine, and triazolam have become more popular. Ecstasy's popularity is increasing among the young in night clubs and karaoke bars in large cities and along China's wealthy coast, particularly in Shanghai, Nanjing, Guangzhou and Shenzhen, and in China's capital, Beijing.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** China's Ministry of Public Security (MPS) is in the fifth year of its National People's War on Illicit Drugs, begun in 2005 by President Hu Jintao. MPS designated five campaigns as a part of this effort: drug prevention and education; drug treatment and rehabilitation; drug source blocking and interdiction; "strike hard" drug law enforcement; and strict control and administration, designed to inhibit the diversion of precursor chemicals and other drugs. In November 2005, China passed an Administrative Law on Precursor Chemicals and implemented an Administrative Regulation on Narcotic Drugs and Psychotropic Substances. In the same month, China issued Provisional Administrative Regulations on the Export of Precursor Chemicals to Special Countries, strengthening the regulation of exports of 58 types of precursor chemicals to countries in the Golden Triangle. Twenty-three of these precursor chemicals were classified as more stringently controlled. In March 2007, Chinese agencies involved in drug control completed the construction of an online database of drug users.

In a June 2008 speech, PRC President Hu Jintao framed drug control as a long-term mandate that should focus on drug prevention and education, law enforcement, treatment and rehabilitation, drug administration, and international cooperation. As a result, the NNCC renewed its commitment to the

People's War on Drugs through the implementation of the Drug Control Law, which came into effect on June 1, 2008. To implement the Drug Control Law, the NNCC set up eight working groups that cover drug prevention and education, law enforcement intelligence, drug treatment and rehabilitation, community-based maintenance and treatment, administration of narcotic and psychotropic substances, control of precursor chemicals, basic policy research on eradicating drug sources abroad, opium poppy alternative development abroad, and revised responsibilities of member organizations for drug control. Reflecting this policy change, the Ministry of Finance and MPS increased the central government's subsidy to local governments' drug control funds from RMB 330 million in 2007 to RMB 500 million in 2008.

Some 2008 initiatives altered how the PRC government monitors drug activity. For example, civilians gained access to an online system to report crimes. The Mini-Dublin Group—an informal consultation and coordination mechanism for global, regional, and country-specific problems of illicit drugs production, trafficking and demand—stated in its 2009 Report that 61,900 drug offenses and crimes were reported in China during 2008, which resulted in the arrest of 74,400 suspects and the seizure of 4.33 tons of heroin, 1.38 tons of opium and 6.15 tons of "ice" (crystal meth) and tablets.

To bolster drug intelligence and forensics capabilities, the MPS established the Drug Intelligence and Forensic Center (DIFC) in Beijing in June 2008. The DIFC is responsible for collection, research and application of drug control intelligence, international drug intelligence exchanges, research on drugs, studies on advanced forensic technologies, professional team development, and drug control training.

In accordance with the 2004-2008 Drug Control Work Plan, the PRC government continued with its "Strike Hard" theme. As host of the Beijing Olympic and Paralympic Games in 2008, China increased its training of police to combat drug-related crimes.

The PRC government pursued international initiatives such as signing an agreement with the European Union to exchange information on precursor chemicals; holding the 2009 Shanghai Opium Commission Conference in February 2009 (in commemoration of an historic event in international cooperation on drug control, held in 1909); holding narcotic control conferences at provincial and municipal levels during the year; continuing domestic public education campaigns; hosting the Ministerial Meeting of the Signatory Countries to the 1993 Memorandum of Understanding on Drug Control Conference; and providing support and training to cross-border partners such as Burma and Laos.

China continues to build on the counternarcotics Memoranda of Understanding (MOUs) it has with Laos, Cambodia, Thailand, Vietnam, Burma and the United Nations Office on Drugs and Crime (UNODC) and regularly hosts and/or participates in conferences and bilateral meetings. In November 2008, China signed a bilateral drug control cooperation MOU with Cambodia. The PRC Government has signed a total 18 bilateral drug control cooperation agreements/MOUs.

China participates in counternarcotics education programs sponsored by the International Law Enforcement Academy (ILEA), located in Bangkok, Thailand, and has provided training to neighboring countries. Chinese law enforcement agencies also continue to participate in Drug Enforcement Administration (DEA)-sponsored professional exchanges. China has several counternarcotics and transnational crime agreements with Shanghai Cooperation Organization (SCO) member countries in Central Asia.

China actively participated in an international cooperative effort with its neighbors in the Golden Triangle to reduce poppy cultivation in Laos and Burma. China continues to participate in United Nations Office on Drugs and Crime (UNODC) demand-reduction and crop-substitution efforts in areas along China's southern borders and worked closely with Burma and Laos to perform a comprehensive review of alternative crops development. In May 2006, the State Council authorized an RMB250-million fund (approx. $32.5 million) for crop-substitution projects in northern Burma and Laos. In tandem with these two governments, the NNCC conducted a survey of opium cultivation in northern Burma by combining

the approaches of satellite remote sensing and field surveys. The remote sensing and field surveys concluded that opium cultivation fell to 18,600 hectares in 2007, the lowest record in the past 30 years. Nevertheless, Burma remains the major source of opium entering China.

**Law Enforcement Efforts.** In China, three agencies have primary responsibility for controlling the licit/illicit drug markets: the MPS, the State Food and Drug Administration (SFDA) and the General Administration of Customs (GAC). Although they act independently, all three are part of the NNCC that forms drug policy in China.

In 2008, public security agencies throughout China recorded 61,900 drug-related criminal cases, uncovered 1,565 drug trafficking groups, destroyed 244 clandestine labs, and arrested 73,400 drug suspects. These agencies seized a total of 4.33 tons of heroin, 1.38 tons of opium, 6.15 tons of "ice" and tablets, and 5.27 tons of Ketamine in that process. Ultimately, 50,307 suspects were charged with drug-related crimes and prosecuted.

To strengthen law enforcement counternarcotics efforts, the MPS established a joint task force on drug intelligence and implemented Administrative Measures for Drug Target Cases, which improved administration review, guidance, and coordination of ministry-level target cases. The counternarcotics effort included the State Post Bureau, whose trained staff helped uncover 123 drug trafficking cases via postal routes, capture 80 criminal suspects, and seize 123 kilograms of drugs. In total, China handled 2,698 cases involving drug seizures of over one kilogram, representing 65.84 percent and 73.23 percent, respectively, of the total volumes of heroin and ice seized from January to November of 2008.

In cooperation with Laos, Burma, Thailand and the Philippines, PRC authorities continued to carry out operation "Nail Eradication," capturing 44 Chinese nationals living outside of China who were wanted as suspected leaders of drug trafficking rings and 7 drug lords, according to the NNCC. Since its launch in 2005, the "Nail Eradication" operation has resulted in 106 Chinese nationals being captured. The NNCC reported that the volume of heroin seized in connection with these major operations decreased from 10.8 tons in 2004 to 4.3 tons in 2008 due to the effects of this operation.

According to the NNCC, China and Pakistan have strengthened counternarcotics cooperation, to include information-sharing and joint operations. Police counterparts from the Philippines, Hong Kong, Guangdong province, and Beijing worked together to break up an international "ice"-making and trafficking gang headed by a Fujian province native. As described above, China also carried out joint counternarcotics operations with other neighboring countries, including Laos, Burma, Afghanistan, Pakistan, and Tajikistan.

Furthermore, in 2008, China continued to cooperate with United States law enforcement agencies such as DEA. Most of this cooperation is on an ad hoc basis and focuses on targeting international drug rings. MPS has allowed DEA to interview witnesses in China. In addition, at times, MPS facilitates the travel of U.S. law enforcement personnel based at the U.S. Embassy in Beijing and provides the central government authorization required to arrange meetings with local MPS officials. On several occasions in the past, DEA has received drug samples from MPS and Customs for analysis and, in 2008, China agreed to provide samples to participate in the DEA heroin signature analysis program, but the U.S. Government would like to receive samples in a greater number of cases.

**Corruption.** Chinese leaders acknowledge that China has a very serious corruption problem. Anti-corruption campaigns have led to arrests of many lower-level government personnel and some senior officials. Most corruption in China involves abuse of power, embezzlement and misappropriation of government funds, but payoffs to "look the other way" when questionable commercial activities occur are another major source of official corruption in China. While narcotics-related official corruption exists in China, it is seldom reported in the press. The Chinese press does, however, report instances of other types of official corruption, including embezzlement and bribery. In September 2008, for example, two former

Bank of China managers and their wives were, with Chinese Government assistance, convicted of money laundering and racketeering in the United States.

As a matter of policy, the Chinese Government does not permit, encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of drug proceeds, either by individuals or government agencies. No senior official of the PRC government is known to engage in, encourage, or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from drug transactions. MPS takes allegations of drug-related corruption seriously, launching investigations when it deems appropriate. Most cases appear to involve lower-level district and county officials. There is no specific evidence indicating senior-level drug-related corruption. Nevertheless, the quantity of drugs trafficked within China raises suspicions that official corruption is a factor in trafficking in provinces such as Yunnan, Guangdong, and Fujian, where narcotics trafficking and other forms of transnational crimes are prevalent.

Official corruption cannot be discounted among the factors enabling organized criminal networks to operate in certain regions of China, despite the efforts of central-level authorities. In a widely publicized 2009 string of cases in Chongqing, for example, numerous government officials were prosecuted for large scale graft, corruption, and a multitude of organized crime activities. China continues to be engaged in an anticorruption dialogue with the United States through the U.S.-China Joint Liaison Group on Law Enforcement Cooperation (JLG). Narcotics-related corruption does not appear to have adversely affected ongoing law enforcement cases in which United States agencies have been involved.

As part of its effort to stem the flow of corrupt Chinese officials who embezzle public funds and flee abroad to evade punishment, China ratified the United Nations Convention Against Corruption in January 2006, shortly after the Convention entered into force in December 2005.

**Agreements and Treaties.** China is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention and its 1972 Protocol, and the 1971 Convention on Psychotropic Substances, the UN Convention against Corruption, and the UN Convention against Transnational Organized Crime, and has signed, but not ratified, its Protocol on Trafficking in Firearms. The United States and China cooperate in law enforcement efforts under a mutual legal assistance agreement signed in 2000. There is no extradition treaty between the United States and China. In January 2003, the United States and China signed the Customs Mutual Assistance Agreement (CMAA). In February 2005, NNCC and DEA signed a memorandum of intent to establish a bilateral drug intelligence working group (BDIWG) to enhance cooperation and the exchange of information. In October 2009, the MPS hosted a BDIWG meeting with senior DEA officials in Beijing. In July 2006 ONDCP and NNCC signed a memorandum of intent to increase cooperation in combating drug trafficking and abuse

China cooperates with international chemical control initiatives in Operation Purple and accounts for 70 percent of the worldwide seizures of potassium permanganate that have been made in that operation. China also participates in Operation Topaz, an intergovernmental operation to detect and prevent precursor chemicals used in the illicit manufacture of heroin, and Project Prism, which targets synthetic drug chemicals. China continued its participation in the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD).

In 2008, new bilateral and multilateral counternarcotics programs included the MPS training 165 officers from Burma, Laos, Cambodia, Vietnam and Afghanistan, as well as donating six drug detector dogs and five X-ray machines to the Pakistan Anti-Narcotics force. China's MPS assigned liaison officers to serve in foreign posts and began their programs with officer assignments to Turkey, Kyrgyzstan, Kazakhstan and the United States.

**Cultivation/Production.** China effectively eradicated most drug-related crops within its borders. China's mountainous and forested regions where illegal cultivation can occur are subject to aerial surveillance,

field surveys, and drug eradication. Due to China's effective law enforcement, opium poppies are only grown in small quantities by ethnic minority groups for local consumption. Chinese officials state that there are no heroin refineries in China. Coca is not cultivated in China.

However, China is a main source for natural ephedra, which is used in the licit production of ephedrine. China is also one of the world's largest producers of ephedrine, licit synthetic pseudoephedrine, and ephedra products. China has a large pharmaceutical industry, and these products all have legitimate medicinal use, but they can also be used in the production of amphetamine-type stimulants (ATS). The PRC Government, supplemented by stricter controls in critical provinces such as Yunnan and Zhejiang, makes efforts to control exports of these key precursors. Despite these efforts, there is a widespread belief among law enforcement authorities in Asia and Mexico that large-scale production of methamphetamines—most notably in super and mega-labs in the Asia Pacific Rim and in Mexico—uses China-produced ephedrine and pseudoephedrine. Large-scale seizures of Chinese-made chemicals that have been diverted are almost commonplace in law enforcement investigations around the world.

Chinese authorities continued to seize clandestine methamphetamine laboratories. In the past, the majority of the labs were discovered and/or seized in Fujian and Guangdong provinces, although recently there have been laboratories seized in northeast China, specifically Shenyang and Liaoning province. On August 7, 2008, a special operations unit of MPS seized a methamphetamine manufacturing factory in Huizhou, China. The unit arrested six suspects and seized nearly 1,700 kilograms of mixed liquid substance containing methamphetamine.

**Drug Flow/Transit.** China continues to be used as a transshipment route for drugs produced in the Golden Crescent and Golden Triangle for the international market, despite counternarcotics cooperation with neighbors such as Vietnam, Thailand and Burma. In particular, China remains a major heroin transshipment country in Asia because of its proximity to the Golden Triangle and Golden Crescent. Other factors influencing China's importance as a transit country include: economic liberalization; improvements to transportation, commercial, and communications infrastructure; porous borders along western China; continued production and trafficking of heroin by insurgent groups near the China-Burma border; increased effectiveness of law enforcement activities in other countries; and the lack of extradition treaties with consumer countries.

PRC authorities report that the majority of heroin produced in Burma travels via China to the international market. China shares a 2000-kilometer border with Burma, much of which lies in remote and mountainous areas, providing smugglers all-but-unrestricted access into China. In addition, there are many official crossings on the Burma-China border that also can be used to facilitate smuggling. Transit of drugs through Yunnan and Guangxi provinces to Guangdong province for storage, distribution, or repackaging has been especially widespread. Smaller amounts of heroin are also coming from Laos, Vietnam, and other Southeast Asian countries. Traffickers continue to use Guangzhou, Shenzhen, and Zhuhai in Guangdong province as transit and transshipment points for heroin and crystal methamphetamine exiting China. In addition, Xiamen and Fuzhou in Fujian province are major exit points.

PRC authorities acknowledge that western China is experiencing significant problems as well. They report that drugs such as opium and heroin are being smuggled into Xinjiang province for distribution throughout China. They also report that of the heroin in China, a significant share is believed to be sourced from Afghanistan. They are concerned about heroin and opium from the Golden Crescent and report a steady increase in the flow of heroin from that region, specifically from Afghanistan. Consequently, there has been an increase in the number of Afghan heroin seizures throughout China. MPS and DEA report that Pakistan serves as a key trafficking route for heroin from Afghanistan into China.

Xinjiang provincial law enforcement authorities claimed that one of the major domestic distribution routes for Southwest Asian heroin runs through Pakistan to Xinjiang province and then to cities such as Beijing, Shanghai and Guangzhou. According to the NNCC, the PRC government in 2008 had investigated a total of 238 drug trafficking cases from the Golden Crescent. PRC law enforcement officials arrested 284 suspects and seized 390 kilograms of drugs. 66.3 percent of the heroin seized in Xinjiang originated from the Golden Crescent, based on NNCC data. Heroin from the Golden Crescent also enters China through Guangdong province in southern China. Based on NNCC statistics, imports from the Golden Crescent region increased, resulting in 400 kilograms of Afghanistan heroin seized in southern China in 2008. In September 2009, the MPS in a single case seized 145 kilograms of heroin and arrested numerous suspects including some from Pakistan and Afghanistan. From this case, it was shown that many more very large loads of Afghan heroin had been shipped to China in the past

In addition to heroin, the Golden Crescent is the world's largest source of raw opium, accounting for over 92 percent of the world's annual supply. From approximately 157,000 hectares, more than 7,700 tons of opium has been produced recently in this area.

Opium from the Golden Triangle had been declining for the past several years, but opium production increased in 2008 and again in 2009. Annual opium production increased to an estimate of 300 tons from a cultivated area of 24,300 hectares. Methamphetamine tablets trafficked from the Golden Triangle increased as well. In 2008, approximately 2.4 tons of methamphetamine tablets from northern Burma were seized in Yunnan province.

West African Organized Crime Groups exacerbate China's drug trafficking problem by continuing to recruit couriers from African and Southeast Asian countries. These couriers often transport narcotics via body packs or luggage concealment.

**Domestic Programs (Demand Reduction).** The demand for drugs, especially among China's youth, remains high. The PRC Government's Drug Control strategy is broadcast in various public media. The NNCC and other related departments produce Drug Control Law textbooks, educational films, public service ads on television and radio, posters, and charts to ensure a wider distribution. From October to December 2008, the NNCC held a nationwide promotion campaign on the Drug Control Law to reach communities in urban and rural areas. The PRC government has been using more varied media tools to promote the Drug Control Law.

The PRC government established an online database of drug users and addicts for monitoring purposes. As of February 2009, there were 1,146,000 registered existing drug users listed on the database, according to the 2009 Mini-Dublin Report. As many as 888,000 of those registered were heroin users, representing 77.5 percent of existing drug users in China. One positive outcome documented by the NNCC was that the annual growth rate of new heroin addicts decreased from 30 percent at its peak to 4.6 percent in 2008. The proportion of young abusers under the age of 35 fell from 82 percent to 51 percent.

China's drug education/treatment and rehabilitation centers emphasize long-term support and aftercare to prevent relapse and recidivism. These centers use "education through labor," which builds life skills for rehabilitated drug addicts. In addition to the education through labor camps, the government used media campaigns, the establishment of drug-free communities, compulsory drug rehabilitation treatment, and voluntary rehabilitation centers to reduce drug demand. The total number of community-based drug maintenance and treatment clinics increased from 128 (in 2005) to 320 in 22 provinces, regions and municipalities. In 2008, 264,000 people received compulsory drug treatment, labor reeducation treatment, and compulsory seclusion treatment in China.

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

**Bilateral Cooperation.** Counternarcotics cooperation between China and the United States continues to develop. Chinese authorities are working with the United States on a number of ongoing investigations

and initiatives, including Golden Crescent heroin DTO (Drug Trafficking Organization) investigations, Chinese organized crime syndicates (DTOs) transporting and distributing South American cocaine around the world, and the use of precursors produced in China and subsequently illegally exported or diverted after exportation around the world. As previously mentioned, China hosted the third annual BDIWG in Beijing in October 2009. The 2005 Memorandum of Intent between DEA and MPS has led to a steady improvement in U.S.-China efforts to combat drug trafficking.

In February 2008, the Narcotics Control Bureau of MPS and the DEA of the U.S. Department of Justice jointly conducted a transnational controlled delivery operation, in which an African drug trafficking gang active in China was thwarted. Four suspects were arrested, and 779 g of cocaine, 276 g of cannabis, and 600 g of other illicit drugs were seized. Unfortunately, since then there have been no additional controlled delivery operations jointly conducted with DEA in China.

It should be noted that during the last few months of 2009, the level of cooperation and intelligence exchange on active cases improved markedly, but despite these recent improvements, bilateral counternarcotics cooperation remains hindered by the limits China imposes on intelligence sharing and provincial-level interaction. While United States counternarcotics officials regularly provide leads and share information to support arrests and confiscations in China, their Chinese counterparts are restrained from providing information, even regarding successful apprehensions that result from U.S.-provided investigative leads. Further hindering the development of effective bilateral cooperation, MPS insists that U.S. counternarcotics officials channel all communications through the central office in Beijing. Direct interaction with MPS at the provincial level would be more effective and allow timely investigations and law enforcement actions.

**The Road Ahead.** One of the most significant problems in bilateral counternarcotics cooperation remains the lack of progress toward concluding a bilateral Letter of Agreement enabling the U.S. Government to extend counternarcotics assistance to China. Reaching agreement on a Letter of Agreement is a major U.S. goal that, if achieved, would greatly increase counternarcotics cooperation between the two countries. Obtaining timely access to witnesses and evidence in criminal investigations remains a challenge from the U.S. perspective. Despite these issues, bilateral enforcement cooperation remains on a positive track and is expected to continue to improve over the coming year.

# Colombia

## I. Summary

The Government of Colombia (GOC) continues to make significant progress in its vigorous fight against the production and trafficking of illicit drugs. Citing record coca eradication in 2008, the United States Government (USG) and United Nations separately reported significant declines in cocaine production potential and coca cultivation in Colombia in 2008. The USG estimated that cultivation in 2008 was down 29 percent compared to 2007, from 167,000 to 119,000 hectares. Crediting sustained aerial eradication and increased manual eradication operations in 2008, it also reported a decline in pure cocaine production potential of 39 percent, from 485 metric tons in 2007 to 295 metric tons in 2008, which is also a 58 percent drop from the 700 metric tons production potential in 2001. Nevertheless, Colombia remains a major drug producing country. Colombia's National Consolidation Plan, supported by the United States, seeks to integrate security, counternarcotics, alternative development and justice programs in targeted zones to reduce violence and consolidate security and state presence in priority areas.

In 2009, the GOC continued its aggressive interdiction and eradication programs and maintained a strong extradition record for persons charged with crimes in the U.S. According to the Colombian Government, Colombia seized during 2009 over 205 metric tons of cocaine and cocaine base and eradicated approximately 165,000 hectares of illicit coca crops. The GOC also began to address increasing domestic drug consumption and raised the profile of drug prevention and treatment efforts. Colombia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Colombia's capacity to combat the illegal drug trade has significantly increased, in part with the help of assistance from the United States. Major gains in disrupting the drug trafficking structure and drug growing and distribution cycles have been made. Despite an unwavering commitment to combat illegal drugs, Colombia remained one of three principal cocaine producing countries, a leading market for precursor chemicals, and the focus of significant money laundering activity. The majority of Colombian cocaine was smuggled to the U.S. via maritime means through Mexico and other countries in the transit zone, but a growing percentage is also destined for Europe and Brazil. According to DEA, almost 90 percent of the cocaine and 60 percent of the heroin seized in the United States originates in Colombia. Narcotics traffickers exploit Colombia's vast jungles and mountainous terrain for illegal drug production, and use Pacific and Caribbean seaports, multiple international airports, a growing highway system, and extensive river ways to transport illegal narcotics outside Colombia.

While illegal drugs are still primarily exported, domestic consumption is on the rise. With the completion in 2009 of the first National Household Drug Consumption Study since 1996 and the launch of the first National Drug Consumption Reduction Plan for 2009-2010, the GOC established a baseline to measure drug consumption trends in Colombia and devised a comprehensive policy to be implemented nationwide.

The United States has designated three illegal armed groups in Colombia as Foreign Terrorist Organizations (FTOs). The Revolutionary Armed Forces of Colombia (FARC) and, to a lesser degree, the Army of Liberation (ELN) exercise considerable influence over areas with high concentrations of coca and opium poppy cultivation. Their involvement in narcotics fuels armed conflict, insecurity, and generates one of the world's largest internal displacements of rural populations. The third FTO, the United Self-Defense Forces of Colombia (AUC), officially demobilized in 2006, but remnants of these paramilitary forces remained involved in drug trafficking. A comprehensive demobilization and reintegration program for most members of FTOs is being implemented, but a significant number of

former mid-level AUC commanders direct the drug trade through their involvement with criminal organizations in areas of former AUC influence.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** To address the complexity and inter-connectedness of security, counternarcotics programs and economic development, the GOC launched a "National Consolidation Plan" in 2009 that focuses on priority areas where violence, drug trafficking and social marginalization converge. The National Consolidation Plan centered on increasing territorial control in these areas to provide security for communities; achieve lasting eradication; transfer security from the military to the police; and provides a wide range of government social and economic services. Regional Coordination Centers staffed by civilian, police and military personnel coordinated this comprehensive approach.

A pilot project for the National Consolidation Plan began in late 2007 in the Macarena region of the Department of Meta. Early indications of this effort in 2009 were positive, particularly in mitigating the growth of coca. The United Nations reported that coca cultivation in the Macarena Consolidated Program (PCIM) was down 73 percent in 2008, evidence that GOC consolidation efforts have been successful in reducing coca cultivation there. To consolidate the successes made under Plan Colombia and help the GOC implement its National Consolidation Plan, the United States delivered its comprehensive assistance in a more sequenced approach to help establish a government presence in former conflict and rural areas, deter coca replanting after eradication, improve interdiction along Colombia's Pacific coastline and provide alternative livelihoods for those engaged in the drug trade.

One of the central components to improving local security and government presence was increasing access to justice in Colombia and fighting impunity. The nationwide transition to an oral accusatory system of justice was completed on January 1, 2008, along with implementation of a new Criminal Procedure Code, which greatly assisted in resolving cases in a timely manner and improved conviction rates.

**Accomplishments.** The GOC's National Directorate for Dangerous Drugs (DNE) reported that Colombian security forces seized a total of 205.85 metric tons of cocaine and cocaine base, 191.6 metric tons of marijuana, 740 kilograms of heroin, over 1.35 million gallons and 3.54 million kilograms of precursor chemicals, while destroying 285 cocaine hydrochloride (HCL) labs and 2,795 coca base labs during 2009.

The Colombian National Police's (CNP) Mobile Rural Police Squadrons (Carabineros) are charged with expanding and maintaining police presence in rural and conflict areas throughout Colombia. In 2009, the Carabineros captured over 6.4 metric tons of cocaine, 1,121 weapons, over 50,000 rounds of ammunition, 1,205 kilograms of explosives and destroyed over 160 base labs. In addition, Carabinero units captured 1,072 persons, including 51 FARC/ELN members, 228 individuals associated with criminal bands (BACRIM), 64 narcotics traffickers and 729 common criminals. Currently 20 out of 71 Carabinero squadrons are assigned to manual eradication operations providing security for civilian eradicators. The CNP's main interdiction force, the DIRAN's Jungle Commandos (Junglas), or airmobile units, were largely responsible for the significant number of HCL and coca base labs destroyed in 2009.

**Law Enforcement Efforts.** In light of the growing link between Colombian drug traffickers and narcotics trafficking gangs in Mexico and Central America, the CNP assisted law enforcement agencies throughout Central and South America to improve their abilities to respond to the threat of illegal drug trafficking and drug-related violence and increase coordination among regional law enforcement entities. Under the Colombia-Mexico Police Cooperation Program, the GOC provided counternarcotics and criminal investigative training as part of the Mexican Secretariat of Public Security (SSP) police reform initiative. These efforts included providing more than 40 Colombian National Police instructors to assist in the international effort to train 10,000 Mexican federal police, training for 61 Mexican senior law

enforcement executives at the CNP Academy, and offering specialized CNP training for an additional 240 mid-level SSP officers. Colombia provided state-level CNP training in Mexico, with an abbreviated Jungla course on drug interdiction operations; training Mexican state police in antikidnapping and investigative techniques; and two-months of CNP Junglas' instruction for local Mexican police. Colombian judicial training for Mexican police has also been part of Colombia's engagement with Mexico.

DIRAN also hosted the "International Jungla Commando Course" two times annually in Colombia. Police and military units from throughout Latin America routinely send representatives to the training, including Panama, Costa Rica, Belize, Mexico, Argentina, Paraguay, Brazil, Peru, Jamaica and the Dominican Republic. Other CNP assistance in the region included training for representatives from the Dominican Republic, Guatemala and Peru on cargo and passenger control at ports and airports. The CNP helped the United Nations with its ongoing multilateral efforts to improve the Haitian police force.

The DIRAN Judicial Police unit, which began work in 2006 to gather evidence for asset forfeiture proceedings against property owners cultivating or processing illegal crops, is estimated to have seized in 2009 illicitly obtained assets in excess of $600 million. The seizure of these assets was important to deterring cultivation of illegal crops, but additional legislative and regulatory changes are needed if this process is to have the maximum deterrent effect and provide revenue for counternarcotics and anticrime programs.

Port Security. With the success of air interdiction programs in Colombia, the transport of drugs via Colombia's extensive rivers and coastal ports was a major concern. Significant drug seizures in Colombia's ports were the result of improvements in port security by the GOC and private seaport operators, aided in part by the U.S. In 2009, almost 14 metric tons of cocaine, 154 kilograms of heroin, and 1.8 metric tons of marijuana were seized by DIRAN in the ports and over 70 individuals were arrested on drug-related charges. At Colombia's international airports, DIRAN units confiscated 140 kilograms of heroin, 3.8 metric tons of cocaine, 305 kilograms of marijuana, and arrested 355 people on drug-related charges.

**High-Value Targets (HVTs).** Because of the FARC's prominent role in the drug trade, over 60 FARC leaders have been indicted since 2005 in the U.S. for conspiring to traffic cocaine into the U.S. After achieving a number of high-level and significant victories against the FARC in 2008, the GOC maintained pressure against the terrorist organization and succeeded in capturing or killing a number of high-level FARC commanders in 2009. Under "Operation Fuerte," Colombian forces killed the commander and captured the deputy commander of the FARC'S "Antonio Narino" urban front. On May 30, Colombian police captured Adela Perez, a senior FARC leader who participated in the 1994 car bomb assassination of a Colombian general and a 2001 assassination attempt against current Colombian President Alvaro Uribe.

On October 25, 2009, the CNP conducted an airmobile assault on the FARC's Teofilo Forero Mobile Column command post in the Department of Caqueta, killing three FARC combatants. One of the dead was one of Colombia's most wanted criminals, Herier Triana, aka Comandante "Pata Mala." In addition to being wanted for extradition to the U.S., "Pata Mala" was one of the FARC leaders most closely associated with narcotics trafficking activities. According to the CNP, he was responsible for the Club Nogal bombing (February 7, 2003), the execution of the Turbay Cote family (December 29, 2000), and the kidnapping and murder of ex-President Gaviria Trujillo's sister, Liliana Gaviria Trujillo (April 2007).

The CNP and Colombian military aggressively pursued drug traffickers in charge of criminal and narcotics trafficking organizations. In 2009, Daniel Rendon Herrera, aka "Don Mario," Colombia's most-wanted narcotics trafficker was captured as a result of an April 9-15 CNP operation that included DIRAN Junglas and multiple police aviation assets. The Junglas captured Don Mario near Uraba, Antioquia, on the northwest Caribbean coast. On October 1, the Junglas also captured Marco Fidel Barba Galarcio, aka

"Mateo," the AUC paramilitary leader who led remnants of Don Mario's narcotics trafficking organization. "Mateo" was a member of the demobilized paramilitary AUC Northern Bloc. On October 10, the DIRAN Judicial Police captured Ramon Majona in Covenas, on Colombia's Caribbean coast. Majona was a major trafficker responsible for setting up cocaine lab networks in northern Colombia and was wanted for extradition to the U.S. Majona entered the AUC demobilization process in 2005, but shortly thereafter he returned to narcotics trafficking.

On September 26, 2009, the CNP Intelligence Directorate (DIPOL) captured Juan Carlos Rivera Ruiz, alias "Zero-Six," who was the head of the North Valle Cartel and a designated kingpin. He had reportedly taken over this organization after assassinating his former boss, then Cartel leader Wilber Varela in January 2008.

**Demobilization.** To facilitate the dismantling of Foreign Terrorist Organizations (FTOs) and assist in their reintegration, the GOC operated both a collective and individual demobilization program. Under Colombian law, the High Commission for Peace overseas peace negotiations with illegal armed groups and the subsequent collective demobilizations. While available to all FTOs, collective demobilizations have only been implemented with the AUC. The Ministry of Defense managed the individual demobilization or deserter program for FTOs and any other illegal armed group in Colombia. Since 2006, the Office of the Presidential Advisor for Reintegration has directed the GOC Reintegration Program for demobilized combatants from illegal armed groups.

While the number of demobilizations dropped markedly in 2009 due in part to a reduced operational tempo by Colombian Security Forces and an increased tendency for insurgents to withdraw to more remote areas, 2,638 individuals still demobilized during this reporting period. FARC numbers fell by 30 percent from 3,027 in 2008 to 2,128 in 2009 as ELN demobilization grew by approximately 20 percent with 492 individuals laying down their arms. Between 2002 and 2009, the GOC reports more than 52,000 persons have demobilized —over 20,555 under the individual demobilization program and 31,671 under the collective process.

Under the GOC's Justice and Peace process, 1,952 confessions of demobilized paramilitary members have been taken; 34,869 crimes are in the process of being confessed; out of these, 16,607 crimes have been fully confessed (the vast majority murders); 2,901 victim's remains were exhumed; 786 bodies were returned to relatives and 280,420 victims registered. The U.S. provides assistance to the Colombian Attorney General's Office to carry out the investigation and gather confessions of demobilized paramilitary members, including those extradited to the United States.

Under the GOC's Justice and Peace process, 1,926 confessions of demobilized paramilitary members have been taken; 32,909 crimes confessed—the vast majority murders; 2,666 victim remains exhumed, and 257,089 victims registered. The U.S. provided assistance to the Colombian Prosecutor General's Office to carry out the investigation and obtain confessions of demobilized paramilitary members, including those extradited to the United States.

**Corruption.** Colombia is party to both the Inter-American Convention against Corruption and the UN Convention against Corruption. The GOC 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. Despite this commitment, corruption of some GOC officials occurred. Numerous members of the GOC supported right-wing paramilitary groups. A total of 87 members of the 2006-2010 Congress, 15 current and former governors, and 35 mayors have been investigated in the "para-political" scandal, with 30 congressmen, 11 governors, and 25 mayors jailed as a result of the investigations. Both the Supreme Court and a special unit within the Prosecutor General's office pursued their investigations of alleged paramilitary ties to politicians and other sectors of society.

The Colombian courts handed down two positive decisions in human rights cases. On December 2, 2009, the Colombian Supreme Court sentenced former Sucre Department Governor and Ambassador to Chile Salvador Arana to 40 years in prison for his role in ordering the assassination of a mayor by paramilitaries in 2003. The sentence is the longest handed down by the Supreme Court in the "para-political" scandal. Separately, on November 26 a Bogota court sentenced former Army General Jaime Humberto Uscategui to 40 years for his failure to make any effort to prevent the 1997 Mapiripan, Meta massacre during which 40 unarmed peasants were killed by AUC forces. General Uscategui appealed the case to Colombia's Supreme Court. In a surprising development, on December 3, the Colombian Supreme Court dropped charges against former Navy Admiral Gabriel Arango Bacci at the request of the Prosecutor General and Inspector General. Arango had been accused of collaboration with narcotics traffickers. Navy Commander Admiral Barrerra, who relieved Arango and referred his case to the civilian criminal courts, is now under investigation for allegedly providing false testimony. Arango had earlier been found guilty by a military tribunal of accepting a bribe of $115,000 in exchange for alerting drug traffickers to navy patrol coordinates and pulling navy vessels away from smuggling routes.

Revelations of military "false positives," in which unarmed civilians were murdered and presented as combat deaths, led to the dismissal of 51 officers and soldiers of the Colombian Army. The Prosecutor General's Office is currently processing more than 1,000 cases of extrajudicial executions, involving approximately 2,000 victims. Prosecutions have been slow but there was progress. At the end of 2008, the Ministry of Defense implemented human rights protocols and changed operating policies in an effort to confront the problem of extrajudicial executions. While sources vary on the exact figures, NGOs, the GOC, and international organizations agree that the number of military extrajudicial executions dropped dramatically in 2009 to between two and 20 from over 300 killings in 2008. The GOC reports that 139 former members of the military have been convicted for extrajudicial executions.

President Uribe announced on September 17 that he favored dismantling the scandal-ridden Administrative Department of Security (DAS), the civilian security service. DAS scandals included alleged illegal wiretapping of Supreme Court Magistrates, opposition politicians, and non-governmental organizations. In a much-anticipated move, President Uribe proposed a much smaller, new entity that would focus on intelligence and immigration services. The DAS' other functions would be transferred to other existing agencies. Legislation to dissolve and assemble a new intelligence service was sent to the Colombian Congress, but no action had been taken by the end of 2009.

**Agreements and Treaties.** The GOC is a party to the United Nations (UN) Single Convention on Narcotic drugs, 1961, as amended by the 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; 1988 UN Drug Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; the Organization of American States (OAS) Convention on Mutual Legal Assistance; the UN Convention against Transnational Organized Crime, and its Protocol on Trafficking in Persons; and the UN Convention against Corruption. Colombia participated in the Regional Summit on the World Drug Problem, Security, and Cooperation, which promoted information sharing, training and technical assistance under the UN counternarcotics conventions. Separately, Colombia is part of a tri-party group with the U.S. and Mexico that consists of the DEA Administrator, the Colombian Minister of Defense, and the Mexican Attorney General. This group meets to discuss counternarcotics and other issues of mutual interest. The GOC's 2003 National Security Strategy (Plan de Seguridad Democratica) meets the strategic requirements of the 1988 UN Drug Convention and the GOC is generally in line with its other requirements.

A Maritime Ship Boarding Agreement signed in 1997 continued to be successfully implemented by the GOC and U.S. This agreement facilitated timely approval to board Colombian-flagged ships in international waters and improved counternarcotics cooperation between the Colombian Navy (COLNAV) and the U.S. Coast Guard (USCG). Meetings on this issue have expanded and included Ecuador, Panama and Mexico. The COLNAV seized 97.4 metric tons of cocaine, 12.8 metric tons of

marijuana and 5.3 kilograms of heroin during 2009. From that total, 16.6 metric tons of cocaine have been seized under this Maritime Ship Boarding Agreement.

The 1999 Customs Mutual Assistance Agreement (CMAA) provides a basis for the exchange of information to prevent, investigate, and repress any offense against the customs laws of the United States or Colombia. As a result of the CMAA and the strong relationship with Colombian Customs, a U.S.-created Trade Based Money Laundering Unit was created to analyze, identify and investigate money laundering utilizing trade between Colombia and the United States.

In 2004, Colombia and the United States signed a revised agreement establishing the Bilateral Narcotics Control Program, which provides the framework for specific counternarcotics project agreements with the various Colombian implementing agencies. This agreement has been amended annually and is the vehicle for the delivery of a majority of U.S. counternarcotics assistance.

On October 30, 2009, the United States and Colombia signed the Defense Cooperation Agreement (formally titled a Supplemental Agreement for Cooperationa and Technical Assistance and Security, or SACTA), which is now in force. The Agreement will deepen bilateral cooperation on security issues and facilitate effective bilateral cooperation on security matters in Colombia, including narcotics production and trafficking, terrorism, illicit smuggling, and humanitarian and natural disasters. The Defense Cooperation Agreement does not permit the establishment of any U.S. bases in Colombia, but it ensures continued U.S. access to certain Colombian facilities in order to undertake mutually-agreed upon activities within Colombia.

**Extradition and Mutual Legal Assistance.** There is no bilateral Mutual Legal Assistance Treaty (MLAT) in force between the United States and Colombia, but the two countries cooperate extensively via multilateral agreements and conventions, including the OAS Convention on Mutual Legal Assistance and the 1988 UN Drug Convention.

Despite several extradition denials by the Colombian Supreme Court since late 2008 (16 denials; more than 75 percent of total denials since 1991), a large number of individuals were extradited to the United States, primarily on drug charges. During 2009, there were 186 extraditions to the United States. Since December 1997, when Colombia revised its domestic law to permit the extradition of Colombian nationals, 1,041 individuals have been extradited to the United States, including 975 since President Uribe assumed office in 2002.

**Cultivation/Production.** Citing record coca eradication in 2008, the United States and UN reported significant declines in coca cultivation and cocaine production potential in Colombia in 2008. The USG reported that cultivation in 2008 was down 29 percent compared to 2007, from 167,000 to 119,000 hectares—the largest decline ever reported in cultivation by the U. S. and the first reported drop since 2002. The U.S., crediting sustained aerial eradication and increased manual eradication operations in 2008, also reported a decline in pure cocaine production potential of 39 percent from 485 metric tons in 2007 to 295 metric tons in 2008. The UN reported an 18 percent drop in cultivation in 2008, down to 81,000 hectares, and a 28 percent fall in cocaine production potential to 430 metric tons.

While the U.S. and the UN numbers vary because of different methodologies, the trends reflected in both reports have generally been consistent. These reports also indicate that existing coca is less healthy, less dense, and in smaller fields. As the estimated area under cultivation diminished, cocaine productivity from Colombian fields dropped. Nevertheless, illicit cultivation was a serious problem in Colombia's national parks, indigenous reserves, and along the border with Ecuador and Venezuela, where aerial eradication is prohibited. The GOC does not conduct aerial spraying within 10 kilometers of international borders due to objections from neighboring countries. Manual eradication did occur in border areas, yet it was slow and dangerous, due to the often rugged and isolated terrain, as well as the strategic importance of the border and certain parklands to the FARC.

Under the auspices of the President's Agency for Social Action, civilian eradicators, with support from the CNP, Colombian Army and Colombian Marines conducted manual eradication throughout the country. After manually eradicating a record 96,000 hectares of illicit crops in 2008, the manual eradication goal for 2009 was reduced to 70,000 hectares in early 2009 because of funding limitations. Due to further budgetary constraints, security concerns and the dispersion of coca to smaller fields, the Government of Colombia's manual eradication program eliminated approximately 60,500 hectares in 2009. During 2009, the GOC reported 40 fatalities, in comparison to 26 for 2008, during manual eradication operations due to improvised explosive devices, sniper fire and attacks from drug traffickers. Dozens of additional manual eradicators and security personnel were injured or maimed during manual eradication. The aerial eradication program sprayed 104,771 hectares, exceeding the spray goal of 100,000 hectares, but amounting to 28,725 hectares less than in 2008.

Opium poppy cultivation and heroin production in Colombia declined about 50 percent from 2000 to 2006 according to the most recent poppy cultivation estimate for Colombia. Colombian public security forces reported seizing 598 kilograms of heroin in 2009, an increase of nearly 200 kilograms compared to 2008 seizures. It is unclear if the increase in seizures is related to rising poppy cultivation since a full estimate of poppy cultivation for Colombia has not been able to be completed since 2006 for technical reasons. In 2009, the GOC manually eradicated 546 hectares of poppy, compared to 361 hectares in 2008 and 375 hectares in 2007.

**Environmental Safeguards.** The aerial eradication program followed strict GOC laws and regulations, verified twice a year by an inter-institutional complaints committee to evaluate the efficiency and effectiveness of the environmental protection measures. Soil and water samples were taken prior to the commencement of spray operations and afterwards to measure the level of chemical residue. Analysis has shown that residue levels have never fallen outside of the established norms and caused no significant harm to the environment. To respond to human and environmental concerns, the Organization of American States (OAS) published a study in 2005 noting that "the chemicals used to aerially eradicate coca did not pose significant risks to humans or most wildlife."

In a series of follow-up OAS studies published in August 2009, an international team of scientists looked thoroughly at potential risks associated with the aerial application of glyphosate to coca or opium poppy in Colombia. The studies included many aspects of potential exposure and toxicology, i.e., drift during spraying, potentially sensitive amphibian species, and epidemiology studies in the regions where spraying has occurred. The outcome was a series of 10 peer-reviewed scientific papers. The authors concluded that spraying has not caused damage to humans or wildlife, and that damage from drug crop production and processing far outweighs the negligible risk from exposure to glyphosate due to coca or poppy spraying. The GOC continued to investigate all claims of harm to human health allegedly caused by aerial spraying; however, the Colombian National Institute of Health has not verified a single case of adverse human health effects linked to aerial eradication.

To address incidences where legal crops may have accidentally been sprayed, the GOC, with U.S. support, carried out a complaints resolution program. Since the beginning of the program in 2001, DIRAN has received a total of 12,288 complaints, of which only 1.3 percent were compensated. Through September 2009, nearly 80 percent of the complaints were dismissed after verification missions determined that spray did not occur or did not damage legal crops, found the presence of illegal crops or the complainants failed to submit all the required information. Approximately 19 percent of the cases were still being processed. While the GOC worked aggressively to resolve all complaints, incomplete complaint forms and possible incidences of eradication opponents and coca producers filing frivolous complaints in mass to backlog the system complicated and burdened this process. The CNP recently acquired a high–resolution camera that is expected to enhance verification and complaint missions. The camera will begin to support complaint verification missions once pilots and operators have undergone the necessary training.

**Drug Flow/Transit.** Colombian cocaine and heroin are primarily destined for the United States or Europe. Drugs arriving in the United States from Colombia often departed from Colombia's Pacific coast via go-fast boats or self-propelled semi-submersible (SPSS) vessels. This route entailed offloading the contraband offshore or along the littoral of Central American countries and Mexico for further transshipment overland to the United States. Drugs headed for the United States also departed from ports along Colombia's Caribbean coastline, or utilizing small, non-commercial aircraft that depart from clandestine airstrips in Colombia. During 2009, there were 32 illegal flights detected in Colombia, a reduction of 95 percent compared to 2003. The reduced number of illegal flights in Colombia has allowed air detection assets to perform maritime patrols, resulting in eight vessels impounded and one SPSS scuttled in 2009. An increasing flow of Colombian cocaine for Europe was often transported via air or maritime routes through West African states with lax and/or corrupt law enforcement.

Drug traffickers used SPSS to move multi-ton loads of cocaine. These vessels are constructed of fiberglass or steel, range anywhere from 45 to 82 feet in length, and can transport an average of five to seven metric tons of cocaine. They have a range of 2,000 miles and usually carry three to four crew members. Colombian and U.S. efforts to detect and interdict these vessels improved significantly with 20 SPSSs interdicted or scuttled during 2009. Colombia passed Law 1311 on July 9, 2009, prohibiting the construction, commercialization and possession of SPSS or other types of submersible vessels.

The majority of Colombian heroin originated from the highland areas of Nariño and Cauca. Investigative intelligence indicated that large heroin shipments (5-20 kilograms) from Nariño were being transported via vehicle to Quito and Guayaquil, Ecuador, and then shipped to the U.S. via multiple couriers. Other smuggling routes included vehicle transport along the north Pacific coast to Central America via go-fast boats and then sent by postal courier services to the United States. The shipments that made it to Central America are predominately reaching the United States via Mexico. In addition, smaller amounts of heroin (less than five kilograms) are transported via human couriers in clothing, luggage or ingestion.

**Domestic Programs/Demand Reduction.** The GOC continued to implement its National Drug Consumption Reduction Plan with UN and U.S. support. The Plan, launched in November 2008, strengthened civil society, supported initiatives by international organizations, led to research that will provide a baseline for drug demand prevention policies in Colombia, and built self-sustaining community drug demand prevention coalitions in Colombia using U.S.-based Community Anti-Drug Coalitions of America (CADCA) trainers.

On December 9, the Colombian Senate approved a law to prohibit the possession and consumption of a minimum (formerly called "personal") dose of illegal drugs. This constitutional reform reversed the 1994 Constitutional Court decision that allowed for the possession and consumption of a "personal dose" of drugs. The modification to the Constitution will still allow for possession and consumption of drugs with a medical prescription for health-related reasons. Subsequent legislation is expected to provide regulations for treatment for drug addicts.

The Colombian National Police Drug Abuse Resistance Education (DARE) program was expanded throughout all 32 departments with USG assistance. In 2009, the program expanded to high schools and parents and provided support for the national drug awareness poster contest, the interactive drug demand prevention bus, and the new DARE office in southwestern Colombia.

A national youth contest to help implement the National Drug Consumption Reduction Plan's goals was launched in 2009. Training for more than 30,000 health professionals from around the country has been provided to prevent drug consumption, treat addiction, and provide rehabilitation options. Colombia also completed a National Household Drug Consumption Survey in 2009, the first drug consumption survey in 12 years. It is one of the most representative surveys in Latin America with almost 30,000 surveys completed and revealed that illegal drug consumption is on the rise in Colombia.

Twenty-three departments have drug addiction treatment centers. In areas of high consumption such as the Nariño, Caldas, Quindío, Cauca and Boyacá departments, a corresponding increase in treatment centers or diversity of treatment has not yet occurred. Drug treatment services in Colombia were provided by private organizations primarily using the therapeutic community and residential models.

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

**Policy Initiatives.** U.S. counternarcotics and rule of law programs in Colombia focus on disrupting the illicit drug trade, strengthening institutions and transferring additional operational and financial responsibilities to the GOC in a sustained manner. We will continue to support Colombian efforts to consolidate security and social assistance in several key priority areas, further develop the capabilities of rural police, promote the demobilization of former combatants and concentrate eradication resources in those areas where coca growth is the heaviest.

**Bilateral Cooperation.** Colombia is a valued partner in the fight against illegal drugs. After the successes of Plan Colombia, the U.S. is maintaining a reduced but strong counternarcotics assistance program to solidify these gains. The adoption of new tactics by narcotics traffickers, including shifting coca cultivation and cocaine production to new, remote areas, and expanding cultivation into areas off-limits to the spray program, has enabled them to continue to produce and export cocaine in large quantities. In response, Colombia adjusted its approach to focus on establishing a sustainable government presence and integrated rural development in major coca growing and FARC-controlled regions. As Colombia increases its capacity to take and hold its territory from criminal groups, drug traffickers and terrorists, the U.S. will continue to support the GOC with airlift capacity to ensure support for interdiction and eradication as well as provide training and equipment for specialized and rural police units. Continued U.S. support for Colombia's justice sector will be important to mitigating the drug trade, as well as improving the investigation and prosecution of human rights cases.

Although illicit crop eradication programs were reduced in 2009 because of U.S. and GOC funding constraints, strong aerial and manual eradication programs remained important to achieving U.S. counternarcotics goals. Aerial and manual eradication operations were closely coordinated to complement each other and optimize capabilities. Aerial eradication helped eliminate coca in remote regions and in FARC-controlled areas that were too dangerous for manual eradication, prevents the FARC and other drug trafficking organizations from receiving revenue for coca cultivation, helps improve security in remote regions because of the presence of GOC forces and keeps drugs from flooding transit zone countries like Mexico. Eradication programs that were closely linked to alternative development remain a necessary component of a larger counternarcotics effort in Colombia.

In an attempt to better coordinate the multiple aspects of reestablishing security in former conflict regions, support interdiction and eradication programs and provide socio-economic development, the U.S. supported the GOC's National Consolidation Plan. To that end, U.S. security, counternarcotics and alternative development assistance was better sequenced in several strategic zones to ensure sustained eradication, permanent government presence and alternative livelihoods for those engaged in drug cultivation.

In light of growing GOC institutional capacity, the U.S. transferred operational and financial responsibility, i.e., "nationalization," for several counternarcotics programs to GOC control. Significant progress in nationalizing aviation programs occurred, and additional support will be turned over to local control in a sustainable fashion over the next several years. Achievements in the nationalization program in 2009 included the title transfer of 17 UH-1N helicopters in the Colombian Army Aviation program, the assumption by the Colombian National Police for both helicopter support packages that are part of the aerial eradication program and the transfer of Air Bridge Denial program to GOC control.

U.S. Immigration and Customs Enforcement (ICE) training activities in 2009 included a three-week International Task Force Agent Training (ITAT) course for 14 CNP DIJIN investigators at the Federal Law Enforcement Training Center in Georgia, with a concentration on money laundering investigations. ICE supported GOC asset forfeiture efforts to attack transnational criminal organizations and the DIJIN money laundering investigative group that performed financial analysis on targets of interest for multiple U.S. federal law enforcement agencies.

In September 2009, ICE Bogota coordinated an investigation into a multi-national criminal organization dedicated of smuggling bulk cash. This joint effort ultimately resulted in the seizure of $41 million at the seaport of Buenaventura, Colombia. Additionally, ICE Bogota coordinated efforts with ICE Mexico resulting in additional seizures totaling $11 million at the seaport of Manzanillo, Mexico.

ICE's Border Enforcement Security Taskforce (BEST) teams are multi-agency teams developed as a comprehensive approach to increasing information sharing among participating agencies in identifying, disrupting and dismantling criminal organizations posing significant threats to U.S. border security. BEST teams incorporate personnel from ICE, U.S. Customs and Border Protection (CBP), Drug Enforcement Administration (DEA), Bureau of Alcohol, Tobacco, Firearms and Explosives, Federal Bureau of Investigation, U.S. Coast Guard, and the U.S. Attorney's Office along with other key federal, state, local and foreign law enforcement agencies, to include Mexico, Canada, Colombia, and Argentina. ICE will post three Colombian National Police Officers in BEST units in San Diego, New York, and Miami for periods of two years.

Cooperation between Colombia and the U.S. Coast Guard remains strong. The bilateral counternarcotics agreement with Colombia is utilized on a regular basis to conduct drug interdictions in the transit zone. Colombia is an active participant in the Multilateral Counterdrug Summit, which includes the participation of Panama, Mexico and Ecuador to work towards regional counternarcotics interoperability.

In 2009, the bilateral agreement directly facilitated the interdiction of 7 Colombian flagged vessels. Additionally, the U.S. Coast Guard facilitated attendance for members of the Colombian Navy at the International Maritime Officer's Course and the Chief Petty Officer Academy.

**Alternative Development.** By September of 2009, U.S. and GOC alternative development programs had supported the cultivation of over 659,926 hectares of agricultural, forestry plantation and/or natural forest management activities and had completed approximately 1,290 social and productive infrastructure projects over the last seven years with communities that agree to remain illicit crop free. More than 439,276 families in 18 departments have benefited from these programs. Additionally, these projects have leveraged over $759 million in private and public sector funding for alternative development initiatives. Beginning in 2010, U.S. Agency for International Development-assisted alternative development programming will be aligned in large part with the GOC's National Consolidation Plan.

Support for Democracy and Judicial Reform. The U.S. is providing extensive assistance to reform and strengthen the criminal justice system and the rule of law in Colombia. The U.S. provided training and technical assistance to support the new roles of judges, prosecutors, forensic scientists, public defenders, and police investigators under the new accusatory system. This assistance focused on practical training, including crime scene management, investigation and prosecution strategy, interviewing witnesses, and courtroom proceedings. The program provided training to more than 60,000 prosecutors, judges, public defenders, criminal investigators, and forensic experts.

Specialized training and assistance has also been provided to prosecutor and investigator units focusing on criminal cases in the areas of human rights, murder, sex crimes, money laundering, narcotics, corruption, intellectual property, and organized crime. Extensive forensic assistance in the areas of DNA, ballistics, false documents, courtroom testimony, and equipment and enhancement of forensic laboratories has been shared. Particular emphasis has been on the development of exhumation teams to properly exhume mass grave sites connected to investigations and confessions of paramilitary and guerilla groups,

as well as to enhance DNA identification of victim remains. Assistance has also been provided for witness protection and court security.

In order to increase access to justice for millions of Colombians, the U.S. assisted in refurbishing or building 45 physical court rooms in urban areas, 14 virtual court rooms in rural zones, and either refurbished or equipped 22 public defender offices. The GOC constructed with U.S. support 59 justice houses throughout Colombia that provided formal and informal justice sector services to over eight million Colombians.

**Military Justice.** The GOC trained 48 judges and prosecutors in their Military Penal Justice Corps in 2009. This included a one-year course for eight Magistrates and ten certification exams for Military Tribunal Court Justices. The goal of this effort was to build capability for Magistrates and Prosecutors to convene military courts and adjudicate legal violations. The Rules of Engagement and Rules for the Use of Force (ROE/RUF) Initiative was a crucial part of U.S./GOC engagement. In addition, the U.S. is supporting a Colombian Military training program, which by the end of 2010, all Colombian ground troops and commanders will have received new training and support materials, reducing risk of human rights violations associated with military operations.

The Colombian Military's investigative capabilities are carried out by the Inspector General. U.S. assistance provided for the training of 90 Inspectors General (IGs) throughout the country. All U.S. engagement incorporates principles of respect for human rights and international humanitarian law.

**The Road Ahead.** The U.S. values its strong bilateral relationship with Colombia, including robust counternarcotics cooperation. As Colombia's capacity and stability grows, the U.S./Colombia relationship continues to extend beyond the traditional law enforcement issues that have dominated the bilateral agenda for the last decade to include issues such as energy and trade.

Focusing on drug-related and law enforcement challenges, the GOC, with U.S. support, needs to further weaken the criminal organizations that have emerged in recent years to take over the drug trade from the AUC and former cartels. Maintaining progress on sustainably nationalizing additional counternarcotics programs despite financial limitations will also be central to ensuring continued success in our shared fight against illegal drugs. Addressing the need for more police as the country transitions to a post-conflict environment is a key challenge that will influence lasting success of the National Consolidation Plan. Strengthening government presence in conflict areas, while improving institutional capacity to provide services and economic opportunities, will be important to Colombia's future. Other important challenges for the GOC include regaining control of the vast Pacific coastal zones and border areas, demobilizing and reintegrating ex-combatants, advancing the reconciliation and victim reparations processes and ensuring greater protection of human rights.

## V. Statistical Tables

| | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Coca | | | | | | | | | | | |
| Net Cultivation[1](ha) | | 119,000 | 167,000 | 157,200 | 144,000 | 114,100 | 113,800 | 144,450 | 169,800 | 136,200 | 122,800 |
| Aerial Eradication(ha) | 104,772 | 133,496 | 153,133 | 171,613 | 138,775 | 136,555 | 132,817 | 122,695 | 84,251 | 47,371 | 43,246 |
| Manual Eradication (ha) | 60,500 | 95,732 | 66,396 | 42,111 | 31,258 | 10,991 | | | | | |
| HCl(cocaine): Potential [1,2](mt) | | 295 | 485 | 515 | 500 | 410 | 445 | 585 | 700 | 530 | 530 |
| Opium Poppy | | | | | | | | | | | |
| Net Cultivation[1] (ha) | | | 1,000[3] | 2,300 | N/A[4] | 2,100 | 4,400 | 4,900 | 6,540 | 5,010 | 5,000 |
| Aerial Eradication(ha)[5] | | | | 232 | 1,624 | 3,060 | 2,994 | 3,371 | 2,583 | 9,254 | |
| Manual Eradication (ha) | 586 | 381 | 375 | 1,929 | 497 | 1,497 | | | | | |
| Heroin:Potential[1] (mt) | | | 1.9 | 4.6 | N/A | 3.8 | 7.8 | 8.5 | 11.4 | 8.7 | 11.6 |
| Seizures | | | | | | | | | | | |
| Coca Base/Paste (mt) | 49.85 | 41 | 60.6 | 48.1 | 43.8 | 28.3 | 31.1 | 30.0 | 26.7 | 0.0 | 9.0 |
| Cocaine HCl(mt) | 156 | 182.8 | 130.7 | 130.2 | 179.0 | 138.6 | 114.0 | 94.0 | 57.3 | 69.0 | 22.7 |
| Combined HCl & Base (mt) | 205.85 | 223.8 | 191.3 | 178.3 | 222.8 | 166.9 | 145.1 | 124.0 | 84.0 | 69.0 | 31.7 |
| Heroin | 0.74 | 0.64 | 0.6 | 0.5 | 0.7 | 0.7 | 0.5 | 0.8 | 0.8 | 0.6 | 0.5 |
| Arrests/Detentions | 61,021 | 54,041 | 59,652 | 64,123 | 82,236 | 63,791 | N/A | 15,868 | 15,367 | 8,600 | |
| Labs Destroyed | | | | | | | | | | | |
| Cocaine HCl | 285 | 301 | 240 | 205 | 137 | 150 | 83 | 129 | | | |
| Base | 2,795 | 3,238 | 2,875 | 1,952 | | | | | | | |
| Heroin | 0 | 4 | 1 | 9 | 6 | 8 | 3 | 3 | 6 | 13 | 10 |

1. A USG estimate for this metric was not available at the time of this report.
2. Estimates of Colombian potential pure cocaine production were revised based on recent coca-leaf yield studies.
3. Only a partial survey was completed in 2007.
4. Cloud cover in key opium poppy growing areas of Colombia precluded an opium estimate in 2005.
5. Aerial eradication of poppy was discountinued in April 2006 in order to devote all aerial assets against coca cultivation.

# Costa Rica

## I. Summary

Costa Rica is an important transit point for narcotics destined for the United States and Europe. Local consumption of illicit narcotics, particularly crack cocaine, remains a problem. While there are only estimates of the number of current crack cocaine users, this is a key concern for the Government of Costa Rica (GOCR), along with the continued rise in drug-related violent crimes. The Costa Rican Ministry of Public Security (MPS) initiated new security strategies in 2009 to combat crime, including a new community policing program and initiated a program of "zero tolerance" for police officer corruption. In 2009, the USG and the Government of Costa Rica (GOCR) signed the first Merida Initiative Letter of Agreement (LOA) to help combat narcotics trafficking and improve law enforcement capabilities. Costa Rica is a member of the Caribbean Financial Action Task Force and passed a terrorist financing law in March of 2009 to remain in the Egmont Group. Costa Rica is a party to the 1988 UN Drug Convention.

## II. Status of Country

Costa Rica's position on the isthmus linking Colombia with the United States, its long Atlantic and Pacific coastlines, and its jurisdiction over the Cocos Islands make it vulnerable to drug transshipment to South American cocaine and heroin destined for the United States. The Government of Costa Rica (GOCR) closely and effectively cooperates with the USG in combating narcotics trafficked by land, sea, and air. Costa Rica also has a stringent governmental licensing process for the importation and distribution of controlled precursor chemicals.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Costa Rican Ministry of Public Security (MPS) initiated several new security strategies in 2009. Included among them were a new community policing program, developing a national security policy that is currently in the GOCR interagency clearance process, and several special strategies to combat crime. These special strategies include an increased police presence in the province of Limon, long known for narcotics smuggling activity as well as the highest murder rate in the country. MPS has also increased the length of recruit police training from three months to six months. Also, MPS is planning to install a Closed Circuit TV system with 300 cameras in the San Jose area to target criminal activities and transmit intelligence information in real time. MPS continued its effective cooperation with the USG to interdict narcotics and to combat crack cocaine consumption in Costa Rica. The Ministry, with USG assistance, is continuing a container inspection program at the Caribbean port of Limon. The UNODC signed an agreement with the GOCR to establish a container intelligence program that should complement the container inspection program. Additionally, several key pieces of legislation became law in 2009, including an organized crime law, victims and witness protection law, antiterrorist financing and tougher money laundering legislation. Other legislation currently under consideration in the GOCR's National Assembly includes instituting a regulatory and tax regime on casinos and gambling as well as a bill that limits the amount of fuel that vessels may carry, especially for fishing vessels that often re-supply drug-running go-fast boats. The government of Costa Rica remains committed to the development of their coast guard (SNGC). For example, the SNGC has received several seized boats from the GOCR's Costa Rican Drug Institute (ICD, a rough equivalent to the USG's Office of National Drug Control Policy) to increase their ability to patrol the littorals. Also, in a joint USG-GOCR renovation project of a previously USG-donated interceptor, an additional boat was put into the water in the Puntarenas area on the Pacific coast of Costa Rica. The Ministry of Finance proposed a budget increase of nearly 27 percent for security in FY2010.

**Accomplishments.** In 2009, Costa Rican authorities seized 20.6 metric tons (MT) of cocaine, of which 13.8 MT were seized on land or air and 6.8 MT were seized in national and/or joint maritime interdiction operations with U.S. law enforcement. The Government of Costa Rica (GOCR) also seized 206,760 doses of crack cocaine, 10 kg of heroin, nearly 900 kilograms of processed marijuana, and eradicated nearly 1,700,000 marijuana plants. They also seized 289 doses of ecstasy and 34 kilograms of ephedrine. Additionally, Costa Rican authorities confiscated more than $1.7 million in U.S. and local currency. The national legislature passed new laws on organized crime, anti-terrorist financing and tougher money laundering legislation in 2009. The more than 64,000 drug-related arrests made in 2009 represent a raw increase of 29,000 arrests (or 44 percent higher) over 2008. However, understaffing caused a significant prosecution backlog to remain.

**Law Enforcement Efforts.** Costa Rican counternarcotics efforts are carried out by both the Judicial branch (Judicial Investigative Police-OIJ) and the Executive (Ministry of Public Security's Drug Control Police—PCD). Although the Arias Administration's original 2006 plan to add 4,000 new police officers to its force generated temporary increases in the numbers of police on the street in 2008-9, the total number of police in the force at the end of 2009 remains at around 10,000. This is due to retention problems that continue to plague the over-stretched force, and recruiting efforts that just keep pace with retirement and attrition.

In addressing one of its most violent provinces, Limon, the GOCR has undertaken several anticrime initiatives in this Caribbean area of Costa Rica. The latest initiative, known as "Operation Limon: Sea, Air, and Land," has yielded impressive results. According to GOCR sources, an additional 130 uniformed police were stationed in Limon in nine new police stations. MPS also provided the police there with new patrol cars, motorcycles, boats, and buses. As a result of this effort, the homicide rate in Limon, which has been the highest in the country in recent years, saw a dramatic reduction this summer. For example, in 2008 there was an average of two murders per week in Limon province; between July and November of 2009 there were only three murders.

**Corruption.** As a matter of policy, the GOCR 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. A strict law against illicit enrichment was enacted in 2006 in response to unprecedented corruption scandals involving three former Presidents. One of the ex-presidents' cases (which dated from 2004) concluded in October 2009 with a corruption conviction and a jail sentence of five years. Also, in 2009 over 40 police officers were arrested/fired for connections to narcotics trafficking. The Minister of Public Security has initiated a program of "zero tolerance" for police officer corruption and over 150 police officers were dismissed or suspended for various corrupt activities. Costa Rican authorities appear committed to combating public corruption because the GOCR conscientiously investigates allegations of official corruption or abuse.

**Agreements and Treaties.** Costa Rica is a party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by its 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Costa Rica is also a party to the UN Convention against Transnational Organized Crime and its three protocols, the UN Convention against Corruption, the Inter-American Convention against Corruption, the Inter-American Convention on Extradition, the Inter-American Convention against Terrorism, and the Inter-American Convention against Trafficking in Illegal Firearms. The 1999 bilateral Maritime Counter Drug Cooperation Agreement and its Ship-Rider program resulted in significant seizures at sea during 2009. The 1991 United States-Costa Rican extradition treaty was actively used in 2009. In 2009, Costa Rica arrested 13 fugitives: one of which was extradited, four are awaiting extradition, seven were deported, and one is awaiting deportation. Costa Rica also extradited in 2009 six fugitives who had been arrested in previous years. The USG recently expressed concern to the GOCR regarding extradition refusals on two high profile child abduction cases. The government officials involved in these child abduction cases remain adamant about their positions, which may result in Costa Rica becoming a safe

haven for any individual who is wanted on child abduction charges and who disagrees with the outcome of custody disputes.

Costa Rica ratified a bilateral stolen vehicles treaty in 2002. Costa Rica and the United States are also parties to bilateral drug information and intelligence sharing agreements dating from 1975 and 1976. Costa Rica is a member of the Caribbean Financial Action Task Force and passed a terrorist financing law in March of 2009 to remain in the Egmont Group. It is a member of the Inter-American Drug Abuse Control Commission of the Organization of American States (OAS/CICAD). Costa Rica signed the Caribbean regional maritime counternarcotics agreement in April 2003, and is currently taking the steps necessary to bring the agreement into force. In 2009, the USG and the Government of Costa Rica (GOCR) signed the first Merida Initiative Letter of Agreement (LOA) to help combat narcotics trafficking and improve law enforcement capabilities. In 2009, Costa Rica also played an active role in developing and implementing the regional security strategy developed by the Central American Security Commission.

**Cultivation/Production.** Costa Rica produces low quality marijuana for domestic consumption; however the Costa Rican Drug Institute believes that the amount of tetrahydrocannabinol (THC) in the marijuana is increasing.

**Drug Flow/Transit.** In 2009 shipments of cocaine ranging from one to 2,600 kilograms continued to flow through Costa Rica. Costa Rican-flagged fishing boats continue to be used by traffickers to smuggle multi-ton shipments of drugs and to provide fuel for go-fast boats that favor Pacific routes. Go-fast boats are increasingly transiting the littorals as a primary method of transporting cocaine through Costa Rica's territorial waters. Costa Rica has seen a large increase in instances where the traffickers are off-loading their cocaine loads in the southern Golfito region of the country, then transporting the loads north via the Pan-American Highway. Traffickers have also continued smuggling of drugs through the postal system, international courier services and via individual passengers ("mules") on international flights in/out of the country. Additionally, traffickers use Costa Rica as a "warehouse" to store narcotics temporarily on their trip north, often landing drugs on Costa Rican shores from go-fasts and then storing them until further land- or air-based travel can be arranged. Drug traffickers also now pay for services rendered to local contacts with drugs instead of money. This contributes greatly to the problem of domestic drug use, especially of crack cocaine. The presence of crack cocaine has contributed to the rise in crime in the streets and the sense of domestic insecurity in the country.

**Domestic Programs/Demand Reduction.** The ICD's Prevention Unit oversees drug prevention efforts and educational programs throughout the country. The GOCR estimates there are 400,000 marijuana users in the country. In 2009, the ICD and the Ministry of Education distributed updated demand-reduction materials to all school children, and publicized its special phone-in number (176) to encourage citizens to report drug-related activity in their neighborhoods while remaining safely anonymous. The PCD considers the 176 phone-in program to be an excellent source of information that is analyzed and often leads to arrests. In conjunction with ICD and Furezas Publicas, the DEA San Jose Country Office puts on a large Red Ribbon Week event. They work together with the Country's Drug Abuse Resistance Education (DARE) programs and put on a huge event for several hundred kids and area schools.

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

**Policy Initiatives.** USG support to Costa Rica focuses on counternarcotics projects designed to reduce the flow of illegal narcotics and other contraband through Costa Rica and its territorial waters, which cover more than ten times its landmass.

**Bilateral Cooperation.** The U.S. supported the GOCR's efforts to improve interdiction by supporting projects that help improve the professionalization of its police; support interdiction efforts at border and mobile checkpoints to stop drugs flowing north and cash and weapons flowing south; provide

information-sharing links to the border areas with Nicaragua; and technical assistance and equipment that enable the Costa Rica coast guard to patrol offshore. The USG also provided technical assistance and equipment, including drug detection kits and interceptor boats to the SNGC, via various funding mechanisms including the Merida Initiative. U.S. assistance also focused resources on interdicting maritime-based narcotics shipments to include containerized cargo. SNGC personnel continued to receive outboard motor maintenance training from the U.S. Coast Guard enhancing their capability to conduct preventive maintenance and troubleshooting techniques. The U.S. also supported reforms in police training.

**The Road Ahead.** Costa Rica could enhance its drug control efforts further by continuing to address drug trafficking both through its own direct efforts and ongoing collaboration with the USG. With support from equipment and training provided by the Merida Initiative, we encourage the GOCR to improve law enforcement training in order to enable its officers to fight crime, including its ability to interdict drug trafficking. The U.S. applauds the passing of the Terrorist Financing law, which guarantees their membership in the Egmont Group as well as the establishment of a financial intelligence unit (FIU). Additionally, the enactment of the organized crime law should provide prosecutors with stronger tools to bring criminals, especially those linked with narcotics trafficking, to justice. The GOCR is encouraged to improve their interdiction capabilities on their coastal littoral areas, which will be aided by the U.S. Southern Command-funded construction of the SNGC Academy and maintenance facilities near the port of Caldera in the province of Puntarenas. This will provide the tools necessary for the GOCR to effectively maintain a responsive coast guard. The USG has also built a radio tower in Cerro Azul, which will now allow VHF/UHF radio communications capabilities. This project should be functional as of January 2010 and will enable Costa Rican air/sea assets to not only communicate with each other but also with the U.S. air/sea assets working in the area.

# Cote D'Ivoire

## I. Summary

The government of Cote d'Ivoire has focused on internal threats since a failed coup attempt in 2002 that left the northern half of the country under the control of rebel forces. Political instability has increased the risk that criminal and other elements might use Cote d'Ivoire as a transit point or operating base. Traditionally, Cote d'Ivoire is not a major producer or supplier of narcotics or precursor chemicals. Locally cultivated cannabis is consumed domestically, while other illegal narcotics, according to authorities, transit the country. In 2009, the reported rate of illegal drug seizures in Cote d'Ivoire was low by regional and international standards. Corruption is rampant and porous borders further make the nation attractive to international traffickers. Until free and fair elections are held, Cote d'Ivoire will remain under Section 508 sanctions, limiting USG assistance and cooperation. Cote d'Ivoire is a party to the 1988 UN Drug Convention.

## II. Status of Country

The Department of Drug and Narcotics Police (DPSD) is Cote d'Ivoire's principal counternarcotics law enforcement organization. Since the 2002 civil war, however, it only operates in the southern half of the country. According to local authorities, although Cote d'Ivoire does not play a significant role in the cultivation, consumption or trafficking of illicit narcotics or precursor chemicals, porous borders and a lack of effective law enforcement agencies make the country vulnerable as a transit point for international traffickers. Abidjan's major ports, both air and sea, and financial institutions are among the largest and most developed in West Africa. While the DPSD is unaware of major traffickers operating in Cote d'Ivoire, minor seizures of cocaine, heroin and ephedrine in 2009 indicate that Cote d'Ivoire is a transit point for narcotics whose primary destination is Europe. According to the Director of the DPSD, drugs are shipped into, and out of, Cote d'Ivoire primarily by Latin American traffickers via plane. However, the DPSD Director was unable to cite any specific examples of when this occurred. There are such examples; however, in several of Cote's neighbors, e.g., Sierra Leone, Guinea-Bissau.

## III. Country Actions Against Drugs in 2009

**Policy Initiative.** According to the Director of the DPSD, in 2009 there were no new government counternarcotics initiatives. Cote d'Ivoire does not have a country-wide counternarcotics plan.

**Law Enforcement Efforts.** Cote d'Ivoire's counternarcotics law enforcement lacks the resources and training necessary to prevent the flow of drugs into, and out of, the country. Foreign counternarcotics assistance to the Inter-Ministerial Committee (CILAD) has had minimal effect on law enforcement efforts. In addition to the 15 officers dedicated to the counternarcotics trafficking unit in Abidjan, the National Police has ten regional offices throughout southern Cote d'Ivoire, each comprised of 10-15 officers. (Note: There are no National Police units operating in northern Cote d'Ivoire, which is controlled by the Forces Nouvelles (FAFN)). The ten existing regional offices in the south are severely under resourced, e.g., lack of computers, vehicles and funds, to conduct investigations.

To date, the total reported drug seizures in Cote d'Ivoire during 2009 were: heroin (440gr), cocaine (2.3 kilograms), cannabis (3,356 kilograms), ephedrine (25,318 pills), diazepam (53,564 pills) and Rivotril/clonazepam (548 pills). There were 1,144 persons arrested, of whom 1,027 were jailed. It is unknown what percentage of these arrests were for intent to sell and what percentage were just for possession of drugs. The number of convictions is also unknown.

Material resources alone would not improve officer productivity, because many officers are under-trained. Officers appointed to the counternarcotics law enforcement unit receive two weeks of training before they

are deployed, which, according the Director of the DPSD, is insufficient preparation to combat drug trafficking in Cote d'Ivoire. The figures provided by the Director do not reflect an increase in seizures from 2008 to 2009.

According to the Director of the DPSD, given Cote's other serious problems, counternarcotics is sadly not a top priority for Cote d'Ivoire law enforcement. The majority of National Police assets are dedicated to combating violent crime and robbery in a country whose crime threat level is rated "critical" by the U.S. Department of State. Additionally, the majority of Ministry of Interior investigative personnel and assets have been redirected to internal security since the 2002 civil war.

**Corruption.** Cote d'Ivoire does not, as a matter of policy, 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. While no senior official is known to engage in, encourage, or facilitate narcotics production or trafficking, reports of widespread public corruption from the lowest policeman up to the ministerial level are common, and at least some of the drug trafficking in Cote is influenced by the pervasiveness of corruption. Cote d'Ivoire has signed but has not yet ratified the UN Corruption Convention.

**Agreements and Treaties.** Cote d'Ivoire is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol. The Ivorian Government is also a party to regional counternarcotics cooperation agreements negotiated among members of the Economic Community of West African States (ECOWAS). Cote d'Ivoire signed but has not yet ratified the UN Convention Against Transnational Organized Crime. In 1992, 1993 and 1994, it signed letters of Agreement with the USG seeking to enhance Cote d'Ivoire's capabilities to suppress the cultivation, processing, trafficking, consumption and trans-shipment of illicit narcotics.

**Drug Flow/Transit.** Abidjan's Houphouet-Boigny International Airport is the country's primary transit site for the flow of narcotics. Also, Cote d'Ivoire's major seaports in Abidjan and San Pedro serve as transit points for narcotics. Further compounding the problem is the government's limited ability to interdict drugs at sea due to the poor condition of its boats. Drugs and other goods cross borders by boat and vehicle, unnoticed, and sometimes abetted by border officials. It is difficult to gauge the amount of drugs transiting the country, since the government's data is unreliable.

**Domestic Programs (Demand Reduction).** Cote d'Ivoire's modest demand reduction program is limited to the publication of news articles on drug abuse and on the penalties associated with illicit narcotics use and trafficking.

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

**Bilateral Cooperation.** There are no U.S.-Ivorian joint projects to control drug production, consumption or trafficking through Côte d'Ivoire. In compliance with sanctions imposed on Cote d'Ivoire in 1999 under Section 508 of the U.S. Foreign Operations Appropriations Act, the USG has suspended most law enforcement assistance and technical training. In 2009, three senior Ivorian counternarcotics officers, two from the CILAD and one from National Police, have been invited to attend an African Center for Strategic Studies regional seminar in Dakar on combating narcotics trafficking. USG and Ivorian law enforcement officials continue to cooperate with one another via information exchanges.

**The Road Ahead.** For the present, Cote d'Ivoire is vulnerable to the destabilizing effects of transnational drug trafficking. Direct USG assistance and cooperation will be limited until Section 508 sanctions are lifted. In the interim, the USG will foster Ivorian participation in regional and international counternarcotics initiatives (e.g., ECOWAS, UNODC, INTERPOL, and Gulf of Guinea). Once 508 sanctions are lifted, the USG might conduct an interagency assessment and develop a program for future cooperation and assistance.

# Croatia

## I. Summary

The Republic of Croatia is a transit point through which narcotics are smuggled from production countries to consumer countries. While smuggling occurs both overland and by sea, the most significant seizures, particularly for cocaine, are connected with sea transport. Croatian law enforcement bodies cooperate actively with their U.S., EU and regional counterparts to combat narcotics smuggling. Croatian authorities estimate that smuggling of narcotic drugs via container traffic will increase over the next few years. According to available indicators, the drug supply in Croatia itself increased and became more diverse in recent years. These changes have led to an increase in drug use, particularly among young people. Some of the factors that are contributing to the growth of narcotic-related crime in Croatia are the liberalization of border traffic as part of the EU integration process, increasing tourism and maritime traffic, the long maritime border, and Croatia's geographical position as a crossroads between the East and West and Northern and Southern Europe. The illicit production and/or distribution of narcotics as well as laundering of crime proceeds are punishable under Croatian law. Croatia is a party to the 1988 UN Drug Convention. The Croatian Government's Office for Combating Narcotic Drugs Abuse has been intensively working on building and strengthening national drug control systems and is actively involved in European and broader international initiatives.

## II. Status of Country

Croatia is located in South-East Europe at the crossroads of the Mediterranean, Central Europe, and the Balkans. The long land border with Bosnia and Herzegovina, Slovenia, Serbia, Montenegro, and Hungary, and a 1,777 km coastline (plus an additional 1,185 islands) are attractive targets for contraband smugglers seeking to move narcotics into the large European market. The "Balkan Route" is recognized as the shortest drug trafficking corridor from the East to Western Europe and lately it has become a two-way route with heroin and cocaine moving through Croatia to Western Europe and synthetic drugs moving from Western European producers to the Middle East and Asia. There has also been a recent increase in cocaine traffic coming into Croatia from South America via Africa and then on to other European destinations. According to Croatian authorities, there is no significant production of narcotics in Croatia, and domestic production is limited to individuals growing marijuana for the domestic narcotic market.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Beginning in 1995, Croatian officials created a counternarcotics master plan, divided into a National Strategy and an Action Plan which define the tasks of individual ministries and state administration bodies involved in counternarcotics efforts. The "National Strategy on Combating Narcotic Drugs Abuse (2006–2012)" and the "Action Plan on Combating Narcotic Drugs Abuse in the Republic of Croatia for 2009-2012," delineate the tasks of relevant ministries and government administration bodies in Croatia's fight against the use and trade in illegal drugs. Croatia's new National Strategy replaced a former program that was implemented in 1996 and ended in 2005. The strategy is comprehensive and covers the same five pillars as the EU's strategy: coordination, supply reduction, demand reduction, international cooperation, and information, research, and evaluation. Its two main goals are: 1) a reduction in drug use, drug addiction and related health and social risks and 2) the promotion of successful law enforcement efforts to curtail the production and trafficking of drugs and precursors. The strategy is complemented by the Action Plan which implements annual programs. The Plan describes in detail the specific aims and methods for achieving the strategic goals, as well as specific tasks of particular offices and ministries for each budgetary period.

Addiction prevention programs in Croatia, which were established in 2005 in all counties, involve sectors such as education, health and social care, nongovernmental organizations, and media. There are 21 counties in the Republic of Croatia, each with a County Commission on Combating Narcotic Drugs Abuse bringing together local experts from different fields. In 2008, the Government also passed the Annual Employment Plan, which includes guidelines for the employment of rehabilitated addicts.

The Croatian Penal Code provides for criminal penalties for narcotics and narcotics-related offenses. The minimum penalty for narcotics production and dealing is three years. The minimum penalty for selling narcotics by organized groups is five years. The minimum penalty for incitement or facilitating the use of illegal narcotics is one year. In addition, punishment for possession of related equipment or precursor chemicals has a mandatory sentence of no less than one year.

**Law Enforcement Efforts.** The Interior Ministry, Justice Ministry and Customs Directorate share responsibilities for law enforcement efforts, 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 Ministry of Interior reported successful and effective cooperation in 2008 and the first six months of 2009 with DEA, FBI, the General Inspectorate of Interpol, UNODC and other agencies responsible for drug control.

Under Croatian law, police are allowed to use undercover investigators and confidential informers, simulated purchases or sales, simulated bribery, secret surveillance, technical recording of persons, and wiretapping. Croatian criminal legislation strengthened measures to confiscate assets of organized crime groups in late 2008 by shifting the burden of proof about the legitimate origins of assets to the defendant rather than the prosecutors. Reverse sting authorization was included in December 2008 changes to the Criminal Procedure Act, but police did not conduct a reverse sting operation during 2009. According to the amendments to the Croatian Penal Code (article 82), if a case falls under the authority of the specialized prosecutors who work in the Office for Suppression of Organized Crime and Corruption (USKOK), it shall be assumed that all of a defendant's property was acquired by criminal offences, unless the defendant can prove the legal origin of assets. The pecuniary gain in such cases shall also be confiscated if it is in possession of a close third party (e.g. spouse, relatives, and family members) and it has not been acquired in good faith. Croatia continues to cooperate well with other European states to improve border management. Authorities described this cooperation on narcotics enforcement issues with neighboring states as good.

In 2009, the Croatian Police created separate Police USKOK offices to correspond with the prosecutor's USKOK offices. This should enable better cooperation on drug trafficking and organized crime cases between police and prosecutors. Croatia also created separate sections within the four largest courts to hear USKOK cases with specially trained and vetted judges.

Croatian laws are generally sufficient to combat narcotics trafficking and drug use. The Criminal Law covers the illicit use (possession), production, and trade of narcotics. The law also criminalizes acts committed under the influence of drugs. Criminal sanctions vary from a fine to long-term imprisonment, depending on the nature of the crime and crime consequences. The Act on Combating Narcotic Abuse, enacted in 2001, covers misdemeanor crimes, the export and use of precursor chemicals, and other administrative and regulatory issues. The act requires all persons or corporations to obtain import, export, or transport licenses for any quantity of listed drugs or precursors. The act also regulates healthcare, treatment, international cooperation, and drug education and other preventive programs.

During 2008, seizures of various types of narcotics declined 10 percent from 2007 to 5,879 seizures. The seizure rate continued to drop in 2009, falling by 9 percent for the first nine months to 4,158.

The largest seizures of cocaine in the Republic of Croatia occurred in the container terminal of the port of Rijeka. No seizures occurred at sea during the reporting period. Evidence indicates that the cocaine was

intended for the illegal narcotic markets of Western Europe. Cocaine trafficking has been increasing in recent years and this has been generally reflected in the overall seizure rate.

In the first nine months of 2009, however, cocaine seizures have fallen dramatically with only 5 kilograms seized compared to more than 25 kilograms in the same period in 2008.

A total of 7,882 drug-related criminal offences were registered in 2008, which constitute 10.6 percent of all reported criminal offences in Croatia. Police filed criminal charges against 5,225 individuals. The Ministry of Interior reported 5,610 criminal acts related to narcotic abuse were registered in the period from January 1 to September 30, 2009. Nearly one-third of those are complex felony cases. During this time period, 4,723 persons were charged with narcotic-related crimes.

**Corruption.** The illicit production and/or distribution of narcotics as well as the laundering of criminal proceeds are punishable under Croatian law. As a matter of government policy, neither Croatian officials nor the Croatian government facilitate the production, processing, or shipment of drugs, or the laundering of the proceeds of illegal drug transactions. The USG is not aware of any allegations of senior government officials participating in 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 Against 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. The Croatian Constitution prohibits the extradition of Croatian nationals, but the Government was preparing a constitutional amendment at the end of 2009 as part of EU accession negotiations to allow extradition of its nationals.

**Cultivation/Production.** Small-scale cannabis production for domestic use is the only known narcotics production within Croatia. Poppy seeds are cultivated on a small scale for culinary use. Because of Croatia's small drug market and a relatively porous border, Croatian police report that nearly all illegal drugs are imported into Croatia.

**Drug Flow/Transit.** Croatia lies along part of the "Balkan Route" for heroin smuggling. Officials report that the Balkan Route is now "two-way," with heroin and other drugs from Asia moving through Croatia to Western Europe and synthetic drugs and precursor chemicals produced in Western Europe smuggled through to the East. Drugs are smuggled through Croatia both overland and via the sea, and Croatian authorities believe that smuggling through shipping containers will increase in the coming years. 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. A general increase in narcotics abuse and smuggling in Croatia has been attributed to liberalization of border traffic and increased tourism and maritime activities. The Ministry of Interior reports that most large-scale shipments of marijuana and hashish arrive from Africa and are being smuggled via ship. Some smaller quantities of marijuana are brought into Croatia by foreign tourists during the summer season, mostly for their own consumption. Some marijuana is also produced through domestic illegal cultivation. Synthetic drugs like amphetamine and derivates of amphetamine, and Ecstasy tablets, are smuggled from Western European producer countries and also from narcotic markets in Asia and from Croatia's neighboring countries.

**Domestic Programs/Demand Reduction.** The Office for Combating Drug Abuse develops the National Strategy for Narcotics Abuse Prevention and is the focal point for agency coordination activities to reduce demand for narcotics. According to the most recent indicators, drug availability increased on the Croatian market in the past several years, which resulted in an increased number of drug addicts, especially among youth. According to the Croatian Public Health Institute the number of treated persons continues to

decrease. Of the treated addicts the greatest number were treated for addiction to opiates and marijuana. In 2008, 116 drug-abusers died as a direct result of drug abuse, which is a 30 percent decline from 2007. Of these deaths, approximately 70 percent were overdoses. Nearly half of all heroin addicts were infected with the hepatitis C, and 13.6 percent were positive on hepatitis B. The Ministry of Education requires drug education in primary and secondary schools. The state-run medical system offers treatment for addicts, and slots are sufficient to accommodate those seeking treatment.

In 2008 the Republic of Croatia spent 84 million kuna ($17.5 million) for the implementation of the National Strategy and the Action Plan, which include both law enforcement efforts and demand reduction programs. In 2008 the state budget for the implementation of the activities stated in the National Action Plan and the Strategy increased by 26.4 percent in comparison with 2007. During the first six months of 2009, Croatia only spent 30 million kuna ($ 6.3 million), reflecting cuts to the national budget due to the economic crisis.

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

**Bilateral Cooperation.** U.S. counternarcotics policy in Croatia is focused on expanding the capacity of the police and prosecutor's drug divisions and working with investigators from the Croatian Ministry of the Interior's Drug Division on their international investigations, particularly with respect to South America-based drug trafficking organizations. DEA is the lead agency in this endeavor and continues to foster an outstanding relationship with Croatian law enforcement. DEA has achieved significant results with respect to bilateral and multilateral investigations and cooperation in 2009. Croatia is also a regular participant at international drug conferences covering strategic as well as operational matters. U.S. assistance for police reform efforts under the State Department-supported ICITAP (Department of Justice) program is now focused on combating organized crime and corruption. The U.S. Export Control and Related Border Security Program (EXBS) also provides support and training to customs and border police. DEA, ICITAP, and EXBS training and cooperation have helped lead to several seizures and more effective prosecutions of drug crimes. The U.S. Coast Guard contributed to efforts in this area through a training course on Rule of Law. The Department of Defense also assisted by providing counternarcotics equipment for border police through the U.S. European Command.

**The Road Ahead.** In 2010, the INL-ICITAP and EXBS programs will continue to train and advise Croatian law enforcement personnel on counternarcotics activities Resident advisors will continue to assist the Ministry of Interior and Office for Suppression of Organized Crime and Corruption (USKOK) in improving police and prosecutor cooperation in complex narcotics and organized crime cases and plan to assist Croatian police and prosecutors in planning and conducting reverse sting operations and prosecutions. EXBS programs will also assist the Ministry of Interior and Customs Directorate to enhance their capabilities in fighting narcotics and organized crime cases.

# Cuba

## I. Summary

Although Cuba is neither a significant consumer nor a producer of illegal drugs, its ports, territorial waters, and airspace are susceptible to narcotics smuggling from source and transit countries. Cuba is located in an ideal transshipment point for the Caribbean between the United States and the drug producing countries of South America. This year, the Government of Cuba (GOC) continued a multi-force counternarcotics interdiction operation in existence for ten years, and a nationwide counternarcotics public awareness campaign. Cuba also carried out some operations in coordination with the U.S. Coast Guard (USCG) Drug Interdiction Specialist (DIS) at the U.S. Interests Section (USINT) in Havana. Cuba is a party to the 1988 UN Drug Convention.

## II. Status of Country

The GOC detects and monitors suspect vessels and aircraft in its territorial waters and airspace. In cases likely to involve narcotics trafficking, GOC normally provides detection information to the USCG. The GOC has the legal framework within its criminal justice system to prosecute and assign stiff penalties to narcotic users and traffickers. Cuban counternarcotics officials claim these stiff penalties are the driving force behind a low drug abuse rate in the country.

Lack of discretionary income and an overwhelming state police presence limit access to drugs by the Cuban population and contribute to the reportedly low incidence of drug consumption. Cuba is active in regional drug control advocacy. The GOC has established an auxiliary force that involves training and educating Cuban citizens regarding its counternarcotics policy. All Cuban citizens are required to report to the appropriate authorities the discovery of actual or suspected narcotics washed up on Cuban shores. The GOC reports to have trained employees at sea-side resorts and associated state-run businesses in narcotics recognition and how to communicate the presence of illicit narcotics to the appropriate Cuban Border Guard (CBG) personnel or post. This approach acts as an interdiction force-multiplier for CBG troops who are responsible for patrolling the Cuban coastline, largely by foot, collect wash-ups of illicit narcotics around Cuba's 5,746 kilometer coastline. The GOC also provides social service resources to improve prevention for its citizens.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Cuban government maintains that it has close ties to regional counternarcotics initiatives. The GOC reported in 2009 it was a party to two memoranda of understanding (MOU) and 56 judicial assistance agreements. Further, Cuba participates in international efforts such as the United Nations' Heads of National Drug Law Enforcement Agencies (HONLEA) meetings. In May, Havana hosted a working group meeting for the exchange of drug intelligence information among the European Union (EU), Latin America, and the Caribbean that included 44 delegates from 34 nations. In June, a regional seminar was held regarding Mutual Judicial Assistance between Latin American and Caribbean nations, organized by experts from the United Nations Office on Drugs and Crime (UNODC) and the Cuban Ministry of Justice, attended by 10 regional nations.

Cuban Government personnel attended two training courses offered by international partners that focused on maritime drug interdiction and money laundering. This year, the GOC reported it continued to strengthen its relationship with International Criminal Police Organization (INTERPOL), primarily regarding persons who move internationally and are believed to be involved in drug-related crimes.

**Accomplishments.** Between January and September 2009, the GOC seized 3,008 kilograms of narcotics—nearly double the amount seized in 2008, including 86 packets of narcotics wash-ups (1,037

kilograms of marijuana, 2 kilograms of cocaine, and 31 kilograms of hashish). Washed-up narcotics are aggressively collected and securely stored for eventual incineration to avoid sale on the internal market. According to the GOC, this increase did not signify an increase of drug use or demand in Cuba; rather, several cases during the year yielded higher net interdiction amounts than did cases in 2008.

In May, Cuban authorities interdicted a go-fast boat utilizing Cuban territorial seas for protection from other regional maritime law enforcement authorities. In July, Cuban authorities secured a small aircraft and its Jamaican crew of three after having made an emergency landing in Camagüey Province. Prior to landing, the crew discarded 13 bales of marijuana totaling 465 kilograms into a nearby field.

According to the GOC, Cuba's airports were used sporadically this past year to transfer drugs towards third countries or to supply the Cuban domestic market; the incidents of drugs arriving at Havana's José Martí International Airport increased slightly from 13 to 16 cases. The GOC believes in 11 of these cases the drugs were intended for the Cuban market, while the other 5 were intended for third-countries. In all, 164 travelers were detained during 154 interventions for possession of small quantities of narcotics, believed to be for personal use. In those cases, the GOC fined those tourists and the narcotics were seized. Individuals are generally warned about Cuba's regulations prohibiting the trafficking and possession of narcotics, and allowed to continue with their trips. GOC reports international drug traffickers have recently shown interest in the trafficking various narcotics to Cuba for sale by domestic criminals operating within Cuba. The GOC believes this is due to the high market price for narcotics in Cuba compared to the relatively low prices found in other countries in the region.

Cuba's "Operation Popular Shield," in place since 2003, is intended to minimize the availability of drugs on the domestic market. Cuba detains, tries, and punishes individuals who are in possession of and who intend to distribute narcotics, and seizes the assets of such individuals. The GOC asserts the government has in place the necessary legal instruments to properly carry out this operation, both penal and administrative. Per the GOC, its actions are in line with international commitments as a state party to control and fight against illicit drug trafficking.

**Law Enforcement Efforts.** The Cuban National Anti-Drug Directorate (DNA) is comprised of criminal law enforcement, intelligence, and justice officials. Cuban Customs Authorities maintain an active counternarcotics inspection program in each of Cuba's international maritime shipping ports and airports. Cuban counternarcotics efforts follow a multi-disciplinary approach where various elements of the Cuban Ministry of Interior readily share information to detect, deter, and interdict illicit narcotics, as well as minimize addictions to drugs.

Cuba's "Operation Hatchet" is intended to disrupt maritime and air trafficking routes, recover washed-up narcotics, and deny drug smugglers shelter within the territory and waters of Cuba through vessel, aircraft, and radar surveillance by the Ministry of Interior's Border Guard and Ministry of Revolutionary Armed Forces (Navy and Air Force). The GOC utilizes military helicopters and Cuban Border Guard go-fasts (seized in the course of previous migrant and drug smuggling interdictions), as well as patrol boats for maritime patrols. Operation Hatchet relies on shore-based patrols, visual and radar observation posts and the civilian fishing auxiliary force to report suspected contacts and contraband. Between January and September 2009, Cuban law enforcement authorities reported "real time" sightings of 34 go-fast vessels and 4 suspect aircraft transiting their airspace or territorial waters. Of note is the increasing use of Cuban territorial seas by Bahamian and Jamaican narcotics traffickers to avoid primarily USCG patrols. On several occasions, Cuban authorities were quick to act on these maritime incursions. However, in other cases they simply passed the most up-to-date information on the vessel's whereabouts in their territorial seas to regional law enforcement agencies without attempting to interdict.

**Corruption.** As a matter of policy, the GOC 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.** Cuba 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. Cuba is also party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and the Protocol Against the Illicit Manufacturing of Trafficking in Firearms. A 1905 extradition treaty between the United States and Cuba and an extradition agreement entered into in 1926 remain in force but no fugitives were extradited pursuant to these agreements in 2009. While Cuba maintains it is not a producer of chemical precursors, it oversees this issue per the 1988 UN Drug Convention, and close collaboration with the International Narcotics Control Board.

**Cultivation/Production.** The GOC continues to report that the availability of marijuana is decreasing due to joint DNA and Ministry of Public Health initiatives and because the production and harvest of marijuana is low. Prices for both marijuana and cocaine are extremely high due to the low availability of both on the island. Marijuana harvests are considered isolated cases by the GOC.

**Drug Flow/Transit.** Cuba's 4,000 small keys and its 3,500 nautical miles of shoreline provide drug traffickers with the locale to conduct clandestine smuggling operations. Traffickers use high-speed boats to bring drugs northward from Jamaica to the Bahamas, Haiti, and to the U.S. around the Windward Passage or via small aircraft from clandestine airfields in Jamaica. Commercial vessels and containerized cargo loaded with drugs pose an increasing risk to Cuban ports, especially as joint-interagency counternarcotics efforts in the source zone and heavily-trafficked transit zones prove more and more effective. As Cuba continues to develop its tourism industry, there is increased likelihood for a greater flow of narcotics into the country, be it for personal use or for sale.

**Domestic Programs/Demand Reduction.** The National Drug Commission (CND) is the principal body for prevention, rehabilitation, and policy issues in Cuba. The Minister of Justice heads the body, composed of DNC, which includes representation from the Ministries of Interior, Foreign Relations, Public Health, and Public Education. Also represented on the commission are the Attorney General's Office and the National Sports Institute. There is a counternarcotics action plan encompassing the Ministries of Health, Justice, Education, and Interior, among others. In coordination with the United Nations, the CND aims to implement a longer-term domestic prevention strategy, included as part of the educational curriculum at all grade levels.

The majority of Cuban municipalities have counternarcotics organizations with prevention programs that focus on education and outreach to groups most at risk of being introduced to illegal drug use. These include drug dependency treatment centers and community health facilities consisting of family doctors, psychiatrists, psychologists, occupational therapists, as well as social, educational, and cultural programs dedicated to teaching drug prevention and offering rehabilitation programs.

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

**Bilateral Cooperation.** The U.S. has no counternarcotics agreements with Cuba and does not fund any GOC counternarcotics law enforcement initiatives. In July 2009, the GOC stated it would present the U.S. with a proposed counternarcotics agreement, but as of December, that proposal had not been presented to the U.S. Government. In the absence of normal bilateral relations, the USCG DIS assigned at USINT Havana acts as the main conduit of counternarcotics cooperation with the host country on a case-by-case basis. Cuban authorities have provided DIS continued access to Cuban counternarcotics efforts, including providing investigative criminal information, such as the names of suspects and vessels; debriefings on drug trafficking cases; visits to the Cuban national canine training center and antidoping laboratory in Havana; tours of CBG facilities; container x-ray equipment at the Port of Havana, and access to meet with the Chiefs of Havana's INTERPOL and Customs offices. When scenarios dictate the need for first-hand visits to wash-up or interdiction sites, Cuban authorities have readily involved the DIS in post-incident assessments and site visits, routinely providing post-incident briefings and access to boats and aircraft involved in said cases.

**The Road Ahead.** Cuba's Drug Czar Miguel Guilarte raised the idea of greater counternarcotics cooperation with the USG, and Commander-in-Chief Raul Castro publicly called for a bilateral agreement on narcotics, migration, and terrorism. However, these calls have not been accompanied by actionable proposals on which to base future Cuban cooperation. Both nations may gain by pressing forward with expanded cooperation, especially considering Cuba's location in the Caribbean, and the potential for the island and its territorial seas to be utilized for drug transshipments to the United States.

# Cyprus

## I. Summary

Cyprus has been divided since the Turkish military intervention of 1974, following a coup d'etat 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 United States Government (USG) 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 operate its two main seaports as free ports continues 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 USG 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. In 2009, the Cyprus drug unit has reported the seizure of approximately $90,000 in illegal narcotics proceeds.

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, an approximate average of 7 percent increase per year. 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. Cyprus has adopted a program targeting intervention to encourage rehabilitation, and avoid slippage into a life of criminality or substance abuse for individuals between the ages of 14 to 24 who have been arrested as a result of use or possession of narcotics. Cyprus has funded national counseling centers for the individual and his/her family to accomplish this goal. 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' 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. Through October 2009 there were eight confirmed reports of drug-related overdose deaths in Cyprus. Of the eight deaths, seven were the direct result of an overdose and one was indirectly related to drugs. 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 2009

**Policy Initiatives.** There were no new policy initiatives in 2009. Cyprus continued to implement its no-tolerance dangerous drugs policies, and to enforce its laws against drug abuse vigorously.

**Law Enforcement Efforts.** Cyprus aggressively pursues drug seizures, arrests, and prosecutions for drug violations. Cyprus focuses on major traffickers when cases subject to Cyprus' 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. U.S.-Cyprus cooperation is excellent and has yielded important results in several narcotics-related cases. Through the first nine months of 2009, the Cyprus Police Drug Law Enforcement Unit opened 540 cases and made 646 arrests. Of those arrested 445 were Cypriots the remainder were foreign nationals. DLEU seized approximately 155 kilograms of cannabis, 725 cannabis plants, 76 kilograms of cannabis resin (hashish), 1.5 kilograms of cocaine, 1129 tablets of MDMA (Ecstasy), 933 grams of opium, and 35 grams of heroin. None of these statistics represent a major change from previous years.

Area administered by Turkish Cypriots: The "Narcotics and Trafficking Prevention Bureau" functions directly under the "General Police Headquarters." From January to October 2009, the Turkish Cypriot authorities arrested 205 individuals for narcotics offenses and seized 15 kilograms of marijuana/ hashish, 10 grams of heroin, no reported seizure of cocaine, 2 kilograms of opium, 219 cannabis plants, and a minimal amount of Ecstasy. There were no reported deaths related to narcotics. Overall, 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. There is some evidence, however, that a Turkish Cypriot Customs official was involved in the illegal importation of marijuana into 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. In addition, Cyprus and the U.S. have concluded protocols to the extradition and mutual legal assistance treaties. These protocols will enter into force on February 1, 2010.

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 725 cannabis plants in the first 9 months of 2009.

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 219 cannabis plants during the first nine months of 2009. The seized plants did not come from 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 2009. Tourists sometimes bring drugs with them to Cyprus, principally Ecstasy and cannabis. This year, arrests of Cypriots for possession of narcotics with intent to distribute were higher than the number of arrests of non-Cypriots on similar charges, suggesting that Cypriots might be importing narcotics to sell to tourists or trying to develop a domestic market for drugs.

There is no production of precursor chemicals in Cyprus, nor is there any indication of illicit diversion of imported precursor chemicals. 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 receives 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 seized 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. One method used is the smuggling of illegal narcotics through concealed compartments of vehicles or through containers in cargo ships.

**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. Relying on its liaison offices in other regional countries, 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. During 2009, DEA Cyprus funded the travel of several Cypriot officers to attend DEA hosted training in Greece and Jordan. Also in support of container security initiatives, the U.S. Coast Guard trained Cypriot officials in port security measures.

**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 2009, 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. DEA Cyprus has an Airport Asset/Interdiction school planned for Cyprus late in 2010.

# Czech Republic

## I. Summary

The Czech Republic is a party to the 1988 UN Drug Convention. Marijuana and methamphetamines (perveitin) are especially prevalent in the Czech Republic, and while the overall number of drug users in the country has remained relatively stable in recent years, the rates of use for cannabis, Ecstasy, and methamphetamine continue to be among the highest in Europe. Domestically cultivated marijuana is used more than any other drug, and local production of high-THC marijuana for export to neighboring countries is being facilitated by a significant rise in the number of high-volume indoor cultivation sites (grow houses) operated primarily by ethnic Vietnamese residents who Czech police officials have discovered to be working in concert with Vietnamese networks elsewhere throughout Europe and in Southeast Asia.

The amount of heroin reaching the Czech Republic declined in the past year, while the accessibility of cocaine increased, mainly due to a reduction in quality and a resulting lower cost. Concerns about the privacy of personal data are impeding what at first appeared to be a successful government effort to monitor and restrict the sales of over-the-counter medications containing precursor chemicals for methamphetamine. An update to the Czech "National Drug Policy Strategy" is being prepared for the period 2010 and beyond. A new penal code taking effect on January 1, 2010 clearly defines the previously ambiguous "small amount" of drugs in personal possession classifiable as a misdemeanor offense, and establishes a lower, one-year maximum sentence for criminal possession of so-called "soft drugs", as opposed to a two-year maximum penalty for possession of other controlled substances.

## II. Status of Country

With lighter sentences for drug crimes than elsewhere in the region, a minimal risk of asset seizure, lower overhead costs for marijuana grow house and methamphetamine lab operators, and its position at the crossroads of a European Union with Schengen open borders, the Czech Republic is a relatively advantageous location for groups engaged in the drug trade.

With the local drug market reportedly saturated, there has been a moderate decrease in the heroin importation arranged by ethnic Albanian gangs from Kosovo and Macedonia who continue to rely mainly on Czech, Slovak, Hungarian, and Bulgarian overland couriers (usually carrying up to 10 kilograms). However, at the same time there has been a notable increase in cocaine smuggling operations allegedly directed by West African (primarily Nigerian) groups with fraudulent marital ties in the Czech Republic who are said to be employing Czech citizens as air couriers between Europe and South America. Domestic cocaine use is on the rise because of a lower cost for the drug. This trend has provided an opening for ethnic Albanian gangs to distribute cocaine in West Europe, after transiting the Czech Republic. But, cocaine remains a fractionally small part of the drug problem in the Czech Republic.

According to the most recent surveys tracked by the European Monitoring Center for Drugs and Drug Addiction (EMCDDA), the rates of marijuana, Ecstasy, and methamphetamine use in the Czech Republic are some of the highest in Europe, especially among teenagers and young adults, though there has been a slight downward trend recently with regard to Ecstasy and methamphetamine use by younger Czechs.

Meanwhile, the Czech National Monitoring Center for Drugs and Drug Addiction—the country's main body responsible for collecting, analyzing and interpreting data on drug use—confirms marijuana's popularity with teenagers in particular (45 percent of 16-year-olds having tried it at least once), and reports that the population of adult drug users was growing in 2008, especially the number of cannabis users. The Center's report estimates there were 21,450 pervitin (methamphetamine) users (up from 20,900

in 2007) and approximately 11,050 opiate users (up from 10,000 in 2007). These figures are still among the highest percentages of use in the EU.

## III. Country Action Against Drugs in 2009

**Policy Initiatives.** The Czech Republic's four-year "National Drug Policy Strategy for 2005-2009," is about to expire, and the inter-ministerial Government Council for Drug Policy Coordination (GCDPC) is currently drafting a new strategy for 2010 and beyond, relying in great measure on an evaluation of the government's fulfillment of the associated "Action Plans" (for 2005-2007 and 2007-2009). As with the current "National Drug Policy Strategy," the upcoming strategy will likewise form the basis for a government-wide "Action Plan," which will almost certainly remain focused on supporting the four main pillars of the existing national drug policy: "primary prevention," "treatment and rehabilitation," "harm reduction" (i.e., reducing the health and social impact of drug use), and "supply reduction". (While the Ministry of Interior is represented on the GCDPC, law enforcement officials develop their own operational plans aimed at supporting the "supply reduction" pillar, an effort that is of course assisted through GCDPC-coordinated legislative and judicial action as well.)

The top three goals of the current "Action Plan" for 2007-2009 are:

- To stabilize or reduce the number of "problem drug users" (the use of drugs by injection and/or the regular or long-term use of opiates and methamphetamine; does not include cocaine, Ecstasy and cannabis).
- To halt the growth of experimental and occasional use of legal drugs and illegal drugs.
- To stabilize or reduce the consumption of legal and illegal drugs in society, especially among minors.

Along with most of the other priority goals, these three highest goals of the "Action Plan" are to be accomplished primarily through treatment, prevention, and raising public awareness. It should also be noted that legal drugs (i.e., alcohol and tobacco) receive equal attention in this context, insofar as "harm reduction"—the policy pillar within which their impact is considered significant—is the most politically visible aspect of the Czech Republic's drug program, and the one enjoying broadest public support. A recent Anti-Drug Services and Public Health Research Center survey on attitudes toward illegal drug users finds that 32 percent of Czechs believe they should be "accepted, so long as non-users are protected," while 63 percent feel they must be "tolerated, but required to accept treatment, or possibly prosecution." The first figure is up from 20 percent roughly a decade ago, while the latter is down almost ten percent. Meanwhile, in an early 2009 press release, the Czech Minister of Interior's Advisor for Drug Issues identified harm reduction as "the main criteria for judging the drug situation" in the country.

Among the most visible steps taken by the government in the preceding year to combat drug abuse was the long-awaited passage in May 2009 of a measure requiring purchasers of over-the-counter medications containing pseudoephedrine to register with a national database as a way of imposing an effective control measure on the sale of this methamphetamine precursor ingredient. Not long after the new rule took effect, a remarkable decline was noted in the sale of medications containing pseudoephedrine—as much as a 90 percent decline according to law enforcement officials, though Ministry of Health data place the figure at a 70 percent drop. In an unexpected move, however, the Bureau for the Protection of Personal Data has ordered a halt to the collection and storage of personal information about purchasers of medication, a step sharply criticized even by the pharmaceutical industry as a contradictory about-face. The Minister of Health has publicly vowed to pursue urgent legislative action to restore the control measure by March 2010.

**Law Enforcement.** The new penal code discussed in last year's INCSR was approved in February 2009 and will come into force on January 1, 2010. Under the new law, the previously vague allowance for a "small amount" of drugs for personal use classifiable as a misdemeanor offense has been clearly defined:

At the same time, the revised criminal code differentiates between so-called "soft drugs" (marijuana and Ecstasy) and other illegal substances when establishing maximum sentencing for personal possession exceeding the amounts stated above. For possession of marijuana and Ecstasy, the maximum jail time is one year, while it is set at a two-year maximum for the other drugs.

In 2008, the National Drug Headquarters (NDH), the country's principal drug enforcement arm within the Czech National Police, seized 46 kilograms of heroin (up from 20 kilograms in 2007), 16,609 Ecstasy pills (down from 62,226 in 2007), 3.78 kilograms of methamphetamine (5.98 in 2007), 393 kilograms of marijuana (122 kilograms in 2007), 7.63 kilograms of cocaine (3.75 kilograms in 2007), 246 LSD doses (117 in 2007), and 25,223 cannabis plants (6,992 in 2007). They also uncovered 434 methamphetamine laboratories, and over 200 marijuana cultivation sites (compared to just 34 sites in 2007), most operated by ethnic Vietnamese gangs. For completeness, Customs Service data for 2007 was: 9.3 kilograms of marijuana; 0.4 kilograms of hashish; 0.9 kilogram of pervitin; 28.6 kilograms of cocaine; 8.9 kilograms of heroin; 4.8 kilograms of ecstasy.)

As reflected in the foregoing data as reported by Czech counternarcotics officials, large-scale cultivation of marijuana in grow house facilities is expanding significantly. The amount of high-quality cannabis being produced in these illicit operations is estimated to exceed potential domestic demand, and law enforcement agencies have already uncovered numerous cases in which such facilities in the Czech Republic are being established as the lower-cost, lower-risk alternative to undertaking high-volume cultivation in other European countries. Relying upon existing distribution networks—a number of which include otherwise seemingly legitimate commercial elements within the Czech Republic and elsewhere throughout Europe and Southeast Asia, especially in Vietnam—the gangs running these enterprises appear to be working toward achieving an economy of scale that will ensure profitability even in the face of inevitable losses to interdiction efforts. There are even special "consultants" who are traveling to newly-established cultivation sites to help with initial training and setup.

The number of drug offenses in the Czech Republic remains within recent parameters. According to the Czech National Monitoring Center, total prosecutions for drug offenses in 2008 reached 2,304, slightly above, but still very near, the four-year low figure registered in 2007 (2,282). A similarly small increase occurred in the number of people charged with drug crimes in 2008: 2,100 versus 2,042 in 2007, with the 2008 figure being the lowest total since 2000. Justice Ministry statistics for 2008 show that courts passed final sentences upon 1,360 persons convicted of drug offenses. Methamphetamine cases continue to account for up to three-quarters of prosecutions, with marijuana cases making up most of the remaining quarter, and other drug offenses filling out the remainder.

Statistics for the first six months of 2009 show that of 844 investigated criminal drug cases, 712 defendants were convicted, but only 203 received prison sentences. Just 18 of those imprisoned received sentences lasting five to 15 years, while the majority (143) of those sentenced to serve time in jail received sentences of one year to less than five years.

**Corruption.** The Czech government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs and other controlled substances, nor the laundering of proceeds from illegal drug transactions. There were no charges made against law enforcement or government officials for drug-related crimes during this reporting period.

**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. The Czech Republic signed, but has not yet ratified the UN Convention Against Corruption and the UN Convention Against Transnational Organized Crime. All 27 EU member states,

including the Czech Republic, have signed and ratified bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. The U.S. has ratified all of these agreements, and they will enter into force on February 1, 2010. A 1925 extradition treaty between the U.S. and the Czech Republic, as supplemented in 1935, remains in force.

**Cultivation/Production.** As noted above in the Law Enforcement section, large-scale domestic cultivation of high-quality cannabis in illicit grow houses is a recent trend of concern as the collective output of what is already a "cottage industry" continues to increase sharply.

**Drug Flow/Transit.** There was a decline in the domestic demand for heroin in the Czech Republic 2008. Though the overland importation of heroin continues to be organized by ethnic Turks—and to a lesser extent ethnic Albanians—with Vietnamese operatives taking part in distribution, Czech police and customs authorities suspect the Balkan route of heroin trafficking has moved south to Austria, and they therefore no longer view the Czech Republic as a transit country for heroin.

Czech counternarcotics officials have recently recorded an increased popularity of imported cocaine that is mostly distributed by West African nationals, especially Nigerians, with fraudulent local marital ties. The reason for the growing demand may well be a lower quality and the resulting cheaper street price. Czech citizen "spouses" continue to act as air couriers for these groups, smuggling cocaine from South America—especially Brazil, Venezuela, Argentina, and Peru—to Western Europe. Albanian-speaking criminal gangs are also involved.

As noted above in both the Law Enforcement and Cultivation/Production sections, the trend toward large-scale growth of cannabis plants has already been clearly linked with a deliberate export aim.

**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 Policy 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 Policy 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 were required to obtain certification prior to the end of 2008. According to the National Monitoring Center, a total of 59 facilities were certified in 2009. To assure drug users seeking treatment can find providers, 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 2008, there were 116 contact centers and street programs in the Czech Republic. 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. There were 15 hard drug treatment replacement centers in the Czech Republic in 2007 treating addicts with methadone and two medicines: Subutex and, since 2008, Subuxone, which like its predecessor Subutex has the active ingredient buprenorphine and can be prescribed by any physician, regardless of his or her specialization.

In 2008 the government spent 100 million crowns ($5.882 million) on its drug policy. The National Monitoring Center's statistics have noted a positive trend: The increasing average age of long-term drug users—28.7 years in 2008, compared to 26.1 years in 2007, 25.3 years in 2006, 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 Vienna, Austria. Czech law enforcement officials report that cooperation with the DEA Vienna Country Office is excellent, with bilateral investigations routinely conducted between DEA agents and Czech investigators assigned to the National Drug Headquarters and the Customs Service. Cooperation on law enforcement and border security issues has increased as a result of the Czech Republic's entry into the U.S. visa waiver program.

**The Road Ahead.** In the nearest term, the Czech Government's goal will be to reestablish the control mechanisms discussed above aimed at limiting the abuse of methamphetamine precursor ingredients contained in over-the-counter medications. At the same time, evaluation of the government's "Action Plans" associated with the 2005-2009 National Drug Policy Strategy (scheduled for completion in March 2010) will lead to the formulation of a new policy that is likely to continue its focus—and resulting resource allocation—on prevention, education, and treatment and other aspects of their "harm reduction" policies. Law enforcement's efforts toward supply reduction will focus on reining in the ongoing expansion of domestic cannabis production, and the National Drug Headquarters good cooperative ties with other European services will be maximized to deal with the increasingly international dimension of this activity.

# Denmark

## I. Summary

Denmark's relatively central geographic location and status as one of Europe's transportation hubs make it an attractive drug destination and transit country. The Danish authorities cooperate closely with counternarcotics authorities in their Scandinavian neighbors, the European Union (EU), and the U.S. government (USG) to prevent the transit of illegal drugs. Additionally, building on a multi-year partnership, Denmark plays an important role in the Baltic Sea Region combating narcotics trafficking.. Danish authorities acknowledge that the European Union's open border environment and high volume of international trade will inevitably result in a certain level of illegal drug shipments transiting 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 and bilateral U.S.-Denmark counternarcotics cooperation is excellent.

## II. Status of Country

Drug traffickers routinely use Denmark's comprehensive transportation network to bring illicit drugs to Denmark for domestic consumption and transshipment to other Nordic and European countries. Danish police report that drugs from the Balkans, Russia, the Baltic nations, and Central Europe routinely pass through Denmark en route to other EU states and the U.S., although the amount flowing to the U.S. is very 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 2009

**Policy Initiatives.** EU legislation passed in 2008 requires persons carrying cash or instruments exceeding 10,000 Euros to report the relevant amount to Customs officials upon entry to or exit from Denmark. As organized crime and drug traffickers have attempted to evade these constraints, Danish Customs has intercepted increased levels of illegal funds. This, in turn, has had a favorable impact on drug-related investigations, where illicit sales are almost always conducted on a cash basis.

**Law Enforcement Efforts.** Over the past four years there has been a significant increase in cocaine seizures by police authorities in Denmark. Cocaine investigations and seizures remain the top priority of counternarcotics police efforts in Denmark. According to the Danish National Police, the increase in cocaine seizures can be attributed to police efforts to fight organized crime with systematic, focused investigations aimed at specific recognized criminal groups and networks. The police remain committed to "goal oriented and systematic efforts" to fight organized crime close cooperation with the European police intelligence center Europol and with other foreign police authorities. Police authorities state that cocaine trafficking in Denmark is controlled primarily by Serbian, Montenegrin and Moroccan nationals, with most supplies originating from South America. Police continue to target the distribution system for illegal drugs by prosecuting members of the Hell's Angels and Bandidos motorcycle gangs and immigrant gangs for violations of Denmark's strict tax laws. Authorities focus on tax evasion by members of gangs because successful prosecutions disrupt their networks and significantly impede their ability to traffic illegal drugs. Heroin is traditionally smuggled into Denmark via the Balkans. Turkish, Afghan, Iranian and Pakistani nationals control much of the heroin trafficking in Denmark. West African groups routinely utilize drug couriers to smuggle cocaine via commercial flights from various European cities. According to police, a recent development is the active participation of Middle Eastern groups in cocaine trafficking to Denmark. Lastly, authorities in Denmark, as well as those in other Nordic countries, have noted an increase in the indoor cultivation of marijuana by ethnic Vietnamese immigrant groups.

Law enforcement statistics from 2008 year-end show a mixed picture relative to the quantities of Ecstasy pills, heroin, hashish, amphetamines, and cocaine seized by Danish authorities: The number of Ecstasy pills seized significantly decreased from 82,400 pills in 2007 to 17,600 pills in 2008. The quantity of heroin seized also decreased, but less significantly, from 48 kilograms in 2007 to 44 kilograms in 2008. Meanwhile, the amount of amphetamines seized in 2008 (120 kilograms) strongly increased from 2007 figures (70 kilograms). Similarly, the amount of hashish seized greatly increased from 877 kilograms in 2007 to 2,914 kilograms in 2008. Marijuana likewise showed an increase from 70 kilograms in 2007 to 170 kilograms in 2008. Lastly, cocaine seizures by Danish police fell from 92 kilograms in 2007 to 56 kilograms in 2008. Initial figures for 2009 (first 9 months) show that Danish authorities have seized of 61 kilograms of amphetamines, 48,000 pills of Ecstasy, 748 kilograms of hashish, 12 kilograms of heroin, and 55 kilograms of cocaine.

**Corruption.** The Danish government does not as a matter of government policy 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. Denmark prohibits the unlicensed production and distribution of narcotics and other controlled substances, as well as the laundering of proceeds from illegal drug transactions. According to judicial records, no senior Danish official has been charged or alleged to have participated in activities associated with illegal drugs in either 2008 or 2009.

**Agreements and Treaties.** Denmark is a party to the 1988 United Nations (UN) Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention, as amended by the 1972 Protocol. Denmark is also party to the UN Convention Against Transnational Organized Crime, as well as its associated Protocols Against Migrant Smuggling and Trafficking in Persons and the UN Convention Against Corruption. The U.S. and Denmark have a Mutual Customs Assistance Agreement and an Extradition Treaty. The two countries have concluded protocols and have exchanged Instruments of Ratification pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements to streamline their mutual legal assistance and extradition efforts. The strengthening protocols will enter in force at the same time as the parallel U.S.-EU agreements come into effect. The U.S.-EU agreements and the U.S.-Denmark bilateral protocols will enter into force on February 1, 2010. Denmark is also a major contributor to the UN Office on Drugs and Crime (UNODC), committing approximately $2.0 million annually to the organization.

**Cultivation/Production.** There is no suspected major cultivation or production of illegal drugs in Denmark. There are no suspected MDMA (Ecstasy) laboratories in Denmark.

**Drug Flow/Transit.** Denmark remains a transit country for drugs on their way to neighboring European states due to its relatively central location, efficient transportation system, and open borders. The ability of Danish authorities to interdict illegal drug traffic is constrained by EU's open border policies. The Danish police report that the smuggling of cannabis into Denmark is typically carried out by road, originating from the Netherlands and Spain. Amphetamines are also smuggled from the Netherlands, via Germany, to Denmark. Once in country, illegal drugs are typically distributed by the two largest motorcycle gangs, as well as smaller immigrant-based gang networks. Amphetamines from Poland and Lithuania are reportedly transshipped through Germany.

**Domestic Programs/Demand Reduction.** Denmark's Ministry of Health estimates there are approximately 27,000 persons addicted to illegal drugs in Denmark. According to a government-sponsored study in 2008, among 16-34 year olds, 48 percent report having tried cannabis at least once, 10.5 percent reported at least one instance of amphetamine use, and 9.5 percent have tried cocaine at least one time. Compared to a similar 2003 report, reported usage was up slightly in all surveyed categories. The government strategy to combat drug abuse is multi-faceted; combining education, interdiction, prosecution (particularly against organized crime and gang activity), medical treatment, and social assistance. Denmark has established extensive programs to combat drug abuse in schools and its prison

system. In 2008, the Danish government dedicated significant additional resources to its drug treatment facilities and programs.

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

**Bilateral Cooperation.** U.S. counternarcotics strategy in Denmark is to cooperate closely with Danish authorities in identifying, interdicting and prosecuting international drug traffickers. For example, Denmark extradited its first Danish national to the United States to face U.S. criminal charges in connection with the fugitive's participation in an international drug trafficking conspiracy. The U.S. also participates in joint investigations when requested. Finally, the U.S. coordinates counternarcotics strategy with all eight countries of the Nordic-Baltic regions. The USG enjoys excellent cooperation with its Danish counterparts on all counternarcotics issues. The Drug Enforcement Administration located in the U.S. Embassy in Copenhagen coordinates bilateral cooperation with the Danish government.

**The Road Ahead.** Although the border-free environment of the EU makes trafficking easier in many ways, Danish authorities continue to gather intelligence and target organizations that are transnational in scope and successfully prosecute them in the judicial system. Lastly, the Danish government is dedicated to expanding its drug education and programs to both prevent new victims and assist those who are currently addicted. The USG, specifically through its DEA office at the U.S. Embassy, will continue to cooperate and share appropriate information with Danish counternarcotics authorities and build upon an already strong bilateral cooperation relationship in the drug control field.

# Dominican Republic

## I. Summary

The Dominican Republic (DR) is a major transit country for illicit narcotics originating from South America to the United States and Europe. Illicit drugs arrive in DR via air and sea. Small civil aircraft carrying an average of 350 to 1,000 kilograms per flight originate from Venezuela. Maritime deliveries arrive via go-fast boats, privately owned fishing and recreational boats, and cargo containers. The majority of these originate in the Maracaibo area of Venezuela and the Colombian Guajira Peninsula. The DR is experiencing increased domestic consumption of drugs. In 2009, the DR cooperated in extraditing fugitives and deporting criminals to the United States. Seizures of drugs during 2009 appear to be running at levels consistent with past years. Improvements in domestic law enforcement capabilities and cooperation between the Dominican National Police (DNP) and the National Directorate for the Control of Drugs (DNCD) were evident during the past year with an increased focus on fighting corruption and money laundering activities. However, endemic corruption at all levels of the government of Dominican Republic (GODR) and throughout private sector special interest groups still hinders efforts to counternarcotics smuggling, money laundering, migrant smuggling and a wide variety of other criminal activities. The DR is a party to the 1988 UN Drug Convention.

## II. Status of Country

The DR is a major narcotics transit country, especially for cocaine, en-route to North America and Europe. A substantial number of illicit drug flights from Venezuela to Hispaniola drop their loads over the DR and its territorial waters. Per the Drug Enforcement Administration (DEA), MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) en-route from Europe to the United States was interdicted by DR authorities. For the first time the GODR made several large seizures of pseudoephedrine, a methamphetamine precursor, transiting from Asia to Central America. In addition to the drug transit problem, the DR is experiencing an increasing domestic drug problem that has affected the youth of the country and led to increased drug-related violent crimes.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In August, President Leonel A. Fernandez replaced the head of the DNCD with General Rolando Rosado Mateo from the DNP to foster greater cooperation between the two national police entities. With the new DNCD chief accompanying agents on raids and taking a lead role in operations, the impact was immediate, resulting in an increased tempo of drug seizures (see Law Enforcement Efforts below). The GODR also participated in the Cooperating Nations Information Exchange System (CNIES) agreement, which allows it to receive information on suspected aerial and maritime drug trafficking. During the year, the GODR continued participation in a joint agreement with Haiti to fight drug trafficking and increase law enforcement cooperation. The GODR took an active role in the Caribbean Basin Security Initiative working group meetings and hosted the October meeting in Santo Domingo.

**Accomplishments.** During the first 11 months of 2009, Dominican authorities seized approximately 4.4 metric tons of cocaine, 1.4010 metric tons of marijuana, 39 kilograms of heroin, 10,166 tablets of Ecstasy, and 1.3 million tablets of pseudoephedrine. During Operation Firewall, U.S. Immigration and Customs Enforcement (ICE) and Dominican Customs confiscated $608,400 in U.S. currency.

**Law Enforcement Efforts.** As a result of the change in leadership of the DNCD, the government improved interdiction and achieved strong results pursuing drug traffickers. Seizures for the first half of 2009 were lackluster in comparison with the same period in 2008, but in the three months following the

leadership change, the government seized an additional 2,245 kilograms of cocaine—an almost threefold increase over the first half of the year.

The new head of the DNCD emphasized pursuing major drug traffickers. In one case, based on information from the U.S. Marshals, the DNCD Tactical Response Team attempted to capture major drug trafficker Jose D. Figueroa Agosto. Though Figueroa eluded capture, authorities recovered a laptop computer containing information that led to the seizure of cash and jewelry worth over $9.1 million, three vehicles and two apartments. Interdiction capabilities were expanded in December when President Fernandez received the first two of eight Super Tucano aircraft that the GODR purchased from Brazil in order to combat illicit air-trafficking from South America. Armed Forces Minister Lieutenant General Rafael Pena Antonio predicts that the Brazilian Super Tucano jets purchased by the Dominican government will reduce drug drops by 75 percent.

**Corruption.** As a matter of policy, the GODR does not encourage or facilitate the illicit production, processing, or distribution of narcotics, psychotropic drugs, and other controlled substances, nor does it contribute to drug-related money laundering. Despite this, corruption in the DR remained endemic and numerous law enforcement and military officials, many of high rank, were implicated in corrupt activities to include trafficking in narcotics and money laundering. Entire police units are under investigation and were removed from duty for suspected drug trafficking activities. Corruption is also pervasive in the prison system.

During the year, the GODR reduced the influence of narcotics traffickers in the judicial system by focusing on internal affairs and changing the venue of judicial proceedings when needed. The DNP Internal Affairs office (IA) was also restructured in 2009 and operated more efficiently. During the year, approximately 500 police officers in a police force of 30,000 members were terminated for testing positive for drug use. IA investigators conducted approximately 70-90 internal investigations monthly against police personnel engaged in improper conduct, which are then referred to the Chief of Police and/or Prosecutor General's office for disciplinary action. The GODR increased its fight against corrupt public officials in response to investigative reporters' exposure of corruption in the electrical system, highway construction and other areas where the government uses public funds.

**Agreements and Treaties.** The GODR is a party to the 1988 UN Drug Convention; the 1961 UN Single Convention as amended by the 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; the UN Convention against Transnational Organized Crime; the UN Convention against Corruption; and the Inter-American Convention against Corruption. In 1985, the USG and the GODR signed an agreement on international narcotics control cooperation. In 2003, the DR entered into three comprehensive bilateral agreements on Cooperation in Maritime Counter-Drug Operations, Maritime Migration Law Enforcement, and Search and Rescue. All three agreements include provisions for over-flight of Dominican territorial seas. The GODR signed, but did not ratify, the Caribbean Regional Maritime Agreement. The GODR is not party to the OAS Mutual Legal Assistance Treaty and no bilateral mutual legal assistance treaty is in effect. The United States continues to make direct requests for judicial cooperation through the relevant UN conventions letters, but noticeable delays in compliance are routine. The GODR is not party to a bilateral asset forfeiture agreement, nor is it party to any multilateral agreement that would permit the forfeiture of criminally obtained assets. The U.S.-Dominican Extradition Treaty dates from 1909. Extradition of nationals is not required by the treaty, but, in 1998, President Fernandez signed legislation permitting such extraditions. In 2005, judicial review was added to the procedure for extradition, making extradition procedures more transparent. During 2009, the DNCD Fugitive Surveillance/Apprehension Unit and other relevant Dominican authorities continued excellent cooperation with the U.S. Marshals Service. The GODR extradited a total of 24 Dominicans in 2009 (18 to the United States), and deported 17 U.S. and third-country national fugitives to the U.S. to face prosecution; 22 of the 41 extraditions/deportations were narcotics-related. In addition, the United States extradited one fugitive to the DR, an accused murderer of a Dominican police officer.

**Cultivation/Production.** Cannabis is grown in the DR on a small scale for local consumption. Ten thousand plants were destroyed in a raid on a marijuana plantation led by the new DNCD chief. Each plant's yield would have averaged approximately one pound of marijuana with a value of $500 per pound, making the total value of this seizure approximately $5 million.

**Drug Flow/Transit.** In 2009, the DNCD focused interdiction operations on the drug-transit routes in Dominican territorial waters along the southern border, while attempting to prevent air drops and maritime delivery of illicit narcotics to remote areas. According to the latest USG estimates, seven percent of the cocaine directed towards the United States transits Hispaniola. Per the United Nations Office of Drugs and Crime (UNODC), 11percent of all drugs going to Europe transits DR. There were fewer suspect drug flights detected from Venezuela destined for DR in 2009 (58) compared to in 2008 (87). Tracks peaked at 109 in 2007. Drugs remained easily available for local consumption in most metropolitan areas in 2009. The distribution of drugs throughout the DR varies with the type of drug; however, a common denominator is widespread use of cocaine and heroin in tourist zones and major metropolitan areas. The majority of crack cocaine and ecstasy seizures occurred in the province of La Altagracia in the east, Peravia in the central area and Santiago and Puerto Plata in the north. Cocaine and heroin seizures were most often in the northern and eastern tourist provinces of Puerto Plata, El Seybo and La Altagracia and in the metropolitan areas of Santo Domingo, Santiago and La Romana. Marijuana seizures have been concentrated in the northwest and southwest provinces of the country bordering on Haiti.

The number of noncommercial aviation flights departing South America to deliver illicit drugs to the DR is one of the biggest challenges faced by the country. Almost half of the drugs transiting through the DR are believed to be delivered by these illicit flights. To counter this flow, U.S. Customs and Border Protection (CBP) Blackhawk helicopters from Puerto Rico transporting DEA agents are routinely dispatched to the DR to pick up a DNCD team in an effort to interdict drug drops and make seizures and arrests. Although there have been successes, the limited availability of the CBP Blackhawks and the time and distance required to respond often hamper these missions.

Intelligence indicates that the majority of the illicit narcotics transiting the DR to North America and Europe moves through its seaports. Presently, only one Dominican port, Caucedo, is operating in compliance with the Container Security Initiative (CSI). The other DR Mega Port is Rio Haina where 270,000 TEUs (Twenty-foot Equivalent Unit containers) per year transit, much of it to the US; however, Haina is not CSI compliant.

**Domestic Programs/Demand Reduction.** During the year, the DNCD conducted sporting events and seminars to help publicize the negative effects related to the use of narcotics and drugs. Hundreds of thousands of Dominican youths participated in these events. The USG believes that the demand for narcotics in the DR is increasing because narcotics are often used as a method of payment for criminals involved in drug transit. In addition, based on the number of arrests and those seeking treatment, the Consejo Nacional de Drogas assesses there to be a continued increase of domestic consumption of drugs. The government has never undertaken an official survey regarding domestic drug use due to a lack of resources. A community-policing project initiated in 2006-2007 with support from the USG continued in high-risk neighborhoods in Santo Domingo, in part to reduce drug demand and drug-related crimes. Community leaders and law enforcement officials praised the project, and are seeking to expand it to other cities.

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

**Policy Initiatives.** USG policy objectives in the DR are to enhance existing land and maritime law enforcement capabilities to act against narcotics traffickers and to improve the GODR's ability to successfully investigate and prosecute criminal cases.

**Bilateral Cooperation.** During 2009, the USG, through Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) provided equipment and training to: maintain the drug and explosive detection canine units; support the DNCD's vetted Sensitive Investigation Unit (SIU) and Tactical Response Team; expand DNCD computer training, database expansion and systems maintenance support; improve the DNCD's capability to detect drugs smuggled through airports; and enhance the DR's anti-money laundering capacity. CBP conducted two international interdiction training seminars on airport and seaport cargo for the DNP, DNCD and Dominican Customs (DGA). DGA provided their Regional Training Center and transportation for these seminars and the U.S. Embassy's Narcotics Affairs Section (NAS) funded the courses. Other NAS-funded training included sending candidates to the Colombian Jungle Commando course, airport narcotics detection training in Bogotá, Colombia, and a twelve-module anti-money laundering course developed by NAS.

The United States Coast Guard (USCG) participated in joint counternarcotics and illegal migrant operations, including the use of mobile biometrics to identify and prosecute criminals transiting the Mona Passage between the DR and Puerto Rico. In addition, the USCG held three subject-matter expert exchange conferences for the benefit of the Dominican Navy: the Annual Interoperability Conference aimed at improving coordination in maritime interdictions; the Caribbean Search and Rescue Conference to improve and coordinate collaborative efforts of mutual search and rescue resources; and the International Shipping and Port Security Conference geared towards enhancing port security in the DR. The USCG also provided maritime law enforcement, leadership, engineering and maintenance, port security, and command and control training to the Dominican Navy. Under the maritime bilateral agreement with the GODR, 88 lbs of cocaine were removed, three smugglers were detained, and one vessel was seized. This agreement continued to facilitate counternarcotics cooperation between the Dominican Navy and the USCG.

The Law Enforcement Development Program, implemented by the Embassy's NAS assisted the DNP with reforms aimed at completing its transformation into a professional, civilian-oriented organization. Since the program was initiated in 2006, over 9,000 police investigators and prosecutors have undergone training in basic crime scene investigation. A community based policing project established in 13 high risk barrios in Santo Domingo led to positive trends in crime reduction in these neighborhoods. This project has been expanded to Puerto Plata, Cabarete, and Santiago. National Police and Prosecutors received joint training. During the year 500 cadets completed Police Academy training, which used the revised curriculum designed by NAS. The U.S. Agency for International Development (USAID) provided assistance to strengthen the DR's justice system, with a particular focus on effective implementation of the Criminal Procedures Code to ensure proper acquisition, storage, and handling of evidence and adherence to reasonable time limits for prosecuting cases. USAID also assisted the National Institute for Forensic Sciences with improving procedures to secure and preserve evidence.

**The Road Ahead.** The GODR is encouraged to continue building coherent counternarcotics programs that can resist the pressures of corruption and address new challenges presented by narcotics trafficking organizations. The most important task facing the GODR is to stop the endemic corruption and improve public confidence in the government. Results of a Gallup-Hoy poll indicate that 52.6 percent of the population believe drug trafficking has penetrated the DR because of complicity between drug dealers and the authorities. We encourage the GODR to institutionalize judicial reforms and make efforts to address money laundering by developing the capacity to conduct complex financial investigations as a priority. Expanding its community-policing program to additional neighborhoods in Santo Domingo and other cities in the DR will improve the GODR's ability to ensure safety for its citizens. Increased cooperation between the DNP and DNCD has proven to be effective in fighting drug related crimes. The GODR can build on this cooperative effort through the development of Micro-Trafficking Units comprised of members from both organizations and with the participation of the Attorney General's office. Much is discussed concerning the airdropping of drugs from aircraft originating from Venezuela, and the DR is encouraged to place more emphasis on their ports and bring them into compliance with the CSI. The USG

will work with the DR to help it build capacity in the DR Air Force helicopter program to address the threat of noncommercial aviation flights departing South America to deliver illicit drugs to the DR and enable them to take over the role currently filled by CBP.

# Dutch Caribbean

## I. Summary

The Kingdom of the Netherlands consists of Aruba, the Netherlands Antilles, and the Netherlands, with the two Caribbean members having autonomy over their internal affairs, with the right to exercise independent decision making in a number of counternarcotics areas. National defense and foreign affairs are Kingdom responsibilities and exercised under supervision from The Hague in the Netherlands. The Netherlands Government assists the Government of Aruba (GOA) and the Government of the Netherlands Antilles (GONA) in their efforts to combat narcotics trafficking. The Kingdom of the Netherlands is a party to the 1988 UN Drug Convention, and all three parts are subject to the Convention. Both Aruba and the Netherlands Antilles are active members of the Financial Action Task Force (FATF) and Caribbean Financial Action Task Force (CFATF).

## II. Status of Country

Netherlands Antilles. Islands of the Netherlands Antilles (NA) (which includes Curacao and Bonaire off Venezuela; and Saba, St. Eustatius, and St. Maarten east of the U.S. Virgin Islands) serve as northbound transshipment points for cocaine and increasing amounts of heroin coming from South America, chiefly Colombia, Venezuela, and to a much lesser extent, Suriname. These shipments typically are transported to U.S. territory in the Caribbean by “go-fast” boats although use of fishing boats, freighters, and cruise ships are becoming more common. Direct transport to Europe, and at times to the U.S., is by “mules” (drug couriers) using commercial flights. The Drug Enforcement Administration (DEA) and local law enforcement saw typical go-fast boat traffic this year with some load sizes reduced because of a potential exposure to law enforcement. These shipments were generally en route to Puerto Rico or the U.S. Virgin Islands, but St. Maarten continued to hold some popularity among couriers as a gateway to Europe. In addition to go-fast boat activity and smuggling via commercial airlines, large quantities of narcotics continued to be moved through in containers.

St .Maarten currently falls under the authority of the Netherlands Antilles government. St. Maarten and Curacao are scheduled to become semi-autonomous entities within the Kingdom of the Netherlands in 2010, when the NA is dissolved. St. Maarten’s geographical location and open society make it a useful transshipment point between South America and the United States, for drug and human smuggling. Dutch St. Maarten continues to pose a serious threat as a staging ground for moving cocaine and heroin into the U.S. market. Officials in St. Maarten have taken this threat seriously by initiating joint U.S. cooperative investigations as well as adopting new law- enforcement strategies to combat the problems. Sailing vessels and larger vessels continued to be identified infrequently as they were used clandestinely to move multi-hundred kilogram shipments of cocaine under the guise of recreational maritime traffic. It has been established that drug smugglers have a multitude of routes and methods. The diversity of the methods coupled with limited law- enforcement controls upon the flow of goods works in favor of criminals. Dutch St .Maarten is considered a “Free Zone”, which means there are limited controls placed on import and export of goods. This also applies to financial crimes where the absence of stringent checks into monetary flows means that money laundering and proceeds from illegal activities are relatively easy to conceal.

In Curacao, all elements of the law enforcement and judicial community recognize that the NA, chiefly due to geography, faces a serious threat from drug trafficking. The police, who reportedly are understaffed and need additional training, have received some additional resources, including various support and training by the Netherlands and the United States. The rigorous legal standards that must be met to prosecute cases affect the effectiveness of the police; nevertheless, local police made progress in

2009 in initiating complex, sensitive cases targeting upper-echelon traffickers. These efforts demonstrated the effectiveness of cooperation with other law enforcement entities in the region.

Building upon an initiative from 2008, in 2009, the Police Chief in conjunction with the Minister of Justice expanded efforts to improve Criminal Intelligence by creating a new Regional Expertise and Information Center (REIC) Unit within the Curacao Police Corps (KPC). Established with grants from the Netherlands and partnerships with U.S. law-enforcement agencies, specifically the DEA, this specialized Intel Unit and has further improved investigative effectiveness. In 2009, the KPC REIC Unit gained regional recognition as a viable international partner for law enforcement matters.

Consistent with the continued smuggling ventures, arrests were frequent in 2009. Curacao's prison remains at capacity. Aware of this problem, the GONA, with the assistance of their Dutch partners, has undertaken efforts to reduce the prison population by pre-trial diversion of non-violent offenders and by constructing new jail space with Dutch financial assistance.

The specialized Dutch police units combined in the Joint Kingdom Investigative Team ("Recherche Samenwerkingsteam" RST) that support law enforcement in the NA and Aruba continued to include local officers in the development of investigative strategies to ensure exchange of expertise and information. During 2009, the RST have proven to be effective in sharing intelligence in a regional and international arena resulting in several successful operations to thwart organized crime groups.

The Netherlands Antilles and Aruba Coast Guard (CGNAA) scored a number of successes in 2009. The CGNAA has developed a very effective counternarcotics intelligence service and is considered by DEA to be an invaluable international law enforcement partner. The CGNAA was responsible for several seizures of cocaine and heroin. As an example of their continued success and ability to be forward leaning with law enforcement initiatives, the CGNAA, in coordination with the new REIC Unit, had several notable seizures off go-fast vessels.

Authorities in both the NA and Aruba are intent on ensuring that there is a proper balance between the CGNAA's international obligation to stop narcotics trafficking through the islands, and its local responsibility to prevent narcotics distribution on the islands. Under the continued leadership of both the Justice Minister and Attorney General, the GONA continued to strengthen its cooperation with U.S. law enforcement authorities throughout 2009. This cooperation extended to St. Maarten, where the United States and the GONA continued joint efforts against international organized crime and drug trafficking.

The regular Dutch Navy also operates in the Netherlands Antilles under the auspices of Commander Task Group 4.4 (CTG 4.4) which operates in international waters under the oversight of the Joint Inter Agency Task Force (JIATF) South. Over the past three years, the CTG 4.4 has become a close and essential ally of the DEA and other U.S. agencies. Their continual efforts to thwart drug trafficking from the region have been noted at the highest levels of the DEA and U.S. government.

**Aruba.** Aruba is a transshipment point for increasing quantities of heroin, and to a lesser extent cocaine, moving north, mainly from Colombia, to the U.S. and Europe. Drugs move via cruise ships and the multiple daily flights to the U.S. and Europe. The island attracts drug traffickers with its good infrastructure, excellent flight connections, and relatively light sentences for drug-related crimes served in prisons with relatively good living conditions.

While Aruba enjoys a low crime rate, crime reporting during 2009 indicates that prominent drug traffickers are established on the island. In 2009, Aruba law enforcement officials continued to investigate and prosecute mid-level drug traffickers who supply drugs to "mules." There were several instances where Aruba authorities cooperated with U.S. authorities to realize U.S. prosecutions of American citizens arrested in Aruba while attempting to return to the United States with drugs in multi-kilogram quantities. Aruba also devotes substantial time and effort to the identification of the person's responsible for the importation of drugs to Aruba.

Aruba also continued to participate in the Coast Guard of the Netherlands Antilles and Aruba.

## III. Country Actions Against Drugs in 2009

**Agreements and Treaties.** The Netherlands extended the 1988 UN Drug Convention to the NA and Aruba in March 1999, with the reservation that its obligations under certain provisions would only be applicable in so far as they were in accordance with NA and Aruba criminal legislation and policy on criminal matters. The NA and Aruba subsequently enacted revised, uniform legislation to resolve a lack of uniformity between the asset forfeiture laws of the NA and Aruba. The obligations of the Netherlands as a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, the Inter-American Convention against Corruption, and the UN Convention against Transnational Organized Crime and its three Protocols apply to the NA and Aruba. The obligations of the Netherlands under the 1971 UN Convention on Psychotropic Substances have applied to the NA since March 10, 1999. The Netherlands's Mutual Legal Assistance Treaty (MLAT) with the United States applies to the NA and Aruba. Both Aruba and the NA routinely honor requests made under the MLAT and cooperate extensively with the United States on law enforcement matters at less formal levels.

Seizures. In 2009, Aruba seized 75 kilograms of cocaine and The Netherlands Antilles seized 2,774 kilograms of cocaine and 16.5 kilograms of heroin.

**Corruption.** As a matter of policy, neither the Government of Aruba nor the GONA encourage or facilitate illicit drug production, nor is involved in laundering the proceeds of the sale of illicit drugs. The effect of official corruption on the production, transportation, and processing of illegal drugs is relatively small for Aruba and the NA, although it does occur on occasion. Aruba and the NA have been quick to address these issues through criminal investigations, internal investigations, new hiring practices, and continued monitoring of law enforcement officials who hold sensitive positions. To prevent such public corruption, there is a judiciary that enjoys a well-deserved reputation for integrity.

**Domestic Programs (Demand Reduction).** Both the NA and Aruba have ongoing demand- reduction programs. The Curacao Police Corps, in conjunction with Drug Abuse Resistance Education (DARE), operates a DARE facility in Willemstad, Curacao to aid in demand reduction activities for the youth of Curacao.

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

The Netherlands Antilles and Aruba have demonstrated their commitment to the counternarcotics effort by continued support for a USAF Forward Operating Location (FOL) at the Curacao Hato International Airport as well as a smaller FOL on at Reina Beatrix International Airport in Aruba. Under a ten-year use agreement signed in March 2000 and which entered into force in November 2001, U.S. military aircraft conduct counternarcotics detection and monitoring flights over both the source and transit zones from commercial ramp space.

Aruba hosts the Department of Homeland Security's (DHS) U.S. Customs and Border Protection pre-clearance personnel at Reina Beatrix airport. These officers occupy facilities financed and built by the GOA. DHS reports several seizures of cocaine in 2009. Chiefly through the DEA and DHS/U.S. Immigration and Customs Enforcement, the United States is able to provide assistance to enhance technical capabilities as well as some targeted training.

**The Road Ahead.** The United States encourages Aruba and NA law-enforcement officials to participate in INL-funded regional training courses provided by U.S. agencies at the GOA and GONA's expense. The U.S. continues to search for ways in which locally assigned U.S. law-enforcement personnel can share their expertise with host country counterparts. The trend of the past several years continues as appreciation of the importance of intelligence to effective law enforcement has grown in the Dutch Caribbean. While continued expansion of the intelligence sharing with GOA and GONA officials has

provided mutual benefits, because U.S-provided intelligence must meet the strict requirements of local law, this requires ongoing, extensive liaison work to bridge the difference between U.S. and Dutch-based law. With forthcoming changes in the structure of the Kingdom relationships, this liaison effort will also grow more complex and require additional effort by U.S. as well as all the Kingdom partners at various levels to leverage available resources.

As renewal (for five years) of the FOL agreement nears, all the Kingdom partners remain interested in respecting the terms of the agreement. The continuation of those facilities is critical not just to U.S. but also international efforts to detect and monitor illicit trafficking through the transit zone. We encourage all parties to continue abiding by agreed operating arrangements and ensuring support for continued operations that are mutually beneficial.

# Eastern Caribbean

## I. Summary

The seven Eastern Caribbean (EC) countries—Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines—continue to experience significant drug trafficking from South America to markets in the U.S. and Europe. There was an increase in cocaine transiting from Venezuela in 2009. Marijuana, predominantly from Colombia, St. Vincent, and Jamaica, continues to flow into the region in small "go-fast" vessels, larger fishing vessels, yachts and freight carriers. More illegal drugs are staying on the islands for internal consumption, and this is causing an increase in violent crime in the region. Police forces, already limited in their capacity to combat trafficking, now find themselves challenging drug-related crime on their streets.

The U.S. Drug Enforcement Administration (DEA) actively works with local law enforcement officials and international organizations in the region to support counternarcotics operations. The U.S. Military's Southern Command, through the Joint Interagency Task Force South (JIATF-S), provides a wide range of services to the region from financial support of flight hours to the Regional Security System (RSS) to the construction of piers in St. Lucia. The U.S. Coast Guard (USCG) maintains a three-person Technical Assistance Field Team (TAFT) in Puerto Rico that provides support and coordinated depot-level maintenance for over 40 maritime security vessels in the EC. The RSS, based in Barbados, operates the air assets dedicated to counternarcotics operations. The fleet consists of two C-26 aircraft donated in the late 1990s by the U.S. Government. Each of the Eastern Caribbean countries has a bilateral maritime counternarcotics agreement with the U.S. As a matter of policy, no Government of the seven Eastern Caribbean countries encourages or facilitates illicit drug production or distribution, nor are they involved in laundering the proceeds of the sale of illicit drugs. All seven Eastern Caribbean states are parties to the 1988 UN Drug Convention.

## II. Status of Countries and Actions Against Drugs in 2009

**Antigua and Barbuda.** The islands of Antigua and Barbuda are transit points for cocaine moving from South America to the U.S. and European markets. Narcotics entering Antigua and Barbuda are transferred from go-fast boats, fishing vessels, and yachts to other go-fasts, powerboats or local fishing vessels for further movement. Secluded beaches and uncontrolled marinas provide opportunities to conduct drug transfer operations. Marijuana cultivation in Antigua and Barbuda is not significant and marijuana is imported for domestic consumption from St. Vincent and Jamaica.

The Government of Antigua and Barbuda (GOAB) believes that approximately 60 percent of the cocaine that transits Antigua and Barbuda is destined for the United Kingdom, while the United States market accounts for 25 percent. Approximately 10 percent of the cocaine transiting Antigua and Barbuda is destined for St. Martin/Sint Maarten and five percent consumed locally. There were no reports of production, transit or consumption of methamphetamines in Antigua and Barbuda. There is also no legislation that imposes specific recordkeeping on precursor chemicals.

Antigua and Barbuda 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. It has a six-part maritime counternarcotics agreement with the USG. The GOAB is a party to the Inter-American Convention against Corruption, the Inter-American Convention on Extradition, and the Inter-American Convention on Mutual Assistance in Criminal Matters, the Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives and Other Related Materials (Inter-American Firearms Convention), and the Inter-American Convention on Extradition. The GOAB is a party to the UN Convention against Corruption and the UN Convention against Transnational

Organized Crime. The Misuse of Drugs Act was amended in June 2009 to impose stiffer penalties for drug offenses.

Through September 2009, GOAB forces seized 2.3 kilograms of cocaine, down from 14 kilograms in 2008, and 496 kilograms of marijuana, an increase of 400 kilograms compared to 2008. There were 149 drug-related arrests, up from 125 in 2008 and one major trafficker was prosecuted, down from ten in 2008. Approximately three acres of cannabis fields were discovered in 2009, and during eighteen eradication exercises the GOAB eradicated 11,601 plants, almost 70 percent more than in 2008. Antigua and Barbuda has both conviction-based and civil forfeiture legislation. An extradition treaty and a Mutual Legal Assistance Treaty (MLAT) are in force between the U.S. and Antigua and Barbuda.

Marijuana cultivation for local consumption takes place in the hills in Antigua. Routine patrols are carried out and when cultivations are discovered, they are destroyed and in the event that persons are caught in cultivated areas, they are arrested and charged. The Police have reported that several Jamaicans have been caught at the airport importing cannabis from Jamaica on the once-daily airline service. There has also been a trend of traffickers ingesting the drugs in order to smuggle them onto the island. Means of combating the movement of illegal drugs by sea are by utilizing the services of the Antigua and Barbuda Defense Force Coast Guard (which is very limited in its resources) in joint operations with police. The Regional Security System's (RSS) Air Wing also assists in tracking down traffickers at sea. The Police have stepped up vigilance at the sea port and regular checks are carried out on containerized cargo and vessels. The Police are in the process of obtaining at least two narcotics canines to assist in carrying out searches at the sea port and airport. In 2009, the USCG provided 11 training quotas and 3 mobile training teams to Antigua and Barbuda Coast Guard in the areas of maritime law enforcement, small boat operations, engineering and maintenance, and leadership and management.

The Police operate a Drug Abuse Resistance Education (DARE) program, targeting youth between ages 10 and 12. The Police also speak to church groups and other civic organizations on the dangers of drugs. Local organizations such as the Optimist Club and Project Hope conduct their own school programs or assist groups that work with drug addicts. There is one drug rehabilitation center, the Cross Roads Centre, which offers treatment from two separate locations.

**Barbados.** Marijuana and cocaine continue to be in high demand in Barbados. Marijuana is sourced primarily from St. Vincent and Jamaica, and cocaine is shipped or flown to the island via Venezuela or Colombia. Barbados is a transit point for drugs destined for North America and Europe, primarily the United Kingdom. The Royal Barbados Police Force (RBPF) estimates that 60 percent of drugs transiting through Barbados are destined to the U.K., 15 percent to Canada, 10 percent to the U.S., 10 percent to other Caribbean islands, and five percent for local consumption. Despite Barbados' well-equipped Coast Guard, go-fast boats are able to penetrate lines of defense and transport drugs to and through the country. In response to persistent concerns of corruption within the Barbados Coast Guard, the Barbados Defense Force is taking steps to require a polygraph and integrity test of all Coast Guard officers, and all 500 members of the military unit.

The U.S. Military Liaison Office (USMLO) and the Drug Enforcement Administration (DEA) work closely with the Barbados Defense Force, the Regional Security System (RSS) and local law enforcement officials in counternarcotics activities. In 2009, the USCG provided 7 training courses and 5 mobile training teams to Barbados in the areas of maritime law enforcement, small boat operations, engineering and maintenance, search and rescue, and leadership and management.

Marijuana and cocaine are transited through the island in different ways. Marijuana is imported by 8-12 known traffickers who pool their resources to fund a consignment. The drugs arrive on "go-fast" boats or fishing boats on the northern end of the island and distribution for internal consumption and external delivery follows. Cocaine is imported by the use of pleasure boats, especially yachts. Evidence indicates the importation of cocaine is organized primarily by Trinidadians, Guyanese, Venezuelans, and

Colombians. There is no pooling of resources and traffickers each organize their own consignments. Cocaine is also shipped through the airport using people as drug mules, or through air freight which is placed on aircraft by so called "rip on" teams (usually baggage handlers, airport staff, or officials with airside access). This baggage bypasses customs and security checks and on arrival will be "ripped off" by another set of criminals at the other end. This was a trend that emerged in 2008 and continued in 2009.

The RBPF reports, for the period January 1 to October 15, 2009, a total of 3,989 kilograms of marijuana were seized, including 22 kilograms by sea. This is down from 4,662 kilograms in 2008. Cocaine seized in 2009 increased to 78.3 kilograms in 2009 from 46 kilograms in 2008. The total number of marijuana plants eradicated for this period was 7,212. Drug-related arrests totaled 149, down from 213 in 2008.

Barbados 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. It has a six-part maritime counternarcotics agreement with the USG. Barbados has signed, but not ratified, the Inter-American Convention against Corruption, and is a party to the Inter-American Firearms Convention. Barbados has not signed the Inter-American Convention on Mutual Assistance in Criminal Matters or the Inter-American Convention on Extradition. The Mutual Assistance in Criminal Matters Act allows Barbados to provide mutual legal assistance to countries with which it has a bilateral mutual legal assistance treaty, Commonwealth countries, and states-parties to the 1988 UN Drug Convention. Barbados has an asset-sharing agreement with Canada. Barbados has signed but has not yet ratified the UN Convention against Transnational Organized Crime and its three protocols and the UN Convention against Corruption. An extradition treaty and a mutual legal assistance treaty (MLAT) are in force between the United States and Barbados.

The National Council on Substance Abuse (NCSA) and various concerned NGOs, such as the National Committee for the Prevention of Alcoholism and Drug Dependency, remain active and effective. The NCSA works closely with NGOs on prevention and education efforts and supports skills-training centers. The NCSA sponsored programs entitled "Drugs in my World," "Voices of the Children," and "Drug Facts and Issues Decisions" in 45 primary schools. The Drug Abuse Resistance Education (D.A.R.E) program is administered by the RBPF and also reaches out to thousands of school children on the island. There are four drug rehabilitation clinics in operation: Verdun House, Casa, Drug Rehabilitation Centre, and Teen Challenge.

**Commonwealth of Dominica.** The Commonwealth of Dominica continues to be negatively affected by the illegal drug trade. Law enforcement continues to wrestle with large scale cultivation of marijuana for both trafficking and internal use. It is estimated that approximately 210 acres are grown annually and the rugged terrain poses a major challenge to enforcement activities and efforts to assess crop sizes. Cocaine is frequently trafficked from Colombia and Venezuela to Dominica and countries north, including Guadeloupe, Antigua, St. Martin, and the U.S. Virgin Islands. The Dominica Police Force (DPF) estimates that 100-200 kilograms of cocaine are transited to Dominica from Venezuela each week. According to the DPF, this represents an increase in cocaine transiting the island. Although the island's law enforcement community is committed to combating the criminal elements present within and outside its borders, limited resources prevent officials from consistent interdiction of drugs destined to U.S. and European markets.

In 2009, the Dominica Coast Guard added a new vessel to its fleet to assist in its maritime counternarcotics operations. Close relations continue to exist between local and regional law enforcement agencies to further assist in patrolling international waters. Dominican authorities are grateful for U.S. assistance in training intelligence, but request more logistical support. In 2009, the USCG provided four small boat engineering and maintenance mobile training teams to Dominica.

The Dominican police report 259 drug seizures during 2009, compared to 243 in 2008. There were 195 drug-related arrests in 2009 compared to 243 in 2008. About 90 percent of operations were focused on

major traffickers. Two were arrested in 2009 compared to only one in 2008. In 2009, a total of 1,415 kilograms of marijuana was seized, up from 842 kilograms in 2008. A total of 294,719 marijuana plants were destroyed compared to 139,769 in 2008. In addition, 30.5 grams of cocaine were seized in 2009.

Dominica 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. It has a maritime counternarcotics agreement with the USG, which does not include over-flight provisions. Dominica is a party to the Inter-American Convention on Mutual Assistance in Criminal Matters, the Inter-American against Trafficking in Illegal Firearms Convention, the Inter-American Convention against Firearms, the Inter-American Convention against Corruption, and Inter-American Convention against Terrorism. An extradition treaty and a mutual legal assistance treaty (MLAT) are in force between the United States and Dominica. Dominica's maritime cooperation was excellent in FY2009 as evidenced by the USCG seizure of a Dominica flagged vessel under the bilateral agreement in place with the USG. The vessel was boarded under the bilateral agreement and was found to be smuggling over 350lbs of marijuana. Three smugglers were also removed from the seized vessel for prosecution.

There is no drug rehabilitation clinic in the Commonwealth of Dominica. The Drug Abuse Resistance Education Program (DARE) administered by the Ministry of Health and its National Drug Abuse Prevention Unit has enjoyed continued success in maintaining a series of community-based drug use prevention programs.

**Grenada.** Grenada is the southernmost island of the Eastern Caribbean archipelago. Its proximity to South American drug producing and transit countries and the difficulty policing numerous uninhabited islands, beaches and cays make it an ideal location for the transshipment of cocaine and marijuana to the U.S. and other markets. Traditional means such as go-fast boats, yachts and schooners are used to transport narcotics. Traffickers also continue to use drug mules and courier services to export cocaine. There is a small amount of marijuana cultivation in Grenada, primarily for local consumption. There are no drug processing labs in Grenada. Law enforcement officials have noticed an increase in collaboration between Trinidadian traffickers and their Grenadian counterparts during the latter part of the year and there are indications that drug trafficking organizations from Jamaica are attempting to set up shop in order to facilitate transshipment of cocaine to the U.S. and European markets. The increase in violence and gang activity associated with the drug trade, including armed robbery and kidnapping, continues to cause concern. Petty crimes, including theft and break-ins for cash to pay for drugs, are another byproduct of the drug trade.

The police drug squad continues to collaborate closely with officials of the DEA and the British Serious Organized Crime Agency (SOCA) in the targeting and investigation of major drug traffickers, sharing intelligence and conducting joint investigations. In 2009, the USCG provided 6 training courses and two mobile training teams to the Grenada Coast Guard in the area of small engineering and maintenance.

From January through October, 2009, the police arrested 242 people on drug-related charges, very similar to the 244 arrested in 2008. One major marijuana dealer was prosecuted for possession of a controlled drug (162 kilograms). He was fined $3,704 and his fishing boat valued at approximately $46,300 was confiscated.

Grenadian authorities reported seizing approximately 6 kilograms of cocaine, down from 46 kilograms in 2008; 495 cocaine balls (crack cocaine) which is double the amount seized in 2008; 22,037 marijuana plants, up from 14,360 in 2008; 460 kilograms of marijuana, up from 355 kilograms in 2008; and 1,309 marijuana cigarettes, up from 741 in 2008. The decline in cocaine seizures was attributed by Grenadian authorities to increased security and the presence of Naval ships due to the Summit of the Americas held nearby in Trinidad and Tobago. Regular rural patrols contribute significantly to deterring cultivation of marijuana on the island on a major scale. Cultivation usually consists of around 250 to 500 plants in any one plot. The terrain is usually difficult to access by vehicle and aerial surveillance is unavailable due to

lack of aircraft. The size of the crop is determined by the amount of trees uprooted and the stage of maturity. It is estimated that a fully grown cannabis plant (approx eight feet) can yield one half kilogram of cannabis when cured.

It is estimated that 80 percent of the cocaine trafficked through Grenada is intended for the United Kingdom (UK), 10 percent for the U.S., 5 percent for Canada and 5 percent for local consumption. Marijuana remains the most widely used drug among Grenadian users. Marijuana is smuggled through Grenada from both St. Vincent and Jamaica. Local officials estimate that about 75 percent of the volume remains on the island. The remaining 25 percent is destined for other markets, primarily Barbados and Trinidad.

Legislation proposed in 2007 to amend the Drug Abuse (Prevention and Control) Act to prevent the misuse of a controlled drug to include pseudoephedrine and ephedrine did not pass in 2009. Still pending action since 2005 is a draft Precursor Chemical Bill to develop institutional infrastructure to implement controls preventing the diversion of controlled chemical substances.

The oversight commission for the Integrity in Public Service Act, which passed in 2008, has not yet been formed, nor has the mechanism for reporting been established so the act is in force but not fully implemented. Grenada 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. It has a six-part maritime counternarcotics agreement with the USG. Grenada also is a party to the Inter-American Convention against Corruption, Inter-American Convention against trafficking in Illegal Firearms, the Inter-American Convention against Firearms, the Inter-American Convention on Mutual Assistance in Criminal Matters, and Inter-American Convention against Terrorism. Grenada is a party to the UN Convention on Transnational Organized Crime and its three protocols. An extradition treaty and a Mutual Legal Assistance Treaty (MLAT) are in force between the U.S. and Grenada.

There are a number of drug demand reduction programs available to the public through the National Drug Avoidance Committee. There are specific programs for students from the pre-primary level up to the college level, teachers, and adults (community outreach program). There is also a specific program targeting women. Grenada's sole drug-rehabilitation clinic Carlton House, whose building was destroyed by Hurricane Ivan in 2004 and by fire in 2006, has reopened at a new location. Presently the Rathdune Psychiatric Wing of the Mental Hospital provides limited rehabilitation services for "extreme cases." The need for rehabilitation services continues to outstrip capacity.

**St. Kitts and Nevis.** The Federation of St. Kitts and Nevis is a transshipment point for cocaine from South America to the United States and the United Kingdom as well as to regional markets. Trafficking organizations operating in St. Kitts are linked directly to South American traffickers, some of whom reportedly are residing in St. Kitts, and to other organized criminal organizations. Marijuana is grown for local consumption and, while previously concentrated in the mountainous region, there has been an increased level of marijuana cultivation discovered in abandoned sugar cane fields.

The Government of St. Kitts and Nevis (GOSKN) 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. The GOSKN has a six-part maritime Counternarcotics agreement with the USG. St. Kitts and Nevis is a party to the Inter-American Convention against Corruption and the Inter-American Firearms Convention, but has not signed the Inter-American Convention on Extradition or the Inter-American Convention on Mutual Assistance in Criminal Matters. St. Kitts and Nevis is a party to the UN Convention against Transnational Organized Crime and its three protocols. An extradition treaty and a mutual legal assistance treaty (MLAT) are in force between the United States and St. Kitts and Nevis.

The GOSKN Defense Force augments police counternarcotics efforts, particularly in marijuana eradication operations. From January to October, 2009, GOSKN officials reported seizing only one half kilogram of cocaine and 44 kilograms of marijuana. This is down from 78 kilograms of cocaine and 155

kilograms of marijuana in 2008. There were no reports of production, transit or consumption of methamphetamines in St. Kitts or Nevis. In 2009, the USCG provided 5 training courses and four mobile training teams to Barbados in the areas of maritime law enforcement, small boat operations, engineering and maintenance, port security, and leadership and management.

From January to October 2009, 150 drug related arrests were made, down from 1,222 in 2008. There were 93 prosecutions during this period and 77 convictions. Marijuana eradication exercises in 2009 resulted in 104,571 marijuana plants being eradicated, up from 83,309 plants in 2008.

The Precursor Chemicals Act No. 20 of 2007 which came into force in July 2008 deals with specific record keeping and reporting on precursor chemicals and the record keeping and reporting on the importation of pseudoephedrine, ephedrine and pharmaceutical products containing these products.

Drug demand reduction programs are available to schools and the public. DARE, Operation Future and the National Drug Council also have programs to prevent drug abuse in St. Kitts and Nevis. There are no drug rehabilitation clinics in St. Kitts and Nevis and persons seeking such treatment are sent to St. Lucia.

**St. Lucia.** There has been an increase of both cocaine and marijuana transiting St. Lucia from South America en route to the U.S. and European countries. This continues to be a major concern for law enforcement officials in St. Lucia. Complicating matters is the fact that more drugs are staying on the island and resulting in higher rates of violent crime. The Royal St. Lucia Police Force (RSLPF) is stretching already thin resources to combat these dual priorities. Marijuana is the only drug cultivated in St. Lucia, supplying an estimated 20 percent of the local market. The other 80 percent is believed to come from neighboring St. Vincent.

St. Lucia is equidistant from Martinique and St. Vincent, commonly known to be a major marijuana producer. The one-hour trip by boat makes St. Lucia a natural trading ground for illegal drugs. Vincentians use St. Lucians as intermediaries to overcome language barriers with the growing number of French traffickers in Martinique.

The St. Lucia Customs Department established a canine unit comprised of two officers and two dogs. One officer and dog tandem were trained in the U.S. Future teams will be trained as resources become available. This initiative is expected to improve detection abilities and increase drug seizures. The police department is also stepping up efforts to develop an informant recruitment program to assist in identifying criminals trafficking drugs on and through the island. Currently there is no formal program due to lack of funding.

The RSLPF has experienced modest success in curbing marijuana trafficking. The RSLPF Marine Unit has combined efforts with U.S and French law enforcement to make several significant arrests, and they continue to work with the Regional Security System utilizing RSS surveillance aircraft. In 2009, the USCG provided 3 training quotas and 4 mobile training teams to the St. Lucia Defense Force in the areas of small engineering and maintenance, and leadership and management.

For the calendar year ending September 30, 2009, the Government of St. Lucia (GoSL) reported seizing 93 kilograms of cocaine. This represents an increase from 2008 when only 21 kilograms were seized, but is still far below the 792 kilograms figure reported for 2007. The GoSL seized 540 kilograms of marijuana for 2009, up slightly from the 2008 total of 534. More than 70 percent of all arrests made in 2009 were drug related. In 2009, 270 people were arrested, down from 318 in 2008.

Law enforcement has made progress controlling the cultivation of marijuana. Approximately 120,000 grown marijuana plants and 30,000 seedlings were destroyed—an increase over 2008. Cultivation is mostly in remote, mountainous, snake-infested parts of the island. Detection of marijuana fields has been possible mainly by the use of informants when funding is available to pay them, local knowledge, and civilian helicopter aerial surveillance.

St. Lucia 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. The GOSL has a six-part maritime counternarcotics agreement with the USG. An MLAT and an extradition treaty are in force between St. Lucia and the United States. St. Lucia is a party to the Inter-American Convention against Trafficking in Illegal Firearms, the Inter-American Convention against Firearms, the Inter-American Convention against Corruption, the Inter-American Convention on Extradition, and Inter–American Convention against Terrorism. St. Lucia has signed but has not yet ratified the UN Convention against Transnational Organized Crime. Under the maritime counternarcotics agreement with the USG, St. Lucian riders embarked aboard USCG cutters in FY2009 and conducted dynamic patrols in the vicinity of St. Lucia. This resulted in the removal of over 160 kilograms of marijuana, the seizure of 2 vessels engaged in illicit activity, and the detention of 3 smugglers.

The only official drug rehabilitation clinic on the island is the Turning Point Alcohol and Drug Detoxification and Rehabilitation Center. The center has a twenty-bed capacity and serves St. Lucia as well as other islands of the Caribbean. The Drug Abuse Resistance Education Program (D.A.R.E) is also active in drug prevention outreach.

**St. Vincent and the Grenadines.** St. Vincent and the Grenadines is the largest producer of marijuana in the Eastern Caribbean and the source for much of the marijuana used in the region. Extensive tracts are under high volume marijuana cultivation in the inaccessible northern half of St. Vincent. The illegal drug trade has infiltrated the economy of St. Vincent and the Grenadines (SVG), making some segments of the population dependent on marijuana production, trafficking and money laundering. However, total cultivation is not at the level which would designate St. Vincent and the Grenadines as a major drug-producer because it does not significantly affect the United States. Compressed marijuana is sent from St. Vincent and the Grenadines to neighboring islands via private vessels. St. Vincent and the Grenadines has also become a storage and transshipment point for narcotics, mostly cocaine, transferred from Trinidad and Tobago and South America on go-fast and inter-island cargo boats. Boats off-loading cocaine and weapons in St. Vincent and the Grenadines will return to their point of origin carrying marijuana. Some of the Grenadine Islands are uninhabited and used to store large quantities of marijuana. Drugs are exchanged for US, Barbados and Euro currencies and also for supplies such as generators, jewelry, foodstuff and brand name clothing. Special operations in 2009 involving the Regional Security System and forces from the Eastern Caribbean, Barbados and Trinidad and Tobago resulted in a significant increase in the amount of marijuana eradicated.

Through 2009, Government of St. Vincent and the Grenadines (GOSVG) officials reported seizing only 8 kilograms of cocaine, up from 5 kilograms in 2008. Information from the GOSVG indicates that SVG drug traffickers are meeting the traffickers from South America at sea and transporting the drugs directly to Dominica, without the drugs landing in St. Vincent. They also seized 481 cocaine rocks, increased from 316 in 2008 and 8,911 kilograms of marijuana, half the amount seized in 2008. For the first time, a small quantity of heroin (5 grams) was seized. GOSVG authorities arrested 427 persons on drug-related charges and convicted 303. There are 65 cases still pending and 8 cases under investigation. One major trafficker was arrested on an extradition warrant on behalf of the British Virgin Islands (BVI). He is wanted for importing cocaine into the BVI island of Tortola. During the year, 300 acres consisting of 9,541,094 marijuana plants were eradicated, significantly increased from 160 acres and 2,935,611 plants in 2008.

The police, customs, and coast guard try to control the rugged terrain and territorial waters of St. Vincent and the chain of islands making up the Grenadines. There has been an increase in drugs transiting St. Vincent, mainly cocaine from Venezuela via Trinidad and Tobago, and a prevalence of crack cocaine use in some communities. The Caribbean market makes up approximately 50 percent of marijuana consumption from SVG, with the U.S. accounting for 15 percent, the UK and Europe together at 23

percent, Canada 10 percent, and 2 percent for local consumption. There were no reports of production, transit or consumption of methamphetamines in St. Vincent and the Grenadines.

The recent establishment of the Rapid Response Unit (RRU) and its deployment in districts throughout the island, and the recent graduation of 52 new police officers, has had a positive impact on drug trafficking in some areas. In 2009, the USCG provided one training course and four mobile training teams to St. Vincent in the areas of contingency planning and small engineering and maintenance.

St. Vincent and the Grenadines 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. The GOSVG is a party to the Inter-American Convention against Corruption, and has signed but not ratified the Inter-American Convention Against Trafficking in Illegal Firearms, the Inter-American Convention against Firearms, and Inter-American Convention against Terrorism. The GOSVG has signed but not yet ratified the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling. The GOSVG has a maritime counternarcotics agreement with the USG, which does not include over-flight provisions. An extradition treaty and an MLAT are currently in effect between the U.S. and the GOSVG. USG law enforcement officials received good cooperation from the GOSVG in 2009. In the past, St. Vincent Police has been cooperative in executing search warrants pursuant to U.S. MLATs. A statute-mandated advisory council on drug abuse and prevention has been largely inactive for several years. A draft national counternarcotics plan remains pending.

The government mental hospital provides drug detoxification services. The family life curriculum in the schools includes drug prevention education and selected schools continue to receive the excellent police-run DARE Program. The OAS is assisting the GOSVG develop a drug demand reduction program for St. Vincent's prison. The GOSVG Plan Against Crime Program, started in 2008, targets youth throughout the island and has been successful so far. Another successful program is the National Commission on Crime Prevention (NCCP). The program is run by retired police officers who go into schools and communities to speak on crime prevention and provide social activities for youths.

**The Road Ahead.** There is a growing desire among leaders of the Eastern Caribbean to create a regional maritime force to complement the air assets that identify drug traffickers. Enforcing asset forfeiture laws, increasing the quality and quantity of financial investigations, and addressing corruption issues are among the priorities identified by the U.S. Government, the international community, and law enforcement officials. Assistance in these and other areas is part of the USG's continuing engagement with its Caribbean partners. This will be further strengthened through the Caribbean Basin Security Initiative that President Obama announced at the 2009 Summit of the Americas.

# Ecuador

## I. Summary

Ecuador is a major transit country for illicit drugs trafficked from Colombia and Peru to the United States, as well as a source of chemical precursors diverted for illicit narcotics manufacturing. Large, sparsely populated border regions and difficult-to-monitor Pacific maritime routes are exploited by narcotics traffickers to move cocaine, heroin, and precursor chemicals on to the United States and other countries. Ecuador remains vulnerable to organized crime due to historically weak public institutions and corruption.

In 2009 the Government of Ecuador (GOE) continued to focus its counternarcotics efforts on cocaine interdiction and identifying and destroying large scale multi-ton cocaine laboratories. The GOE maintains a significant military presence near the Colombian border, which was stepped up following the March 1, 2008 bombing by the government of Colombia of a Revolutionary Armed Forces of Colombia (FARC) camp in Ecuador. This military presence counters persistent transnational narcotics activity by criminal elements operating in Ecuador's porous northern border area. In 2009 the GOE reported significant increases in cocaine seizures, totaling 43.5 metric tons, including 10.6 metric tons of maritime seizures—a 98 percent increase over 2008 seizures. Ecuador is a party to the 1988 UN Drug Convention.

## II. Status of Country

Ecuador's geographic location—bordering the Pacific Ocean on the west, and two of the largest coca cultivation source countries—Colombia to the north and Peru to the south—make it vulnerable to the 'balloon effect' that can follow successful counternarcotics efforts in neighboring countries, and to exploitation by international cartels. It is estimated that as much as 200 metric tons of cocaine is transited through Ecuador each year, with 60 percent of that cocaine estimated to transit toward the U.S., with most of the balance destined for Europe. Ecuador is also a major transit country for chemical precursors and for heroin destined for the U.S. Ecuador remains vulnerable to organized crime due to historically weak public institutions and corruption. Border controls remain weak and are frequently evaded, but are gradually improving. The Ecuadorian National Police (ENP), military forces, and the judiciary do not have sufficient personnel, equipment, or funding to meet all of the transnational criminal challenges they face.

In addition to significant increases in cocaine seizures, the GOE made encouraging strides in 2009 addressing financial crimes. The largest money laundering investigation in Ecuador's history was completed in February, resulting in a $30.4 million total asset seizure (the previous money laundering record seizure was $6.5 million in 2006). Bulk cash seizures increased over 15 percent ($2.6 million in fiscal year 2009, versus $2.2 million in FY 2008).

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009 President Rafael Correa and his administration continued to place a high priority on combating narcotics production and trafficking. Nevertheless, in February 2009 the Correa government declared two U.S. Embassy officials persona non grata following GOE claims that the USG had interfered with the work of specialized Ecuadorian police units. Several months of negatively toned public statements regarding USG assistance to the Ecuadorian national police followed. In this tense period the GOE suspended or temporarily scaled back some police programs pending discussions to resolve the impasse between the GOE and the U.S. government. In August, the GOE signed two bilateral memorandums of understanding (MOUs) related to U.S. and GOE cooperation with specialized Ecuadorian police units, along with an amendment to the 2002 bilateral letter of agreement on

counternarcotics cooperation. With the signing of these agreements U.S. and Ecuador counternarcotics cooperation was restored.

The GOE continued to strengthen oversight and enforcement of financial crimes through the Financial Intelligence Unit (FIU), established earlier under anti-money laundering legislation. The FIU has cooperated closely with Ecuador's Attorney General, the Anti-Narcotics Police Directorate (DNA), the Superintendent of Banks, the courts, and the private banking association to identify suspicious transactions and develop information for the prosecution of cases. In 2009 the FIU focused on monitoring casinos for money laundering activities.

**Accomplishments.** GOE seizures in 2009 totaled 43.5 metric tons of cocaine, including 32.9 metric tons in land-based seizures and 10.6 metric tons in maritime seizures, which was a 98 percent increase over 2008. The GOE also seized 148 kilograms of heroin, and 2.78 metric tons of cannabis. Seizures in 2008 totaled 22 metric tons of cocaine, 144 kilograms of heroin, and 1,980 kilograms of cannabis.

In November the DNA discovered a large-scale cocaine-processing laboratory in the Chiriboga area of Pichincha Province. The laboratory was well-outfitted with two generators, microwave ovens, and three (one) kilo presses. Along with confiscation of small amounts of drugs and chemicals, over $1,800 in U.S. currency and two vehicles valued at $26,722 were seized. Four of six related arrests were Colombian nationals.

During October Ecuadorian police, in one coordinated operation covering three provinces, made multiple seizures totaling 8.3 metric tons of cocaine worth an estimated street value of $250 million dollars. Seizures included eight properties, a cocaine processing laboratory, weapons, and currency. This operation titled "Aniversario," disrupted a drug trafficking organization directly linked to the 48th Front of the FARC, as well as purported trafficking links to Colombia, Mexico, Spain, and the United States. Total U.S. currency seized equaled $127,000, and arrests included an active duty Ecuadorian military intelligence officer. This cocaine seizure broke an earlier record set in August for the largest land seizure in Ecuador's history. In late October, another operation thwarted an attempt to ship cocaine inside pineapples via shipping containers to Europe. This seizure yielded 850 kilograms of cocaine and over $7,000 in U.S. currency, and included the arrest of eight Colombian nationals.

In August an operation named "Victoria," took place near San Lorenzo, in the northern border province of Esmeraldas. The six metric tons cocaine seizure was discovered in 5,412 cocaine bricks and had an estimated street value of $182 million.

In February the DNA, in coordination with their Colombian counterparts, finished a long-term money laundering investigation which resulted in the seizure of $30.4 million in total assets and the arrest of seven persons in Ecuador. The previous record was for a case with asset seizures worth $6.5 million.

The DNA continued to locate and seize large capacity cocaine production processing laboratories (cocaine base to cocaine hydrochloride); four such large capacity processing labs were seized during the year, as well as others of a smaller scale. On March 3, the Ecuadorian Navy seized an Ecuadorian-flagged vessel, the Maria Eulalia, containing 3.45 metric tons of cocaine. This was the largest maritime seizure by Ecuadorian forces in their history.

**Law Enforcement Efforts.** In a coordinated effort the Ecuadorian police and military identified and destroyed large cocaine processing laboratories and some others of a more limited scale in 2009. The Ecuadorian military continued to sustain operations near the border with Colombia, leveling off from the stepped up tempo that was in play since March of 2008. This build-up was a response to persistent narcotics activity by transnational criminal elements that have rendered the northern border particularly vulnerable and dangerous, as well as to counter a perception that Ecuador was not shouldering its burden in fighting narcotics traffickers in the north.

In 2009 the Ecuadorian Coast Guard continued to enhance their command-and-control capacity, commissioning a main operations center in Guayaquil and a satellite office in the Galapagos. These operation centers will coordinate the Coast Guard's maritime monitoring and control capabilities to confront illicit activity in Ecuadorian waters. The Coast Guard also improved a satellite monitoring system for vessels 20 tons or larger that was first implemented in 2008. Ecuador's Coast Guard continues to seek improved biometric capabilities in order to quickly identify individuals on suspect vessels boarded in Ecuadorian waters.

The Navy procured six unmanned aerial vehicles (UAV) in 2009 to strengthen surveillance over Ecuadorian waters. The UAVs will work in coordination with six high-speed boats acquired in 2008 to improve the Coast Guard's ability to monitor and interdict. The GOE asserts UAVs will fill the gap in surveillance coverage of the Eastern Pacific resulting from the non-renewal of the Manta FOL lease and basing agreement, which expired in November. In 2009 Ecuador's Navy acquired boarding and drug detection equipment, along with training required for the equipment's use.

Ecuador's postal system authorities continued to improve counternarcotics controls, coordinating with the counternarcotics police (DNA) to ensure increased drug detection. Utilizing canine screening and USG-purchased screening equipment at international airport and other postal facilities, postal system seizures have doubled over those in 2008.

The DNA continued its "1-800-Drogas" nationwide hotline, which allows citizens to anonymously report illicit drug activity. Tips from the hotline resulted in numerous seizures of illicit narcotics and supported development of cases against other illegal activities such as weapons smuggling.

**Corruption.** As a matter of policy, the GOE 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. The 1990 drug law (Law 108) provides for prosecution of any government official who deliberately impedes prosecution of anyone charged under that law. Some other aspects of official corruption are criminalized in Ecuador, but there is no comprehensive anticorruption law. President Correa's creation of an Anti-Corruption Secretariat in 2007, along with support of the FIU are helping to strengthen the government's ability to target corruption by gathering information on suspicious financial transactions to build cases against the individuals involved.

Overcrowding and corruption in prisons continues to be a serious problem; many drug traffickers are able to continue to conduct trafficking and other criminal operations from prison. President Correa's 2007 emergency decree to address prison overcrowding and to improve management of the institutions has had limited impact—primarily with respect to releasing some prisoners. In 2009 the Ministry of Justice released 850 prisoners; 250 were released without ever being sentenced, and 600 were released under an Ecuadorian amnesty provision for possession of less than 2 kilograms (4.4 pounds).

**Agreements and Treaties.** The United States and Ecuador are parties to an extradition treaty which entered into force in 1873, and a supplement to that treaty which entered into force in 1941. Ecuador's Constitution prohibits the extradition of Ecuadorian citizens; however, the GOE does occasionally cooperate in the deportation of third country nationals. One pending U.S. extradition request has been awaiting final approval since 2003. Ecuador is a party to the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention of Psychotropic Substances, and the 1988 UN Drug Convention. It is also a party to the 1992 Inter-American Convention on Mutual Assistance in Criminal Matters, the UN Convention against Corruption, and the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling. The GOE has signed bilateral counternarcotics agreements with Colombia, Cuba, Argentina, and the United States, as well as the Summit of the Americas money laundering initiative, and the OAS/CICAD document on Anti-Drug Hemispheric Strategy. Ecuador and the United States have agreements on measures to prevent the diversion of chemical substances; on the sharing of information for currency transactions over $10,000;

and a Customs Mutual Assistance Agreement. The U.S. Coast Guard and Ecuadorian Navy have effective Operational Procedures to facilitate maritime counternarcotics cooperation.

The GOE agreed in 1999 to permit the USG to operate for ten years a Forward Operating Location (FOL) at the Ecuadorian Air Force base in the coastal city of Manta for counternarcotics detection and monitoring operations. The FOL ceased all operations in September 2009, following the GOE announcement that it would not renew the agreement which expired November 11, 2009.

**Cultivation/Production.** Ecuadorian police located and destroyed approximately six hectares of cultivated coca plants in scattered sites along the northern border, and 100,530 individual poppy plants, estimated to equate to less than one hectare of poppy production, at scattered sites located throughout Ecuador. No poppy plants were discovered in 2008. In September 2009, the United Nations Office of Drugs and Crime (UNODC) released results of a two-year coca cultivation survey; the survey confirmed that coca cultivation in Ecuador continues to be negligible.

**Drug Flow/Transit.** Cocaine and heroin from Colombia, and cocaine from Peru, transit Ecuador by various routes for international distribution in shipments ranging from a few hundred grams to multi-ton loads. Shipment methods for illicit drugs and other contraband continued to diversify, including use of small fishing boats, self-propelled semi-submersibles (SPSS), high-speed go-fast boats, and containerized cargo. Another shift in tactics was reported in 2009—by shipping smaller quantities (200-300 kilograms) traffickers could secure illicit cargo on decks allowing speedy jettisoning of suspect cargo overboard at the first sign of detection. This approach diversifies risk and hinders confiscation of costly transport vessels. Although seizures in postal facilities have increased significantly in recent years, traffickers continue to ship drugs via international mail and messenger services, with cocaine generally destined for European markets and heroin for the United States. Postal targets remain a prime target for increased interdictions. There has been a reported rise in the use of shipping containers, and traffickers continued to ship white gas and other precursor chemicals in large quantities from Ecuador to Colombia and Peru for cocaine processing.

**Demand Reduction.** Coordination of abuse prevention programs is the responsibility of The National Council on Drugs and Illegal Substances (CONSEP), which leads a multi-agency national prevention campaign in schools. Ecuadorian officials have stated that CONSEP may be partially dismantled and brought under the control of the Ministry of Government and Police. All public institutions, including the armed forces, are required to have abuse prevention programs in the workplace. Funded by a U.S. government grant, the UNODC conducts demand reduction and drug prevention programs in Ecuador.

**Regional Coordination.** Friction persists and diplomatic relations remain severed between Ecuador and Colombia following the March 1, 2008 Colombian attack on a FARC camp in Ecuador. The operation killed a FARC senior leader, Raul Reyes, along with 16 other FARC members. One Colombian military officer was killed while securing the FARC campsite after the operation. Ecuador and Colombia met in September to begin a process aimed at resumption of relations.

Senior GOE officials continued to allege that Colombian aerial eradication near the border harms humans, animals, and licit crops on the Ecuadorian side. Colombia ceased spraying near the Ecuadorian border in early 2007. However, the GOE has continued to pursue a lawsuit at the International Court of Justice in The Hague, alleging that Colombia's aerial eradication actions near Ecuador's border violated Ecuadorian sovereignty; despite results of a recent OAS/CICAD-commissioned study that concluded drift from aerial eradication is not likely to affect Ecuador under spraying procedures followed by aerial eradication aircraft. The suit seeks reparations from Colombia and the cessation of aerial spraying.

**Alternative Development.** Ecuador's border region is mired in poverty. A paucity of licit employment opportunity, isolation, and proximity to FARC-held Colombian territory combine to make the region unstable. The U.S. Agency for International Development (USAID) continued to support GOE efforts to

improve livelihoods and infrastructure, strengthen local government, and open opportunities to expand licit economic activity as part of its northern border development master plan.

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

**Policy Initiatives.** U.S. counternarcotics assistance is provided to improve the professional capabilities, equipment, and integrity of Ecuador's police, military, and judicial agencies to enable them to combat more effectively criminal organizations involved in narcotics trafficking and money laundering. A priority has been to support Ecuadorian police and military presence in the northern border region proximate to Colombia, and police presence in other strategically important locations throughout the country. USG supported programs also address increased awareness of the dangers of drug abuse.

**Bilateral Cooperation.** The DNA remains the primary recipient of U.S.-provided counternarcotics assistance, including vehicles, equipment, and training. The DNA which contributed significantly to the continued record level of land-based seizures includes special nation-wide units, such as the Mobile Anti-Narcotics Teams (GEMA) and a drug detection canine program. The U.S. also increased support to DNA's money laundering unit to combat money laundering organizations operating in Ecuador.

In 2009, the U.S. continued to provide support to the military to facilitate their mobility and communications during operations along the Northern Border, and to Ecuadorian Navy elements to better mobilize, equip, and train for narcotics interdiction activities.

In 2009 the U.S. Coast Guard, in cooperation with Ecuadorian authorities, removed over 7.8 metric tons of cocaine, seized two vessels, and detained14 smugglers through the use of Maritime Operational Procedures. Ecuador is an active participant in the Multilateral Counterdrug Summit, in which the U.S. participates, along with Panama, Colombia, and Mexico to facilitate regional counternarcotics interoperability.

Work on judicial sector reform continued in 2009 although changes to the structure of judicial institutions as required under the new Constitution, which went into effect in October 2008, created some uncertainty regarding the process of criminal cases. A major USG-funded training program continued to train prosecutors, judges, and judicial police throughout the country to more effectively investigate and prosecute criminal cases. In cooperation with the Judicial Council (formerly the National Judicial Council), the U.S. supported nationwide implementation of an automated database of all criminal cases. However, in February implementation was suspended by a political decision of the Judicial Council, as supported by the Ministry of Justice. Once fully implemented this database would enhance management and transparency of the adjudication of criminal cases to address problems of delay and corruption.

The U.S. provided technical assistance to support continued implementation of the Financial Intelligence Unit and provided training and equipment to police investigative units. Training assistance programs encompassed anti-money laundering, financial crimes, and maritime law enforcement.

**The Road Ahead.** The USG supports Ecuador's efforts and encourages the GOE to continue to place a high priority on the interdiction of illicit drugs and chemicals, eradication of coca and poppy cultivation, and destruction of cocaine-producing labs. Increased GOE patrols near the Colombian border will enable Ecuador to better control Colombian-based drug cartels and destroy production sites. As traffickers shift tactics and make greater use of fast boats for smaller shipments along the coast, containers, and SPSS's, enhanced controls along Ecuador's maritime border, including improved port security, patrolling, and inspections, will be essential for controlling maritime trafficking. The U.S. encourages the GOE to permit U.S. maritime patrol aircraft use of Ecuadorian airports on a planned "gas-and-go" basis in support of extending maritime detection, monitoring, and surveillance capabilities to counter the threat posed by drug trafficking organizations. Strengthening coordination between military and police forces will also facilitate GOE evidence gathering and prosecution of cases related to these activities. Additionally, we

encourage the GOE to give high priority to prosecution of money laundering and official corruption—key to attacking the leadership of narcotics cartels.

# Egypt

## I. Summary

The Arab Republic of Egypt is not a major producer, supplier, or consumer of narcotics or precursor chemicals. Heroin and cannabis are transported through Egypt, but presumed levels have not risen in recent years. The Anti-Narcotics General Administration (ANGA) oversees most of the counternarcotics operations in Egypt. The ANGA is considered a competent and progressive organization, and cooperates fully with the Drug Enforcement Administration (DEA) office in Cairo. In the past, DEA and ANGA have worked together to uncover and destroy narcotic laboratories, as well as identify millions of dollars of drug related proceeds. Egypt is a party to the 1988 UN Convention and several other international treaties and agreements regarding narcotics trafficking.

## II. Status of Country

Egypt is not a significant producer or consumer of narcotics or precursor chemicals, despite the fact that opium poppy and cannabis plants are grown in Egypt. The substances that are most commonly abused are cannabis derivatives, which are commonly known in Egypt as "bango," and legitimate pharmaceuticals. Egypt is considered a transit point for transnational shipments of narcotics from Africa to Europe. Egypt's long and mostly uninhabited borders with Libya and Sudan, combined with the high level of trade shipping passing through the Suez Canal Zone, make Egypt prone to the transshipment of Afghan heroin and narcotics from countries such as Morocco. Other types of narcotics periodically pass through Cairo International Airport. The narcotics primarily are destined for Western Europe, with only small amounts headed to the United States. Trafficking has diminished considerably in recent years due to the elevation of security measures in Egypt at the airports, borders, and ports, and the region as a whole.

The ANGA is the oldest counternarcotics unit in the Arab world. In Egypt, the ANGA has jurisdiction over all criminal matters pertaining to narcotics and maintains offices in all major Egyptian cities and ports of entry. Despite limited resources, ANGA continually strives to improve its capabilities. Over the past two years, ANGA successfully shifted resources, based on drug trafficking trends, from eastern border areas in the Sinai to the western border area with Libya. Additionally, ANGA increased its manpower by 8 percent during the past two years and updated its equipment to include vehicles and communication equipment capable of operating in the western border area, which is mainly a desert region. Furthermore, ANGA has initiated coordination efforts with the Egyptian Special Forces and Frontier Guards during operations in the western border areas.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Government of Egypt (GOE) continues to aggressively pursue a comprehensive drug control strategy that was developed in 1998. ANGA, as the primary Egyptian drug enforcement agency, coordinates with the Egyptian Ministry of Interior (MOI), the Coast Guard, the Customs Service, and select military units on all aspects of drug law enforcement. Government and private sector demand reduction efforts exist, but are hampered by financial constraints and logistical challenges.

**Law Enforcement Efforts.** Internal security and combating terrorism are the major foci of Egyptian law enforcement efforts. Despite these priorities, ANGA is able to operate an effective program against narcotics trafficking that primarily focuses on narcotics transiting Egypt rather than narcotics grown locally. ANGA investigates and targets significant drug traffickers, intercepts narcotics shipments via land and sea, and detects and eradicates illegal local crops. Large-scale seizures and arrests are rare, primarily because Egypt does not have a significant narcotics market or narcotics abuse culture. ANGA operates its own drug awareness campaign in addition to other government and private sector demand

reduction programs. ANGA's Eradication Unit conducts monthly operations against cannabis and opium crops in the Sinai, the primary domestic region for growing these products in Egypt.

According to the GOE, drug seizures in recent years have included cannabis, hashish, and smaller amounts of heroin, opium, psychotropic drugs, and cocaine. Significant amounts of prescription and "designer" drugs such as Ecstasy, amphetamines, and codeine were also seized. With the passage of the first anti-money laundering law in 2002, which criminalized the laundering of proceeds derived from trafficking in narcotics and numerous other crimes, seizures of currency in drug-related cases have increased significantly over the past several years.

**Corruption.** As a matter of government policy, the GOE does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal transactions. The GOE has strict laws and harsh penalties for government officials convicted of involvement in narcotics trafficking or related activities. In the last few years, a limited number of local low-level police officials involved in narcotics-related activity or corruption were identified and arrested.

**Agreements and Treaties.** Egypt 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. Egypt is a party to the UN Convention against Transnational Organized Crime and its protocols on migrant smuggling and trafficking in persons and the UN Convention against Corruption. Egypt and the United States cooperate in law enforcement matters under a 1998 MLAT and an 1874 extradition treaty. The 1988 UN Drug Convention, coupled with the 1874 extradition agreement with the former Ottoman Empire, provides the United States and Egypt with a basis to seek extradition of narcotics traffickers.

**Cultivation and Production.** Cannabis is grown year round in the northern and southern Sinai and in Upper Egypt, while opium poppy is grown in the southern Sinai only from November through March. Rugged terrain means that plots of illegal crops are small and irregularly shaped. ANGA combats this production by using aerial observation and confidential informants to identify illegal plots. Once the crops are located, ANGA conducts daylight eradication operations that consist of cutting and burning the plants. ANGA has yet to implement a planned herbicide eradication program. No heroin processing laboratories were discovered in Egypt within the last 15 years and no evidence is available indicating that opiates or cannabis grown in Egypt reach the United States in sufficient quantities to have a significant impact. Furthermore, Egypt has had success in uncovering and eliminating narcotics laboratories before they reached significant production capabilities.

**Domestic Programs (Demand Reduction).** As of 2009, the National Council for Combating and Treating Addiction continued to be the GOE's focal point for domestic demand reduction programs. The Council falls under the responsibility of the Ministry of Family and Population. Previously, the Council was independent from the Ministry and headed by the Prime Minister. The Council receives all of its funding from the MOI seizures of drug-related assets. Therefore, the Council's budget fluctuates from year to year and is dependent upon MOI financial records, which the MOI does not release to the Council. While the Council enjoys high-level leadership, its actual capabilities and influence within Egypt are minimal. The Council primarily funds training for drug addiction workers and drug awareness prevention campaigns, but is not actively involved in rehabilitation programs or harm reduction programs. The Ministry of Communications provides the Council with television time for its awareness campaigns.

The MOH has an annual budget of 150 million Egyptian pounds for the treatment of all mental health diseases, including addiction related conditions. The MOH state hospitals provide free treatment for drug addicts. The MOH flagship state-sponsored drug rehabilitation program is located at the State Airport Hospital in Heliopolis, Cairo, Egypt. The MOH also works with foreign entities and companies, such as the Red Cross, to provide training to drug rehabilitation workers in Egypt. The majority of foreign assistance is coordinated through the State Airport Hospital. Neither the Council nor the MOH sponsor

education programs in Egypt to help reduce the crime rate related to narcotics abuse or provide awareness about the numerous health hazards associated with drug addiction such as the spread of HIV through contaminated needles.

Egyptian non-governmental organizations (NGOs) are actively involved in demand reduction programs; however, the majority of the NGO funding is used for the training of drug rehabilitation workers instead of the treatment of drug addicts. The Narcotics Anonymous Group was founded in 1987 in Egypt. Within the last four years, the MOH has begun to offer Narcotics Anonymous Group meetings at all government hospitals.

Private Egyptian companies operate halfway houses and drug rehabilitation centers throughout the country, and the number of rehabilitation centers is increasing every year. The GOE does not require licenses for rehabilitation centers, has no governmental standards for these private programs, or government oversight of the rehabilitation centers. While drug treatment at the State Airport Hospital and some private facilities, such as the Behman Hospital, is provided only to individuals volunteering for treatment, the vast majority of drug rehabilitation centers allow for nonconsensual admissions. The majority of the private rehabilitation facilities do not allow the families to have access to the addicts once they enter a program, which can last several weeks to months. Addicts often suffer from both sexual and physical abuse at the private rehabilitation centers. At this time, the GOE and the Council have no programs to help educate and provide community awareness to the Egyptian population on proper standards and treatment methods for drug addiction in order to help addicts' families select qualified rehabilitation centers and counter the abuses at some of the private companies.

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

**Policy Initiatives/Bilateral Cooperation.** The current U.S. counternarcotics policy is to engage the GOE through bilateral programs to reduce narcotics transshipments and decrease opium poppy and cannabis cultivation. The policy includes the following specific objectives: increase training to ANGA and other government offices responsible for narcotics enforcement; assist with the identification of illegal crop eradication targets; improve narcotics interdiction methodology; and improve intelligence collection and analysis. Of note, the Department of Homeland Security has engaged the GOE in customs capacity building efforts with training focused on airport and land border enforcement techniques. In addition, ICE Cairo has conducted fraudulent document training, bulk cash smuggling, and tunnel detection training for the GOE. ICE Cairo has strong relationships with GOE airport, customs, and law enforcement authorities.

**The Road Ahead.** The U.S. continues to work on plans to increase joint operations with ANGA in an effort to move beyond the previously predominant focus on monitoring the narcotics problem only. The GOE is receptive to DEA assistance in narcotics operations and joint investigations around the country. The DEA also is providing training on improving interdiction and eradication techniques, as well as developing additional sources of information on trafficking and production. The counternarcotics cooperation between the U.S. and the GOE is considered an important and beneficial bilateral relationship for the two countries.

# El Salvador

## I. Summary

El Salvador is a transit country for cocaine and heroin sent from South America to the United States via land and sea. In 2009, the security forces of the El Salvador seized over 3.8 metric tons of cocaine, 323 kilograms of marijuana, and five kilograms of heroin. While the government seized $819,000 in suspicious bank accounts and cash transactions, as well as $939,845 in undeclared bulk cash taken from narcotics-linked smugglers, it did not make any significant advances in terms of improving its ability to detect, investigate, and prosecute money laundering and financial crime. In June 2009, the Egmont Group suspended El Salvador for lack of adequate terrorist financing legislation. El Salvador is party to the 1988 UN Drug Convention.

## II. Status of Country

El Salvador remains a transit country for cocaine and heroin from the Andean region of South America, en route to the United States. While it remains difficult to determine reliable estimates of quantities flowing through El Salvador land routes or territorial waters, USG experts estimate that approximately 400 metric tons of cocaine flows through the Eastern Pacific region. In 2009 the Government of El Salvador (GOES) continued to target maritime and land trafficking of cocaine and heroin along its coastline and overland routes, as well as narcotics-related money laundering. El Salvador hosts a Cooperative Security Location (formerly known as the Forward Operating Location) at Comalapa airport. The base is crucial to regional detection and interception efforts. Transnational street gangs are involved in street-level drug sales but not major trafficking. While GOES authorities have not seen serious problems with production/transit of precursor chemicals or illicit trading in bulk ephedrine and pseudoephedrine, investigations by the Anti-Narcotics Division (DAN) of the National Civilian Police (PNC) suggest it could become a more serious problem and additional steps to address the ephedrine problem have yet to be taken. In 2008 the GOES passed new legislation regarding the control of pseudoephedrine products, and, to date, the GOES has confiscated over 42 metric tons of pseudoephedrine products.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The GOES continued to support its special organized crime unit featuring embedded prosecutors and police investigators.

In fall 2009, the Salvadoran Navy, under the auspices of the "Grupo Cuscatlan" counternarcotics (CN) task force, stepped up maritime patrols aimed at drug traffickers transiting El Salvador's territorial waters. The Navy, supported by the USG, showed a new-found aggressiveness in pursuit of a previously neglected CN mission. From December 2008 to December 2009, the Salvadoran Navy inspected roughly 25 suspected narcotics trafficking vessels, and seized over two metric tons of cocaine.

The Transnational Anti-Gang Unit (TAG), although not focused primarily on drugs, did detect some links between transnational street gangs and street-level drug distribution and related violence. Ongoing TAG investigations, as well as the TAG's growing role as a regional clearinghouse for transnational street gang information, holds promise for future law enforcement investigations and prosecutions aimed at the Mara Salvatrucha 13 (MS 13) and 18th Street (M-18) street gangs.

**Law Enforcement Efforts.** In 2009, the DAN focused on interdiction operations in the sectors of overland transportation, commercial air, package delivery services, and maritime transportation in the Gulf of Fonseca. The DAN continues to be hampered by insufficient resources, manpower shortages, and legal impediments to telephone intercepts, however, in 2009, GOES police investigators and prosecutors

continued to share law enforcement intelligence and coordinated operations with USG counterparts resulting in successful interdictions. The GOES seizes property in conjunction with narcotics arrests, but has no legal mechanism to turn those assets over to law enforcement use, nor to sell the assets and recycle the proceeds into the GOES counternarcotics efforts. The GOES has drafted asset forfeiture legislation that remains under consideration by the legislature. Passage of that legislation, as well as corresponding implementation procedures could strengthen counternarcotics efforts in El Salvador.

Overall in 2009, the PNC seized a total of 1,769 kilograms of powdered cocaine, 2.5 kilograms of crack cocaine, 5 kilograms of heroin, and 323 kilograms of bulk marijuana. Consistent with the fact that the majority of illicit drugs flowing through the region appear to be using maritime routes, the majority of cocaine seizures for 2009 were the result of maritime interceptions. Land seizures primarily resulted from searches of stopped vehicles and inspections of passengers and luggage transiting on long-haul bus routes.

In 2009, the DAN confiscated $939,845 in undeclared bulk cash from travelers transiting Comalapa International Airport and other international land border crossings adjacent to Honduras and Guatemala. The Financial Investigative Unit (FIU) of the Attorney General's office seized $819,000 in funds from drug-related financial crime. However, the GOES did not make any significant advances in 2009 in terms of improving its ability to detect, investigate, and prosecute money laundering and financial crime. The GOES appears to lack both the political will and the technical capacity through the FIU to detect, investigate and prosecute financial crime and money laundering. In June 2009, the Egmont Group suspended El Salvador for lack of adequate terrorist financing legislation.

**Corruption.** The GOES does not as a matter of policy encourage or facilitate illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, nor does it launder proceeds from illegal drug transactions. No senior Salvadoran government officials are known to engage in, encourage, or facilitate the illicit production or distribution of drugs, nor the laundering of proceeds from illicit drug transactions. Shortly after winning the March 2009 Presidential elections, Mauricio Funes of the left-wing Farabundo Marti National Liberation Front (FMLN) announced that his government would conduct investigations of allegations that former high-ranking members of the DAN are linked to narcotics traffickers. It is not clear at this point whether these allegations, so far unsubstantiated, are primarily political in nature, or, in fact, reflect a legacy of narcotics-fueled corruption. Salvadoran law severely penalizes abuse of an official position in relation to the commission of a drug offense, including accepting or receiving money or other benefits in exchange for an act of commission or omission relating to official duties. The PNC's Internal Affairs Unit and the Attorney General's Office investigate and prosecute GOES officials for corruption and abuse of authority. El Salvador is a party to the Inter-American Convention against Corruption, and to the UN Convention against Corruption.

**Agreements and Treaties.** El Salvador is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention as amended by the 1972 Protocol, the Central American convention for the Prevention of Money Laundering Related to Drug-Trafficking and Similar Crimes, the UN Convention against Transnational Organized Crime and its three protocols, and the UN Convention against Corruption. El Salvador is also a party to the Inter American Convention against Corruption, the Inter American Convention on Extradition, and Inter American Convention on Mutual Assistance in Criminal Matters. The 1911 extradition treaty between the United States and El Salvador is limited in scope, and the constitutional prohibition on life imprisonment is among the most significant obstacles to negotiating a new bilateral extradition treaty. On December 22, 2009, the Salvadoran Supreme Court approved the first such case since the extradition treaty went into effect. Narcotics offenses are extraditable crimes by virtue of El Salvador's ratification of the 1988 UN Drug Convention. El Salvador signed an agreement of cooperation with the U.S. in 2000 permitting access to and use of facilities at the international airport of El Salvador (Comalapa) for aerial counternarcotics activities.

**Cultivation/Production.** Local growers cultivate small quantities of marijuana for domestic consumption.

**Drug Flow/Transit.** Traffickers use go-fast boats and commercial vessels to smuggle cocaine and heroin through the Eastern Pacific transit routes along El Salvador's coastline. Land transit of cocaine and heroin from Colombia is typically along the Pan-American Highway. Most land transit consists of drugs carried in the luggage of commercial bus passengers or in hidden compartments of commercial tractor-trailers traveling to Guatemala.

**Domestic Programs (Demand Reduction).** The Ministry of Education provides lifestyle and drug prevention courses in public schools, and also sponsors after-school activities. The Ministries of Governance and Transportation have units that advocate drug-free lifestyles. It is not clear if this program has had any discernable impact. The PNC operates a Drug Abuse Resistance Education (DARE) program, but it is not clear that the undertaking has yielded any significant results. The Public Security Council (Consejo Nacional de Seguridad Publica) promotes gang member demobilization, and actively sponsors substance abuse prevention outreach towards El Salvador's gang population. The USG-supports FUNDASALVA, a Salvadoran non-governmental organization (NGO) that provides substance abuse awareness, counseling, rehabilitation and reinsertion services including programs directed towards gang members. There are also local faith-based demand reduction programs and counseling programs administered by recovering addicts.

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

**Policy Initiatives.** U.S. assistance focuses on enhancing the operational capacity of Salvadoran law enforcement agencies to interdict narcotics shipments and combat money laundering, financial crime, and public corruption. There is also a strong emphasis on transparency, efficiency, and institutional respect for human and civil rights within Salvadoran law enforcement organizations and the criminal justice system. The USG provides support for Salvadoran measures to fight organized crime, including anti-money laundering efforts of the PNC financial crime unit and federal prosecutor's FIU. USG support also aids Salvadoran efforts to fight transnational gangs. These measures are intended to improve public security and counter street-level drug sales, narcotics consumption, and related violence.

**Bilateral Cooperation.** In 2009, the U.S. provided operational support to the joint Drug Enforcement Administration (DEA) and DAN Specialized Anti-Narcotics unit (GEAN), as well as training and logistical assistance to various DAN entities. The USG provided specialized vehicles, cargo inspection equipment, bullet-resistant vests, radios, computers and other basic law enforcement equipment, to the GEAN and other DAN constituent units. The USG also funded tactical training in such areas as vehicle stops, roadway interdiction, and emergency responder first aid. The USG also continued training and providing equipment for the Salvadorans to enhance their capability to deal with emerging narcotics threats, such as diversion of ephedrine and pseudoephedrine, and possible establishment of methamphetamine labs in El Salvador. The International Law Enforcement Academy (ILEA) provided police management and specialized training to the region, with strong Salvadoran participation. ILEA trained roughly 300 PNC officers and law enforcement officials in FY 2009. The U.S. Coast Guard provided resident, mobile training in maritime law enforcement, port security, and leadership and management.

Established in January 2008, the Department of State's Bureau of International Narcotics and Law Enforcement Affairs' (INL) Regional Gangs Advisor (RGA) continued coordinating antigang policy and initiatives for El Salvador, Honduras and Guatemala. The RGA provided policy direction and training on issues such as community policing, formation of task forces, and security measures for prisons housing large numbers of transnational street gang members. Although gang involvement in narcotics trafficking appears to be confined to retail distribution, the INL RGA is nonetheless routinely consulted on narcotics issues that may factor into his area of responsibility, including programs that combat gangs, such as

prison reform and the Central America Fingerprint Exchange (CAFE) program. In 2009, DEA and INL San Salvador worked with the DAN to further develop two mobile inspection teams capable of deploying highway choke points adjacent to El Salvador's land borders with Guatemala and Honduras, as well as the specialized container cargo inspection unit at the port of Acajutla. The units were provided with a basic vehicle fleet and cargo inspection equipment, as well as specialized training on conducting vehicle stops and roadway interdiction. Progress on the maturation of the units has been slowed, however, by considerable turnover in the upper ranks of the DAN in the wake of the change in government in March 2009.

Merida Initiative funds continue to assist the GOES to confront the organized criminal and narcotics trafficking organizations that plague the entire region, as well as support programs that will strengthen its institutional capabilities to investigate, sanction and prevent corruption within law enforcement agencies; facilitate the transfer of critical law enforcement investigative information within and between regional governments; and fund equipment purchases, training, community policing, and economic and social development programs. Despite the absence of a maritime bilateral counternarcotics agreement, the GOES always provides prompt and cooperative responses to USG requests regarding maritime drug interdiction cases.

**The Road Ahead.** El Salvador's ability to investigate and prosecute criminal activity would be enhanced by passage of pending legislation for asset forfeiture and wiretaps. Although the Salvadoran Congress voted in 2009 to amend the constitution to allow for use of wiretaps and other electronic intercepts, they have yet to pass implementing legislation to allow prosecutors and police to begin using the new investigative tools.

El Salvador also lacks the basic ability to investigate and prosecute financial crime. Institutional shortcomings in the Attorney General's FIU leave the country dangerously vulnerable to financial crime and money laundering. As remittances remain an important sector of the Salvadoran economy, we encourage the GOES to carefully monitor this activity to ensure that remittances are not a cover for money laundering. The GOES can also ensure that sufficient resources are provided to the overburdened Attorney General's office, as well as to the financial crime and narcotics divisions of the National Civilian Police.

On a broader level, El Salvador could enhance its drug control efforts further by providing additional manpower, resources, and equipment to the National Civilian Police units on the front lines of the fight against narcotics traffickers. Additional measures, such as implementation of wire tap enabling legislation and establishing an asset forfeiture regime, would also be very welcome indications of the GOES's sincerity in addressing narcotics-fueled transnational crime.

# Estonia

## I. Summary

The seizures of large amounts of narcotic substances, detection of drug trafficking conspiracies, destruction of drug labs, as well as arrests of record numbers of Estonian drug traffickers abroad 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 main international drug control conventions, including the 1988 UN Drug Convention.

## II. Status of The Country

Trimethylphentanyl as well as other synthetic opiates referred to as "Persian" and "Afghanistan" continue to be of great concern to Estonian law enforcement, but also Ecstasy, amphetamines, gammahydroxylbutyrate (GHB), cocaine, and cannabis and poppy are available in Estonia. According to the field workers of non-governmental organizations (NGOs) working at needle exchange points, most narcotic and psychotropic substances are available in Estonia. In 2009 Customs confiscated at the border 8.8 kilograms of liquid phenylacetone (P2P) of Russian origin hidden in car parts. Although P2P is a precursor for both amphetamine and methamphetamine, according to the police over the past few years there has been no evidence of methamphetamine production in Estonia. Methamphetamine is however frequently abused by drug users who consume the drug mistakenly thinking they are ingesting amphetamine. Both drugs are heavily marketed to users in the Baltics, and retail prices as the same. Some amphetamine, however, is produced in Estonia.

Detection of four drug labs in Estonia, frequent arrests of drug traffickers at the border and seizure of precursors seeking to enter Estonia indicate Estonia's continuing involvement in synthetic drug production. According to Finnish police most amphetamine sold in Finland was produced in Estonian labs. While climate precludes Estonia from being a major drug cultivator, Estonian police have detected and destroyed several small-scale cannabis plantations—demonstrating drug dealers' intentions to start supplying the domestic market locally. Also, the increasing number of Estonian drug traffickers arrested in foreign countries shows Estonian drug traffickers' involvement in the international illegal drug trade. While in 2008, 32 Estonian drug traffickers were arrested in foreign countries, 48 Estonian traffickers were arrested abroad in the first nine months of 2009. It should be noted that low-level couriers account for virtually every drug-related arrest of Estonian nationals overseas. Estonian drug trafficking organizations do not have a significant presence outside Estonia, but young Estonians have been regularly recruited to work for West African organizations based in Western Europe. 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, but also that Estonian Police, Customs and Border Guards are making special efforts to reign in the illegal drug trade.

According to Government of Estonia (GOE) and NGO estimates, there are about 14,000 intravenous drug users (IDUs) in Estonia—about one percent of the population. According to NGOs the economic recession has brought a rapid increase of clients—both new and relapsed—who need recovery support services. Due to the large number of IDUs, Estonia has the highest per capita growth rate of HIV infections in Europe. As of October 2009, a total of 7,210 cases of HIV have been registered nationwide, 301 of which were registered in 2009, demonstrating that Estonia's infection rate while high absolutely continues to decline.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Estonia's domestic counternarcotics legal framework is in compliance with international drug conventions and European Union (EU) narcotics regulations. The final provisions of the Law Amending the Narcotic Drugs and Psychotropic Substances Act that came into force in 2008 brought the domestic law into full compliance with the 1988 UN Drug Convention. The GOE continuously upgrades its domestic counternarcotics regulations. In the beginning of 2009, Estonian Customs reported increased mail order sales of synthetic cannabinoids called "Spice" in Estonia and the Ministry of Social Affairs (MOSA) immediately included Spice and other synthetic cannabinoids to the list of narcotic and psychotropic substances and precursors.

Estonia's accession to the European Union's Schengen visa convention in 2008 significantly reduced the number of Finnish "drug-tourists" traveling to Estonia to buy psychotropic medicines. Under the new regime, a traveler on narcotic or psychotropic medication within the Schengen zone needs a permit from the state medicine authority indicating the amount of medicine needed during the trip. Additionally, on January 1, 2009, the sale of narcotics such as Subutex (A brand name for buprenorphine, used for maintaining addicts during treatment for heroin withdrawal) in pharmacies was terminated. Subutex had been the most popular drug with finish drug-tourists. These drugs are now made available only for hospital inpatients.

In 2009, the GOE continued implementation of its 2007-09 Action Plan based on the National Strategy on Prevention of Drug Dependency for 2004-2012, adopted in 2003. Despite significant state budget cuts, all activities continued in a limited form in all 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.

Under Estonia's anti-HIV strategy, the GOE established a governmental committee to coordinate HIV and drug abuse prevention activities in 2006. The committee comprises representatives from the MOSA, Ministry of Education and Research (MOER), Ministries of Defense, Internal Affairs, Justice, and Finance. The committee also includes 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 one of the top priorities for Estonian law enforcement agencies. Police, customs and the border guard maintain good cooperation on counternarcotics activities. Currently, about one hundred police officers work solely on drug issues. Their primary mission is to destroy international drug rings, rather than to catch individual suppliers. In addition to these full time counternarcotics officers, all local constables also process drug-related misdemeanor acts. In 2009 the overall trend in crime remained low in Estonia and a remarkable decline took place in drug related offences: the number of cases of handling of narcotics in small amounts dropped by 58 percent and cases of handling large amounts by 36 percent. The decline is attributed to the increased efforts by Estonian Police to reign in the illegal drug trade.

In June, after months of investigation, officers of the North Police Prefecture drug squad seized one kilo of threemethylfentanyl (aka China White) in Tallinn, a record amount of synthetic heroin confiscated in Estonia. The seizure amounted to an estimated 35,000 doses with a total street value of $300,000. In addition major seizures from different police operations include: 37.4 kilograms of amphetamine, 1.5 kilograms of fentanyl, 9.2 kilograms of GHB, 8.8 kilograms of cannabis and cannabis products, 4.6 kilograms of cocaine and 1.7 kilograms of Methylenedioxymethamphetamine and its analogues.

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 Estonian-Russian border (the European Union's easternmost border). Another

150 customs officers work in mobile units all over Estonia. Four customs officers deal with information analysis and 12 officers from the Investigation Department are specialized solely on narcotic- related crimes. There are 18 customs teams with 21 drug sniffing dogs. In March, a drug sniffing dog detected 4.5 kilograms of narcotic substances (3 kilograms of powdered amphetamine and 4867 Ecstasy tablets) hidden in the spare wheel of a car boarding a ferry to Helsinki.

**Corruption.** Estonia has a low incidence of corruption. 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 on Narcotic Drugs (1961), the UN Convention on Psychotropic Substances (1971), the 1988 UN Drug Convention, and the Council of Europe Convention on Laundering, Search, Seizure, and Confiscation of the Proceeds from Crime (1990). On April 07, 2009, a new extradition treaty between the United States and Estonia came into force, replacing the 1924 agreement. The U.S.-Estonian mutual legal assistance treaty in criminal matters has been in force since 2000.In addition the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010.

Estonia is a party to the UN Convention against Transnational Organized Crime and its three protocols.

**Cultivation/Production.** Estonia's cold climate precludes it from becoming a major drug cultivator. However, the recent destruction of hydroponic cannabis plantations shows Estonians' involvement in small-scale marijuana production for the domestic market. According to press reports four small plantations, ranging in size from five plants to 247 plants were destroyed in 2009. Also, in northeastern Estonia small amounts of poppies are grown for domestic consumption. Further, seized precursors at the border indicate that synthetic narcotics production is ongoing in Estonia. According to drug-prevention NGOs, most of the labs are very small and mobile, making them difficult to detect and close. In 2009 police detected four drug labs: three producing GHB and one producing amphetamine. In addition to production for domestic consumption, synthetic drugs produced in Estonia are exported to neighboring countries, including the Nordic countries, especially Finland, and northwestern Russia. Although the police know the main route of the contraband, discovery of drugs is difficult because of the busy Tallinn-Helsinki ferry traffic.

**Drug Flow/Transit.** Estonia's geographic 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. From January to September 2009, 48 Estonian drug traffickers were arrested around the world, demonstrating Estonians' increasing involvement in the international drug trade (in 2008 total 32 Estonian drug traffickers were arrested abroad).

**Domestic Programs/Demand Reduction.** In 2009, Estonia continued to implement its 2004-2012 National Strategy on the Prevention of Drug Dependency. Combating the drug trade and reigning in domestic consumption continue to be high priorities for all Estonian law enforcement agencies and for key government ministries. Nonetheless, amphetamine continues to flow from Tallinn to Helsinki by ferry, and a variety of drugs and precursor chemicals move in both directions at the Narva border crossing with Russia. 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. Currently, there are eight voluntary HIV testing and counseling centers providing services at nine sites. The GOE and local governments fund these centers. A needle exchange program is operational at 36 sites, including 23 field work areas and a number of mobile needle exchange stations in Tallinn and northeast Estonia. Five

organizations provide methadone treatment at seven sites in Tallinn and northeast Estonia. A toll-free help line for drug addicts is operational 24 hours a day. Six organizations that provide drug rehabilitation services in major rehabilitation centers are funded by the GOE and three centers are church-sponsored.

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

**Bilateral Relations.** In 2009, the U.S. European Command Counter Narcotics Terrorism Division allocated $800,000 to build two helicopter refueling stations in Estonia. The project is in cooperation with the Estonian Border Guard and the Ministry of Internal Affairs and directly contributes to national narcotics control capacity. Construction will be completed in 2010.

The U.S. Department of Defense (DOD) in cooperation with the Estonian Defense Forces (EDF) continued implementation of the second phase of a project entitled "DOD HIV/AIDS Prevention Program". The aim of the second phase of the project is to generate baseline statistical information on infection rates within the Estonian Military Forces using rapid tests.

**The Road Ahead.** In cooperation with the Nordic Council of Ministers and the MOER, Embassy Tallinn is hosting an international HIV education conference "The Challenges of Health Education in the Baltic Sea Region" to emphasize the importance of health education and promote cooperation between stake holders on HIV prevention. Intravenous drug abuse is a primary transmission vector for HIV. The USG will endeavor to continue helping Estonia on drug issues through exchange of information and enforcement assistance.

# Ethiopia

## I. Summary

Ethiopia does not play a major role in the production, trafficking, or consumption of illicit narcotics or precursor chemicals associated with the drug trade. However, Ethiopia is strategically located along a major narcotics transit route between Middle Eastern, Asian, and West African heroin markets, and the amount of drugs transiting via Ethiopia is increasing. Heroin transits Ethiopia for markets in West Africa, Europe, and the United States, primarily due to Ethiopia's good airline connections between those markets and Asia. Nigerian and Ghanaian traffickers use Ethiopia as a transit point on a limited, but increasing basis. Although cannabis is grown throughout Ethiopia, it is mostly consumed in rural areas of the country. Khat, a chewable leaf with a mild narcotic effect, is legal in Ethiopia. Khat is now one of Ethiopia's largest exports. Seizures of illicit drugs are up, and illegal exports from Ethiopia, through Europe to the U.S., are rising. The Illicit Drug Control Service (IDCS), formerly the Ethiopian Counter Narcotics Unit (ECNU), has a small staff, limited training and equipment, and would like to partner with the international community to improve its capabilities. The IDCS maintains an interdiction team at the international airport in the capital. Ethiopia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Ethiopia is not a significant producer, trafficker or consumer of narcotic drugs or diverted precursor chemicals. In the past two years, however, it has become a significant transiting point for heroin and cannabis trade. Cannabis is produced in rural areas throughout Ethiopia. Only a small portion of cannabis is being produced for export, primarily to neighboring countries. The majority of locally produced cannabis is consumed at home, but absolute quantities in both cases are moderate. According to the IDCS, cannabis is primarily grown and used by Ethiopia's resident Rastafarian population. The highest volume has been grown in and outside of the town of Shashemene, approximately 250 kilometers south of Addis Ababa. IDCS also believes that cannabis is often sold concurrently with khat. Since 2000, IDCS has made 111 seizures of opium (heroin), six seizures of cocaine and a single seizure of codeine.

## III. Country Action Against Drugs in 2009

**Policy Initiatives.** The use of heroin and other hard drugs remains low, due primarily to the limited availability of such drugs, their high street prices, and low incomes of most Ethiopians. The extent that such hard drugs are available is in large part due to the spillover effect from drug couriers transiting through Bole International Airport in Addis Ababa. Bole is a major hub for pan-African flights, as well as flights between Africa, Asia, and Europe. According to Ethiopian authorities, much of the heroin entering and/or transiting Ethiopia comes from Asia, although absolute quantities in both cases are fairly low. Some of the flights require up to a two-day layover in Addis Ababa, permitting a limited opportunity for the introduction of these drugs into the local market. From January-October 2009, Ethiopian authorities arrested nine traffickers in possession of heroin, four in possession of cannabis, and two in possession of cocaine at Bole International Airport. Authorities now randomly search passengers flying from "high risk" points of origin.

**Law Enforcement Efforts.** The IDCS has a small staff and inadequate budget, limiting its capabilities. There is currently no new training offered for officers in IDCS, and IDCS has no permanent programs. Since changing its leadership in 2002, IDCS has been more proactive at the federal level, but is still hampered by financial constraints. IDCS is comprised of approximately 40 individuals, including federal police officers and administrative personnel. Its efforts include an airport interdiction team comprised of 15 staff members, a four-person surveillance team, and an educational unit with six staffers. At the airport, the interdiction team uses four drug sniffer German shepherd dogs to examine, with a degree of

randomness, cargo and luggage. Sniffer dogs are primarily trained and used to detect cocaine, cannabis, and heroin. The IDCS routinely screens passengers, luggage and cargo on flights arriving from "high risk" origins, such as Dubai, Bangkok, Mumbai, New Delhi, Karachi, and Islamabad. The interdiction unit continues to improve its ability to identify male Ghanaian/Nigerian/Tanzanian drug "mules," who typically swallow drugs to smuggle them. However, the airport interdiction unit relies heavily on tips from other countries to identify the drug mules. The Ethiopian government reports that the overall volume of drugs interdicted has been low, as most seizures involve airline passengers carrying small quantities in luggage or on their person.

The Counter Narcotics Division (CND) was formed in 1993 and it coordinates drug enforcement in all regions of the country. As of September 2009 there were 59 officers in the CND, some of whom have provided training to regional police by translating DEA training manuals into Amharic. The CND also conducts drug awareness initiatives among the public and undertakes drug (cannabis) eradication. There are currently fifteen people working in Criminal Intelligence, and eleven people working on Airport Interdiction. The CND has noted a need to increase its airport surveillance capabilities and adopt a more effective risk assessment and passenger profiling system.

The CND provided statistics from 2000-2009 on the number of arrests and seizures for heroin, cocaine and cannabis. For heroin, 2004-2005 were the peak years for this category of arrests when 38 people were arrested and 33 kilograms of the drug were seized. For cocaine, 2007 was the peak year with three people arrested and three kilograms seized. For cannabis, 2007 was again the peak year for seizures when 194 kilograms were seized and 41 people were arrested. Overall data for 2009 is not yet available (data from Bole International Airport is included).

The Federal Police Counter Narcotics Unit's Deputy Commander provided the following initial details on the amount of drugs seized by the Federal Police Counter Narcotics Unit in 2009: 423 kilograms of cannabis, and 51 kilograms of heroin. Nearly half the traffickers arrested were Tanzanian, but Ugandan, South African, British, Ethiopian, Belgian, and Guinean traffickers were caught as well. Traffickers were mostly male.

**Corruption.** Ethiopia does not, as a matter of official government policy, 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. The Federal Ethics and Anti-Corruption Commission, created in 2001, was given substantial police powers to investigate corruption, and for a short while attracted considerable attention when it arrested and charged several high-level government officials with corruption (unrelated to drugs) in 2001 and 2002. Since the formation of the Federal Ethics and Anti-Corruption Commission, there have been no charges of drug-related corruption against government officials.

**Agreements and Treaties.** Ethiopia 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 against Psychotropic Substances. Ethiopia is also a party to the UN Convention against Transnational Organized Crime and the UN Convention against Corruption.

**Cultivation/Production.** Cannabis is produced in rural areas throughout Ethiopia, of which a small portion is for export, primarily to neighboring countries, but with increasing amounts trafficked abroad via the Ethiopian postal system. The majority of cannabis is consumed at home, with quantities in both cases being moderate. Khat is grown widely in Ethiopia and is increasingly exported becoming Ethiopia's seventh largest export earner in 2007 and remaining so through 2009. While khat is legally produced in Ethiopia, it is considered to be an illegal drug in the United States.

**Drug Flow/Transit.** The amount of drugs transiting Ethiopia remains moderate, but is increasing, according to local authorities. Heroin transits Ethiopia for markets in West Africa, Europe and the United States, primarily due to Ethiopia's good airline connections between those markets and

Southwest/Southeast Asia. Drug trafficking within Ethiopia is a growing problem as lax cargo inspections at airports in the country have made the transshipment of heroin from Pakistan and Afghanistan an increasingly significant problem.

**Domestic Programs.** The only domestic program to combat narcotics in Ethiopia is the IDCS, which has both an enforcement and limited drug education role. The IDCS' Education Unit aims to increase public awareness by partnering with counternarcotics clubs in high schools. Further, the education unit educates domestic police on how to detect and control drugs in all areas of Ethiopia.

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

**Policy Initiatives.** The United States is working to raise the profile of crime-related issues and encourage criminalization of money laundering. The U.S. provides training assistance to the IDCS.

**The Road Ahead.** Ethiopia is likely to remain a moderate trafficking center for Africa because of the broad connectivity options of Ethiopian Airlines described above. The Ethiopian Government's goal is to partner with the international community to improve its detection capabilities. While Ethiopia is not a significant producer, trafficker, or consumer of narcotic drugs, its location among the major narcotics routes—linking Asian heroin production, European markets, and West African trafficking networks—make it a prime candidate for continued drug trafficking and transit.

# 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 significant increase in only one of the classes of narcotics seized in 2008—pharmaceutical preparations classified as narcotics. Finnish officials describe the situation as generally stable. 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. The police may carry out a simplified pre-trial investigation in cases where the statutory punishment for the offence/s is restricted to a fine or maximum of six months imprisonment (e.g. unlawful use of narcotics). In a simplified pre-trial investigation the questioning and other aspects of the investigation can often be performed at the place that the offence was committed in order to target investigation resources towards more serious offences. 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 and Russian 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 5.8 million annual travelers and 900,000 cars, which transit between Helsinki and Tallinn. Early indications that increased numbers of direct flights to Asia would result in Asian criminal syndicates becoming more involved with the Finnish drug trade have not played out.

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, the European Union and Russia—these close ties have been very helpful 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 cooperates with other countries and international law enforcement organizations regarding extradition and precursor chemical control.

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. The number of persons suspected of narcotics offenses in 2008 was 4,543, which represented less than one-tenth of one percent of the 5.2 million person population. Cocaine is not common, but marijuana, Subutex, khat, amphetamines, methamphetamine, synthetic club drugs, Ecstasy, LSD can be found; heroin is quite rare in Finland. 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. In 2008, the Finnish authorities seized 56 kilograms of Marijuana and 41 kilograms of cannabis plants. 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 general phenomenon of increasing drug abuse.

Heroin use began to increase in Finland in the late 1990s, but seizures have continued to decline since 2003. The quantity of seized heroin has remained small for several years. With the exception of a 51.7 kilograms seizure of heroin in 2005, seizures have never been larger than (and consistently smaller than) 1.6 kilograms since 2003. Typically, heroin is smuggled by non-Finns residing in the Nordic countries using vehicles. They pass by way of Germany and Denmark to the rest of the Nordics.

Abuse of Subutex (buprenorphine) and other heroin-substitutes used in maintenance treatment seems to have replaced heroin abuse to a significant extent. Finnish officials note that Finland is one of few countries reporting that people become addicted to Subutex. 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. A major change occurred at the end of 2007 when the Baltic countries joined the Schengen area. This means that a person who resides principally in Finland is no longer allowed to import Subutex prescribed elsewhere. Finnish officials have not seen a significant move to heroin now that Subutex is not as readily available from the Baltic countries. The size of Subutex seizures by the Finnish customs have remained consistent over the last five years.

Finnish Customs recorded 94 firearm violations, approximately the same amount as in the previous reporting period. There were a total of 125 weapons seized in connection with these violations, with 14 being firearms and 111 being gas-spray guns.

According to Finnish law enforcement, the number of organized crime groups has grown slightly in the past few years, and so has the number of their members. At the end of 2008, there were 88 organized crime groups with some 1,200 members. The number of crime organizations that meet the EU criterion for "organized crime group" was 36. Most Finnish syndicates have international contacts, particularly with crime groups operating in Russia or the Baltic countries.

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 more difficult to intercept narcotics. 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. 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, Beijing and New Delhi. In 2000, Finland had 4 non-stop flights per week between Finland and Asia. In 2008, Finnair has 11 non-stop flights per day to Asia. 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 2009

**Policy Initiatives.** Finland's comprehensive 1998 policy statement on illegal drugs articulates a zero-tolerance policy regarding narcotics. Finnish comprehensive drug policy is based on general public policy

measures, national legislation and international agreements. A Government Resolution that runs from 2008 to 2011 on co-operation in drug policy defines an overall plan to guide the Ministry of Social Affairs and Health preventing drug use and distribution. In accordance with the Government Resolution, a new Narcotics Act was adopted by Parliament in 2008. The Act brings the Finnish drug legislation in conformity with the current EU legislation and practice.

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. Finnish officials state that new instruments available in international cooperation, such as joint investigation teams and the rapid exchange of information, available now that Finland is a signatory of the Prüm Convention, will support the fight against the crime at the national level.

The present legislation provides for use of wiretapping only in those cases which would result in a prison sentence (such as homicide, espionage, aggravated sexual abuse and aggravated narcotic crime). A bill went before Parliament in 2009 that attempted to expand the use of wiretapping in criminal investigations, but it was eventually voted down. The proposal would have also allowed wiretapping in specific criminal cases .

Finland has a streamlined system that allows it to categorize new designer drugs as illegal narcotics within two to three months of their first appearance. This new law responds to the capability of criminals to slightly modify existing narcotics to make them not technically illegal. The authorities had been frustrated with the 12-24 months that the E.U. and the UN can take to make new designer drugs illegal.

**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 (the Border Guards, who primarily interdict narcotics during immigration checks, can conduct investigations into the trafficking of the drugs they encounter and since 2005 their authority was expanded to cover all of Finland). 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, 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 nations' customs services. Finnish judicial authorities are empowered to seize assets of criminals, real and financial..

Finnish law enforcement has improved the investigation of narcotics cases through the establishment of Joint Intelligence Teams and Fusion Centers, which bring together 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 how best to proceed in 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. A new national level Fusion Center will provide up-to-date information and monitoring for lower level law enforcement organs.

Participants in the Fusion Centers are well-trained. In Addition to their own branch-specific training modules, they received a collective course on crime analysis at the Police College in the fall of 2008.

Since 2006 Finnish Customs has deployed a mobile X-ray scanning machine at Helsinki's Western Harbor. By 2007, Customs was using two such scanning devices and had an additional, permanent scanning facility available at Vaalimaa, which is the primary border-crossing between Finland and Russia. More than 25,000 cargo containers were scanned by the Finnish Customs during 2007. Additionally, Customs has enhanced its use of narcotics detection canine units at key ports of entry into

Finland. While these resources have yielded limited narcotics seizures, the authorities feel that they serve a strong deterrent function.

In 2008 (Latest data available), Finland experienced a 1 per cent increase in the number of drug offenses and a 10 percent decrease in the number of aggravated narcotics offenses. 9,933 of the 16,530 offenses reported for 2008 were related to narcotics use; the number of aggravated narcotics offenses was 869. Evidence of the limited cannabis market comes from the Customs figures for 2008 which show seizures totaling only 56 kilograms of marijuana. In 2008, 25 percent of the suspects of aggravated narcotics offenses were foreigners; of those, 40 percent were Estonian and 21 percent were Russian.

Authorities estimate that the use of cocaine has increased in Finland and in the other EU countries. 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 and that Finnish motorcycle gangs play a significant role in the supply chain. 3 kilograms of cocaine were seized in 2008, down from 4 kilograms in 2007. Amphetamines remain the overwhelming drug of choice in Finland.

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 anabolic steroid seizures on the Finnish market, from 111,000 and 116,000 tablets/ampoules seized in 2004 and 2005, respectively to 200,000 and 192,000 seized in 2006 and 2007. Steroids are primarily used to enhance athletic performance ("doping"), but regular use has a negative effect on health and well-being

One potentially worrying trend is that the few DTOs 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 available on the streets of Finland is imported directly from or through Estonia. Finnish law enforcement believes that another significant source for amphetamine on the Finnish market are 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 annually for the past few years. From December 21, 2007, changes in EU regulations prevent Latvian and Estonian pharmacies from filling Subutex prescriptions for Finnish citizens. However, Finnish couriers are likely attempting to identify other EU sources for Subutex, including France.

Finland continued its impressive record on multilateral law enforcement, working through, among other organizations, EUROPOL, INTERPOL and the Baltic Sea Region Task Force on organized crime. Finland maintains thirteen liaison officers in ten cities, (Finland's reach extends to 36 countries if one includes Finland's participation in the Nordic liaison network). Along with great cooperation with Estonian authorities, Finnish authorities report very good cooperation with Russian authorities. Finnish law enforcement personnel continue to conduct criminal narcotics investigations involving Finland abroad, including the investigation of suspects beyond Finland's borders.

Several international joint operations were launched during 2008, aimed at uncovering connections between organized crime groups, trafficking of drugs, illegal medicines and other substitutes, money laundering, forgeries and cargo surveillance. Five out of total eleven operations initiated in 2008 were EU related, two were coordinated by the European Anti-Fraud Office and four operations were transnational.

Besides European and Finland's neighboring countries, the cooperating partners included countries from Asia (China, India, Thailand), South and North America (Argentina, Chile, Peru and U.S.) and Africa (Algeria, Tunis, Morocco).

**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. 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 has also concluded a Customs Mutual Assistance Agreement with the United States. All 27 EU member states, including Finland, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocol with Finland, and they will enter into force on February 1, 2010. Also, Finland is a member of the Major Donors' Group within the Commission on Narcotic Drugs. The vast majority of Finland's financial and other assistance to drug-producing and transit countries has been via the UNODC. The Treaty of Prüm, which addresses cross-border cooperation (including information exchange) in combating crime and terrorism, took effect in Finland in June 2007.

**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 2007. Finland's climate makes cultivation of cannabis and opium poppy almost impossible. Local cannabis cultivation, while described by authorities as increasing is nevertheless believed to be limited to small-scale, indoor hydroponic culture for individual use, not sale. Authorities see the main reason for the increase is the ease of obtaining the specialized equipment over the internet.

Seizures by weight of cannabis plants have fluctuated over the past several years with 2008 seeing seizures of 41 kilograms, a 47 percent decrease from 2007. The other side of this statistic is that the number of plants seized increased dramatically, from 7600 plants in 2007 to 14000 plants in 2008. The majority of cultivation cases were very small, with an average of 1 to 20 plants per seizure. The distribution of 22 precursor chemicals listed by international agreement is tightly controlled.

**Drug Flow/Transit.** Medical opiates (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, though Subutex is often trafficked by car or truck over the Swedish border in the north of Finland. 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 20,000 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 island "Departments" 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 cannabis users is attractive to traffickers as well. In descending order of importance, cannabis/hashish originating in Morocco, cocaine from South America, heroin originating in Afghanistan and transiting through Turkey, Belgium, and the Netherlands, and Ecstasy (MDMA) originating in the Netherlands and Germany, all find their way to France. Almost all drugs known in the United States are also present in France, with the exception of methamphetamines, which are almost completely unknown in France. Spain is believed to be the main entry point for cannabis and cocaine, although the Netherlands is certainly important for cocaine entry as well. 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 only 5 percent and 3 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 (MIDLT, 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 in France has declined dramatically from 564 reported deaths in 1994 to 55 deaths during 2007 Possession of drugs for personal use and possession of drugs for distribution both constitute crimes under French law and both laws are vigorously 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). They have noted that many individual criminals who engage in drug trafficking are equally willing to engage in smuggling other contraband (i.e., untaxed cigarettes) as well as other crimes of opportunity which promise easy profits. However, unlike individuals, organized rings of smugglers tend to restrict themselves to drug trafficking. When these organized rings do engage in other criminal activity, it is usually an activity which involves the use of the same maritime shipping containers, trucking companies, or other transportation resources as the business of drug smuggling.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In late 2004, France launched a five year action plan called "Programme de Drogue et Toxicomanie" (Drug and Addiction Program) to reduce drug use among the population and lessen the harm caused by the use and trafficking of narcotics.

The 2004 program's successes include launching a 38 million Euro (approx. $50.5 million) national information campaign on cannabis use in 2005. The program developed and offered increased options in France's national medical treatment system for cannabis and heroin users/addicts. The program also provided up to €1.2 million (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. In 2009, France joined the EU Drug Action Plan for the period 2009-2012.

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). €10 million—approximately $13 million—went to training Afghan counternarcotics police and to fund a crop substitution program that will boost cotton cultivation in the Afghan provinces of Condos and Balkh.

The Paris DEA office has noted that the French do appear to be conducting more police training in West Africa in response to the cocaine trade through the North and West Africa to Europe. However, France has always been involved in providing some regular level of training in the region due to their past colonial ties and their common language.

**Law Enforcement Efforts.** In 2009 authorities seized a number of large shipments of drugs transiting France which were destined for other European countries. There were two multi-hundred kilogram seizures of heroin in truck cargo crossing through France en route from Turkey to the United Kingdom. Several large shipments of cocaine were also seized from cargo crossing France, headed north from Spain destined for other EU nations. In total, the number of operations against the illegal trafficking of drugs by France's law enforcement increased by 38 percent during 2009 to a total of 194 proceedings. In 2008, 75 tons of cannabis, 8 tons of cocaine and one ton of heroin were confiscated in France

**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 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. The U.S. has a Customs Mutual Assistance Agreement (CMAA) with France. 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 addition, All 27 EU member states, including France, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocol with France, and they will enter into force on February 1, 2010.

Two persons wanted in the United States for drug trafficking were arrested in France in 2009, at the request of the U.S. Department of Justice. Both extraditions are pending.

**Cultivation/Production.** Most of the illicit drugs being shipped to France are produced in other areas of the world. The vast majority of cannabis products in France originate in Morocco, and cocaine available in France is usually produced in South American countries. The majority of the heroin entering France is produced in Afghanistan.

**Drug Flow/Transit.** Moroccan cannabis and South American cocaine both occasionally enter France directly, but the drugs primarily enter the EU through ports in Spain and, to a lesser extent, the

Netherlands before being brought to France for distribution. Heroin originating in Afghanistan enters the country via land routes through the Balkans in cargo, although some transits the North and West African co countries before being brought into France by body couriers.

Couriers, using both internal ("swallowers") and luggage transportation, are frequently arrested bringing drugs into France from many West African countries such as Nigeria, Benin, Togo, Senegal, Guinea, and Guinea-Bissau. This method is used to transport small quantities of drugs, but quite frequently.

In the past two years the amount of cocaine transiting the African continent before entering France has increased. According to the DEA ,the vast majority of this West African transit cocaine is believed to be intended for transshipment to Western Europe, although the actual percentage arriving in France from West Africa remains unclear as do the routes by which most of this cocaine makes its way to Europe following its transit of West Africa.

**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, Etienne Apaire, the President of MIDLT (since September 2007) announced a new government policy aimed at cannabis users. Since 2008, the state has required those arrested for cannabis use to take a two day class on the dangers of cannabis consumption. The cost of the class, €450 (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 (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.

On June 26, 2009 the Federation Nationale de Prevention Toxiconomique signed the EU resolution "European Action on Drugs." This resolution, which was signed by 120 stakeholders from across the EU, committed its signers to playing an active role in the fight against drugs by reaching out to Europeans in their everyday lives and providing European citizens with new means of expression their views on drugs and encouraging thereby a commitment to action. This resolution is a key policy initiative of the new "EU Drugs Action Plan (2009-2012)."

French rehabilitation facilities use similar treatment methods to those used in the U.S. for treating addictions. Subutex (buprenorphine) and methadone have both been used for many years to treat heroin addiction.

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

**Bilateral Cooperation.** U.S. and French counternarcotics law enforcement cooperation remains good. During 2009, the DEA's Paris Country Office and OCRTIS, continued to routinely share operational intelligence and support one another's investigations. One source for the DEA and the OCRTIS shared intelligence was a program which identifies orders for precursor chemicals placed with French companies for exportation outside of France.

**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.

# French Caribbean

## I. Summary

French Guiana, Martinique, Guadeloupe, the French side of Saint Martin, and St. Barthelemy are all overseas departments of France and therefore subject to French law. They are also subject to all international conventions signed by France, including the 1988 UN Convention. The French Judiciary Police, Gendarmerie, and Customs Service play a major role in narcotics law enforcement in France's overseas departments, just as they do in the rest of France. The French islands are known to be mainly transshipment points for drugs carried by air and sea vessels from elsewhere in South and Central America to Europe and, to a lesser extent, the United States.

## II. Status of Country

The governments of these territories are able to apply to the resources of France in their fight against illegal drug smuggling. However, the geography of the Caribbean Sea and the proximity of French Caribbean departments to other nations with relatively lax law enforcement and endemic corruption all act to facilitate the trafficking of illicit substances through the area Martinique and Guadeloupe are both known to be transshipment points for drugs moving through the region, primarily internationally-produced cocaine, cannabis and Ecstasy .

## III. Country Actions Against Drugs in 2009

French officials participated in the First Caribbean Drug Policy Forum held in Kingston, Jamaica on 2-3 November 2009. It was led by the Caribbean Drug & Alcohol Research Institute, and supported by The Caribbean Vulnerable Communities Coalition and the Caribbean Harm Reduction Coalition. This forum brought together academics, policy makers, law enforcement and activists debate the current status of Caribbean drug policy and future policy prescriptions.

**Law Enforcement Efforts.** The French Caribbean departments participated in the Martinique Task Force that addressed the increase in cocaine trafficking to France from the French Caribbean. This multilateral cooperative effort brought together French, Spanish, Colombian, U.S. and British law enforcement officials to promote coordinated operations against trafficking. French Customs took an active part in the undertakings of the Caribbean Customs Law Enforcement Council (CCLEC), which was established in the early 1970s to improve the level of cooperation and exchange of information between its members in the Caribbean. In 2009, the CCLEC provided training programs, technical assistance and other projects. All of the French Islands now use or have access to the CCLEC Regional Clearance System, an automated system for the reporting of private vessel clearances within the region.

French law enforcement worked closely with the U.S. Forward Operating Locations (FOLs) in the Caribbean. The FOLs two locations in Curacao and Aruba provided U.S., Dutch, United Kingdom, Canadian and French aircraft quick access to Caribbean drug smuggling corridors, where U.S., U.K., French, and Dutch surface vessels are positioned to help interdict air and maritime drug trafficking targets. By assigning a high priority to counternarcotics smuggling measures and focusing on multi-lateral assistance, the French played an integral role in the fight against drug traffic in the region.

**Corruption.** Officials in the area are drawn from and trained by the French Civil Service. There have been no accusations of corruption within the French government or of high ranking senior officials within the past year.

**Agreements and Treaties.** In addition to the agreements and treaties discussed in the report on France, United States and French counternarcotics cooperation in the Caribbean is enhanced by a 1997

multilateral Caribbean Customs Mutual Assistance Agreement that provides for information sharing to enforce customs laws and prevent smuggling, including those relating to drug trafficking. The assignment of a French Navy liaison officer to the U.S. Joint Interagency Task Force-South at Key West, Florida, continued to enhance law enforcement cooperation in the Caribbean. In 2007, France joined the U.S., Jamaica and Belize in signing and ratifying the Dutch-sponsored Caribbean Maritime Agreement (formally the "Accord Concerning the Cooperation in Suppressing Illicit Maritime and Aeronautical Trafficking in Drugs and Psychotropic Substances in the Caribbean Region") originally negotiated in 2003. Although this treaty has not yet received the five ratifications needed for it to enter into force, it is nevertheless a widely accepted policy in the region. In 2006, France, along with 11 other nations became a signatory to the "Paramaribo Declaration" at a conference in Suriname. This agreement established an intelligence sharing network, to coordinate and execute drug sting operations among countries and to address money laundering.

**Cultivation/Production.** There does not appear to be a large amount of drug production in the French Caribbean. Some cannabis is grown locally in areas like Martinique and Guadeloupe mainly for local or individual consumption and does not have a significant impact on the availability of drugs in the area.

**Drug Flow/Transit.** Cocaine from Colombia and Central America as well as cannabis from a variety of nearby countries is transshipped through islands in the French Caribbean en route to Europe and, less frequently, to the United States. French law enforcement worked closely with British, Dutch and American law enforcement and military officials to monitor and prevent the flow of drugs transiting the area by air and by sea.

**Domestic Programs/Demand Reduction.** As departments of France, the French Caribbean is an active participant in all French policies and programs regarding the treatment of drug addiction and lessening of domestic demand.

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

**Bilateral and Multilateral Cooperation.** U.S. policy objectives within the region focused primarily on working with French and international authorities to close down the flow of drugs within the region and prevent illicit drugs from entering the U.S. The Drug Enforcement Administration Country Office in Bridgetown, Barbados and French law enforcement officials in Martinique conduct quarterly liaison visits and cooperation is outstanding. The French Inter-ministerial Drug Control Training Center (CIFAD) in Fort-de-France, Martinique offered training in French, Spanish and English to law enforcement officials in the Caribbean and Central and South America, covering subjects as money laundering, precursor chemicals, mutual legal assistance, international legal cooperation, coast guard training, customs valuation and drug control in airports. CIFAD coordinated its training activities with the United Nations Office on Drugs and Crime (UNODC), Organization of American States/CICAD, and individual donor nations. U.S. Customs officials periodically provided training at the CIFAD. French Customs also co-funded with the Organization of American States (OAS) training seminars aimed at Customs and Coast Guard Officers from OAS member states. The French Navy hosted "Operation Carib Royale"—a French Eastern Caribbean counternarcotics operation, which Joint Interagency Task Force South supports with available air and marine assets. France supports European Union initiatives to increase counternarcotics assistance to the Caribbean. The EU and its member-states, the United States and other individual and multilateral donors coordinated their assistance programs closely in the region through bilateral and multilateral discussions. The GOF participated actively in the Caribbean Financial Action Task Force (CFATF) as a Cooperating and Support Nation (COSUN).

**The Road Ahead.** The French Caribbean is encouraged to increase the frequency of its outstanding participation in multilateral interdiction operations in the region.

# Georgia

## I. Summary

Georgia is not considered a drug production country; however it has the potential to be a major transit route for narcotics flowing from Afghanistan to Western Europe. In 2009 there were no significant seizures of narcotics. In part this may be due to adjusted law enforcement priorities, following the August 2008 conflict with Russia, as well as limited interdiction capacity at the borders and within Georgia. Of particular concern are the separatist territories of South Ossetia and Abkhazia which are beyond the control of Georgian law enforcement authorities and have been occupied by Russia since August 2008. These areas provide additional routes for drug flow and other contraband. There is speculation that drug flow through these areas is high, however this is not verified as there is little or no exchange of information on drug trafficking between the Russian authorities or the de facto governments of these territories and the Government of Georgia (GOG).

Anecdotal evidence indicates that there is a domestic drug-use problem in Georgia, including marijuana use and intravenous drug use, such as heroin, Subutex, and methadone. Subutex is a trade name for buprenorphine, a pharmaceutical produced throughout Europe and used for the treatment of opiate addiction. This substance is not a registered medication in Georgia and thus not legally available. Street prices for these intravenous drugs, although initially low, increased in 2009. Domestic production and use of methamphetamines, pseudo-ephedrine derived drugs and abuse of other pharmaceutical drugs, especially in urban areas, is also on the rise.

In early November 2009, President Saakashvili submitted a Drug Amnesty Bill to Parliament. Passing of a national counternarcotics strategy and action plan remain a priority for policy makers in Georgia, however limited legislative action has taken place since 2007. As of January 1, 2009 significant changes in border security have taken place. Patrol Police are now, along with Customs, the primary law enforcement entity at all ports of entry, while border police maintain jurisdiction along the green border. The GOG continues to work with the United States, European Union (EU) and other donors to improve security operations at borders.

Although statistics on seizures, arrests, and prosecutions for narcotics-related crime are kept by the Ministry of Internal Affairs (MOIA), official data on the number of drug abusers in the country is inconsistent and varies widely by source. In late 2008 six additional GOG treatment centers were opened, and treatment programs in the penitentiary system have been expanded. However, treatment facilities remain inadequate to meet demand. Georgia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Georgia's location between Europe and Asia make it a potential narcotics trafficking route. Narcotics destined for Europe may enter Georgia from Azerbaijan via the Caspian and exit through the northern separatist Abkhaz region or southwestern land and water borders with Turkey. TIR trucks (long-haul trucks carrying nominally inspected goods under Customs seal) are the main means for westward-bound narcotics trafficking in the region. These truck routes are an attractive means of transit due to legislation that requires the Customs official to open such trucks only in the presence of the Georgian owner or his representative. Due to time constraints and unavailability of most owners, many trucks go through unchallenged. Additionally, only airline flights deemed "high risk" are subject to passenger baggage screening by x-ray, while cargo is searched under the same restrictions as trucks. Based on MOIA statistics, there were no significant seizures of narcotics moving west in 2009. While staffing and equipment have improved at the border in 2009, training, information sharing, and risk management are

in need of further improvement. Legal limitations that unnecessarily hinder appropriate inspection of cargo need to be revised.

Licit pharmaceutical drugs from Europe, namely Subutex, are trafficked in small quantities via "used-car trade routes," where vehicles purchased in Western Europe are driven through Greece and Turkey destined for Georgia. Subutex, abused as an intravenous drug in Georgia, is popular due to a lower price and longer high in comparison to heroin, and a large profit margin for dealers. Seizure statistics and anecdotal evidence suggests that the use of Subutex has been decreasing in favor of cheaper drugs, such as methamphetamines. In mid-2009, at the point of entry between Azerbaijan and Georgia, Customs officials reported the seizure of 13,500 pills of the antidepressant drug Coaxil (Tianeptine), which is a registered psychotropic medicine in Georgia. Coaxil is reportedly abused in several major cities in Georgia (Kutaisi, Rustavi, Zugdidi).

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** New drug policy initiatives in 2009 were limited. In early November 2009, President Saakashvili submitted a Drug Amnesty Bill to Parliament. This draft law would offer one-time amnesty to prisoners serving time for drug related convictions in order to help reduce overcrowding in prisons. If passed, the Amnesty Bill could halve the sentences of 600-1,000 inmates. Passage of a national counternarcotics strategy and action plan remain a priority for policy makers in Georgia, however limited legislative action has taken place since 2007. In 2007, the GOG adopted a law on the Main Directions of Georgia's National Anti-Narcotics Strategy, increased penalties for drug offenses and passed new counternarcotics legislation. In February 2008 an additional legislative package was introduced, and in November 2008 a network of non-governmental organizations (NGOs) submitted a second legislative package to the parliament for consideration. Ad-hoc meetings and limited discussion followed throughout 2009. These legislative packages introduce minimum possession rules and decriminalization of some drug use, while at the same time impose stricter administrative penalties. The legislative packages also stipulate that fines paid by offenders may be applied to the cost of eventual treatment. Also in 2009 the MOIA announced that seized narcotics would be destroyed publicly in events covered by local media outlets every three to four months.

**Law Enforcement Efforts.** The Special Operatives Department (SOD) of the MOIA is the lead agency for fighting narcotics trafficking in Georgia. Customs officials also play a role at ports of entry in terms of routine searches, and seize and report any narcotics detected to the SOD. In 2009 increased cooperation between Patrol Police and Customs officials, as well as new administrative and search processes, led to more efficient processing of persons and vehicles at ports of entry. Border officials noted that routine processing for individuals has been reduced from 6-7 minutes to 2-3 minutes, which may leave more time for targeting, risk reduction and concentrating on suspicious persons and vehicles. The Patrol Police and Customs officials cooperate, share information, and receive some intelligence from the Special Operatives Department.

Most arrests for cultivation are believed to be for small plots of marijuana intended for personal use. In the first half of 2009, according to statistics provided by the Supreme Court of Georgia, 937 individuals were convicted for the illegal production, manufacturing, acquisition, storage, transportation and sale of drugs. By comparison, in all of 2008, 2,095 individuals were convicted of such crimes, and in 2007 1,919 were convicted. The total number of probationers with drug related crimes was 4,710 individuals, which is approximately 18 per cent of the total probation population. Out of approximately 20,000 prisoners in the penitentiary system, 3,000 have been charged with drug related and/or mixed article crimes with some drug-related charge, according to the Ministry of Corrections and Legal Aid of Georgia.

In the first nine months of 2009, drug seizure statistics continued to fall from the previous year. The August 2008 conflict with Russia may have contributed to fewer seizures in 2009, as GOG priorities were diverted to post-conflict security issues along the administrative boundaries with the separatist territories.

Law enforcement officials continue to cite the need for improved detection equipment, such as scanners and canine detection, as well as improved information sharing within Georgia and with regional partners. Drug prices have remained high in 2009, after a price spike in 2008, likely reflecting an unstable market with many shifting suppliers. Additionally, narcotics abuse in Georgia is characterized by combination drug use and by lower doses. For example 1mg to 2mg of Subutex is the average street dose because the 8mg tablet is divided into four doses, giving the seller a higher profit margin.

The estimated price of heroin in Georgia, for example is approximately $600-$700 per gram, up from $350-$400pergram two years ago. In Georgia one gram of heroin is reported to be used for five doses. The estimated price for an 8mg tablet of Subutex is 500 lari (equivalent to $300). Low-cost, small doses can be explained by largely poor customers. There are also regional trends in use, local treatment experts report that in Batumi there is a preference for heroin, in Gori methamphetamine, in Tbilisi Subutex, and in Kutaisi Coaxil.

Perhaps due to high prices, there has been a shift in last several years to methamphetamine abuse. Methamphetamine is home-prepared from pseudo-ephedrine containing anticough pharmaceuticals. In Georgia this is called “Vint.” Another home-prepared stimulant in Georgia is methcathinone, known as “Jeff.” It is reported to be less powerful and easier to prepare. Methamphetamines cost approximately $10-$15 per dose to prepare. Statistics on methamphetamine seizures are not yet available, but law enforcement officials have reported several small scale methamphetamine seizures in homes in 2009.

**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. The GOG made the elimination of official corruption one of the priorities of the 2003 Rose Revolution and maintains that it is committed to this effort. In 2009 there was one case of a Customs official convicted of corruption; however this was unrelated to narcotics. The level of corruption across the Georgian government has continued to decrease, according to Transparency International’s 2009 Corruption Perception index. The GOG is continuing civil service, tax and law enforcement reforms (including increased salaries) 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. Georgia is 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. In addition, the GOG has signed counternarcotics agreements with the Black Sea basin countries, the GUAM organization (Georgia-Ukraine-Azerbaijan-Moldova), Iran, and Austria.

**Cultivation and Production.** Narcotics cultivation within Georgia is extremely limited. Low-grade cannabis is grown for domestic use, and the street price is very low, suggesting small time cultivation. There are no other known narcotics crops or major synthetic drug production in Georgia, apart from some small scale production of methamphetamines. Methamphetamines can be made by combining legal and available over-the-counter medications. Law enforcement authorities report that small quantities of methamphetamines are produced in homes for personal use, rather than for sale. Although Georgia has the technical potential to produce precursor chemicals, it has no known capacity for presently producing them in significant quantities. 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 report that there have been no significant seizures of illegal narcotics in recent years within Georgia. Law enforcement officials believe that drugs are transiting Georgia to Western

markets as a secondary or a tertiary route. Inadequate policing at points of entry, elsewhere along the border, and within Georgia may also limit opportunities for significant seizures. 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. Counternarcotics police also cite the need for increased cooperation with counterparts across the borders, especially in Turkey and Azerbaijan.

**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 researchers and drug treatment providers estimate the intravenous drug abuser population in Georgia as approximately 40,000. Using UN methodology, researchers estimate that about 3 percent of the population may be using drugs at a given point in time. That figure totals approximately 138,000, although local drug treatment experts continue to cite figures of upwards of 200,000 including one-time users. The National Forensic Bureau maintains annual statistics on persons tested for drug use, but this figure includes employees who are subject to routine drug tests as a condition of employment, and as such is not an accurate indicator of illegal drug use.

In 2008, the GOG, for the third year in a row, increased the state budget allocation for drug addiction treatment programs, including substitution therapy. The 2007 budget for addiction treatment was a total of 750,000 GEL ($500,000). In 2008, the budget allocation was 900,000 GEL ($600,000). The figures for 2009 were not available.

Even with these funding increases however, demand for detoxification and substitution therapy far outstrips supply. In addition to current NGO supported methadone substitution treatment centers, which treat approximately 450 patients, the GOG opened six new treatment centers, in Tbilisi and in five regions. These treatment centers co-finance methadone substitution therapy with clients and serve approximately 1,200 patients. A pilot methadone substitution therapy program began in the penitentiary system in November 2008, and thus far approximately 500 prisoners have been treated. This program and another expanding detoxification program address long-standing issues of drug addiction in the penitentiary system.

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

**Bilateral Programs.** In 2009, the USG began to provide direct counternarcotics assistance on demand reduction and treatment, and enhancing law enforcement's capacity to detect and interdict illegal narcotics, through support for a criminal database for the MOIA and an improved communications network for the police. Additionally, the USG continues to work on related issues of procuracy (prosecutor) reform, better prosecution of narcotics crimes, money laundering, writing a new criminal procedure code, provision of training and equipment for Georgia's forensics laboratories, building new facilities for law enforcement units and providing training at the police academy, and providing training in fighting human trafficking, all of which will strengthen institutions and measures needed to reduce the transit and use of narcotics. Training and equipment donation programs for Border Police and Customs officers continued and focused on the identification and detention of violators and criminals at the border; the detection of stolen vehicles; the targeting and inspection of high risk conveyances, cargo, and travelers; contraband detection; and revenue collection. The U.S. Coast Guard provided training to Georgian officials in maritime law enforcement, use of the Incident Command System, and professional military education.

**The Road Ahead.** The effect of the August 2008 conflict with Russia on the drug situation in Georgia is not fully known due to a lack of information about smuggling and drug flow in and out of the separatist territories of Abkhazia and South Ossetia. Increased funding for demand reduction and treatment activities three years in a row demonstrates the GOG commitment to fighting the domestic effects of drug

addiction. The USG will use new funding to bolster GOG interdiction efforts, through training and equipment, and will also support efforts to expand local capacity for drug treatment.

# Germany

## I. Summary

Germany is a consumer and transit country for narcotics. The German government actively combats drug-related crimes and places particular emphasis on prevention programs and assistance to victims of drug abuse. Germany continues to implement its Action Plan on Drugs and Addiction, which it launched in 2003 with a specific focus on prevention. Cannabis remains the most commonly-consumed illicit drug in Germany. Ecstasy moves from the Netherlands to and through Germany to Eastern and Southern Europe. Heroin is trafficked to Germany from Turkey via the Balkan states, as well as from Austria and Italy. Cocaine moves through Germany from South America and the Netherlands. The vast majority of amphetamines and methamphetamines seized in Germany originated in the Netherlands. Organized crime continues 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 issues cover calendar year 2008. German government cooperation with U.S. law enforcement agencies continues to be exemplary. 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, but the number of seizures of small scale methamphetamine-kitchen-laboratories increased in 2008. Germany's location at the center of Europe and its well-developed infrastructure make it a major transit hub. In 2008, organized criminal groups (mostly Turkish and German groups) continued to expand their involvement in narcotics trafficking compared to 2007. Germany is a major manufacturer of pharmaceuticals, making it a potential source of precursor chemicals used in the production of illicit narcotics, although current precursor chemical control in Germany is excellent.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Germany continues to implement its "Action Plan on Drugs and Addiction" adopted by the Federal 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 implements the EU Drugs Strategy 2005-2012 and its Action Plans. The National Inter-agency Drug and Addiction Council, composed of Federal and State government officials, as well as civil society organizations, was established in 2004 to advise the government on implementing measures against drugs and addiction. The government continued its demand reduction efforts, particularly focusing on cannabis consumption and offering a variety of treatment prevention programs. Germany is actively involved in a large variety of bilateral cooperative arrangements, European, and international counternarcotics fora. Germany is an active participant in the European "Horizontal Group on Drugs," the European Monitoring Center for Drugs and Drug Addiction, and narcotics-related units within the Council of Europe and the United Nations. Germany also sponsors counternarcotics development programs in numerous countries.

In January 2009 fast-track legislation entered into force, banning the unregulated sale, production, and possession of the synthetic marijuana-like drug known as "Spice" and comparable products containing the potentially-harmful chemicals CP-47, 497 and JWH-018 , which have very similar effects to THC, the natural psychoactive substance in cannabis, but are stronger. Spice had enjoyed increasing popularity among young people in Germany, where it was sold as a natural herbal mixture.

In a break with prior precedent, the Federal Court of Justice in December 2008 lowered the methamphetamine threshold for a "not insignificant amount," which triggers a higher statutory minimum sentence in the Narcotics Act for methamphetamine possession, trade, and import from 30 mg to 5 mg (methamphetamine base).

**Law Enforcement Efforts.** Counternarcotics law enforcement remains a high priority for the Federal Office of Criminal Investigation (BKA) and the Federal Office of Customs Investigation (ZKA). German federal and state law enforcement agencies scored numerous successes in seizing illicit narcotics and arresting suspected drug dealers.

German, French, and Swiss police and customs authorities conducted a combined counternarcotics operation from October 12-25. Authorities conducted intensified checks and screened 7,310 individuals on 467 trains and 50 vehicles in the tri-border area. In the course of the investigations, narcotics, weapons, and quantities of ammunition were seized and 576,290 Euros in undeclared cash were recorded. Fourteen individuals were arrested on outstanding arrest warrants and investigations of 40 individuals were opened.

In January 2009, after months of investigation, Hamburg police (LKA) arrested six men, including two from the Netherlands, and seized 205 kilograms of cannabis and 620,000 Euros in cash.

Bavarian police seized 205 kilograms of marijuana in September 2009, valued at 1.5 million Euros.

Two significant seizures of cocaine were made at German inland destinations in 2009 after the drugs were delivered in error to non-complicit/host consignees in containers that transited the Port of Antwerp.

In the first instance in March, a clerk at a supermarket in Illertissen/Memmingen (Bavaria) contacted police regarding the discovery of yellow packages commingled within boxes of fresh bananas. Investigation revealed that 26 packages carrying over 28 kilograms of cocaine were hidden within two boxes of the legitimate consignment. The boxes were part of a shipment from three pallets of bananas that were delivered to numerous stores of the supermarket chain in Bavaria and Baden-Wuerttemberg. The investigation revealed that the banana shipment originated in Colombia and transited the Port of Antwerp.

In the second case in June, a consignee located in Altenkirchen/Westerwald (Rhineland-Palatinate) alerted police to the discovery of eight sport bags carrying a total of 200 kilograms cocaine. The contraband was found in a container of legitimate merchandise that arrived from Honduras via the Port of Antwerp before moving overland by truck to Germany. This seizure constitutes the largest isolated interdiction of cocaine ever by authorities in Rhineland-Palatinate.

In 2008, the latest year for which statistics are available, the number of heroin seizures remained approximately the same compared to 2007, but the amount seized decreased by 53 percent (to 503 kilograms). The number of cocaine seizures decreased in 2008 by 6 percent compared to 2007, and seized amounts decreased by 43 percent. Amphetamine and methamphetamine seizures increased by 10 percent, with 56 percent higher quantities in 2008. The amounts of Ecstasy seized continued to decrease in 2008. The amount of seized cannabis increased by 122 percent in 2008, compared to 2007. The largest single seizures of both hashish and marijuana in eight years occurred in 2008, with a single seizure of 4,000 kilograms of hashish and a single seizure of marijuana of 5,470 kilograms. Overall in 2008, 29.5 tons of the drug khat were seized, compared to 13.5 in 2007. The majority of narcotics traffickers are German nationals, followed by Turkish nationals. Illicit seizures at sea comprise a small proportion of overall narcotic drug seizures. However, the German ports of Hamburg and Bremerhaven seem to have strategic significance in the development of smuggling routes between South American source countries and the Baltic Sea region, as maritime traffic routes converge at these transshipment ports.

In March, German customs investigators in Hamburg issued a press release reporting the seizure of 5.5 metric tons of marijuana at the Port of Hamburg in December 2008 and its subsequent controlled delivery to the United Kingdom. The marijuana, along with 18 kilograms of hashish oil, was concealed in a

container of fresh pineapples arriving from Ghana. The drugs, with an estimated street value of 28 million Euros, were consigned to an Indian-national in Darmstadt, who was arrested following the conclusion of enforcement actions in the U.K. This is the largest seizure of marijuana in Hamburg in 15 years and constitutes a significant anomaly from traditional smuggling attempts to or transiting Northern Germany involving African-origin marijuana, which primarily transits the Morocco/Spain corridor or via the Netherlands.

**Corruption.** As a matter of government policy, Germany 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. No cases of official corruption by senior officials 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. A bilateral Mutual Legal Assistance Treaty in Criminal Matters (MLAT) entered into force on October 18, 2009. All 27 EU member states, including Germany, have signed and ratified bilateral protocols with the United States that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The United States has ratified all of these protocols, including the protocols with Germany. The mutual legal assistance protocol with Germany entered into force, along with the MLAT, on October 18, 2009. The extradition protocol will enter into force on February 1, 2010. 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 ratified the UN Convention against Transnational Organized Crime on June 14, 2006. 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. However, officials assess that the cultivation of cannabis in both outdoor and so-called indoor hydroponic plantations increased in 2008. The BKA statistics reported seizure of 25 synthetic drug labs in Germany in 2008. All of these laboratories had production capacities sufficient to satisfy the operators' personal requirements or to supply a limited local circle of buyers.

**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 (in particular over Brazil, Peru, and Argentina) frequently via the Netherlands to Germany for domestic use, as well as through Germany to other European countries such as Spain and the U.K Heroin is smuggled frequently from the Netherlands to Germany, but the larger seizures of heroin in Germany originated from Turkey and moved to Germany via the Balkan Route. Cannabis is trafficked to Germany mainly from the Netherlands, but smaller amounts were trafficked through Belgium and France. Smaller amounts of cannabis (but with a higher frequency) were also smuggled from Switzerland and Austria to Germany. Amphetamines are trafficked mainly from the Netherlands, but also in lesser quantities from Poland and Belgium.

**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. Germany sees substitution therapy as an important pillar in the treatment of opiate addicts. Approximately 72,200 patients undergo substitution therapy in Germany, the most widely used medication being methadone, with an increased use of buprenorphine and levomethadone in recent years.

On July 21, 2009 the law on diamorphine-based substitution treatment entered into force, which sets the legal requirements for prescribing diamorphine. The Narcotics Act, Narcotics Prescription Ordinance and the Pharmaceuticals Act were amended accordingly. They now lay out strict requirements on diamorphine use for a small group of the most seriously-addicted persons. Diamorphine may only be used as a replacement drug during therapy if the patient has been an addict for at least five years, and has unsuccessfully completed two therapies, and is at least 23 years old. Diamorphine (heroin replacement) therapy may only be carried out in institutions that fulfill special requirements and have the permission of a competent state authority. The diamorphine substances may only be delivered directly from the pharmaceutical supplier to the respective treatment facility. Diamorphine treatment is expected to begin in 2010. The government's goal remains to reduce drug-related deaths.

In 2008, there were approximately 26 medically-controlled "drug consumption rooms" in 16 cities in Germany. German federal law requires that personnel at these sites provide medical counseling and other professional help. Evaluations of these programs are conducted regularly.

Although drug-related deaths have been decreasing for several years, in 2008 they increased to 1,449 deaths—a 3.9 percent increase compared to 2007. 19,203 hard drug users who came to police notice for the first-time were registered in 2008, an increase by 3.0 percent compared to 2007. First-time use of methamphetamines (-22 percent), crack (-30 percent) and heroin (- 6 percent) decreased significantly in 2008, while the first-time use of amphetamines (+ 9 percent), LSD (+9 percent) and Ecstasy (+7 percent) 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, DHS ICE (Immigration and Customs Enforcement), DHS CBP (Customs and Border Protection) 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. Operation Crystal Flow and Operation Prism). A DEA Diversion Investigator was 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. law enforcement agencies. The BKA and DEA also participate in exchange programs to compare samples of cocaine and MDMA (Ecstasy) pills DHS CBP in cooperation with German authorities have implemented two Container Security Initiative (CSI) ports in Hamburg and Bremerhaven where DHS officials work with local German authorities to identify maritime cargo containers destined for shipment to the U.S. that may pose a threat to national security. The CSI locations are supported by a fulltime ICE Agent. The CSI expansive targeting activities can also identify and track containers used in transnational shipping of high risk cargo in support of global maritime security. Members of the German Navy received maritime law enforcement training from the U. S. Coast Guard.

**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).

# Ghana

## I. Summary

President John Atta Mills stated during his first year in office that he is resolved to stop people from using Ghana as a narcotics transit corridor and will vigorously fight for the total eradication of hard drugs in the country. In coordination with the U.S. and foreign law enforcement counterparts, Ghanaian law enforcement increased its seizures of cocaine and heroin transiting the country during 2009. In the first six months of 2009, the Narcotics Control Board (NACOB) seized 22 per cent more cannabis and 89 per cent more cocaine than in all of 2008, and over two kilograms of heroin during the same period compared to no heroin seizures in 2008.

However, corruption and a lack of resources continue to seriously impede interdiction efforts. While law enforcement authorities arrested low level narcotics traffickers, Ghana has had less success pursuing the so-called drug barons. Ghana-U.S. law enforcement cooperation was strong in 2009, and the Drug Enforcement Administration (DEA) opened an office in Accra in January. Interagency coordination among Ghanaian law enforcement entities remains a challenge. Ghana is a party to the 1988 UN Drug Convention.

## II. Status of Country

Ghana is a significant transshipment point for illegal drugs, particularly cocaine from South America, as well as heroin from Afghanistan. Europe is the major destination, but drugs also flow to South Africa and to North America. Accra's Kotoka International Airport (KIA) is a focus for traffickers. Ports at Tema, Sekondi, and Takoradi are also used, and border posts at Aflao (Togo) and Elubo and Sampa (Cote d'Ivoire) have seen significant drug trafficking activity. Gangs trafficking South American cocaine have increased their foothold in Ghana, establishing well-developed distribution networks run by Nigerian and Ghanaian criminals. Ghana's interest in attracting investment provides good cover for foreign drug barons to enter the country under the guise of doing legitimate business. However, South American traffickers limit their personal involvement in Ghana by relying on local partners, thus insulating themselves from possible arrest by local authorities.

NACOB has responsibility for leading counternarcotics activities in Ghana, and a new NACOB executive secretary, who served as a minister in a previous National Democratic Congress (NDC) government, was appointed in July, 2009.

Trafficking has also fueled increasing domestic drug consumption. Cannabis use is increasing as is the local cultivation of cannabis. Law enforcement officials have repeatedly raised concerns that narcotics rings are growing in size, strength, organization and capacity for violence. Diversion of precursor chemicals is not a major problem.

As of late October, Police and NACOB report that one kilogram of cocaine had an estimated cost in Ghana of approximately $25,000, and crack cocaine sold for $30 per gram. Heroin sold for about $15,000 per kilogram. One kilogram of cannabis sold for about $5,000, and a single joint of cannabis sold for about 30 cents.

## III. Country Action Against Drugs in 2009

**Policy Initiatives.** There are two primary agencies in Ghana with counternarcotics law enforcement roles: the NACOB and the Organized Crime Units within the Ghana Police Service's Criminal Investigative Division (CID). The Bureau of National Investigation (BNI) and Defense Intelligence are also involved, both with a focus on intelligence and investigations. The Customs, Excise and Prevention Service

(CEPS), located in the Finance Ministry, also has a role in interdiction, as do (in varying degrees) the Immigration Service and the Ghana Navy. Representatives of the various agencies meet regularly, but the overall level of coordination and intelligence sharing between them remains limited.

NACOB coordinates government counternarcotics efforts. These activities include enforcement and control, education, prevention, treatment, rehabilitation, and social reintegration. In 2007, NACOB initiated a three-year plan, which focuses on strengthening operational capacity, promoting awareness, and decentralizing NACOB's operations. Through the decentralization plan, NACOB has stationed officers in major cities and border posts. NACOB officers are assigned to the cities of Kumasi, Takoradi, and Tamale. NACOB has also created an office at the border post in Aflao (Togo-Ghana border), and posted one officer in the Eastern Region capitol of Koforidua. Currently, NACOB has 173 staff plus an additional 13 regular police officers on temporary appointment. Twelve staff are located in the five regional offices.

**Law Enforcement Efforts.** In 2009, Ghanaian law enforcement agencies conducted joint police-NACOB operations against narcotics cultivators, traffickers and abusers. With a change in government in January 2009, the old NACOB governing board dissolved and a new board was put in place. It was inaugurated in August 2009. The Executive Secretary was named in July. He replaced an acting secretary who had served as head of NACOB for the preceding eight years.

NACOB works with DHL, UPS, Ghana Post and Federal Express to intercept parcels containing narcotics. The NACOB also works with a team from the United Kingdom's Revenue and Customs Service, which is based in Accra, and Ghana Customs, Excise and Preventive Service (C.E.P.S.). The team assists NACOB with interdiction work at Kotoka International Airport and has had some success in arresting mostly small time smugglers and deterring some—but not all—narcotics shipments through the airport. A program in cooperation with the United Nations now searches cargo containers at the Port of Tema for contraband, including narcotics. NACOB also has officials at the cargo facility at Kotoka International Airport for profiling import and export shipments.

British Government narcotics officers oversee "Operation Westbridge", a program deploying experienced U.K. customs officers, and making use of USG supplied ion scan detection equipment at the Accra airport. The program trained Ghanaian customs officers on the use of the equipment, profiling, targeting, and intelligence-gathering and other security techniques.

NACOB reported that from January to June 2009, 30 passengers were arrested at the Accra airport and 62 kilograms of cocaine and two kilograms of heroin were seized compared to almost 33 kilograms of cocaine and no heroin seized in 2008. Over 1.7 kilograms of cannabis was seized in the first nine months of 2009 compared to 1.4 kilograms of cannabis in all of 2008.

- In January, Togolese law enforcement apprehended a suspected South American member of the Cali Cartel who had been indicted in the U.S. With the assistance of Ghanaian border officials, this individual was transported to Ghana, transferred to U.S. custody in Accra, and extradited to the United States to face charges.
- In March, Ghana deported a suspected South American drugs trafficker to the U.S. to stand trial on narcotics charges.
- On March 13, a passenger was arrested at the Accra airport with 3.5 kilograms of heroin.
- On March 28, the Ghanaian Customs and Excise Preventive Service (CEPS) at the Accra airport randomly selected a passenger for a secondary search and found $1 million in his baggage.
- On May 19, the Joint Port Control Unit comprised of Agents from the Narcotics Control Board (NACOB) and personnel from the Ghana Ports Authority and Customs, Excise

and Preventive Service (CEPS), seized 71.4 kilograms of cocaine from a container at the Port of Tema manifested to contain chewing gum from Ecuador. Six suspects were subsequently arrested, including the importer and clearing agent, and they have been remanded into custody.

- From May 29 through June 16, five couriers were arrested trying to board the same airline and cocaine was seized from each. Four Nigerian couriers originated in Lima, Peru, transited Sao Paulo, Dubai, and Accra, destined for Abidjan, Cote D'Ivoire. The fifth courier, a Malian, originated in Quito, followed the same route, and was allowed to continue to Cote D'Ivoire where he was arrested.
- The alleged cell head of a Colombian based drug trafficking organization responsible for shipping multi ton loads of cocaine from Venezuela into West Africa for distribution into Europe and the United States was arrested in Togo in September of 2008. The organization utilized corrupt government officials to assist in their operation. With the assistance of Ghanaian border officials, the suspect was transported on June 19 from the Ghana-Togo boarder to the airport in Accra where he was taken into custody by U.S. agents and returned to the United States.
- On July 6, NACOB agents interviewed a passenger at the Accra airport while he was waiting to board a flight to Europe. The passenger exhibited behavior suggestive of a "swallower" of drugs, and NACOB agents asked him to take a urinalysis test, which resulted in a positive indication for drugs. The passenger admitted swallowing 70 pellets of heroin and was arrested.
- On September 1, the M/V St. Efrem arrived at the Port of Tema and was met by port authorities who seized 154 kilograms of cocaine. The crew of the vessel and shipping agent for the cargo were arrested.
- On September 7, NACOB agents detained a suspect who exhibited behavior suggestive of a drug trafficker while he was waiting to board a flight to Frankfurt, Germany. A search of his luggage revealed approximately five kilograms of a white powdery substance, which was concealed within four tube-like containers originally used for transporting yams. The substance field tested positive for cocaine.
- On September 9, NACOB agents apprehended one male and two female couriers who were scheduled to board a flight to New York. Two couriers were wearing shoes with the soles altered and that contained a substance, which tested positive for heroin. The male suspect also concealed heroin in the form of pellets inside his underwear, and the two women were found to have secreted quantities of heroin internally.
- On September 27, a heroin courier was arrested at the Accra airport before boarding a flight to New York. His shoes were modified to secret a quantity of heroin in the soles. An additional 70 capsules of heroin were found around the courier's waist, and he had swallowed an additional 30 capsules.
- On December 16, 2009 three alleged members of Al-Qaeda in the Islamic Maghreb (AQIM), were expelled from Ghana and put into custody of DEA agents in Accra, who transported the suspects to the United States. The three are being charged with narcotics terrorism conspiracy and conspiracy to provide material support to a foreign terrorist organization.
- CID reported an additional 27 cases involving 42 persons arrested with about 25 kilograms of cannabis.

Several parcels containing suspected cannabis were seized in various post offices; however, no suspects were arrested since the addresses were fictitious, and the parcels were often not delivered to the service counter, but rather placed in a drop box.

Courts convicted 13 individuals in 2009 based on arrests made in 2008, and one person was convicted in 2009. One person was acquitted and discharged, and one person died. Twenty-three narcotics-related cases are pending before the courts.

The apparent lack of a centralized system for collecting statistics makes it difficult to ensure accurate numbers or to prevent double counting.

The Ghana Police Service, NACOB, Navy, and other Government of Ghana law enforcement organizations are under resourced, both in terms of staff and equipment. Officials in all of the agencies state a need for additional staff training. NACOB officials have said that their status as a sub-agency within the Ministry of Interior creates constraints on their ability to operate with other GOG agencies. Limited intelligence sharing between agencies is also an issue.

NACOB and other law enforcement agencies cooperate with U.S. and other foreign law enforcement agencies. Several diplomatic missions in Ghana have law enforcement or related staff, including the Netherlands, Germany, France and the United Kingdom.

**Corruption.** Ghana does not, as a matter of official government policy, 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. Regardless, corruption is pervasive in Ghana's law enforcement community, including sections of the police and the NACOB. Despite the regular arrests of suspected narcotics traffickers, Ghana has a low rate of conviction, which many officials believe is likely due to corruption within the judicial system. The lack of apparent success in targeting drug barons or even middle level traffickers may result from a combination of a lack of political will, resources, and investigative competency.

Petty corruption in the police force is widespread. A 2005 study by the Commonwealth Human Rights Initiative found that over 90 percent of Ghanaians reported being asked to pay a bribe to a police officer, sometimes to receive police services, such as to submit an accident report.

In January 2008, approximately twelve kilograms of narcotics were replaced with cornstarch while the narcotics were stored in the police evidence room. The officer in charge of the storage facility was arrested. The former president of Ghana appointed a commission to investigate the theft, which reported its findings in April 2008. The President left office in January 2009 without making public the commission's findings, and the new administration appointed a new head of CID in early 2009. As of late 2009, CID officials said they had not been given any information on the theft, which remains unsolved.

**Agreements and Treaties.** Ghana 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. U.S.-Ghana extradition relations are governed by the 1931 U.S.-U.K. Extradition Treaty. In 2009, there was great cooperation. Ghana extradited a drug trafficker to the U.S. and the U.S. extradited a fugitive to Ghana. In addition, Ghana allowed the transit of a fugitive who was deported from Togo to the United States. In 2003, Ghana signed a bilateral Customs Mutual Assistance Agreement with the United States. In July 2006, Ghana ratified both the UN Convention against Corruption and the African Union Convention on Preventing and Combating Corruption.

**Cultivation and Production.** Cannabis (also known as Indian hemp in Ghana) is widely cultivated in rural farmlands. The Volta, Brong-Ahafo, Eastern, Western, and Ashanti regions are principal growing areas. Most cannabis is consumed locally; some is trafficked to neighboring and European countries. Cannabis is usually harvested in September and October, and law enforcement teams increase their surveillance and investigation efforts at these times. A pilot scheme begun in 2003 to provide cannabis

farmers with alternative cash crops was discontinued in 2008. NACOB officials said that the scheme was not sustainable and that some farmers were continuing to grow cannabis despite receiving the incentives not to. In 2009, Ghanaian police arrested over two dozen people for possession of cannabis. Most of those arrested were in possession of only a few ounces of the drug. Reported seizures of cannabis in Ghana are much less than in other African countries where illicit cannabis is cultivated.

**Drug Flow/Transit.** Cocaine and heroin are the main drugs that transit Ghana. Cocaine is sourced mainly from South America and is destined for Europe, while Afghan heroin comes mainly by way of Southwest Asia on its way to Europe and North America. Cannabis is shipped primarily to Europe, specifically to the United Kingdom. Law enforcement officials report that traffickers are increasingly exploiting Ghana's relatively unguarded and porous maritime border, offloading large shipments at sea onto small fishing vessels, which carry the drugs to shore undetected. Some narcotics enter Ghana from other locations in West Africa, particularly nations closer, in terms of air miles, to South America. Narcotics are often repackaged in Ghana for reshipment, hidden in shipping containers or secreted in air cargo. Large shipments are also often broken up into small amounts to be hidden on individuals traveling by passenger aircraft. The most common individual concealment methods utilize false bottom suitcases or body cavity concealment. Arrests in 2009 revealed a variety of creative concealment methods for drugs, including inside specially designed male and female underwear, the soles of sneakers, hollowed out yams, a consignment of sugar and handcrafted drums bound for Europe.

There is no direct evidence that drugs transiting Ghana contribute significantly to the supply of drugs to the U.S. market. However, there are indications that direct shipments to the United States—particularly of heroin—are on the rise, fueled by an increase in shipments of heroin to Ghana from Pakistan and Afghanistan beginning in 2006.

Police officials report that crime groups move into drug trafficking from other crimes, such as internet crime or financial fraud. The police report that Nigerians living in Ghana are behind some of these groups. Consequently, individuals entering Ghana for business and who apply for a visa upon arrival are kept at the airport until the Ghanaian business partner can go to the airport and vouch for the applicant to the satisfaction of the Ghanaian immigration authorities. This procedure is specifically aimed at deterring Nigerians from entering the country for illegal purposes.

Air links from Accra to the U.S. are a factor in the transshipment of relatively small amounts of narcotics to the United States. Multiple carriers provide connecting flights to the U.S. via Europe, but only one American flag carrier offers non-stop service between Ghana and the United States.

Currently nine U.S. citizens are incarcerated in Ghana on narcotics trafficking charges. Four are serving a sentence; five are awaiting trial. All are incarcerated at the Nsawam medium security prison. Four were arrested during 2009, all at the Accra airport.

Despite the attention given to the use of air travel for drug transshipment, a primary problem remains Ghana's long, generally unpatrolled coastline where a very high share of the drugs in transit enter Ghana. The Ghana Navy has responsibility for maritime security—the NACOB and police, for example, do not have any maritime capacity. According to the Ghana Armed Forces Intelligence Section, the Navy does carry law enforcement detachments on patrols, if it anticipates the possibility of arrests.

**Domestic Programs/Demand Reduction.** NACOB works with schools, professional training institutions, churches, local governments, and the general public to reduce local drug consumption and heighten citizens' awareness of the fight against narcotics and traffickers. The Ministries of Health and Education further coordinate their efforts through their representatives on the Board. Board Members and staff frequently host public lectures, participate in radio discussion programs, encourage newspaper articles on the dangers of drug abuse and trafficking, and broadcast TV programs to explain narcotics' effects on the human body, individual users and society. These programs are broadcast on state television in local languages.

The Government of Ghana, with UK assistance, launched Operation Hibiscus in late 2008 to spread awareness about the dangers of transporting narcotics. This program, which features a cartoon character, is used in print and on television. The program describes the unfortunate consequences for the Ghanaian family of a woman arrested trying to enter the UK carrying drugs. Large billboards alerting passengers to the consequences of smuggling drugs line the major road leading to the Accra airport.

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

**Bilateral Cooperation.** The USG's counternarcotics and anticrime goals in Ghana are to strengthen Ghanaian law enforcement capacity generally, to improve interdiction capacities, to enhance NACOB's capacity, and to reduce Ghana's role as a transit point for narcotics. In 2009 the U.S. supported Ghana's counternarcotics efforts and made plans for additional support in future years. AFRICOM has provided approximately $500,000 toward construction of an evidence storage and training facility at CID headquarters in Accra, which is scheduled to be operational by the end of 2009. The facility has been designed specifically to store drugs collected as evidence in pending court cases.

AFRICOM has contracted to construct a security room at the airport to house a State Department funded body scanner to detect drugs ingested by passengers and other contraband concealed on or in a person's body.

State Department narcotics assistance and other funds have been used in Ghana to support training and equipment for law enforcement agencies. The Bureau of International Narcotics and Law Enforcement (INL) has provided over $333,000 to fund an embedded prosecutor in the Ghanaian Ministry of Justice. The prosecutor will work with local prosecutors to improve Ghana's capacity to investigate and prosecute organized criminal activity and to enforce its laws against narcotics trafficking.

In January 2009, DEA opened an office in Accra. A DEA presence in Accra allows for regular liaison with Ghanaian law enforcement officials. The office also provides support for counternarcotics efforts in West Africa. INL also provided almost $500,000 in FY2009 for funding additional counternarcotics projects. The funding is to support the U.S. embedded legal advisor, as well as investigation and interdiction training for police. The funding is to support the U.S. embedded legal advisor, as training for police. U.S. Customs and Border Protection (CBP) continues to provide technical assistance to Ghana Customs, Excise and Preventive Service (C.E.P.S.) to further the implementation of the World Customs Organization (WCO) Framework of Standards. As part of this assistance, in October 2009, CBP presented a Narcotic Drug Test Kit Course for C.E.P.S. and Narcotic Control Board Officers with the assistance of the U.S. Embassy-Accra Regional Security Office. The course demonstrated correct handling of suspect drugs and testing procedures.

**The Road Ahead.** Ghana's own funding for NACOB and law enforcement agencies remains insufficient. Unless the government remedies this situation and provides adequate resources to combat narcotics trafficking, little progress will be made quickly, and none sustained over the long term. Progress requires strong and sustained political will and continued international assistance for Ghana to confront these difficult issues.

NACOB officers and law enforcement in general are frequently poorly trained. Ghana is a regular participant in International Law Enforcement Agency (ILEA) courses in Gaborone. Additional narcotics training courses are planned for CY 2010.

The U.S. government will press Ghana to increase the resources and capabilities of those fighting illegal narcotics, money laundering and other international crimes.

# 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 Greek counterparts suggest that a dramatic rise has occurred in the number and size of drug trafficking organizations operating in Greece.

During 2009, the DEA and Hellenic authorities conducted numerous counternarcotics investigations, which resulted in significant arrests, narcotics seizures, and the dismantling of drug trafficking organizations. The Greek court system and the Ministry of Justice continued to lack databases for the case management and tracking of convictions and sentences for traffickers. Greece is a party to the 1988 UN Drug Convention.

## II. Status of Country

With an extensive coastline, numerous islands, and land borders with other drug transit countries, Greece's geography makes it a favored drug transshipment country on the route to Western Europe. Greece is also home to the world's largest merchant marine fleet. While many of these vessels fly flags of convenience, 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 drug producing country. However, in recent years, Greek authorities have noted a rise in marijuana production. Some of the Greece-based organizations involved in marijuana production have exported large quantities of the drug to countries in Western Europe, such as Holland. Greek authorities estimate that annual production of the drug, most of which is exported, appears to be well over 80 tons. Crete, Arcadia, Messinia, Ileia, and Laconia are the top production regions, while only Arta and Grevena appear to have completely clean records. Only 10-20 percent of the domestically grown marijuana is believed to be consumed locally. Marijuana for local consumption is also imported from Albania.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Greece participates in the Southeast European Cooperative Initiative's (SECI) anticrime initiative and in a specialized counternarcotics task force at the regional Anti-Crime Center in Bucharest. 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./Greek counternarcotics investigations occurred during 2009 which resulted in significant arrests and seizures. Drug trafficking organizations in the Balkan region, including Greece, usually transport Afghan heroin from the Middle East and Turkey to Western Europe. Recent investigations and trends indicate more frequent and larger cocaine seizures made by Greek authorities. In recent years Greek counternarcotics authorities have had increasing success tackling leadership elements in major drug trafficking organizations.

In October 2009, after domestic elections and a change of government, Greek authorities reorganized their law enforcement ministries, creating the new Ministry of Citizen's Protection (MCP). The MCP gained oversight over the Hellenic Police and Hellenic Coast Guard and all related counternarcotics divisions. While the narcotics police do not have dedicated seaborne units, the Hellenic Coast Guard has its own drug unit for maritime interdiction. Specialized financial units work with customs authorities for interdiction at ports.

In late December 2008, the DEA Athens Country Office received intelligence regarding a container scheduled to arrive in Greece from Colombia carrying a large quantity of cocaine concealed in a shipment of lumber. The intelligence received indicated that this method was highly sophisticated and the cocaine would be undetectable to both trained canines and scanning equipment. This information was passed to the Greek authorities and in early January 2009 they identified the container and found inside eight pallets of plywood totaling six hundred pieces. Greek authorities scanned the plywood, using five trained drug odor-detecting canines, but none of the canines detected the presence of cocaine. After conducting a more detailed search, Greek authorities discovered four pieces of wood containing 70 kilograms of cocaine divided into 285 packages.

On January 29, 2009, Hellenic police in Athens raided a cocaine lab and arrested one person of Uzbek nationality and one Greek. Greek authorities seized 2.95 kilograms of cocaine, 0.7 kilograms of unprocessed marijuana, and 9.5 kilograms of white powder used to "cut" the cocaine.

In early February 2009, Greek authorities made two separate heroin seizures at the Greece-Turkey border crossing at Kipoi. In the first case, authorities arrested two Bulgarian nationals and seized 57.8 kilograms of heroin. In the other case, authorities arrested an Italian national and seized 38 kilograms of heroin. In both cases the heroin was hidden in a vehicle attempting to enter Greece from Turkey.

In February 2009, Greek authorities completed a two-month investigation resulting in the dismantling of a family-operated hashish trafficking organization operating in Greece. The organization imported hashish from Albania. At the conclusion of the investigation, authorities arrested eight individuals and seized 160.5 kilograms of hashish and 437455 Euro ($656,000) in cash.

On July 6, 2009, the Hellenic Police announced that they had dismantled two drug trafficking rings and arrested eight foreign nationals. During its initial raid on this DTO, police seized 5.635 kilograms of heroin and 140 grams of cocaine. Police also raided a heroin laboratory and discovered an arms cache with multiple rifles and 5 kilograms of explosives.

In July 2009, DEA Athens provided intelligence to the Hellenic Special Control Services (YPEE) on five containers loaded with scrap metal and shipped from Bolivia. YPEE x-rayed the containers, revealing suspect metal boxes inside. Greek authorities discovered a total of eight boxes, constructed of heavy seal and with all openings welded shut. These boxes contained 457 kilograms of cocaine, divided into 400 packages.

In August 2009, Greek authorities arrested five individuals transporting marijuana in the eastern outskirts of Athens. The marijuana came from Albania and was brought into Greece via the island of Corfu.

While Greek law enforcement authorities achieved successes in making seizures and arrests, the Greek court system and the Ministry of Justice continued to lack databases to track convictions and sentences for traffickers. This lack of information management capacity also hindered the ability of law enforcement authorities to manage and complete complex, long-term investigations in narcotics trafficking.

**Corruption.** As a matter of government policy, Greece neither encourages nor facilitates the illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances or the laundering of proceeds from illegal drug transactions. However, officers and representatives of Greece's law enforcement agencies are generally under-trained and underpaid. Thus, corruption in law enforcement is a problem. In November 2007, corrupt law enforcement officers and politicians were involved with a

large-scale, international drug trafficking organization that was producing multi-ton quantities of marijuana on the island of Crete. Subsequent investigation revealed that this organization had exported large quantities of marijuana to Holland for many years. In September 2008, a former Minister and personal aide of the Prime Minister was convicted and given a 12-month suspended prison sentence for intervening on behalf of a constituent who was growing cannabis.

**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 bilateral mutual legal assistance treaty and an extradition treaty between the U.S. and Greece are in force. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will. enter into force on February 1, 2010.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 ratified the UN Convention against Corruption in September 2008; Greece has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime.

**Cultivation/Production.** Marijuana is the only illicit drug produced in Greece. In November 2007, Greek authorities dismantled a large-scale, international drug trafficking organization that was producing marijuana on the island of Crete. Documents found by Greek authorities indicate that the organization had been supplying ton quantities of marijuana to countries in Western Europe for many years.

Greek authorities continued to discover marijuana cultivation areas throughout 2009. In March, police arrested a marijuana grower in Iraklion, Crete. In July, police destroyed 39 cannabis plants in Messenia, in southern Greece. During the same month, police in Athens destroyed 885 plants fed by an automatic spring irrigation system. Police in Chania, Crete announced in July that they had confiscated 1,493 cannabis plants and 11 kilograms of unprocessed marijuana since the beginning of 2009.

**Drug Flow/Transit.** Greece is part of the "Balkan Route" and as such is a transshipment country for Afghan heroin, and marijuana coming predominantly from the Middle East and Africa. 2007 statistics, released in 2008, indicate that one ton of heroin transited the city of Thessaloniki—only 10 percent of which was confiscated by police. In addition, metric-ton quantities of marijuana and smaller quantities of other drugs (principally synthetic drugs) are trafficked into Greece from Albania, Bulgaria, and the Republic of Macedonia. Hashish is offloaded 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 Transport International Routier ("TIR") trucks, in automobiles, on trains, and in buses. Some Afghan heroin is smuggled into the United States by way of Greece, but there is no evidence that significant amounts of narcotics are entering the United States from Greece.

**Domestic Programs/Demand Reduction.** Drug addiction problems continued to increase in Greece. According to 2006 statistics (Latest available) from the National Documentation Center for Narcotics and Addiction, run by the Mental Health Research Institute of the Medical School of the University of Athens, 19.4 percent of the Greek population between 12 and 64 years of age reported that they experimented or used an illegal substance at least once. The most commonly used substances were chemical solvents, marijuana, and heroin. There was a surge in the illegal use of tranquilizers and, to a lesser extent, Ecstasy pills, reflecting growth in the European synthetic drug market. The government of Greece estimated that there were between 20,000 and 30,000 addicts in Greece and that the addict population was growing; approximately 20,000 individuals were addicted to heroin, and 9,500 of this population used injected heroin. Recent enforcement trends indicated 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.

Media reported in March 2009 that the Ministry of Justice and universities in Thessaloniki faced serious problems testing the urine and blood samples of detainees claiming to be drug addicts, leading to delays in trials. According to the reports, Thessaloniki police also experienced trouble storing samples.

Demand reduction programs in Greece are typically government-supported; few drug prevention and treatment programs with independent or private funding exist. The DEA regularly conducts Demand Reduction Seminars for parents and students attending local and international elementary and high schools throughout Greece.

The Organization against Narcotics (OKANA) is a government-supported agency that coordinates the prevention, treatment and rehabilitation of drug addiction in Greece. Besides OKANA, other officially supported drug treatment organizations include the Therapy Center for Dependent Individuals (KETHEA), the "18 Ano" Detoxification Unit of the Psychiatric Hospital of Attika, the Psychiatric Hospital of Thessaloniki, the Psychiatric Clinic of the University of Athens, and other public hospitals in Greece which run joint programs with OKANA. OKANA operates 71 prevention centers, 57 therapeutic rehabilitation centers (33 of which offer "drug free" programs), and 24 drug addiction substitution centers, offering methadone and buprenorphine. In 2006, 4,847 drug addicts were treated (a 14 percent increase over 2005), and while 3,250 individuals were treated in drug substitution programs, as of May 2007 the waiting list was 4,000 persons. OKANA extended its programs to new regions in 2007 and 2008 despite strong local reactions against the establishment of treatment centers.

KETHEA operates 90 centers throughout Greece offering prevention, support, and drug awareness programs, as well as social rehabilitation, therapeutic communities in jails, street work programs, training, and a hot line. KETHEA reported offering its services to approximately 3,000 drugs users and family members each day. Demand for these prevention and treatment programs continues to outstrip supply. In June 2008, a Thessaloniki newspaper reported that a lack of funding for drug addiction treatment and prevention centers in the city contributed to long waiting lists for these rehabilitation programs. The report indicated that 950 persons were in treatment but that the waiting list was approximately 1,500 persons long.

Narcotics Anonymous runs over 27 drug abstinence and anti-addiction programs throughout Greece.

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

**Bilateral Cooperation.** DEA agents work with the Hellenic Police to support coordination of regional counternarcotics efforts through joint operations as well as training seminars. The DEA Athens Country Office conducted multiple workshops throughout the country with counterparts from the Hellenic Police and Hellenic Coast Guard during this year. The workshops provided an opportunity for DEA personnel and Greek counterparts to receive and exchange ideas on various issues, including regional drug trends, the nexus between drug trafficking and terrorism, officer safety and survival, undercover operations, and confidential source management. The workshops were well received by Greek law enforcement authorities and the Hellenic Police has expressed interest in further events.

In February 2009, agents from DEA Athens organized a narcotics cooperation seminar for Greek police, Customs, and Coast Guard officers in Thessaloniki. In May 2009, a DEA international training team traveled to Athens and conducted a week-long regional drug enforcement seminar for Greek, Bulgarian, and Cypriot authorities. The Department of Defense, through the U.S. European Command, has supported the DEA's law enforcement exchange program in Greece.

Due to Greece's unique geographic significance as a border state for the European Union (EU) with over 9,900 miles of coastline to monitor, the DEA conducted an assessment of drug trafficking through Greek islands over several months in 2009. The assessment confirmed that drugs regularly enter Greece (and the EU) through islands near to Turkey and Albania.

Prior to the DEA assessment, law enforcement authorities believed that human smuggling and drug trafficking organizations may have used the same routes, but operated independently. However, the Greek islands study identified an emerging trend—illegal immigrants are increasingly being used as drug couriers. The assessment also found that Greek authorities assigned to Greek islands are understaffed, under-trained, and have limited resources to combat the threats they face.

**The Road Ahead.** The United States continues to encourage the government of Greece to participate actively in international organizations focused on narcotics assistance coordination efforts, such as the Dublin Group of narcotics assistance donor countries. U.S. agencies in Greece seek to enhance the ability of Greek law enforcement authorities to share and disseminate information, disrupt drug trafficking, and build expertise in complex investigations. 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.

# Guatemala

## I. Summary

Drug trafficking throughout the region continues to challenge Central American governments. Guatemala is at the epicenter of the drug threat. In 2009, Guatemala took a number of positive steps to address illicit narcotics trafficking including increased seizures of drugs and assets, better coordination between government entities on promulgation or reform of laws and tactical operations, larger areas eradicated without incidents, and effective use of more sophisticated law enforcement techniques. In addition, the selection of new Supreme Court and Appellate Court judges in October was a major step forward in broader rule of law issues. On the negative side, corruption and intimidation of law enforcement continue to be major challenges. Combined with multiple changes in senior positions (with the concurrent changes in lower levels that accompany these power shifts) and the government's focus on other issues at the expense of security, there was no perceptible improvement to institutionally strengthen law enforcement or give law enforcement agencies the capacity to more effectively address the grave narcotics situation in Guatemala. Drug trafficking organizations (DTOs) have taken advantage of this situation and moved some operations into Guatemala. Entire regions of Guatemala are now essentially under the control of DTOs, the most visible of which is the Mexican group known as the ¨Zetas.¨ While some specialized units and the Attorney General's Office (MP) demonstrated ability and resolve to address these severe problems, they lack the required resources. Guatemala is a party to the 1988 UN Drug Convention.

## II. Status of Country

The weak criminal justice system in Guatemala, coupled with pervasive corruption, made it difficult for the government to address the country's deteriorating security situation. Tax revenues remain low, and the under-funded state struggles to meet the basic needs of its people. The budgets assigned to the ministries responsible for security, law enforcement and justice were cut in 2009 in favor of expansion of the government's social programs. Given the prevailing environment of impunity, Mexican cartels consolidated their control of trafficking routes in the northern and eastern rural areas of Guatemala. The government had limited success countering gang activity in urban areas. During January–September 2009, there were 10,399 violent acts (5,050 of which were homicides), compared to 9,802 during the whole of 2008 (of which 4,506 were homicides). As of November 2009, 29 National Civil Police (PNC) officers and nine prison guards were killed while on duty.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The government developed a National Security Plan with input from civil society. The reform of the Organized Crime Law and passage of legislation providing for high impact courts to provide a secure environment for judges, prosecutors, and witnesses who participate in narcotics trafficking and other dangerous cases were significant achievements, as was the election of a new Supreme Court. That said, strong political support through the provision of resources for implementation of these measures was lacking. Congress did not pass an asset seizure law and an important reform of the Injunctions Law in 2009. There was a significant increase in drug seizures in 2009 and improved coordination between the Public Ministry, Ministry of Government, and Ministry of Defense, especially in units developed with USG support. However, very few of the seizures resulted in suspects being captured or cases being developed that targeted DTOs.

Under international pressure, the GOG approved the use of special investigative methods (including wire intercepts) that greatly improved criminal investigations, and passed a law that allows judges to reduce a criminal witness' sentence or suspend prosecution entirely in exchange for witness cooperation. The UN-led International Commission Against Impunity in Guatemala (CICIG) opened a number of investigations

into narcotics trafficking-related crimes and, in cooperation with the USG, successfully advocated for a transparent process to appoint Supreme Court justices.

Precursors: In February, the President's office passed a decree banning the manufacture, import, distribution, sale, and possession of pseudoephedrine in response to an increase over the past two years of imports and distribution of products, such as medicine, containing high doses of pseudoephedrine, a precursor used to manufacture designer drugs. As a result, more than 11.8 metric tons of pseudoephedrine were seized during 2009.

Asset Seizure Bill: The Guatemalan Congress, with advice from the USG, the Government of Colombia and OAS experts, is currently drafting a bill containing procedures to expedite the transfer of property to different GOG agencies of assets seized in narcotics, money laundering, and other organized crime cases. The passage of this law would be an aggressive step forward in the fight against drug trafficking. Currently, criminals and traffickers are able to keep possession of profits from illegal and criminal activity.

National Civil Police: The USG supported GOG efforts to reorganize the National Civil Police that so that all counternarcotics units will work under one Sub-Department and report directly to the Director General of the police. This unification should improve communication, coordination, and effectiveness as well as assist in anticorruption efforts.

**Accomplishments.** Guatemala seized more than a 100 percent more illegal drugs in 2009 than in 2008, including 11.8 metric tons of pseudoephedrine, 7.1 metric tons of cocaine (not including the 4.9 metric tons seized from a semi-submersible by the U.S. Coast Guard inside Guatemala's Economic Exclusion Zone), and 950 grams of heroin. This increase was in part the result of a better trained and equipped counternarcotics police (DAIA), improved Guatemalan interagency cooperation, the support of the Aviation Support Program (ASP) to the Guatemalan Air Interdiction Joint Task Force (FIAAT), and, especially, the implementation of the wire intercept program run by the Attorney General's Office (MP) and the police. Four poppy eradication operations were carried out by DAIA, the Guatemalan military and the Public Ministry (with the USG providing material, logistics and intelligence support). A total of 1,344 hectares of poppy and 25.9 hectares of marijuana were eradicated—a 300 percent increase compared to 2008.

The Villa Nueva Model Police Precinct (MPP) successfully reduced gang activity by 100 percent in 78 schools and achieved convictions in all gang-related cases that went to trial. The Government of Guatemala (GOG) replicated the model in Mixco (an adjacent city to Guatemala City). It is anticipated that the replication process in Mixco will take less than 6 months and that two more model precincts will be developed in the near future. The antigang unit (PANDA) was formed and, together with the Organized Crime Prosecutor's office and the special investigation unit in charge of wire intercepts (UME), dismantled two gang ¨clicas.¨ Currently, 22 gang members are facing trial for an array of crimes ranging from extortion to murder. The Police Collection, Analysis and Dissemination Center (CRADIC) is a vital tool in the investigative process and their analysis of cases is in high demand by the Public Ministry (Attorney General's Office). There is an increasing backlog of cases due to the high demand for case support and development from CRADIC, which will have to expand significantly in the near future to meet these needs.

**Law Enforcement Efforts.** Four factors have negatively affected law enforcement during the past year. First, there was continuous change of decision-making personnel both at the Ministry of Interior and within the National Civil Police. This lack of leadership continuity delayed implementation of plans and new initiatives as well as hamstrung daily operations. Second, the GOG had to readjust its budget due to a drop in tax revenues and collection. This resulted in budget cuts in the Ministry of Interior and the National Civil Police. These budget cuts led to vehicles without fuel, the inability to repair equipment and a reduction in the quality of procured items. Third, corruption and intimidation of law enforcement

officials, as well as other government officers, has led to minimal effectiveness of many units. While corruption has a high visibility, intimidation of law enforcement officials is also a significant factor (over forty police officers died, including some who were off duty during the first ten months of 2009). Finally, law enforcement has not concentrated on major drug trafficking organizations and their leaders. During the only major case of the past year, arrests were not made because the subjects fled the scene before the search warrants were executed. In addition, there is widespread corruption in the Guatemalan prison system that allows prisoners to conduct and direct criminal activities during their incarceration.

**Corruption.** The GOG does not, as a matter of policy, encourage or facilitate illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, nor does it launder proceeds from illegal drug transactions. That said one of the main problems in Guatemala is the high incidence of corruption at all levels. In many cases where corruption does not work, intimidation does. Corruption affects how the government runs at the local/national level and encompasses a broad array of practices that overlap with issues such as money laundering, transparency, organized crime, and narcotics. Implementation of the Organized Crime Law, specifically for the use of wire intercepts, by the Public Ministry led to the arrest of a former Police Director and another high level police officer on corruption and narcotics charges.

The USG only worked with units composed of vetted (polygraphed, drug tested and background-checked) police officers and prosecutors in an attempt to provide a core of reliable law enforcement professionals who can take on narcotics cases. While the vetting process does not prevent corruption, the process reduced its overall effect. The Attorney General made fighting internal corruption and organized crime one of his highest priorities and USG programs supported his efforts to root out corruption in the Public Ministry. The USG provided assistance and technical advice for the approval of the Public Ministry's Code of Ethics and supported the process for a renewed supervisory unit, which receives and follows up complaints of questionable behavior within the prosecutor's office.

**Agreements and Treaties.** Guatemala is a party to the 1961 UN Single Convention and its 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; the 1988 UN Drug Convention; the Central American Commission for the Eradication of Production, Traffic, Consumption and Illicit Use of Psychotropic Drugs and Substances; and the Central American Treaty on Joint Legal Assistance for Penal Issues. Guatemala is a party to the UN Convention against Transnational Organized Crime and its three protocols. A maritime counternarcotics agreement with the U.S. is now fully implemented. Guatemala also is a party to the Inter-American Convention Against Corruption, and the Inter-American Convention on Mutual Assistance in Criminal Matters. In addition, Guatemala ratified the Inter-American Mutual Legal Assistance Convention, and is a party to the Inter-American Drug Abuse Control Commission (an entity of the OAS).

The extradition treaty between the GOG and the USG dates from 1903. A supplemental extradition treaty adding narcotics offenses to the list of extraditable offenses was adopted in 1940. As a result of laws passed in 2008, all U.S. requests for extradition in drug cases are consolidated and expedited in specialized courts located in Guatemala City.

**Cultivation and Production.** Guatemala continued to be a minor producer of poppy and opium derivatives for export, as well as a grower of low-quality marijuana that is sold on the domestic market. There was strong evidence that Mexican cartels are managing Guatemalan poppy production, providing seed and guaranteeing purchase of opium latex and morphine base from Guatemalan smallholders.

During 2009, four poppy eradication operations were carried out by DAIA, the Guatemalan military, and the Public Ministry, with the USG providing provisions, logistics and intelligence support. A total of 1,345 hectares of poppy were eradicated as well as 25.9 hectares of marijuana. The Department of States' Bureau of International Narcotics and Law Enforcement Affairs' Narcotics Affairs Section (NAS)

Aviation Support Program (ASP) provided flexibility in support of eradication operations in the area of intelligence gathering and operations.

**Drug Flow/Transit.** Guatemala is bordered by the Caribbean Sea in the north and the Pacific Coast in the south. Its geographic location makes it ideal for the transit of large quantities of drugs through its coastal waters. Significant amounts of cocaine passed through Guatemala (approximately250 metric tons—which does not include cocaine that transited Honduras before arriving in Guatemala, as indicated in last year's report). Go-Fast boats used the littorals of Guatemala to introduce large amounts of drugs into the coastal areas; and manned semi-submersibles transported drugs in large volumes. The GOG law enforcement and military agencies lacked the resources and capacity to combat this onslaught of trafficking by sea. During the first part of 2009, the Special Naval Unit (FEN), based in the Pacific coast, responded well to counternarcotics (CN) notifications according to USG agencies involved in CN activities. However, due to a change in leadership that led to technical and maintenance setbacks, the latter half of 2009 saw a significant decrease in capacity and ability to respond.

The PNC ports and airport police (DIPA) interdicted large quantities of pseudoephedrine entering Guatemala and caught many money couriers transiting through the airports/seaports. USG agencies trained all DAIA/DIPA personnel in drug investigation and detection techniques. However, the failure of the GOG to adopt effective CN procedures, particularly at the ports, combined with the archaic bureaucracy and high levels of corruption, impeded efforts to modernize the CN units in Guatemala and hampered efforts to stem the flow of drugs through Guatemala.

The GOG´s strong support for the USG´s Aviation Support Program, which assisted FIAAT, is significant both for the demonstration of political will and the success of the unit. The FIAAT and ASP worked together to disrupt air movements of illicit trafficking in Guatemala and caused a shift in air movements to Honduras.

**Domestic Programs/Demand Reduction.** Even though it lacks a significant budget, the Guatemalan demand reduction agency (SECCATID) was able to sustain a high level of implementation by concentrating its efforts in five provinces and by working with other agencies. With USG support, SECCATID reached an estimated two million people with a prevention message using the following programs: DARE (Drug Abuse Resistance Education), Do Sports and Live Free of Drugs, Youth at Risk, the Comprehensive National Prevention Program, Second Steps, Border Communities, Community Coalitions, and the Labor Program. These programs were designed to educate, inform, and build life skills for violence- and drug-free lives. The USG and SECCATID also collaborated with other GOG institutions on the implementation of the Summer School Program and the Police Athletic League. These programs allowed the youth in high risk areas to occupy their spare time in productive activities under a supervised environment. SECCATID, NAS, USAID and CADCA (Community Anti-Drugs Coalitions of America) also worked in three municipalities to build healthier, drug free communities. Although not yet complete, the National Drug Observatory, part of the Organization of American States' counternarcotics office (OAS/CICAD) network of national drug information centers, made progress toward completing its data base.

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

USG goals in Guatemala are to build the investigative and operational capacity of Guatemalan law enforcement agencies to effectively disrupt drug trafficking, trans-border crime, and illicit crop production. Corruption is a key focus. USG efforts support successful, professional and trusted units such as the UME, FEN, FIAAT, the Special Investigation Unit (SIU), the Financial Investigation Unit (FIU) and the CRADIC. We envision future fully-vetted units that will work at the border posts and seaports, with special attention given to the Attorney General's Office. The Attorney General's Office demonstrated remarkable dedication to law enforcement, despite death threats and at least one attempted assassination.

**Bilateral Cooperation.** In many areas, bilateral cooperation is excellent. Guatemala routinely gives permission for USG CN assets to enter its territorial waters and airspace in a timely manner. However, with exception of strong support by the FIAAT for the ASP, the GOG provided few resources to their CN units that work closely with the USG. This lack of resources prevented USG CN units and GOG CN units from reaching the full potential of bilateral cooperation that is needed.

The U.S. supported the Guatemalan Government's efforts to improve interdiction by providing technical assistance and training to its special police units as well as assistance with various border programs. In 2009, the USG (NAS and the Drug Enforcement Administration) assisted the Attorney General's Office with the implementation of the Special Investigative Methods Unit (UME), in accordance with the Organized Crime Bill. A central part of UME is the application of wire intercepts to enhance the investigative process. Forty-one wire intercepts were conducted over the past year.

**The Road Ahead.** The USG enjoys productive relations with the Colom Administration and worked with the GOG to improve its technical and organizational ability to increase interdictions and seizures of illicit trafficked items by improving the capacity of CRADIC to collect information. Although progress has been made on the interdiction and eradication front, the numbers were still disappointing compared to the amount of drugs that move through the country. The Colom Administration made significant budgetary cuts to the Ministry of Government and the National Civil Police in 2009, which had a negative effect on the already limited capacity of current units. The USG endorses the full implementation of the agreement between the Minister of Government and Attorney General for the development of an investigative support group. We encourage the GOG to delegate appropriate authorities to the port police to enable it to strengthen ports and border interdiction capabilities. The USG noted that trafficking in precursor chemicals was increasing in the region and recommends steps be taken to combat this growing threat by increasing the number of inspections designed to detect and seize precursors and applying sanctions against them.

The USG also encourages the GOG to continue the steps it initiated against corruption, such as fully implementing the planned reforms of the PNC and the reorganization of the Inspector General (IG) and the Office of Professional Responsibility (OPR). It is crucial that the GOG complete the full implementation of the Organized Crime Law, specifically in establishing and training Operational Units in the law and using the new tools authorized to detect, arrest and prosecute known major traffickers. The USG encourages the GOG to use its asset seizure laws to deprive criminals of their profits and channel resources to counternarcotics efforts, including drug money laundering.

# Guinea-Bissau

## I. Summary

Guinea-Bissau, a tiny impoverished country in West Africa, is a major transit hub for narcotics trafficking from South America to Europe. The country, a party to the 1988 United Nations (UN) Drug Convention, provides an opportune environment for traffickers because of its lack of enforcement capabilities, its susceptibility to corruption, its porous borders, its location in relation to Europe, South America and neighboring West African transit points, and its linguistic connections to Brazil, Portugal and Cape Verde. The un-policed islands off the coast of Bissau are hubs for the major drug trafficking from Latin America, and the associated problems of arms trafficking and illegal immigration. Corruption, specifically the complicity of government officials at all levels in this criminal activity, inhibits both a complete assessment and resolution of the problem. The degeneration of Guinea-Bissau into a narco-state is a real possibility, although the international community is making significant efforts to avoid such a troubling development.

## II. Status of Country

Only three times the size of Connecticut, Guinea-Bissau has a population of 1.82 million persons. The country is also one of the poorest in the world, placing 173 out of 182 countries on the United Nation's Human Development Index. Security forces lack the most basic resources. The country possesses no adequate detention facilities, and civil servants are often not paid for months at a time. Guinea-Bissau's history since independence from Portugal in 1974 has been characterized by political instability, civil war and continuous unrest. The U.S. embassy in Bissau closed in June 1998 due to civil unrest; but relations and cooperation between the Government of Guinea Bissau (GOGB) and the United States, conducted from the U.S. embassy in Dakar Senegal, have remained robust.

After the double assassination on March 1, 2009 of President Joao Bernardo Vieira and Chief of Staff of the Armed Forces General Tagme Na Waie Presidential elections were held in July 2009 which were deemed free and fair by the international community. Malam Bacai Sanha of the African Party for the Independence of Guinea-Bissau and Cape Verde (PAIGC) became President defeating former President Kumba Yala in a second round run-off.

In January, 2008, the United Nations Office for Drugs and Crime in West Africa stated that Guinea-Bissau was on the brink of becoming Africa's first narcotics state. Guinea-Bissau is certainly a country through which drugs from Brazil, Colombia, Venezuela, Guinea-Conakry and Nigeria transit to Europe; generally to Portugal and Spain. However, the country itself has no significant roll in the actual cultivation and production of drugs nor in the provision of precursor chemicals to further process drugs. The only illicit cultivation discovered by the Guinea-Bissau Judicial Police in 2009 was of a minor cannabis growing operation in Bafatá in the east and another in the Reno Gambeafada in the center of the country.

In July, 2008, GOGB law enforcement authorities attempted to investigate a grounded Gulfstream 2 jet, which had taken off from Venezuela and was believed to have been transporting a significant quantity of cocaine. The plane's cargo, however, was unloaded by Guinea-Bissau military personnel before they allowed judicial police officers to investigate the scene. Eventually, the pilots were arrested, set free on bail and subsequently escaped. GOGB is now trying to auction off the plane, which they seized during this incident. No drugs were officially seized during the incident. In general, GOGB drug enforcement efforts remain under-funded and undermanned, allowing international trafficking and the illegal cannabis trade to continue unabated. UNODC views Guinea Bissau and Cape Verde—a former Portuguese colony off the coast of Senegal—as part of a Lusophone Atlantic network with criminal links to Brazil and

Portugal. Due to cultural links and existing air and sea connections, Guinea-Bissau and Cape Verde serve as transshipment points for drugs originating in Brazil that are destined for the European market. UNODC's October 2008 report suggests that traffickers continue to use Guinea-Bissau as a hub for narcotics smuggling from South America. Investigators posit that once large shipments of cocaine are off-loaded from planes and boats in Guinea-Bissau, the drugs are disbursed in smaller quantities throughout the region before being shipped out on commercial air flights and other means to Europe.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The GOGB works closely with the European Union's Security Sector Reform Mission, launched in March, 2008. In collaboration with GB officials, the EU mission seeks to restructure and reform the armed forces, the police and the judiciary. The objective is to make the security forces more efficient and accountable.

**Law Enforcement Efforts.** According to the Judicial Police no narcotics-related arrests were made during 2009. This is in great part due to the major upheavals that the country experienced following the assassinations of former President Vieira and CHOD Tagme na Waie. According to the Judicial Police drug cartels are only now in the process of trying to find "barons" or senior government officials that will offer them the protection they need in order to be able to reactivate their networks.

With support from UNODC, the judicial police headquarters was renovated. Four judicial police officers were sent to take three courses in Cape Verde.

In December 2009, former Navy Chief of Staff, Rear Admiral Jose Americo Bubo Na Tchuto returned to Guinea-Bissau from exile in The Gambia where he took refuge after allegedly being the mastermind of a failed coup against former President Vieira. Na Tchuto, long suspected of being a major facilitator of narcotics trafficking in Guinea-Bissau, was at year's end holed up in the United Nations campus in Bissau where he went to claim political asylum.

Given limitations on funding, training, and policy, there is only limited current ability to guard against the transit of drugs through Guinea-Bissau. Due to weak enforcement efforts and inadequate record keeping, it is difficult even to assess accurately the scope of the drug problem. Police lack the training and equipment to detect drug smuggling. Once arrests are made, there are no adequate detention facilities to hold suspects. There are not even any secured vehicles with which to transport suspects.

**Corruption.** Corruption is a problem for narcotics law enforcement all over Africa, and Guinea-Bissau is particularly susceptible. The Government does not, as a matter of policy, encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, nor the laundering of proceeds from illegal drug transactions. However, anecdotal reports of corruption at the highest levels of government are common. Observers note the apparent complicity of military personnel in the July plane incident, and the judge's release of the suspects, despite the existence of an international warrant for their detention. As of December 31, 2009, the government had no arrears in paying civil servant salaries, but salaries remain low causing a constant temptation to enforcement personnel and others in a position to influence the outcome of narcotics-related enforcement and judicial processes.

**Agreements and Treaties.** Guinea-Bissau is a party to the 1988 UN Drug Convention, the UN Convention against Corruption, and the UN Convention against Transnational Organized Crime and its protocol on Trafficking in Persons, and has signed, but not yet ratified, the protocol on Migrant Smuggling.

**Cultivation/Production.** The extent of cannabis cultivation in the country is unknown, though there is evidence that at least some cannabis is cultivated illicitly for local consumption. Cannabis cultivation is quite common in Senegal's southern Casamance region and is linked to a 28-year-old separatist movement, called the Movement of Democratic Forces in the Casamance (MFDC). As elements of the

MFDC frequently find sanctuary on the Guinea-Bissau side of the border with Senegal, it can be assumed that cannabis is cultivated to some degree in Guinea-Bissau. There are no known efforts to determine the scope of the cultivation or eradicate it.

**Drug Flow/Transit.** Cocaine transits through Guinea-Bissau moving from South America on either air or maritime traffic and continues on to Europe by means of other maritime traffic, drug "mules" on commercial air flights, or even traditional caravan routes through Northern Africa and across the Mediterranean to Southern Europe. The U.S. is not believed to be a significant destination point for drugs transiting Guinea-Bissau.

**Domestic Programs.** According to the UN and Chief of the Armed Forces, Admiral Jose Zamora Induta, local drug abuse is a growing problem in Guinea-Bissau, as traffickers occasionally pay their local accomplices in kind with drugs. There are no GOGB efforts targeted specifically to reduce local drug consumption. There are also no GOGB drug treatment programs, although private organizations have established drug rehabilitation centers.

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

**Policy Initiatives.** The U.S. Embassy in Bissau closed in June 1998. The U.S. Ambassador to Senegal is accredited to Guinea-Bissau and one U.S. officer assigned to the Embassy in Dakar monitors events. The U.S. Embassy liaison office opened in Bissau in 2008 and is staffed by three Local Employed Staff. During 2009, DEA and FBI representatives visited Bissau to assist in the investigation surrounding the July seizure of the plane from Venezuela. Representatives from INL, AFRICOM and the FBI made frequent visits to Bissau in 2009 to provide technical assistance and to conduct needs assessments.

**The Road Ahead.** The USG will continue to work closely with the GOGB to improve the capacity of its narcotics law enforcement officers to investigate and prosecute narcotics crimes. The USG also will seek to identify credible partners within the Bissau-Guinean security forces and will seek to build their capacity to respond to the threat of narcotics trafficking. In recognition of the importance of strengthening broader institutional capacity, the USG will support the EU's efforts to reform the judiciary, and will seek to strengthen the legislative and oversight capacity of the National Assembly. Furthermore, in recognition of the broad role that socio-economic factors play in narcotics trafficking, the USG will seek to promote economic development and political stability.

# Guyana

## I. Summary

Guyana is a transit point for cocaine destined for North America, Europe, West Africa, and the Caribbean, but not in quantities sufficient to impact the U.S. market. Cooperation among law enforcement bodies is gradually improving, albeit through personal relationships as much as official mechanisms. In 2009, domestic seizures of cocaine and cannabis eradication increased compared with modest levels in 2008, although total quantities seized or eradicated remain small when considered against the overall trade. Weak border controls and limited resources for law enforcement continue to allow drug traffickers to move shipments via river, air, and land with minimal resistance.

The United Kingdom terminated a major security sector reform program in 2009 over lack of progress by the GOG on key requirements of the plan. Guyana is a party to the 1988 UN Drug Convention.

## II. Status of Country

Guyana is a transit country for cocaine, and to a lesser degree marijuana. Guyana offers ample cover for drug traffickers and smugglers with its vast expanse of unpopulated forest and savannahs. Government counternarcotics efforts remain hindered by inadequate resources for, and poor coordination among, law enforcement agencies; an overburdened and inefficient judiciary; and the lack of a coherent and prioritized national security strategy. Murders, kidnappings, and other violent crimes commonly believed to be linked with narcotics trafficking are regularly reported in the Guyanese media.

## III. Country Actions Against Drugs

**Policy Initiatives.** Guyana's 2005-2009 National Drug Strategy Master Plan (NDSMP) came to a close, but the Government of Guyana (GOG) achieved few of the plan's original goals. Elaborate plans spelled out in the 2005 document envisioned a comprehensive, country-wide counternarcotics program yet little action was taken toward these ends. However, the GOG's 2008 overhaul of its chief counternarcotics body appears to be paying dividends in 2009 through greater intelligence sharing and more drug seizures. The Customs Anti-Narcotics Unit's (CANU) new Director is delivering on promises of regularization of its operations, improved efficiency, and enhanced collaboration among law enforcement bodies. Guyana remains notably absent, however, from key regional counternarcotics meetings.

The United Kingdom-funded $5 million, multi-year Security Sector Reform plan was terminated prior to completion. The GOG had made little progress on the plan's key provisions after two years of talks; key sticking points were lack of agreement on government transparency and measuring success. Implementation of key legislation, including robust laws authorizing wire tapping and plea bargaining, passed in 2008 continues slowly. The Anti-Money Laundering and Countering the Financing of Terrorism Act (AMLCFTA) was passed in 2009; law enforcement agencies await regulations from the Finance Ministry before the law can be fully utilized.

**Accomplishments.** In 2009, Guyanese law enforcement agencies seized over 137 kilograms of cocaine, compared to 48 kilograms in 2008 and 167 kilograms in 2007. 183 kilograms of marijuana and 2 kilograms of heroin were seized in 2009 (no prior year results were reported). There were 648 criminal charges filed against individuals for activities related to the trafficking or distribution of illicit drugs compared to 473 in 2008. However, Guyanese drug interdiction efforts remain inadequate.

**Law Enforcement Efforts.** Guyana's counternarcotics activities have long been hampered by a British colonial-era legal system that does not reflect the needs of modern-day law enforcement. The GOG has neither identified nor confronted major drug traffickers and their organizations. Law enforcement

agencies are also hamstrung by insufficient personnel budgets, and there are no routine patrols of the numerous land entry points on the 1,800 miles of border with Venezuela, Brazil, and Suriname. The AMLCFTA, in conjunction with the wiretapping and plea bargaining legislation, once implemented, will collectively enhance both the investigative capability of law enforcement authorities, as well as the tools available to prosecutors in drug-related and other criminal matters. New surveillance cameras installed at Guyana's international airport have positively impacted drug interdiction efforts there, but efforts by the Guyana Police Force (GPF) Narcotics Branch and CANU have been limited to arresting low level drug couriers at the airport, who carry only small amounts of marijuana, crack cocaine or powder cocaine. U.S. and Canadian authorities have recently made major seizures of cocaine known to originate in Guyana; these seizures routinely dwarf efforts by Guyanese law enforcement.

**Corruption.** As a matter of policy, the GOG 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. However, news media routinely report on instances of corruption reaching to high levels of government that are not investigated and thus go unpunished. USG analysts believe drug trafficking organizations in Guyana continue to elude law enforcement agencies through bribes and coercion. Guyana is party to the Inter-American Convention Against Corruption (IACAC), but has yet to fully implement its provisions, such as seizure of property obtained through corruption. Guyana is also party to the UN Convention Against Corruption.

**Agreements and Treaties.** Guyana is party to the Inter-American Convention on Mutual Assistance in Criminal Matters, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention against illicit traffic in narcotic drugs and psychotropic substances. Guyana also is a party to the UN Convention Against Transnational Organized Crime and its three Protocols and the Inter American Convention Against Corruption. The 1931 Extradition Treaty between the United States and the United Kingdom is applicable to the U.S. and Guyana. Recent rulings in extradition hearings, however, have severely challenged the Treaty. In 2008, a Guyanese court first made provisional arrests of fugitives very difficult and a second court held that the Treaty was invalid essentially because it lacked a re-extradition clause. The latter issue has been addressed by a proposed amendment to Guyanese Fugitive Offenders Act, which is currently before the Guyanese President for approval. In the mean time, there has been an exchange of diplomatic notes on the topic aimed at addressing the court's concern.

Guyana recently acceded to, and has filed information requests under. the Inter-American Convention on Mutual Assistance in Criminal Matters, to which the United States is also a party. Guyana has bilateral agreements to cooperate on drug trafficking issues with its neighbors and with the United Kingdom. Guyana is also a member of the Organization of American States' Inter-American Drug Abuse Control Commission (OAS/CICAD). Guyana signed a bilateral agreement with the U.S. on maritime counternarcotics cooperation in January, 2001; however, it has not yet taken the necessary domestic actions to bring the agreement into force.

**Cultivation and Production.** A very high-grade form of cannabis is grown in Guyana, primarily for domestic consumption, but some is also exported to other Caribbean countries.

**Drug Flow/Transit.** While there are no reliable estimates regarding the amount of cocaine or cannabis that transits Guyana, USG law enforcement authorities say that Guyanese narcotics traffickers regularly move shipments of cocaine through the country. Some cannabis cultivated in Guyana is also smuggled out of the country, although in more modest quantities. Guyana's uncontrolled borders and coastline allow unfettered drug transit. Light aircraft land at numerous isolated airstrips or make airdrops where operatives on the ground retrieve the drugs. Smugglers use small boats and freighters to enter Guyana's many remote but navigable rivers. Smugglers also take direct routes, such as driving or boating across the borders with Brazil, Suriname, and Venezuela. The Guyana Defense Force Coast Guard does not have any seaworthy vessels, as its lone patrol boat is currently in dry dock awaiting repairs. Once inside the

country, narcotics are transported to Georgetown by road, water, or air and then sent on to the Caribbean, North America, or Europe via commercial air carriers or cargo ships. Authorities have arrested drug mules attempting to smuggle small amounts of cocaine on virtually every northbound route out of the international airport. Suitcases not checked by any boarding passenger have also been intercepted by counternarcotics officials just prior to loading.

**Domestic Programs/Demand Reduction.** Marijuana continues to be the most common drug used by Guyanese. Crack cocaine is becoming more popular, however, and is quite affordable at as little as fifty cents per dose. Reports indicate that drug potency is rising, leading to a rise in psychosis among addicts.

Marijuana is sold and consumed openly in Guyana, despite frequent arrests for possessing small amounts of cannabis. Anecdotal evidence, sources within the GOG and a local NGO note that consumption of all psychotropic substances in Guyana is increasing, with a particularly notable rise in the incidence of crossover addiction, i.e., addicts of one illicit substance becoming hooked on at least one other. In addition, the potency of locally grown marijuana has reportedly increased, which has fueled local consumption. Media reports have indicated the possible widespread use of sniffing agents such as gasoline and glue among students.

Guyana's ability to deal with drug abusers is hampered by the modest financial resources to support rehabilitation programs. Guyana only has two residential facilities that treat substance abuse: the Salvation Army and the Phoenix Recovery Center which are both partially funded by the government. Since 2007, the Ministry of Health has run several modest demand reduction programs in the media, schools and prisons, as well as outpatient talk-therapy treatment. There is little by way of Non-Governmental Organization (NGO) support in demand reduction.

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

U.S. policy focuses on cooperating with Guyana's law enforcement agencies, promoting good governance, and facilitating demand reduction programs. The USG continued to encourage Guyanese participation in bilateral and multilateral counternarcotics initiatives. The U.S. Agency for International Development (USAID) is funding projects to improve governance in Guyana, which includes parliamentary and judicial reform.

**Bilateral Cooperation.** In 2009, the Drug Enforcement Administration's Trinidad office continued to collaborate with Guyana's law enforcement agencies in counternarcotics-related activities, and reported a generally favorable and improving working relationship. The U.S. Coast Guard provided seven resident and on-the-job training courses to the Guyana Defense Force Coast Guard in maritime law enforcement, leadership and management, and engineering and maintenance procedures.

**The Road Ahead.** The U.S. encourages the GOG to effectively follow up on recent legislation supporting counternarcotics efforts. The U.S. also encourages the GOG to implement the new plea bargaining and wiretapping laws. We look forward to collaborating with Guyanese law enforcement to test the amended extradition law and emphasize the need for vigorous exploitation of the new money laundering legislation.

# Haiti

I. Summary

Despite modest improvements in Haiti's ability to address drug trafficking and drug-related financial crimes, the country remains a major transit country for cocaine from South America and marijuana from elsewhere in the Caribbean en route to the United States, the Bahamas and other countries in the Caribbean. While this report focuses on counternarcotics issues pertaining to calendar year 2009, the devastating earthquake that occurred January 12, 2010, will greatly affect the way forward as the Government of Haiti rebuilds and continues its efforts to improve the capacity of its law enforcement, corrections, and judicial organizations.

Haiti is a party to the 1988 UN Drug Convention. It continued to meet its obligations under that convention, surrendering three fugitives to U.S. law enforcement agencies in 2009 to face prosecution and sentencing in the United States for drug-related crimes.

## II. Status of Country

Located due north of Colombia and Venezuela, and with 1,125 miles of poorly patrolled coastline and numerous clandestine airstrips, Haiti is a geographically attractive transshipment point for trafficking organizations moving cocaine and marijuana through the country for distribution in the United States and elsewhere in the Caribbean.

In late October 2009, the Haitian Senate forced the resignations of Prime Minister Michelle Pierre-Louis and Justice Minister Joseph Exumé, with a vote of no confidence. Prime Minister Pierre-Louis was ostensibly blamed for the mismanagement of $197 million in hurricane-relief funds. President René Preval quickly nominated Jean-Max Bellerive, who is supportive of counternarcotics initiatives, as the new Prime Minister. Once confirmed, Prime Minister Bellerive announced his new cabinet and named Paul Denis as Justice Minister.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** During 2009, the United States, the United Nations Stabilization Mission (MINUSTAH), and other international donors in Haiti continued to provide funding and other assistance to the Haitian National Police (HNP) for the training and capacity development of police officers. The Government of Haiti (GOH) and MINUSTAH agreed on a target of having at least 14,000 Haitian National Police trained and operational by 2011, as part of the HNP Reform Plan adopted in 2006. The twenty-first "promotion" graduated from the Police Academy in August 2009, with a total of 469 officers —including 123 women—completing the training course. Total officer strength, however, remains under 9,000 in a country of some nine million inhabitants, and the HNP seems unlikely to meet its 2011 target. Police recruiting drives continued to be successful at attracting applicants.

UN surveys show very positive public attitudes toward the HNP with most respondents across the country reporting an improvement in the work of the HNP in 2009. Port-au-Prince is the exception to this trend, but even with the slight decline—from 76 percent of respondents having seen a positive change in 2008 to only 74 percent in 2009, the surveys indicate that nearly three quarters of the capital's population still has a favorable opinion of the police. Similarly, about 83 percent of respondents in departments outside of Port-au-Prince think the security situation is better in 2009 than it was a year ago, compared with 80 percent in Port-au-Prince.

Morale among police officers remains generally good, despite problems at the end of 2009 with shortfalls in the police operating budget that delayed meal allowance payments to officers. A longer-term issue which threatens to erode morale is the failure of the HNP to complete and adopt the Police Career Plan,

which would standardize performance evaluations, promotional procedures, health care, retirement, and—most importantly—classify officers as civil servants with employee protections.

**Law Enforcement Efforts.** President Preval urged strong action against drug trafficking, to support U.S. efforts to arrest traffickers wanted in the U.S. justice system, and called for an augmentation of the U.S. counternarcotics presence in Haiti. Despite this political commitment, however, the GOH has not been able to implement the President's vision for a Haitian counternarcotics police unit capable of conducting its own investigations and making arrests.

Haiti's national police force is slowly growing both in numbers and capability. HNP has a 50-person counternarcotics unit (French acronym BLTS), a 107-person maritime police unit (French acronym GC), a 20-person financial crimes investigative unit (French acronym BAFE) and a 30-person antikidnapping unit (French acronym CCE). The specialized units bear responsibility for investigating organized criminal networks that directly or indirectly engage in narcotics trafficking or benefit from illicit trade. Nonetheless, the units are poorly-resourced; police officers have no guarantee of employee rights, such as getting paid on time; and they often have difficulty conducting operations on their own initiative without substantial oversight and mentoring.

Haiti did not alter the structure of its counternarcotics agencies during 2009, continuing to use a single unvetted unit of 50 officers for all narcotics investigations. Nonetheless, the Haitian National Police recorded significant counternarcotics accomplishments in 2009—making arrests, seizing assets, and seizing and destroying drugs. The HNP made 83 arrests for drug trafficking, money laundering, or theft of trafficking proceeds on investigations worked jointly with DEA. During 2009, the BAFE unit of the HNP began operating as a Financial Investigations Task Force, which to date has seized over $23 million in commercial and residential real estate assets of convicted traffickers. With assistance from MINUSTAH, the HNP seized over 600 kilograms of Jamaican marijuana and arrested three Jamaicans and a Haitian national who were smuggling the marijuana from Jamaica. Several days later, a HNP roadblock in Leogane yielded an additional 200 kilograms of marijuana. Also of note this year was the seizure and destruction of over 12,000 marijuana plants under cultivation in the Artibonite Valley.

HNP's counternarcotics unit (BLTS) arrested three traffickers under indictment in the U.S. The traffickers were subsequently transferred to U.S. custody and removed to the United States for prosecution in federal court. One such arrest, of a significant Colombian trafficker with longstanding Haitian ties, also yielded $84,000 in cash, two vehicles, and documentary evidence that produced useful information on trafficking activities. A fourth defendant escaped arrest, but that operation also yielded valuable law enforcement information regarding large-scale air smuggling into Haiti.

The Drug Enforcement Administration (DEA) office in Port-au-Prince arranged for 12 members of the BLTS to participate in "Operation Lost Horizon," a 30-day joint counternarcotics effort with the Dominican Republic. The operation denied drug traffickers access to the southern shore, included U.S. military and civilian agencies under the auspices of the Joint Interagency Task Force, South. Otherwise, the GOH made minimal progress toward regional law enforcement cooperation with the Dominican Republic.

The majority of officers assigned to the GC have attended some form of technical training, most of it provided by the U.S. Coast Guard. However, the GOH does not have the capability to control many of its seaports, nor to provide a robust patrol presence in its coastal and territorial waters, particularly along the southern shores of the country. The majority of the 107-person GC functions as a maritime police unit of the Haitian National Police. Most personnel are assigned to the Killick Main Station in the Port-au-Prince area, and they rotate to Cap-Haitien on the north shore. The GC currently has the ability to patrol the waters surrounding Port-au-Prince and Cap-Haitien, within 50 nautical miles of these two locations. The Haitian government has seven operable patrol boats which the GC uses for daily migrant interdiction and repatriation operations, counternarcotics patrols, and border security patrols with MINUSTAH military

officers on board. Over the past year, the GC conducted 14 repatriation operations with the U.S. Coast Guard, and interdicted four suspicious vessels without U.S. assistance. Although the GC found only small amounts of drugs on the four interdicted vessels, these operations offer evidence of greater initiative and improving maritime capability.

**Corruption.** Haiti is one of the poorest countries in the world, and corruption is endemic. It is not officially condoned as a matter of government policy and President Preval has spoken out strongly against corruption. Haiti's government does not encourage nor facilitate the production or distribution of illicit drugs, nor does it engage in laundering the proceeds from such activities. The GOH is working closely with U.S. agencies in joint efforts to investigate and to prosecute drug trafficking and money laundering activities. It also cooperates with expulsions of suspects indicted in U.S. courts. Although the executive branch of the Haitian government has attempted to bring action against corrupt businesses, such efforts have been stymied by the Haitian judiciary. The GOH has appointed a commission to reform and rewrite the criminal code in order to improve the legal framework for prosecuting organized crime.

Some HNP officers continue to be implicated in serious criminal activity, especially in drug trafficking or protecting traffickers. Current or former police officers routinely surface as primary suspects in significant trafficking investigations, either as providing the security for landing strips, drug movements, and stash houses, or as exercising a managerial role in the trafficking organizations. Problems of corruption with respect to reported payroll fraud have surfaced in the HNP. The Financial Crimes unit (BAFE) has strengthened its capability over the past two years, becoming increasingly effective in identifying cases and developing leads and evidence needed to make solid anticorruption cases. The HNP Director General cooperated with BAFE investigators and encouraged the arrests of several senior officers and Administrative Division staff for theft and payroll fraud.

**Agreements and Treaties.** Haiti is a party to the 1961 Single Convention as amended by the 1972 Protocol, the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, the Inter-American Convention against Corruption, and the Inter-American Convention against Trafficking in Illegal Arms. Haiti remains the only member of the Organization of American States (OAS) not a party to the 1971 UN Convention on Psychotropic Substances. On September 14, 2009 Haiti ratified the UN Convention against Corruption, and has signed, but not yet ratified, the UN Convention against Transnational Organized Crime and its Protocols on Trafficking in Persons and Migrant Smuggling. A U.S.-Haiti bilateral letter of agreement signed in October 1997 concerning Cooperation to Suppress Illicit Maritime Drug Traffic allows U.S. law enforcement agencies to enter Haitian territorial waters and airspace when in pursuit of suspect vessels or aircraft, to board and search suspect vessels, and to carry members of the Haitian Garde-Cotes as ship riders. Although there is no Mutual Legal Assistance Treaty between Haiti and the United States, the Haitian government has cooperated on many cases within the limits of Haitian law.

**Extraditions.** The bilateral extradition treaty entered into force in 1905 and, although the Haitian Constitution prohibits extradition of Haitian nationals, the GOH has willingly surrendered Haitian nationals under indictment in the United States to U.S. law enforcement agencies. During 2009, the Haitian Government arrested three defendants wanted on federal drug trafficking charges, and transferred custody to the DEA for their removal to the United States. In early December 2009, the BAFE arrested two former high officials of the Haitian telecommunications company indicted for non-drug related money laundering charges in the United States, and turned them over to U.S. law enforcement agencies for prosecution in the United States. Since July 2007, a total of 20 fugitives have been arrested in Haiti and removed to the United States for criminal prosecution.

**Cultivation/Production.** There appears to be increasing cultivation of marijuana in Haiti, mostly intended for the domestic market. In 2008, the BLTS eradicated over 30,000 plants under cultivation in the Artibonite Valley; in 2009, the BLTS eradicated over 12,000 plants in the same region. Cocaine seizures in Haiti fell markedly, from 68 kilos in 2008 to 18 in 2009.

**Drug Flow/Transit.** Clandestine flights from Venezuela remain the primary narcotics threat, with traffickers continuing to use small aircraft to make some offshore air drops and many more land deliveries at clandestine airstrips throughout Haiti. From January to September, there were a total of 17 suspect drug flights to Haiti, as compared to 2008 when 25 suspect drug flights were recorded. As in previous years, go-fast boats also transport cocaine to locations on Haiti's southern coast for shipment to the United States or to the Bahamas and other Caribbean markets.

A shift seems to be occurring in the nature of Haiti's trafficking market. Rather than using Haitians as facilitators, Colombian and Venezuelan traffickers are now selling directly to Haitians and Haitian-Bahamians. These "locals" use their networks to control the secondary markets for cocaine and marijuana. This arrangement minimizes risk for South American producers and maximizes profits and control of distribution for the Haitian and Haitian-Bahamian networks.

**Domestic Programs and Demand Reduction.** The GOH does not collect data on drug abuse and does not support formal demand reduction programs.

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

**Policy Initiatives.** USG policy is focused on improving security in Haiti, which is critical to strengthening democracy, providing stability, establishing an environment for economic growth and investment, improving respect for human rights, and reducing drug trafficking, illegal immigration, and other transnational crime. The USG supports programs to help the GOH develop an honest, professional and effective police and corrections force; create institutions to fight both drug trafficking and related money laundering; and improve the infrastructure and management of the prison system.

In 2009, the Department of State conducted assessments of all foreign assistance programs in Haiti, including an assessment of counternarcotics, civilian policing and rule of law programs. As a result of that assessment and in response to on-going discussions with the highest levels of the Haitian government, the USG is intensifying its focus on security-related assistance to the Haitian police and corrections institutions, and to communities that are potential sources for gang or drug-related crime.

**Bilateral Cooperation.** On April 30, 2009, the Ambassador and President Preval signed an agreement for $2.5 million to be allocated for Haitian law enforcement capacity-building under the Merida Initiative. The funds will be used in four key areas to continue reforms and advances towards a more effective counternarcotics capability in the HNP: joint Haitian-Dominican border security training, aimed at improving collaboration and cooperation; an improved police communications system to allow controlled data-sharing between law enforcement units, investigating judges, prosecutors, and corrections and detention managers; expanded operating stations in Port-de-Paix in the northwest of Haiti for the GC and BLTS; and continued training of police, judges, and prosecutors on their roles in case preparation and prosecution of drug traffickers.

An interagency effort under the auspices of the Department of State's Office of Stability and Reconstruction, the Haiti Stabilization Initiative is completing a successful two-year rehabilitation of Cité Soleil, a notorious gang-ridden neighborhood in Port-au-Prince. The Department of State's Bureau of International Narcotics and Law Enforcement Affairs' Narcotics Affairs Section (NAS) contributed to the construction of the main police station in Cité Soleil as well as a sub-station in the Wharf Soleil area, and maintains contract staff to mentor and coach HNP staff on community policing.

The Embassy of Canada in Port-au-Prince actively funds projects to reinforce Haitian police, corrections, land and maritime border security—including constructing a maritime main base on the south shore in Les Cayes and donating five new medium-sized vessels to the GC. A part of the Canadian Global Peace and Security Fund, these are quick start, high-impact projects similar to the Haiti Stabilization Initiative of the U.S. Embassy. U.S. Embassy officers including the NAS staff maintain excellent and regular contacts with the Canadians in order to avoid duplication of our assistance to Haiti.

**The Road Ahead.** The catastrophic earthquake that occurred January 12, 2010, will have a tremendous affect on the way forward as the GOH rebuilds and continues its efforts to improve the capacity of its law enforcement, corrections, and judicial organizations. The USG will work with the GOH to identify the resources and guidance it needs to reestablish the security sector in and around Port au Prince. Once this is accomplished, maintaining momentum and consolidating advances made in 2009 in Haiti's law enforcement and counternarcotics capability will require continued engagement from the U.S. agencies providing security assistance. Political will by the GOH to address serious concerns will also be required. The GOH needs to fight corruption within state institutions and provide sufficient resources for the HNP in order to overcome impediments to sustained progress. Equally important is the restoration of rule of law, including reforms to the judicial system, such as reform and adoption of new procedural and criminal codes.

# Honduras

## I. Summary

Efforts by the Government of Honduras (GOH) in conjunction with U.S. law enforcement agencies directly addressed the air, land and sea drug transshipment of cocaine through the country during the first six months of 2009. Prior to the coup d'état that took place on June 28, 2009, increased and improved cooperation between U.S agencies and Honduran police and military units led to a significant increase in cocaine seizures. Since the coup, the de facto regime's deployment of security forces to the capital to maintain order and the suspension of U.S. assistance diminished the ability of Honduran police and military to fight narcotics trafficking. Honduras is a party to the 1988 UN Drug Convention.

## II. Status of Country

Honduras continues to be a transit country for drug trafficking. Its geographical location, limited resources and weak law enforcement presence in vast and depopulated areas of the Atlantic coast make Honduras a target for narcotics trafficking. Areas in Gracias a Dios Department and other remote areas of Honduras are used as transit or storage areas by drug traffickers operating from South America. Transshipment is facilitated by direct air, maritime vessels and the Pan-American Highway, which crosses southern Honduras. Before the June 28 coup, the Honduran counternarcotics police and military units were actively monitoring the transshipment of drugs through the country via air, land and sea routes with USG support. However, the lack of resources for Honduran law enforcement entities, whose attention is now focused more on internal security matters related to the political crisis and the suspension of U.S. assistance contributed directly to an increase in the flow and transshipment of drugs by narcotics traffickers. Prosecution of drug cases by the Public Ministry (PM) also remains weak. Gunmen on motorcycles ambushed and killed Honduras' top counternarcotics official, former army Gen. Julian Aristides Gonzalez, director of the Office for Combating Drug Trafficking in the capital on December 8.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The 2008 Organic Police Law instituted important police management reform. However, one of the reforms, requiring drug testing for all police personnel every six months, is not currently being conducted for all members of the police, and is only applied as a requirement for police being considered for promotion. While the Ministry of Security was in the process of establishing a polygraph facility that could support the expanded demand for this screening, USG support for vetting, training and equipping additional polygraph technicians was suspended as a result of the coup.

The new law limiting precursor chemical imports has already had an effect. The flow of pseudoephedrine and other precursor chemicals decreased significantly in 2009 compared to 2008 because of passage of Ministerial Agreement 246 on January 27, 2009, that prohibits the importation, production, distribution, transport, use and marketing of pharmaceuticals, cosmetics and natural products containing ephedrine, pseudoephedrine and their salts, as well as optical isomers and derivatives, thereby closing the legal loophole traffickers had used to import these substances legally for production of illegal drugs.

**Accomplishments.** In 2009, the GOH seized 6.6 metric tons of cocaine, 2,795 stones of crack cocaine, 923 kilograms of marijuana, 13 ounces and 60 capsules of heroin, and nearly 2.8 million pseudoephedrine pills. Additionally, 529 persons were arrested for drug-related offenses. All of these numbers represent decreases in seizures and arrests over the previous year. With U.S. assistance, GOH maritime interdiction has been successful, and through December 2009, authorities seized $671,641 in cash and $168,000 in assets as a result of joint operations.

**Law Enforcement Efforts.** In 2009, the Honduran Special Counter Narcotics Vetted Unit worked with the Drug Enforcement Administration (DEA) to arrest high ranking organized crime figures including the May 2009 arrest of Reimerio de Jesus Flores Lazo, a Salvadoran who had several international arrest warrants and was a key figure in charge of drug cartels' ground transportation logistics for narcotics trafficking in Central America. In August, Jammal El Youssef, who had international arrest warrants for terrorism, narcotics trafficking, arms trafficking and trafficking in persons was deported to the United States.

On October 1, 2009, in a joint operation called "Warunta 09", the Honduran Air Force, representatives of the Public Ministry, Navy and Ministry of Security dismantled a drug camp in a jungle area of La Mosquitia. In this operation, clandestine airstrips hidden in thick vegetation were discovered, and ammunition, aviation fuel, food, and lighting equipment were confiscated. This semi-permanent camp was linked to multiple recurring illegal flights and used by international organized crime as a very important point for the transshipment of drugs. Honduran authorities recognized that, with the suspension of USG support, their resources to respond effectively to the increased flow of international transshipment of drugs were limited.

**Corruption.** As a matter of policy, the GOH does not facilitate or encourage illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. However, corruption within the Honduran Government and its law enforcement elements presents obstacles to counternarcotics efforts. While law enforcement authorities made numerous arrests related to drug trafficking, prosecution rates remained low and few convictions have been made, in part due to corruption at all levels of the prosecution process.

With the creation of the National Directorate of Internal Affairs that reports directly to the Secretary of Security and is tasked with investigating police misconduct, the GOH made new efforts to fight corruption and improve law enforcement reforms. On July 10, ten police officers were arrested on drug charges in the Caribbean coastal region of Honduras and 142 kilograms of cocaine were seized. The officers belong to the Anti- Narcotics Operation Group (GOA) of the National Directorate of Criminal Investigation (DNIC).

**Agreements and Treaties.** Honduras has counternarcotics agreements with the United States, Belize, Colombia, Jamaica, Mexico, Venezuela, and Spain. Honduras 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. The major public maritime ports are in compliance with International Ship and Port Facility Security codes and the country is an active member of the Inter-American Drug Abuse Control Commission (CICAD). Honduras is a party to the UN Convention Against Corruption and the UN Convention Against Transnational Organized Crime and its protocol on Trafficking in Persons. A U.S.-Honduras maritime counternarcotics agreement entered into force in 2001 and a bilateral extradition treaty is in force between the United States and Honduras, but the Honduran Constitution prohibits the extradition of its nationals. Honduras signed the Caribbean Regional Maritime Counter Drug Agreement, but has not yet ratified it. A Declaration of Principles was signed between the United States and Honduras on December 15, 2005 for the Container Security Initiative (CSI), which involves the inspection of maritime cargo destined to the United States.

**Cultivation and Production.** Marijuana is cultivated in Honduras almost exclusively for domestic consumption. It is grown in the isolated fields hidden in rugged mountainous terrain in the Departments of Yoro and Francisco Morazan in Central Honduras; Colon along the Caribbean coast; Olancho in eastern Honduras; and in the western Departments of Copan and Santa Barbara. Honduran police have not detected any cocaine or heroin processing laboratories in the country, but drug traffickers use legally-registered laboratories to import precursor chemicals to separate pseudoephedrine from legal drugs to obtain raw material for the production of methamphetamine.

**Drug Flow and Transit.** Although the USG estimates that the amount of cocaine departing South America en route to the United States has slightly decreased since 2007 (at least 5 percent from 2007 to 2008 and perhaps even more for 2008 to 2009), the amount of cocaine transiting to or through Honduras increased from about 182 metric tons in 2008. Based on the first three quarters, cocaine arriving or passing through Honduras via air and maritime cases and events in 2009 was projected to exceed 200 metric tons.

The most visible change in narcotics trafficking in Honduras for 2009 was in the number of suspect air tracks to and through the country. Joint Inter Agency Task Force South (JIATF-S) recorded 31 total suspect air tracks, which delivered narcotics to Honduras in calendar year 2008. As of September 29, 2009, there were 44 Honduran suspect air tracks.

As with air activity, maritime cases increased for 2009 through September to 150 maritime cases and events, compared to 103 in all of 2008.

**Domestic Programs.** Poverty, unemployment, and the lack of economic development are main factors for drug use, especially among youth in Honduras. Alcohol and inhalants remain the most common abused substances, while fewer people abuse marijuana and cocaine. According to the governmental Honduran Institute for the Prevention of Alcoholism and Drug Addiction and Dependency (IHADFA), drug use is on the rise, and a majority of Hondurans between the ages of 15 and 19 tried some kind of illegal drug, especially cocaine. With Department of State foreign assistance funding, the Community Anti-Drug Coalitions of America (CADCA) signed a letter of agreement with the National Association Against Drugs (ANCOD) to conduct four training sessions in the town of Valle de Angeles with the purpose of providing the basic concepts on how to establish a counternarcotics coalition and serve as a model for other communities on how to reduce the level of abuse of illicit substances among the population. Due to the coup, CADCA conducted only three of the four training sessions.

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

The USG focus in Honduras is to address key challenges to security and law enforcement that affect both Honduras and the United States such as interdiction of drugs flowing through Honduras by air, sea or land, and the lack of public security because of gang-related and other organized crime.

**Bilateral Cooperation.** In 2009, there was improved communication and coordination between U.S. law enforcement and intelligence entities (DEA and JIATF-S), and Honduran military and National Police elements reacting to narcotics air and maritime shipments. The USG funded construction of the Naval Base in Barra de Caratasca in 2009 and is scheduled to begin construction of a naval facility on the island of Guanaja (as soon as the political situation allows). A marked improvement in Honduran expertise using the Cooperating Nations Information Exchange System (CNIES), particularly on the part of the Honduran Navy, accounted for a great deal of the enhanced response. Additionally, the enhancement of a steady state response capability through the U.S. Southern Command, JIATF-S, and Joint Task Force Bravo Central Skies II program added a more timely and robust interdiction capability for the Honduran Tactical Response Team (TRT), which worked closely with the DEA. However, since the June 28 coup, the interdiction success rate decreased considerably as a result of the reassignment of security forces by the de facto regime to counter political unrest.

Cooperation with Honduras via the bilateral maritime agreement remained strong in 2009. Under the agreement, the U.S. Coast Guard interdicted four Honduran flagged vessels, detained 24 suspected smugglers, and removed over 4.3 metric tons of cocaine. Drug trafficking organizations utilized Honduran flagged vessels in the transit zone to smuggle contraband, and several interdictions in countries along the transit zones involved Honduran crewmembers. The bilateral agreement with Honduras is a key element in the ability of USG interdiction assets to effectively deter drug trafficking organizations in the Western Caribbean.

**The Road Ahead.** The restoration of constitutional and democratic order in Honduras is critical to U.S.-Honduran cooperation and the collaborative government-wide coordination begun under the auspices of the Merida Initiative. The effectiveness of the police through capacity-building and encouraging reforms in the security sector, with an emphasis on modernizing prisons and working to prevent gang activity through rehabilitation of former gang members are priority areas of U.S. assistance. Following on the heels of the 2008 police law reforms, the 2009 precursor chemical law provided another effective tool to combat the use of Honduras as an easy transit route for illicit drugs and precursors. Before the June coup, multilateral joint interdiction efforts were netting increased results. The USG made every effort to prevent deterioration of our pre-coup gains in the area of cooperation and information-sharing. The United States encourages Honduran law enforcement entities to conduct criminal investigations on trafficking organizations and build on previous GOH plans to improve police operations with a focus on police training reforms. The USG also encourages the Ministry of Security to focus on improving the prison system and dismantling criminal organizations working from within the penitentiaries. Infrastructure, communication and equipment upgrades at Joint Task Force Policarpo Paz Garcia in Puerto Lempira will improve national and international counter-trafficking efforts in the region.

# Hong Kong

## I. Summary

The Hong Kong Special Administrative Region (HKSAR) is not a major transshipment point for illicit drugs destined for the international market. Some narcotics shipments do transit Hong Kong's high volume port, but its efficient law enforcement efforts, the availability of alternate routes, and the development of port facilities elsewhere in southern China prevent the HKSAR from becoming a major transshipment point. Some traffickers continue to operate out of Hong Kong, arranging shipments from nearby drug-producing countries via Hong Kong to other international markets, including to the United States. The HKSAR Government actively combats drug trafficking and abuse through legislation and law enforcement, preventive education and publicity, treatment and rehabilitation, as well as research and external cooperation. The 1988 UN Drug Convention, to which the People's Republic of China (PRC) is a party, also applies to Hong Kong.

## II. Status

Hong Kong's position as a key port city in close proximity to the Golden Triangle and mainland China historically made it a natural transit/transshipment point for drugs moving from Southeast Asia to the international market, including to the United States. In recent years, Hong Kong's role as a drug transshipment point has diminished due to law enforcement efforts and the availability of alternate routes in southern China. Despite this diminished role, some drugs continue to transit Hong Kong to other international markets. Some drug traffickers continue to use Hong Kong as their financial base of operations, including investors involved in international drug trafficking activity who reside in Hong Kong. Drug trafficking groups operating in Hong Kong are primarily transnational in nature.

Hong Kong law enforcement officials maintain very cooperative liaison relationships with their U.S. counterparts in the fight against drugs. According to HKSAR authorities, drugs seized in Hong Kong are smuggled mostly for local consumption and to a lesser extent for further distribution in the international market. Statistics released by the Hong Kong Central Registry of Drug Abuse (HKCRDA) for 2008 indicate the number of reported drug abusers declined from 14,115 in 2005 to 13,252 in 2006. In 2007 this figure had increased slightly to 13,591, whereas by the end of 2008 the number of reported drug abusers had increased again to 14,175. Newly-reported drug users age 30 and under account for the largest increases since 2007.

Though heroin was once the most commonly abused drug in Hong Kong, the number of heroin abusers continued its steady decline in 2008 with 7,243 heroin abusers reported, compared to the 7,419 reported in 2007. For the second year in a row, HKCRDA also reported a larger number of psychotropic substance abusers than heroin abusers. In 2008, 8,306 psychotropic abusers were reported, an increase from the 7,908 psychotropic abusers reported in 2007. Ketamine is the most commonly abused psychotropic substance with over 5,000 abusers, approximately 1,000 more since 2007. Triazolam/midazolam/zopiclone, methamphetamine, MDMA-Ecstasy, cannabis, cocaine, and codeine-based cough medicine are also regularly abused.

In 2009, the Hong Kong Government continued its efforts to combat psychotropic substance abuse, particularly among Hong Kong's youth. Beginning in December 2009, approximately 22,000 students in 23 Hong Kong secondary schools will take part in a voluntary drug testing pilot program through the remainder of the school year 2009/2010. Although public opposition to student drug testing on grounds of privacy concerns initially stalled this project, the Hong Kong Government stepped up its drug prevention public outreach against a backdrop of widely reported psychotropic substance abuse cases involving children. The goals of the school drug testing pilot program are to deter youth substance abuse, to

facilitate early intervention for identified abusers, and to gain empirical data applicable to further substance abuse prevention programs.

## III. Actions Against Drugs in 2009

**Policy Initiatives.** The Hong Kong Government continued to employ existing counternarcotics policies and strategies in drug prevention efforts. As previously discussed, the formerly stalled plan for voluntary drug testing in Hong Kong schools is moving forward with a pilot program commencing December 2009, despite some public opposition.

**Law Enforcement Efforts.** Hong Kong's law enforcement agencies, including the Hong Kong Police and Hong Kong Customs and Excise Department (HKCE), place high priority on meeting the objectives of the 1988 UN Drug Convention. Their counternarcotics efforts focus on the suppression of drug trafficking and the control of precursor chemicals. The Hong Kong Police have adopted a three-level approach to combat narcotics distribution: the headquarters level focus is on high-level traffickers and international trafficking; the regional police force focuses on trafficking across police district boundaries; and the district-level police force has responsibility for eradicating street-level distribution.

The HKCE's Chemical Control Group, in cooperation with the U.S. Drug Enforcement Administration (DEA) office in Hong Kong, continues to closely monitor the usage of precursor chemicals and tracks the export of suspicious precursor chemical shipments to worldwide destinations with significant results effecting several regions, including the United States.

**Corruption.** The Government of Hong Kong SAR 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 government official is alleged to have participated in such activities. Hong Kong has a comprehensive anticorruption ordinance that is effectively enforced by the Independent Commission Against Corruption (ICAC), which reports directly to the Chief Executive. In addition, the UN Convention Against Corruption, which the PRC ratified on January 13, 2006, is applicable to Hong Kong.

**Agreements and Treaties/International Cooperation.** Upon resuming the exercise of sovereignty over Hong Kong, the PRC advised the UN Secretary General that the 1961 Single Convention, as amended by the 1972 Protocol, the 1971 Convention on Psychotropic Substances, and the 1988 UN Drug Convention, apply to Hong Kong. The UN Convention against Transnational Organized Crime and the UN Convention against Corruption also apply to Hong Kong. Hong Kong has Mutual Legal Assistance in Criminal Matters Agreements (MLAA) with the United States and many other countries. Hong Kong currently has signed Surrender of Fugitive Offenders Agreements with Australia, Canada, Finland, Germany, India, Indonesia, Ireland, Korea, Malaysia, the Netherlands, New Zealand, Philippines, Portugal, Singapore, Sri Lanka, the United Kingdom, and the United States. Hong Kong has also signed Transfer of Sentenced Persons Agreements with eight countries, including the United States. Hong Kong law enforcement agencies enjoy a close and cooperative working relationship with their mainland counterparts and those in many other countries.

Hong Kong participates in Project Prism and Operation Cohesion, both managed by the International Narcotics Control Board, to control the illegal diversion of chemical precursors. Hong Kong also participates in joint tracking programs, which allow HKCE and the U.S. DEA to target the movement of precursor chemical shipments exported from, transshipped or transiting via Hong Kong to high-risk countries. In addition to the monitoring of controlled chemical precursors, Hong Kong monitors the movement of ephedra, a raw material for the manufacture of ephedrine.

**Cultivation and Production.** Hong Kong is generally not considered a significant producer of illicit drugs. However, Hong Kong law enforcement authorities dismantled an indoor cannabis cultivation operation and six small-scale crack cocaine production labs in 2009.

**Drug Flow/Transit.** Some drugs continue to transit Hong Kong for destinations in overseas markets, including Australia, mainland China, Japan, Taiwan, Europe, and the United States. In September 2009, HKCE officials seized two DHL packages destined for Sacramento, California, containing approximately 46 kilograms of opium concealed in wooden carvings and drums. In July 2009, HKCE seized 196 one-kilogram bags of ketamine at the Hong Kong International Airport cargo terminal in a transshipment of sugar and rice which originated in India and was destined for Taiwan. Cocaine, amphetamine-type stimulants (ATS; such as methamphetamine and MDMA), and ketamine continue to be smuggled into Hong Kong. Although local cocaine consumption often transits Southern China (Guangdong Province) on its way to Hong Kong, cocaine was transported directly into Hong Kong from locations other than mainland China during 2009. In August 2009, HKCE arrested an arriving passenger at the Hong Kong International Airport possessing approximately six kilograms of cocaine hidden within checked luggage clothing articles. The suspect had traveled to Hong Kong from Lima, Peru, by way of Sao Paulo, Brazil and Johannesburg, South Africa. On another occasion, a female courier was arrested at Sao Paulo, Brazil's Guarulhos International Airport also bound for Hong Kong with approximately 3.87 kilograms of cocaine concealed in shampoo bottles. The female courier's itinerary was: Lima, Peru; Sao Paulo, Brazil; Amsterdam, the Netherlands; Hong Kong.

The heavy volume of vehicle and passenger traffic at the land boundary between mainland China and Hong Kong poses difficulties in the fight against the trafficking of drugs into and out of Hong Kong. In an effort to curb Hong Kong's role as a transit/transshipment point for illicit drugs, the HKSAR maintains a database of information on all cargo, cross-border vehicles, and shipping. The air cargo clearance system, the land border system, and the customs control system are all capable of quickly processing information on all import and export cargoes, cross-border vehicles and vessels. The local Chinese population dominates the Hong Kong drug trade. Contrary to common belief, a significant and direct connection between Hong Kong narcotics activity and Hong Kong triads at the wholesale and manufacturing level does not exist. Therefore, drug investigations are not focused on known triad societies, but rather on the particular trafficking syndicates or individuals involved. Trafficking destined for mainland China by Southeast Asians remains prominent.

**Domestic Programs/Demand Reduction.** The Hong Kong Government uses a five-pronged approach to confront domestic drug problems, including legislation and law enforcement, preventive education and publicity, treatment and rehabilitation, research, and external cooperation. In 2009, the Hong Kong Government's preventative education policy efforts continued to focus on youth and parents. The Hong Kong Government provides a comprehensive drug prevention program throughout Hong Kong's education system.

In 2009, the Hong Kong Narcotics Division continued efforts to educate Hong Kong adolescents about the detrimental effects of commonly abused drugs by using public interest announcements through TV and radio broadcasts, short internet films, and wide dissemination of posters and printed materials. The Narcotics Division also partners with youth organizations and groups such as Junior Police Call, the Hong Kong Red Cross, and the Scout Association of Hong Kong to promote its youth counternarcotics message. The Hong Kong Government continued its comprehensive public awareness campaign to educate the public about the harmful effects of ketamine and ecstasy, the two most commonly abused drugs among youth.

Since June 2004, the Hong Kong Narcotics Division has also disseminated its counternarcotics message through multimedia exhibits at the Hong Kong Jockey Club Charities Trust-funded Drug Information Centre (DIC). The Government also continued to commission nongovernmental organizations to assist in educating primary and secondary school children by sponsoring counternarcotics education programs in local schools and conducting counternarcotics seminars with parents, teachers, social workers and persons from various uniformed groups.

The Hong Kong Government continued to implement its comprehensive drug treatment and rehabilitation program in 2009. The Government's fifth Three-year Plan on Drug Treatment and Rehabilitation Services, released in April 2009, sets out the overall direction for enhancing Hong Kong's treatment and rehabilitation services and increases focus on early intervention efforts and programs that reach out to substance abusers. The Department of Health and the Social Welfare Department operate seven residential drug treatment centers and several counseling centers for psychotropic substance abusers. The Correctional Services Department continued to provide compulsory treatment for convicted persons with drug abuse problems. While these programs are welcomed in principle, Hong Kong residents are averse to having treatment and rehabilitation programs in their neighborhoods.

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

**Bilateral Cooperation.** The U.S. Government and the HKSAR continue to promote sharing of proceeds from joint counternarcotics investigations. In May 2003, Hong Kong began participating in the U.S. Container Security Initiative (CSI), which U.S. law enforcement believes increases the potential for identifying shipments of narcotics, even though its focus is on terrorism and weapons of mass destruction. Hong Kong is also an active participant in the International Law Enforcement Academy (ILEA) in Bangkok, Thailand. From 2003 to October 2005, HKCE, Hong Kong Department of Health, and the U.S. DEA launched a joint operation to monitor the movement of precursor chemicals used in the production of methamphetamine and other drugs from Hong Kong to high-risk countries. The operation effectively decreased the frequency of these shipments and, through the high level of information exchange and timely international tracking, was indicative of the strong cooperation between Hong Kong Government officials and their U.S. counterparts.

To further strengthen international cooperation against illicit drug precursor trafficking, Hong Kong secured an agreement with the U.S., Mexico and Panama to impose stringent shipment controls in April 2005. Since the agreement's implementation, no large-scale shipments of such products to Mexico or other high-risk countries have been detected. Another cooperative chemical initiative was implemented in February 2006 between the Hong Kong Government and the U.S. DEA to monitor and track precursor chemical shipments sourced from countries or territories in Asia, which transit through Hong Kong, and are destined for high-risk countries.

**The Road Ahead:** The Hong Kong Government continues to be a valuable partner in the fight against drug trafficking and abuse. Hong Kong law enforcement agencies, among the most effective in the region, continue to cooperate closely with U.S. counterparts. The U.S. Government will continue to encourage Hong Kong to maintain its active role in counternarcotics efforts.

# 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. Recent trends suggest that drug abuse is now hitting a plateau, but experimentation with drugs in Hungary begins at an early age. Marijuana is the most popular illicit drug in Hungary, followed by Ecstasy (MDMA) and amphetamines, LSD and other hallucinogens, cocaine, and finally heroin. 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 1999, 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 Focal Point (NFP). The NFP 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. It is also a primary transit route for synthetic narcotics from Western Europe into the Balkans. According to the Hungarian National Bureau of Investigation (NBI), foreign organized crime, particularly Albanian, Turkish, Serbian, and Kosovar, controls the transit and sale of narcotics in Hungary. Domestic cultivation of drugs is relatively limited, but Hungarian law enforcement agencies note the recent increase of Vietnamese groups involved in sophisticated indoor cannabis cultivation. Officials report that cocaine, which just a few years ago was considered a VIP drug, is becoming increasingly popular as its street price declines. The new national drug strategy for 2010-2018 is expected to have legislative approval by the end of 2009.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Hungarian government developed its new national drug strategy for 2010-2018 this year. Ministry officials expect the cabinet to present the final proposal to Parliament in October 2009, with legislative approval by the end of the year. According to the Directorate for the National Co-ordination of Drug Affairs, the new strategy contains no major changes from the current strategy and is fully in line with the European Union's drug strategy. It is based on prevention, treatment, and supply reduction. 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. It is co-chaired by the Minister of Health and the Minister of Social Affairs and Labor. The Hungarian National Focal Point, which was established in 2004, 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.

In July 2009, the Institute for Forensic Sciences, with the support of the Directorate for the National Co-ordination of Drug Affairs, launched a new project to enhance the monitoring of licitly produced active substances in critical illegal drugs to prevent diversion. One goal of this project is to monitor the purity variance of illegal substances most likely to cause drug death through overdose. When rare or dangerous components are detected in samples, the Institute of Forensic Sciences forwards this information to the National Focal Point and other relevant organizations. As an early warning system, the Ministry of Social Affairs and Labor considers the project successful in reducing overdose deaths.

Hungary continued to maintain strong regional cooperation in drug matters with neighboring countries, including Croatia and Romania. The countries collaborated on initiatives including regular study visits and expert conferences to facilitate information exchange in the drug policy field. In cooperation with the Netherlands, Hungary also assisted Serbia, Montenegro, and Macedonia in preparing national drug strategies as part of their European Union pre-accession process. Within the framework of the Central Dublin Group, Hungary was co-chair of the Balkans Regional Group with Austria in 2009 and will continue to co-chair the regional group in 2010. In its role as co-chair, Hungary helps to assess the situation in the Balkans and develop appropriate assistance responses to perceived needs.

**Law Enforcement Efforts.** Hungary met Schengen standards for border control at the end of December 2007, and joined the Schengen area. The Hungarian Border Guards were merged with the Hungarian National Police (HNP), resulting in greater cooperation, information sharing, and efficiency in border interdiction. 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. Hungary's 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 trans-shipment 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 counternarcotics and antismuggling activities as well. These groups jointly planned and staged actions during 2008/09 that were specifically designed to prevent drug trafficking and a wide range of illicit transit and smuggling activities.

According to the National Focal Point (NFP), in 2008 there were 5,459 drug-related criminal proceedings in Hungary, a 17 percent increase over 2007. This breaks a two-year trend of declining drug-related criminal proceedings, from a high of 7,616 in 2005 to a five-year low of 4,667 in 2007. 83.4 percent of illicit drug offenses involved demand-related activities, most often personal use. Supply-related criminal offenses (offering, supplying, distributing, trafficking, etc.) were 16.14 percent of all offenses
The National Bureau of Investigation (NBI) notes that drug-related law enforcement activities used to be primarily focused on Budapest, where the drug problem was fairly contained. In recent years, however, law enforcement officials observe that drug abuse and drug-related criminal offenses have spread to other large cities around Hungary. Many observers inside and outside of the government have cited inadequate asset forfeiture laws as a main stumbling block in disrupting criminal organizations involved in the drug trade.

The cooperation between the HNP and the U.S. Drug Enforcement Administration (DEA) Office in Vienna, Austria, has improved dramatically within the past year, with DEA describing the current relationship as "outstanding." DEA and the National Bureau of Investigation share information and coordinate joint international money laundering and drug trafficking operations.

The table below reflects 2008 seizure data as reported by the Institute for Forensic Sciences and the Hungarian National Focal Point:

**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. 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. It is difficult, however, to assess accurately the scope and success of Hungarian efforts to combat corruption, as 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 facilitated closer cooperation between U.S. and Hungarian law enforcement agencies. In addition, in December 2006 the Hungarian National Assembly ratified the Hungary is also a party to the UN Convention Against Corruption and to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. All 27 EU member states, including Hungary, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocol with Hungary and they will enter into force on February 1, 2010.

**Cultivation/Production.** The National Bureau of Investigation (NBI) reports that marijuana is the only illicit drug domestically cultivated in Hungary. In the past year, Hungarian authorities have reported an increase in more sophisticated hydroponic marijuana cultivation, primarily by Vietnamese groups. In the recent past, domestic marijuana cultivation was limited to relatively small-scale and unsophisticated operations. Current trends indicate that organized groups are now purchasing entire buildings for larger-scale, indoor production centers. These groups have access to expensive technology which professionalizes the cultivation process and increases output. According to Hungarian authorities, these groups are involved in both the cultivation and distribution of marijuana, essentially controlling the entire supply chain. They have also attempted to forge closer ties with Turkish groups involved in heroin trafficking. The NBI reports that there are virtually no synthetic drug laboratories operating in Hungary.

**Drug Flow/Transit.** Hungary is a narcotics importer country as well a transit route between countries. Narcotics enter the country via routes frequently controlled by criminal groups. Synthetic drugs come primarily from the Netherlands. Organic drugs, such as heroin and cocaine, follow different routes. Heroin generally comes from Turkey and passes through Hungary on its way to Western Europe. The NBI reports that Albanian, Turkish, Serbian, and Kosovar groups are involved in the trafficking of heroin through Hungary. Cocaine, which used to enter Hungary primarily from the Netherlands, now arrives directly from Spain, presumably from sources in Central and South America.

According to local authorities, the majority of illicit drug flow into Hungary crosses the country's land borders, often from Austria and Slovakia. Narcotics are also smuggled into Hungary through Budapest's Ferihegy International Airport. The NBI reports that five years ago they were seizing larger shipments of narcotics, sometimes around 200 kilograms a shipment. They have noticed a recent change in which organized crime is moving smaller, but more frequent, quantities of narcotics across borders.

Synthetic drugs have distinct transit patterns. Ketamine, which is a popular anesthetic in veterinary medicine but is also used as a recreational drug, primarily enters Hungary from Slovakia. Gamma Hydroxybutyrate (GHB) and Gamma Butyrolactone (GBL), on the other hand, generally arrive from sources in Western Europe. Narcotics precursors, such as acetic anhydride, pass through Hungary from the Czech Republic and Slovakia on their way to Serbia and other Balkan countries. Hungarian authorities report that Serbian organized crime is involved in this trade.

**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 amphetamine, heroin, or Ecstasy.

Much of the drug prevention outreach in Hungarian schools is subcontracted to NGOs and other organizations. According to the Hungarian National Focal Point (NFP), in 2008 the Ministry of Social Affairs and Labour and the Ministry of Education and Culture jointly issued tender invitations for school-based health promotion and drug prevention programs in the amount of HUF 170 million ($925,000). As a result of this funding, 30,090 primary school students (aged 10-14) and 54,860 secondary school students (aged 14-18) participated in drug prevention programs. In addition to school-based drug prevention programs, Hungarian authorities have identified 162 service providers of out-of-school drug prevention programs. The Ministry of Education and Culture also granted HUF 5 million ($27,000) to support drug prevention training courses for teachers. In one particular course dealing with addictive substances, nearly 100 teachers participated.

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 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.

According to the Ministry of Health and the NFP, the total number of users receiving both inpatient and outpatient treatment during 2008 was 14,353, a 6.7 percent increase from 2007.

Local authorities in Hungary are implementing needle/syringe programs (NSPs). According to the NFP, in 2008 there were eighteen service providers operating NSPs in Hungary, with four of them located in Budapest and fourteen of them located outside of Budapest. In 2008 new NSPs were launched in three towns (Salgótarján, Kaposvár and Orosháza), improving the needle/syringe program coverage of the regions outside of Budapest. In 2008 both the number of distributed and returned syringes increased significantly outside of Budapest.

Since 2007 buprenorphine-naloxone has been a possible substitution treatment in Hungary. Since October 2008 a daily dose of 8 mg of buprenorphine-naloxone has been financed by the social insurance fund. Methadone treatment is still the preferred substitution treatment in Hungary, but buprenorphine-naloxone is being used more and more frequently.

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 six-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. According to Ministry of Health data, 2,660 drug users participated in diversion programs in 2008. This marks the second straight year in which the number of drug users participating in diversion programs has decreased.

There is some debate about the success of the diversion program in Hungary. Some political groups, in particular, talk about a return to tougher penalties for drug use. Within the government, however, there is agreement that diversion, while not perfect, has helped to further the legal distinction between drug users

and drug suppliers. It is also seen by many as a success simply by providing many drug users with an alternative to criminal procedures.

## 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 DEA maintains a regional office in Vienna, Austria, that is accredited to Hungary to work with local and national Hungarian authorities. DEA and the Hungarian National Bureau of Investigation (NBI) share information and coordinate joint international money laundering and drug trafficking operations. A joint FBI/NBI task force identifies, investigates, and disrupts/dismantles criminal organizations in Hungary and the surrounding region.

**The Road Ahead.** The USG continues to support and encourage Hungarian efforts regarding drug prevention, treatment, and supply reduction. The USG also continues to support GOH law enforcement efforts through training programs and seminars at the ILEA as well as through specialized in-country programs.

# Iceland

## I. Summary

Icelandic authorities confront still limited, but increasing, levels of domestic drug production. The primary focus of law enforcement is on stopping importation and distribution, with a lesser emphasis on prosecuting for possession and use. The number of seizures and narcotics-related offenses in Iceland continued to decline in 2009. At the same time, however, the total quantity of narcotics seized increased as authorities placed greater emphasis on shutting down large-scale operations. Icelandic police made the largest narcotics seizure in Icelandic history, based on street value, during2009. 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 are produced in still limited, but increasing, quantities in Iceland. Law enforcement authorities believe that the domestic production of drugs is limited to marijuana plants, now grown in quantities adequate to satisfy virtually all domestic demand, and the occasional amphetamine laboratory. Police reported an average seizure of 100-200 cannabis plants a week, a dramatic increase considering there were only a total of some 900 plants seized for the entire year in 2008. There are even reports that some domestically grown marijuana may be intended for export. The harsh climate and lack of arable soil make the outdoor cultivation of drug crops in Iceland almost impossible so all cultivation is limited to indoor facilities.

Most illegal drugs in Iceland are smuggled in through the mail, inside commercial containers, or by airline and ferry passengers. Amphetamines have become increasingly common during recent years and they are now the chief illicit drug entering Iceland. Police believe that this is part of a trend of stimulant drug use that also involves heightened levels of cocaine and MDMA in circulation. These drugs are believed to originate in Denmark, the Netherlands, Spain, Lithuania and South America. They are imported into Iceland primarily via Denmark and the Netherlands. According to authorities there were 62 seizures of imported drugs and precursors in 2009 (latest available National Commissioner of Police figures through September 30, 2009).

Icelandic officials raised concerns during the year that drug smuggling into Iceland could be tied to Eastern European and Baltic organized crime groups, perhaps occasionally working in cooperation with Icelandic crime groups. In addition to drug trafficking, officials believe that these groups may also be involved in money laundering and human trafficking. Law enforcement officials stated publicly that investigation and interdiction efforts were being adjusted accordingly to deal with this element of organized crime. In February, the National Police Commissioner's Analytical Unit released an assessment on the extent of organized crime in Iceland. The report stated that as a result of the economic crisis in Iceland, profits from the narcotics trade will increasingly be invested in Iceland, since capital controls and an unfavorable currency exchange rate make exporting the profits difficult.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Public Health Institute of Iceland, established in 2003, is responsible for managing 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 $361,000 to

a total of 45 groups and administered 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.

A drug prevention program called "Youth in Europe" emphasizes the importance of organized leisure activities, in addition to time spent with parents, as Icelandic studies of drug abuse showed that these reduced the likelihood of drug use. In connection with the program, an annual Prevention Day is held each autumn in Iceland's grade schools. 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. The Icelandic Center for Social Research and Analysis, a nonprofit research center that specializes in youth research, published a study in October showing that 6 percent of 15-16 year olds have tried cannabis substances at least once in their lives.

**Law Enforcement Efforts.** Authorities have documented a substantial downward trend in narcotics violations over the past three years and the tentative number for 2009 shows a continuing decrease in such violations (from 1847 in 2007, to 1590 in 2008, and 976 as of September 30, 2009). This trend, however, can be attributed to the authorities placing greater emphasis on wholesale trafficking, large-scale seizures and narcotics production facilities, while focusing less on individual users. 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.

Police seized a total of 25.4 kilograms of hashish, 74.2 kilograms of amphetamines, 1.8 kilograms of cocaine, 6 units of LSD, 16,216 Ecstasy pills, and 9,707 cannabis plants as of September 30, 2009. Nationwide drug seizure highlights include:

In March, Reykjavik Metropolitan Police confiscated 1000 and 621 cannabis plants, respectively, in two different raids on industrial buildings near Reykjavik.

In April, a major police operation near the harbor town of Hofn in southeast Iceland led to the discovery of 55 kilograms of amphetamines, 34 kilograms of marijuana, 19.5 kilograms of hashish, and roughly 9,400 Ecstasy pills that had been smuggled into Iceland by a Belgian-registered sailboat. The street value of the drugs amounted to millions of dollars, making this the biggest drug bust in Icelandic history. Over 100 people participated in the police operations including members of the Reykjavik Metropolitan Police, police departments in Eastern Iceland, the National Police Commissioner, the Icelandic Coast Guard, the Danish military, and the Icelandic Defense Agency. Six men were arrested in connection with the case.

In April, Keflavik Airport (KEF) Police arrested two Belgian women with roughly 400 grams of cocaine hidden internally.

In April, customs officials confiscated roughly 6 kilograms of amphetamines that were smuggled through express mail.

In September, KEF Police arrested two Polish men with approximately 6,000 Ecstasy pills hidden in cans.

The National Police Commissioner and the Sudurnes Police Commissioner, who oversees Keflavik Airport, have expressed concern about attempts at infiltration into Iceland by Central and Eastern European gangs and criminals, including from the Baltic States. In the past, police have cooperated with Nordic officials to prevent the entry of biker gang members, particularly the Hell's Angels, suspected of attempting to expand their criminal operations to Iceland. In March, 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 MC, an Icelandic biker gang that the Hell's Angels have selected as a prospective member of their organization. Customs and police deployed drug-sniffing dogs to popular outdoor festivals on a holiday weekend in early August to deal with drug distribution among youths attending the events.

**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.

**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. Iceland is not a party to the UN Convention against Corruption. 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.** Most alcohol and drug abuse treatment is managed by SAA, the National Center of Addiction Medicine. 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 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 estimated the number of admitted patients in 2009 to be 2,200-2,300. The National Hospital annually admits 400-500 drug addicts (often those with complicating psychiatric illnesses). 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 between 15-20 years old, operated in conjunction with the Government Agency for Child Protection.

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 maintained an educational website, 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 and FBI offices in Copenhagen and the Regional Security Office at the U.S. Embassy 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, Embassy Reykjavik's Regional Security Office has facilitated continued support between U.S. and Icelandic authorities by sharing law enforcement practices and techniques to continue strengthening the abilities of the Icelandic police. 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.

# India

## I. Summary

India is one of only a few countries authorized by the international community to produce opium gum licitly for the pharmaceutical industry. Other licit producing countries use the much less diversion-prone concentrate of poppy straw (CPS) method to produce opium alkaloids. Because of India's strategic location between Southeast and Southwest Asia, a significant portion of the heroin seized in India originates in these neighboring countries where opium poppy is illicitly cultivated. Insurgent groups operating in Northeast India finance their activities through smuggling of drugs from Burma into India. Hashish and cannabis intended for the international markets is smuggled into India from Nepal. In addition to diversion from India's own controlled licit opium production, criminal groups produce heroin illicitly for both the domestic addict market and for the international market. Intravenous drug use (IDU) of heroin, morphine base ("brown sugar" heroin) and opiate pharmaceuticals, particularly in the Northeast states bordering Burma, continues to be a concern, resulting in an extremely high incidence of HIV/AIDS in these populations. Opiates, brown sugar and cannabis continue to be among the substances most commonly abused in India. In recent years major metropolitan areas report the use of small quantities of cocaine, Ecstasy and other synthetic drugs among the wealthy elite. Seizure investigations suggest that cocaine entering India is being smuggled from West Africa.

The Government of India (GOI) continually tightens licit opium diversion controls, but while law enforcement authorities in India regularly eradicate large areas of illicitly cultivated opium and cannabis plants, a significant portion of licitly cultivated opium still finds its way into the illicit market. India takes many steps to control illegal diversion of licitly grown opium to the illicit market. In past years the U.S. and India conducted joint research projects into means to hold down diversion. India's highly refined methodology to control diversion benefited from this research. India is a party to the 1988 UN Drug Convention.

The United States and India are parties to extradition and mutual legal assistance treaties (MLAT), but implementation by the GOI of both treaties continues to suffer from delays based on lack of GOI initiative and lack of communication by GOI authorities regarding the status of implementation of USG requests. Implementation of the MLAT has also suffered due to the refusal of the Ministry of Home Affairs, the Indian Central Authority to use electronic communication technology to communicate with the U.S. Department of Justice, its U.S. counterpart. Implementation of the extradition treaty has likewise suffered because of a failure of the Ministry of External Affairs to communicate directly with U.S. Department of Justice and to effectively supervise attorneys representing governments in the extradition proceedings in India

## II. Status of Country

Under the terms of international agreements, supervised by the International Narcotics Control Board (INCB), India must maintain licit opium production and carry-over stocks at levels no higher than those consistent with world demand to avoid excessive production and stockpiling, and a resultant risk of diversion to illicit uses. India has complied with this requirement and succeeded in rebuilding its stocks from recent low levels. Opium stocks now exceed minimum requirements set each crop year by the INCB. From a stock of 509 metric tons in 1999/2000, stocks rose to 1,776 metric tons in 2004/05, but were down to 1,401 metric tons at the end of the 2006/07 crop year. Figures for 2007/08 are not yet available.

Farmers licensed to grow opium for licit production of pharmaceuticals are allowed to cultivate a maximum of 10 "ares" (one are equals one one-hundredth of a hectare). "Opium years" straddle two

calendar years. All farmers must deliver all the opium they produce to the government, meeting a minimum qualifying yield (MQY) that specifies the amount of kilograms of opium to be produced per hectare (HA), per state. The MQY is established yearly by the Central Bureau of Narcotics (CBN) prior to licensing. At the time the CBN establishes the MQY, it also publishes the price per kilo the farmer will receive for opium produced that meets the MQY, as well as significantly higher prices for all opium turned into the CBN that exceeds the MQY.

The MQYs are based on historical yield levels from licensed farmers during previous crops. Increasing the annual MQY has proven effective in increasing average yields, while deterring diversion, since, if the MQY is too low, farmers could clandestinely divert excess opium they produce into illicit channels, where traffickers often pay up to ten times what the GOI can offer. An accurate estimated of the MQY is crucial to the success of the Indian licit production control regime.

During the 2002/03-crop year, CBN began to estimate the actual acreage under licit opium poppy cultivation by using satellite imagery and then comparing it with exact field measurements. Licit poppy cultivation is not confined to an enclosed area and many farmers integrate poppy fields with other agricultural crops like soybean, sugarcane, garlic and wheat. Interpretation of the satellite survey data is a complex undertaking. Satellite results are then confirmed by CBN field visits that measure each farmer's plot size. CBN is also uses this technology to identify illicit cultivation of opium in various parts of the country. Any cultivation in excess of five percent of the allotted cultivation area is not only uprooted, but the cultivator is also subject to prosecution. During the opium poppy lancing period, the CBN appoints a village headman for each village to record the daily yield of opium from the cultivators under his charge. CBN regularly checks the register and physically verifies the yield tendered at harvest. In 2009, the CBN continued issuing microprocessor chip-based "Smart" identity cards to opium poppy cultivators. The cards are delivered to cultivators at the time of licensing. The card carries the personal details of the cultivator, the licensed area, the test measured field area and the opium tendered by him to the CBN in past crop years. The information stored on the card is read with handheld terminal/read-write machines that are provided to field division controllers. The data is later uploaded to computers at CBN headquarters and the regional offices.

The GOI periodically raises the official price per kilo of opium, but illicit market prices are four to five or even ten times higher than the base government price. Farmers who submit opium at levels above the MQY receive a premium, but premium prices can only act as a modest positive incentive. In the 2005/2006 opium harvest year, CBN significantly decreased the number of hectares licensed from 8,771 in 2004/2005 to 6,976 in 2005/2006, and the number of farmers licensed from 87,682 in 2004/2005 to 72,478 in 2005/2006. In 2006/2007, a total of 5,913 hectares were cultivated and 62,658 farmers under license. Estimated yield for 2008/2009 is not available.

In the 2009/2010 crop year, GOI's opium policy established the MQY of 58 kilograms/hectare in Madya Pradesh and Rajasthan and 52 kilograms/hectare in Uttar Pradesh. Morphine content of opium tendered during 2009/2010 may become the basis for payment for the crop year 2009/2010 and eligibility for license for crop year 2010/2011, if the GOI decides to implement this change in policy.

Although there is no reliable estimate of diversion from India's licit opium industry, some diversion does take place. The GOI estimate is less than 10 percent of production. There is no evidence that significant quantities of opium or its derivatives diverted from India's fields reaches the U.S. In 2007, the GOI seized 2,226 kilograms of licit opium, which had been diverted, or was cultivated in contravention of Indian law. As of September 30, 2008, GOI had seized 643 kilograms of licit opium out of which 61.62 kilograms was seized by the CBN. As of August 2009, the GOI reported seizures of 2,058 kilograms of opium in 212 cases, 47.28 kilograms of which was licitly cultivated opium seized by CBN.

Poppies harvested using the CPS process are not lanced, and since the dried poppy heads cannot be readily converted into a usable narcotics substance, diversion opportunities are minimal. However, it is

inherently difficult to control diversion of opium gum collection because opium gum is collected by hand-scraping the poppy capsule, and the gum is later consolidated before collection. The sheer numbers of Indian farmers, farm workers and others who come into contact with poppy plants and their lucrative gum make diversion hard to monitor. Policing these farmers on privately held land scattered throughout three of India's largest states is a considerable challenge for the CBN. All other legal producers of opium alkaloids, including Turkey, France, and Australia, produce narcotics raw materials using the CPS process. The GOI believes the labor intensive gum process used in India is appropriate to the large numbers of relatively small-scale farmers who grow poppy in India.

Processing opium gum into narcotic alkaloids is difficult because a residue remains after the narcotic alkaloids have been extracted. This residue must be disposed of with appropriate environmental safeguards. Because of this, pharmaceutical opiate processing companies prefer using CPS for ease of extracting the opiate alkaloids, with the exception of certain companies, which have adapted their equipment and methods to be able to use gum opium.

To meet this challenge, the GOI has explored the possibility of converting some of its opium crop to the CPS method. The GOI is also examining ways to expand India's domestic opiate pharmaceutical processing industry and the availability of opiate pharmaceutical drugs to Indian consumers through ventures with the private sector. However, regardless of the GOI's interest in CPS, the financial and social costs of the transfer and the difficulty of purchasing appropriate technology are daunting. Since alkaloid extraction requires highly specialized equipment, some of the most obvious places where such equipment and technologies would be available, along with advice on how to use them, are in the other countries licensed to produce legal opiate alkaloids and thus in countries in direct competition with India for licit opium sales.

Morphine base ("brown sugar" heroin) is India's most popularly abused heroin derivative, either through smoking, "chasing" (i.e., inhaling the airborne fumes of burning opium) or injecting. Most of India's "brown sugar" heroin comes from diverted licit Indian opium and is locally manufactured. Indian "brown sugar" heroin is also increasingly available in Nepal, Bangladesh, Sri Lanka, and the Maldives. Most seized "white" heroin is destined for West Africa and Europe.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** India's stringent Narcotic Drugs and Psychotropic Substances Act (NDPSA) of 1985 was amended in October 2001, bringing significant flexibility to the Indian sentencing structure for narcotics offenses. After increasing for several years, arrests and prosecutions under the NDPSA declined in 2007. However, the overall conviction rate continues to increase, reaching 50 percent. In 2006 there were 9,921 convictions, in 2007, 15,390 persons were convicted and as of September 2008, 9,328 convictions were obtained. In certain cases involving repeat offenders dealing in commercial quantities of illegal drugs, the law allows for the death penalty, although there have been no such sentences to date.

In April 2003, GOI transferred the Narcotics Control Bureau (NCB) from the Ministry of Finance to the Ministry of Home Affairs. The Ministry of Finance remains the GOI's central coordinating ministry for counternarcotics and continues to cooperate with the NCB. The move has enhanced the NCB's law enforcement capabilities and helped align the bureau with other GOI police agencies under the control of the Home Ministry. India has been actively involved in international operations dealing with precursor control such as Project Cohesion and Project Prism, and in October 2008 hosted the combined meeting of the Task Forces of Project Prism and Project Cohesion. India issues pre-export notifications for export of precursors using the online system developed by the INCB. Law enforcement agencies in India continued to exchange information on a regular basis with Drug Law Officers (DLOs) based in India. The NCB and other drug law enforcement agencies continued their extensive cooperation with the U.S. Drug Enforcement Agency through its Country Attaché.

**Law Enforcement Efforts.** While heroin and opium seizures increased from 2005 to 2006, both declined in 2007. Seizure statistics for other drugs, such as cocaine, methaqualone and ephedrine, tend to fluctuate more dramatically as a result of larger single seizures. After several years of explosive growth, marijuana seizures are down (from 157,710 kilograms in 2006 to 107,881 kilograms in 2007), and hashish seizures have stabilized at between 3,000 and 4,000 kilograms per year. Every year, Indian counternarcotics forces eradiate areas where opium poppy is illicitly cultivated. According to the 2008 INCB report, on average, 2,000 kilograms of opium derived from illicitly cultivated opium poppy are seized annually in India. However, the proportion of the seized opium that is of Indian origin is unclear, since opium is still smuggled out of neighboring countries where opium poppy is illicitly cultivated.

India is the world's third-largest manufacturer of precursor chemicals. Although India already has a system to try to prevent diversion of ephedrine and pseudoephedrine, the diversion of these precursor chemicals is a matter of concern. The NDPS (Regulation of Controlled Substances) Order, 1993, requires every manufacturer, importer, exporter, seller and user of controlled substances (both ephedrine and pseudoephedrine have been notified as controlled substances) to maintain records and file returns with the NCB. Every loss or disappearance of a controlled substance is also required to be reported to the Director General, NCB. Exports of ephedrine and pseudoephedrine require a No Objection Certificate from the Narcotics Commissioner, who issues Pre-Export Notification to the Competent Authority in the importing country as well as to the INCB. India has also been actively involved in operations like Project Prism which target precursors to manufacture ATS. India's efforts in identifying and stopping suspicious transactions have been acknowledged in INCB's Precursors Report, 2006. Despite its vigorous efforts to control precursor chemicals, India has been identified in a number of cases as the source of diverted precursor chemicals for a range of narcotic drugs, including methamphetamine and heroin.

Joint investigation by the DEA and NCB have shown the continuing use of the internet and commercial courier services to distribute drugs and pharmaceuticals of all kinds from India to the U.S. and other countries. Although ephedrine seizures within India were down in 2007, one seizure in the U.S. in September 2007 found 523 kilograms of ephedrine shipped through commercial carrier from India through the U.S. and headed to Mexico. The shipment was disguised as green tea extract. In the fall of 2005, Indian Customs seized five international mail packages that were found to contain a kilogram or more of Southwest Asian heroin destined for individuals in the United States, with controlled deliveries leading to the arrest of five individuals in the U.S. Heroin being smuggled into India from Afghanistan and Pakistan has picked up over the past two years, with West Africans often arrested as the carriers. This trend may continue as the border between Pakistan and India opens up to increasing commerce and travel. Although there have been fewer large seizures over the past year, the number of smaller seizures associated with couriers attempting to travel through India has increased.

**Corruption.** The Indian media periodically reports allegations of corruption against law enforcement personnel, elected politicians, and cabinet-level ministers of the GOI. In January 2009, a police officer and former zonal director of the NCB was arrested in possession of 12 kilograms of heroin. The United States receives reports of narcotics-related corruption, but lacks the corroborating information to confirm those reports and the means to assess the overall scope of drug corruption in India. The GOI does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. Both the CBN and NCB periodically take steps to arrest, convict, and punish corrupt officials within their ranks. The CBN frequently transfers officials in key drug producing areas to guard against corruption. The CBN has increased the transparency of paying licensed opium farmers to prevent corruption and appointing village coordinators to monitor opium cultivation and harvest. These coordinators receive 10 percent of the total paid to the village for its crops, in addition to what they receive for their own crops, so it is advantageous for them to ensure that each farmer under their jurisdiction turns in the largest possible crop. Despite these precautions and vigorous enforcement efforts, it is likely that corruption is a factor in narcotics trafficking in India.

**Agreements and Treaties.** India is a party to the 1961 UN Single Convention on Narcotic Drugs and its 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. The United States and India are parties to a Mutual Legal Assistance Treaty (MLAT) which entered into force in October 2005. A modern extradition treaty has been in effect between the United States and India since July 1999. India has not yet ratified the UN Convention against Transnational Organized Crime or the UN Convention against Corruption. The USG and the GOI signed a Customs Mutual Assistance Agreement on December 15, 2004. India entered into bilateral agreements with several countries including the United States on cooperation in drug related matters

**Cultivation/Production.** The bulk of India's illicit poppy cultivation has traditionally been confined to Arunachal Pradesh, the most remote of the northeastern states, which has no airfields and few roads. The terrain is mountainous, isolated jungle, requiring significant commodity and personnel resources to reach it. The poppies are often cultivated by tribal groups that consume the opium themselves, but there have been recent indications that cultivation there is becoming commercialized. The need to combat the many insurgencies in the Northeast states has limited the number of personnel available for such time-consuming, labor-intensive eradication campaigns. In early 2007, CBN launched a major operation in the Tirap District that resulted in the destruction of 800 hectares of opium poppy. Tirap is one of five districts of Arunachal Pradesh that border Burma and China, which are responsible for the bulk of illicit cultivation in the state. Illicit poppy eradication in 2008 was 597 hectares and as of September 2009, it is 1449 hectares.

Of greater concern was the discovery of more than 6,500 hectares of illicit opium cultivation in two districts of West Bengal (Murshidabad and Nadia). CBN and West Bengal police destroyed the crop in March 2007, but the size of the area of cultivation raises concerns that local farmers have joined hands with larger, more organized drug syndicates, and that an effective law enforcement presence has been absent. All together, the GOI reported that it destroyed 20,001 acres of illicit opium poppy plants in 2006/07, greatly exceeding the amount reported destroyed in previous years.

Another new trend that bears watching is the connection between illicit opium and marijuana cultivation and Maoist (Naxalite) insurgencies in other parts of the country. There are reports that insurgent groups in Jharkhand finance their operations through opium cultivation for laboratories in Uttar Pradesh that previously depended on diversion from the licit crop in that state. Arrests in Andhra Pradesh indicated insurgents have sold marijuana to purchase arms.

**Drug Flow/Transit.** Although trafficking patterns appear to be changing, India historically has been an important transit area for Southwest Asia heroin from Afghanistan and Pakistan and, to a lesser degree, from Southeast Asia–Burma, Thailand, and Laos. India's heroin seizures from these two regions continue to provide evidence of India's transshipment role. Most heroin transiting India appeared bound for Europe. Seizures of Southwest Asian heroin made in New Delhi and Mumbai tend to reinforce this assessment. However, the bulk of heroin seized in the past two years has been of domestic origin, was seized in South India, and was apparently destined for Sri Lanka. Trafficking groups operating in India fall into four categories. Most seizures in Mumbai and New Delhi involve West African traffickers. Traffickers who maintain familial and/or tribal ties to Pakistan and Afghanistan are responsible for most of the smuggling of Pakistani or Afghan heroin into India. Ethnic Tamil traffickers, centered primarily in Southern India, are alleged to be involved in trafficking between India and Sri Lanka. Indigenous tribal groups in the northeastern states adjacent to Burma maintain ties to Burmese trafficking organizations and facilitate the entry into Burma of precursor chemicals and into India of refined "white sugar" heroin through the porous Indo/Burmese border. In addition, insurgent groups in these states have utilized drug trafficking as a means to finance their operations against the Indian Government.

Indian-produced methaqualone (Mandrax) trafficking to Southern and Eastern Africa continues. Although South Africa has increased methaqualone production, India is still believed to be among the world's largest known clandestine methaqualone producers. Seizures of methaqualone, which is trafficked in both

pill and bulk forms, have varied widely, from 472 kilograms in 2005 and 4,521 kilograms in 2006, one kilogram in 2007 and as of September 2008, 2,361 kilograms has been seized. Cannabis smuggled from Nepal is mainly consumed within India, but some makes its way to Western destinations. India is also increasingly emerging as a manufacturer and supplier of licit opiate/psychotropic pharmaceuticals (LOPPS), both organic and synthetic, to the Middle East, Pakistan, Bangladesh and Afghanistan. Some of the LOPPS are licitly manufactured and then diverted, often in bulk. Some of the LOPPS are illicitly manufactured as well.

Indian-origin LOPPS and other controlled pharmaceutical substances are increasingly being shipped to the U.S. DHS Customs and Border Protection intercept thousands of illegal "personal use" shipments in the mail system in the United States each year. These "personal use" quantity shipments are usually too small to garner much interest by themselves, and most appear to be the result of illegal internet sales. However, as a whole, these small shipments are indicative of a negative trend which signifies that India is increasingly becoming a source country for illicit pharmaceuticals.

**Domestic Programs/Demand Reduction.** Since 2006, press reports frequently refer to Ecstasy and cocaine use on the Mumbai and New Delhi "party circuit," but there was little information on the extent of their use. Over the last year there have been no reports of cocaine and Ecstasy use on the rise. While smoking "brown sugar" heroin (morphine base) and cannabis remain India's principal recreational drugs, (IDU) of LOPPS is also present. In parts of India where intravenous drug users (IDUs) have been denied access to LOPPS, IDUs have turned to injecting "brown sugar" heroin. Various licitly produced psychotropic drugs and opiate painkillers, cough medicines, and codeine are just some of the substances that have emerged as the new drugs of choice. Although drug abuse cuts across a wide spectrum of Indian society, more than a quarter of drug abusers are homeless, nearly half are unmarried, and 40 percent had less than a primary school education. Itinerant populations (e.g., truck drivers) are extremely susceptible to drug use. Widespread needle sharing has led to high rates of HIV/AIDS and overdoses in some locations. The states of Manipur and Nagaland are among the top five states in India in terms of HIV infection (disproportionately affecting the 15-to30-year old population in these states), primarily due to IDU.

The popularity of injecting licit pharmaceuticals can be attributed to four factors. First, they are far less expensive than their illegal counterparts. Second, they provide quick, intense "highs" that many users prefer to the slower, longer lasting highs resulting from heroin. Third, many IDUs believe that they experience fewer and milder withdrawal symptoms with pharmaceutical drug use. Finally, licit opiate/psychotropic pharmaceuticals are widely available and easy to obtain since virtually any drug retail outlet will sell them without a prescription.

The Ministry of Social Justice and Empowerment (MSJE) has a three-pronged strategy for demand reduction, consisting of building awareness and educating people about drug abuse, dealing with addicts through programs of motivational counseling, treatment, follow-up and social reintegration, and training volunteers to work in the field of demand reduction. The MSJE's goal is to promote greater community participation and reach out to high-risk population groups with an on-going community-based program for prevention, treatment and rehabilitation through some 400 NGOs throughout the country. The MSJE spends about $5 million on NGO support each year. It also has treatment and rehabilitation programs in nearly 100 government-run hospitals and primary health centers. In January 2008, MSJE initiated a new program, the "Central Sector Scheme of Assistance for Prevention of Alcoholism and Substance (Drug) Abuse and for Social Defense Services," which revised the drug awareness, counseling, treatment and rehabilitation programs. In July 2008, a National Consultative Committee on De-addiction and Rehabilitation (NCCDR) was created to advise Central and State governments on methods to reduce drug demand. The Committee believes that drug-related problems can successfully be addressed by an educational and motivation campaign that allows people to "avoid the allure of drugs and draw emotional nourishment from wholesome activities."

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

**Bilateral Cooperation.** The United States has a close and cooperative relationship with the GOI on counternarcotics issues. The U.S.- India extradition treaty has been in force since 1999, While there have been some extraditions from India during this time frame, such action has occurred only after the passage of many years, although a few fugitives have elected to return voluntarily. India's efforts to bring about prompt conclusion of extradition proceedings and to keep the USG informed have been poor. The USG has repeatedly asked the GOI to take steps to bring extradition proceedings to completion more promptly and to be timelier in reporting on the status of cases. In 2004, a Customs Mutual Assistance Agreement was signed. In 2006, India's NCB provided prompt and effective cooperation under the MLAT in connection with a narcotics prosecution in EDPA (Eastern District of Pennsylvania); however, other requests have been stalled. In 2008, the U.S. Coast Guard (USCG) provided training in maritime law enforcement and vessel boarding for Indian officers in the U.S.

**The Road Ahead.** The NCB's move to the Ministry of Home Affairs has enhanced the U.S. relationship with the Ministry and NCB. In recent years, DEA gave more courses to more law enforcement officials from a wider variety of state and central government law enforcement agencies than ever before. Other training included standard and advanced boarding officer training by the USCG. Letter of Agreement (LOA) Monitoring Committee Meetings with the GOI ensure that funds achieve desired results, or are otherwise reprogrammed to higher priority projects. The LOA project to enhance and improve NCB's intelligence gathering and information sharing will enable it to better target drug traffickers and improve its cooperation with DEA. Another project managed by the Ministry of Finance trains law enforcement officials across India on asset forfeiture regulations. The USG also uses LOA funds to build the capacity of Indian law enforcement agencies to fight international narcotics trafficking by providing them with badly needed commodities and equipment. The United States will continue to explore opportunities to work with the GOI in addressing drug trafficking and production as well as other transnational crimes of common concern.

# Indonesia

## I. Summary

The most significant positive counternarcotics development for 2009 in Indonesia—the fourth largest country in population in the world—was the new narcotics law signed by the Indonesian President on October 12, 2009. This law established the Indonesian National Narcotics Board (BNN) as an independent law enforcement agency. The law also includes drastically expanded investigative powers for BNN, including provision for direct engagement between BNN and prosecutors to initiate prosecutions, and the authority to conduct wiretapping. The law also allows BNN to reach out internationally to initiate and conduct transnational investigations. Indonesia's new counternarcotics law also grants BNN more authority to investigate and punish illegal trafficking of precursor chemicals, effective January 1, 2010.

Indonesia is a producing, consuming, and transit country for illicit drugs. In the recent past, Indonesian enforcement encountered and destroyed large clandestine MDMA (Ecstasy) and methamphetamine "Super Laboratories" , but in 2009, the clandestine laboratory operations that were seized were much smaller in size. This suggests DTOs (Drug Trafficking Organizations) are downsizing their laboratories, most likely in response to Indonesian law enforcement's effective seizures of large production laboratories in the past. There are also indications that laboratories are being moved outside large metropolitan areas to rural areas where law enforcement is not as prevalent.

Extensive coastlines in archipelagic Indonesia and a lack of border and port security resources remain an issue for counternarcotics efforts. However, BNN and the Indonesian Navy (TNI-Navy) established a memorandum of understanding (MOU) in November 2008 to conduct joint maritime counternarcotics operations. In December of 2009, BNN secured 26 ships from TNI-Navy for 7 days patrolling of Indonesia's maritime borders from Aceh to Pontianak. Further joint maritime operations are scheduled for 2010.

Methamphetamine, ketamine and Ecstasy are the main narcotics smuggled into Indonesia via sea. Heroin, methamphetamine, ketamine and Ecstasy are imported via air. The majority of marijuana trafficking begins with land transportation from Aceh and continues to other areas of Indonesia by sea through the Sunda Straits.

Some remote seaports on the Malacca Strait are manned by only a handful of customs and BNN personnel, presenting little effective enforcement threat to drug traffickers. Inadequate health care for recovering addicts, poor demand reduction programs generally, and inadequate community re-integration programs remained an issue. Methamphetamine remained widely available in Indonesia and is Indonesia's most widely abused drug.

The Indonesian counternarcotics code is sufficiently inclusive to cover arrest, prosecution and adjudication of narcotics cases. Nevertheless, corruption in Indonesia is an on-going challenge to the rule of law. The level of political corruption in Indonesia seriously limits the effectiveness of narcotics law enforcement and poses the most significant threat to the country's counternarcotics strategy. Indonesia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Illicit methamphetamine production in Indonesia seems to be based on diverted pseudoephedrine imported into Indonesia from China. Large-sized clandestine methamphetamine Super Labs seem to be a thing of the past; smaller-sized laboratories are becoming much more prevalent in Indonesia. Laws to control the diversion of illicit drug precursors like pseudo ephedrine are still lax, but beginning in 2010, enforcement agencies will have more authority to regulate the importation of precursor chemicals.

Numerous legitimate large international pharmaceutical and chemical corporations continue to operate throughout Indonesia so there will be a continuing diversion potential from methamphetamine precursors which also have entirely licit uses in pharmaceutical manufacture.

The scale of amphetamine type stimulant (ATS) and Ecstasy manufacturing in Indonesia is already large, and the country may potentially displace Europe as the supply source for Ecstasy in the region (source: United Nations Office on Drugs and Crime 2009).

The BNN estimates that approximately 3.2 million Indonesians are illicit drug users. An estimated 15,000 Indonesians die each year from the use of narcotics and other illicit drugs. Some drug abusers in Indonesia use multiple drugs. Around 71 percent of the users consumed hashish, heroin/low-grade heroin (62 percent), crystal methamphetamine (57 percent), MDMA (34 percent) and sedative drugs (25 percent). BNN estimated that in the capital city of Jakarta (population of around 10 million people), three out of 10 young people are drug users.

A study conducted by the International Labor Organization (ILO) office in Indonesia last year showed that two out of 10 drug abusers are also involved in small scale drug dealing. All major groups of illegal drugs are readily available in Indonesia: amphetamine-type stimulants, MDMA Ecstasy, heroin, marijuana, and cocaine. Marijuana is the most readily available illicit drug, followed by methamphetamine.

Chinese and Taiwanese importing, distributing and manufacturing DTOs remain the most significant drug trafficking threat in Indonesia.

Iranian DTOs smuggle large amounts of methamphetamine into Indonesia via Iranian couriers. During October 19-20, 2009 alone, Indonesian customs seized approximately 50 kilograms of methamphetamine from Iranian DTOs. In late 2009, Indonesian Customs has been making a methamphetamine seizure from Iranian DTOs at least once per week.

In early December 2009, Indonesian Customs had their first seizure of methamphetamine at Bali's International Airport. During this seizure, Customs discovered that the Iranian DTOs had begun to use Iranian internal "swallowers" to traffic the narcotics. This swallower seizure indicates the willingness of Iranian DTOs to go to great lengths to find different methods and routes to deliver methamphetamine to Indonesia. It appears that Indonesia will have to continue to address this new trafficking trend for years to come.

Despite Indonesia's proximity to the "Golden Triangle", there remains no market base for Southeast Asian heroin in Indonesia. Indonesia law enforcement seized only a small amount of Southeast Asian heroin in 2009. BNN believes the majority of the trafficking is conducted by West African and Pakistani drug trafficking organizations. These trafficking groups traffic Afghan heroin and use human couriers traveling via commercial air carrier to smuggle drugs to Europe, Canada, and the United States.

While there is no sizeable market base for cocaine in Indonesia, authorities in Indonesia made several small cocaine seizures in Jakarta and Bali. Cocaine occupies a small niche in "boutique" drug use for the well-to-do in Indonesian society and is readily available at high-end clubs in Jakarta. Officials suspect cocaine is being transshipped through Indonesia via commercial air carrier en route to Australia and Japan, with small user amounts remaining in Indonesia for use by Western tourists.

## III. Country Actions Against Drugs In 2009

**Policy Initiatives.** Indonesia completed an extensive overhaul of its national narcotics legislation on 12 October 2009, giving BNN national policy making and enforcement authorities in the areas of prevention, rehabilitation, law enforcement, authority for cooperation with prosecutors, and community empowerment and outreach. BNN will direct its law enforcement efforts against larger national and

international drug syndicates while the Indonesian National Police (INP) will continue to handle local and street level drug crimes.

BNN is currently expanding its offices to all 32 provinces, and 482 cities and municipalities in Indonesia. In addition, BNN is expanding its staff and law enforcement agents from its current strength of approximately 500 to 5000 over the next 3 to 5 years. BNN currently manages a government drug rehabilitation center for approximately 200 patients and is in the process of building a national narcotics training academy funded by the U.S.

The primary policy goals of Indonesia's National Drug Plan, as defined by the Government of Indonesia, are: 1) To minimize the level of illness, disease, injury and premature death associated with the use of illicit drugs; 2) To minimize the level and impact of drug-related crime and violence within the community; and 3) To minimize the loss of productivity and other economic costs associated with illicit drug use. BNN acting for the GOI hope to continue with this plan until Indonesia reaches a drug-free condition, as agreed for all of ASEAN, by 2015.

**Law Enforcement Efforts.** Both the Indonesian National Narcotics Board and the Indonesian National Police Narcotics and Organized Crime Directorate continued to improve their ability to investigate and dismantle national and international drug trafficking syndicates. BNN and the Narcotics Directorate have become increasingly active in regional targeting conferences designed to coordinate efforts against transnational drug organizations.

BNN and the Indonesian National Police, Narcotics and Organized Crime Directorate, have a good working relationship with European (French, Belgium, Netherlands) and regional (Thailand, Malaysia, Singapore, Philippines, Australian, Japan, South Korea) counterparts and participate in joint programs and investigations with U.S. DEA and International Criminal Investigative Training Assistance Program (ICITAP), JIATF West, and other U.S. agencies.

Per BNN statistics for the period of January through June 2009, there were a total of 17,910 drug-related arrests. Indonesia seized the following amounts during the time period: 4,545 kilograms of marijuana, 2 kilograms of cocaine, 817 kilograms of Ecstasy, and 3,724 kilograms of methamphetamine.

The BNN continues to strive to improve interagency cooperation in drug enforcement, interdiction, and precursor control. In 2005, under the auspices of BNN, the U.S.-sponsored Interagency Counter Drug Operations Center (JIACDOC) was opened in Jakarta. JIACDOC is an Indonesian intelligence and operations fusion center focused on counternarcotics and transnational crime intelligence collection and interdiction. It is jointly staffed by the Indonesian National Police, Indonesian Customs, Indonesian Immigration and other Indonesian government organizations involved in security and drug law enforcement.

Currently, JIACDOC is manned by approximately 60 personnel. Under the new legislation passed this year, JIACDOC will expand to become the Indonesian National Narcotics Board Intelligence center with a staff of approximately 300 personnel in the next 3-5 years. In addition, six JIACDOC outstations were established at key airports and seaports this year to provide BNN and its interagency partners with a criminal information management network to consolidate information collection, investigations, and enforcement operations from the national to local level.

**Corruption.** Indonesia has laws against official corruption and an anticorruption commission that has made progress over the past few years, but was recently embroiled in a public scandal that may have been initiated by other government offices in an attempt to undermine the commission's effectiveness. Despite these laws and the commission's work, corruption in Indonesia is endemic. As a matter of government policy and practice, the GOI does not encourage or facilitate the illicit production or distribution of drugs or the laundering of proceeds from illegal transactions.

Corruption of Indonesia's judiciary is pervasive and poses a significant threat to the country's counternarcotics strategy. Indonesian prosecutors' low wages open them to official corruption and go a long way to explaining their low level of motivation. The average salary of an Indonesian prosecutor with 15 years of seniority is approximately $400 a month. Furthermore, corrupt police and investigators reportedly abuse their authority by conducting illegal searches, as Indonesian courts will admit evidence obtained without a warrant. Corrupt investigators are suspected of initiating investigations solely with the objective of soliciting bribes from suspects. Corrupt prosecutors in narcotics cases reportedly request bribes for a reduction in charges with defense attorneys serving as facilitators.

Unauthorized wire taps conducted by the Indonesian National Police against the Anti-Corruption Commission came to light in mid-2009, inflaming the public's perception of the police and judicial system as corrupt beyond repair.

**Agreements and Treaties.** Indonesia 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. Indonesia is a party to the UN Convention against Corruption and has signed, but not yet ratified the UN Convention against Transnational Organized Crime.

**Cultivation/Production.** The production of MDMA, methamphetamines, and other synthetic drugs is one of the most significant drug threats in Indonesia. Indonesian and ethnic overseas Chinese trafficking syndicates have exploited Indonesia's lax precursor chemical controls, weak law enforcement, and political corruption to establish MDMA and methamphetamine laboratories capable of producing multi-hundred kilogram quantities of illicit drugs. As reported above, the most recent trend seems to be towards more numerous, smaller illicit refining labs around Indonesia.

These syndicates secure precursor chemicals from China. Previously, production syndicates relied upon chemists trained in the Netherlands for the production of MDMA (Ecstasy), as well as chemists from Taiwan and Hong Kong for the production of crystal methamphetamine. However, recent laboratory seizures by Indonesian law enforcement showed that Indonesians and Chinese-Indonesians are capably taking on the role of lead chemists.

A MDMA and methamphetamine laboratory seizure took place in Depok, West Java on May 4, 2009. This two-month-long investigation was initiated by the Metro Jaya Police Department. As a result of this investigation, 4 tons of various chemicals, 30 kilograms of methamphetamine, 128 kilograms of ephedrine and 1700 Ecstasy pills were seized, and 15 people were arrested. Police officials estimated that if all the raw materials in the laboratory were used, 11.5 million Ecstasy pills could have been produced.

Marijuana is cultivated throughout Indonesia; the equatorial climate of Sumatra allows for year-round cultivation. Large-scale (greater than 20 hectares) marijuana cultivation occurs in the remote and sparsely populated regions of the province, often in mountainous areas. Regional marijuana cultivation syndicates are believed to be exploiting police limitations by locating cultivation sites in remote and high elevation areas where there is little law enforcement presence.

The Indonesian National Police report that marijuana trafficking in Indonesia is controlled by Indonesian syndicates based out of Jakarta. The majority of marijuana cultivated in Indonesia is consumed domestically and typically is not trafficked to the international market. Although cocaine seizures continue to occur in major Indonesian airports, the market for cocaine in Indonesia is believed to be very small.

Historically, MDMA has been smuggled into Indonesia from sources in the Netherlands or produced in China and smuggled to Indonesia by Chinese organized crime syndicates based in Hong Kong. However, in recent years, importation has been unnecessary as there has been large-scale MDMA and methamphetamine production in Indonesia itself. MDMA and methamphetamine produced in Indonesia is trafficked both domestically and internationally.

**Demand Reduction.** The GOI views drug abuse and narcotics trafficking as a major long-term threat to social and political stability. They are also viewed as anti-Islamic activities. Government agencies continue to promote counternarcotics abuse and HIV/AIDS awareness campaigns through various media outlets. BNN is responsible for the development of Indonesia's demand reduction programs and continued a nation-wide counternarcotics campaign.

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

**Bilateral Cooperation.** Indonesia and the U.S. maintain excellent law enforcement cooperation in narcotics cases. In 2009, DEA, in cooperation with the International Law Enforcement Academy, provided a narcotics commander's course and training in clandestine laboratories, chemical control, and basic intelligence management. DEA also provided training in airport interdiction and practical applications.

U.S. PACOM JIATF West funded and supervised the construction of a 200-person classroom for Indonesia's national counternarcotics academy during 2009, and will continue to support additional academy facilities in 2010.

JIATF West personnel trained BNN, customs, immigration and marine police officers in basic computer and server administrator training, basic law enforcement intelligence training, and basic Analyst's Notebook computer program training.

**The Road Ahead.** The U.S. continues to work with the INP and BNN to standardize and computerize reporting methods related to narcotics investigations and seizures, develop a drug intelligence database, and build an information network designed to knit together the major provinces of Indonesia. This will permit all Indonesian law enforcement agencies to contribute to and access the database for investigations. Also, the U.S. will work with the INP and BNN to further expand the scope and impact of narcotics investigations targeting the leadership of DTOs involved in large-scale production of methamphetamine and MDMA in Indonesia.

With the assistance of DEA, JIATF West is funding and helping plan the construction of the new national counternarcotics academy. The academy is expected to open in August of 2010 (construction began in November 2009). It is expected that the academy will evolve into a regional counternarcotics center of excellence that will benefit Indonesian interagency and regional partners.

In 2010, DEA is scheduled to officially open up a DEA office in Jakarta to include one Country Attaché, one Special Agent and one Administrative Assistant.

# Iran

## I. Summary

The Islamic Republic of Iran is a major transit route for opiates smuggled from Afghanistan and through Pakistan to the Persian Gulf, Turkey, Russia, and Europe. The largest single share of opiates leaving Afghanistan (almost half by some estimates) passes through Iran to consumers in Iran, Russia and Europe.

Drug seizure data indicate that synthetic drugs from Europe and Asia are being exported to Iran in growing quantities. There are also reports from neighboring countries and even countries further away in East Asia that synthetic drugs are being trafficked to their markets from Iran.

The United Nations Office for Drugs and Crime (UNODC) estimates that there are from 1.1 to 2.4 million opiate abusers in Iran. Some experts involved with drug treatment in Iran think that there are probably more—perhaps even as many as 4 million—with 60 percent reported as regular users of various opiates and 40 percent reported as casual users. Not all opium users in Iran are addicts. Many Iranians smoke opium casually in social circumstances or use it as a medicine, in small quantities. However, heroin and "crystal" or "crack" heroin are frequently taken intravenously especially by young people and are highly addictive. Record levels of opium production in nearby Afghanistan and continuing record volumes of claimed opiate seizures in Iran indicate Iran continues to experience an epidemic of drug abuse, especially among its youth.

Evidence such as seizure data, and extensive engineering works constructed along its eastern border indicate Iran is committed to keeping Afghan-produced drugs from reaching Iranian citizens. As Iran strives to achieve this goal, it also prevents drugs from reaching markets in the West. Iran claims that more than 3,600 Iranian law enforcement personnel have died in clashes with heavily armed drug traffickers over the last three decades. However, it is not clear what proportion of Iran's reported personnel losses along its eastern borders come from narcotics-related engagements, and what can be blamed on Baluch militants and general lawlessness in this region, where drugs enter.

UNODC says Iran spends $600 million each year on counternarcotics activities. Iran claims to have invested upwards of $1 billion in its elaborate series of earthworks, forts and deep trenches to channel potential drug smugglers to areas where they can be confronted and defeated by Iranian security forces. Nevertheless, traffickers from Afghanistan, Pakistan, and Iran itself continue to cause major disruption along Iran's eastern border. Iranian security forces have had excellent seizure results for the last several years by concentrating their interdiction efforts in the eastern provinces.

Free needle programs, distribution of condoms, and programs which use buprenorphine to maintain addicts during treatment are all being used in Iran.

Iran is a party to the 1988 UN Drug Convention, but its laws do not bring it completely into compliance with the Convention. The UNODC is working with Iran to modify its laws, train the judiciary, and improve the court system. The UNODC is also encouraging Iran, Afghanistan and Pakistan to explore closer cooperation to battle regional drug trafficking through a UNODC-sponsored Triangular Initiative Program.

## II. Status of Country

Iran is a transit country and a major consumer country of opiates and hashish. Entering from Afghanistan and Pakistan into eastern Iran, heroin, opium, and morphine are smuggled overland, through Turkey and on to Europe and Russia. Drugs are also smuggled by sea across the Persian Gulf, and some small share finds its way to Iraq. Although China is estimated to have the largest number of opiate abusers in the

world, Iran has the highest percentage of its population abusing opiates. The UNODC estimated that from 1.5 to 3.2 percent of the Iranian population between the ages of 15 to 64 used opiates in 1999. Many observers—including Iranian practitioners in the treatment community—believe that opiate abuse in Iran is even higher now.

However, even at 1999's levels of 1.5 to 3.2 percent, Iran's usage rate is comparatively high. It is almost five times the rate of opiate abuse in the U.S. (0.6 percent), and well above neighboring countries like Afghanistan (1.4 percent), Pakistan (0 .7 percent), and China (0.19-0.31 percent).Ninety-three percent of Iranian opiate addicts are male, with a mean age of 33.6 years. Approximately 1.4 percent of Iranian opiate addicts (about 21,000) are HIV positive, and growing intravenous drug abuse, especially among prison populations, is adding to this number.

Iranians have clearly been using much more heroin during the past several years. Heroin has not replaced opium, the traditional drug of choice in Iran, but the share of heroin in Iran's total opiate seizures has been rising since the mid-1980's and reached more than 26 percent (opium equivalent) in seizure statistics for the first six months of 2009. Afghan traffickers are also apparently shipping proportionally much less morphine base. Morphine base seizures fell to 10 percent of all Iranian seizures in 2008, but had risen to 15 percent of total seizures in the first three months of 2009.

Continuing large seizures of opium by Iranian enforcement suggest that opium continues to be the drug of choice in Iran by a wide margin. The traditional way to use opium in Iran is to smoke it. However, some Iranians also drink it in tea, inject it, or even eat it. Heroin, however, is smoked or sniffed. A growing share is also injected. UNODC and diplomatic observers in Iran note that young people have turned aggressively to drug abuse. Some knowledgeable observers have speculated that heroin abuse among the young has grown as an escape from what they perceive as difficult economic and social conditions. Sharply increasing seizures of synthetic drugs (2007: 39 kilograms; 2008: 150 kilograms; 2009: 366 kilograms) suggest cheap synthetic drugs pose another threat to Iran's disproportionately young population. Turkish drug enforcement personnel report that synthetic drugs manufactured in Iran are trafficked to Turkey.

There have also been regular reports of a concentrated "crystal" or "crack" heroin, which is reportedly more pure than other heroin available in Iran. Normally, 8.5 to 10 units of opium are necessary to make one unit of heroin, while crack heroin reportedly requires 15-20 units of opium input. Because of its intensity, crack heroin is associated with increased emergency room visits, and overdose deaths. According to the Director of Tehran's Specialist Treatment Addiction Center, 75 percent of all drug addicts reporting to the Center are users of crack/crystal heroin. Due to its highly addictive properties and very high purity/intensity, many addicts have died after injecting crystal heroin, the Director added. Iran's Drug Control Headquarters reported that seizures of "crack" and "crystal" heroin rose in 2007 to more that 2 metric tons, and then rose further still in 2008 to 4.6 metric tons. At this level, this new form of heroin represents almost 19 percent of total Iranian heroin seizures in 2008.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Iran seems to be exploring treatment as opposed to punishment and incarceration as a response to drug abuse. Abuse of controlled drugs remains a crime in Iran. And the justice system remains heavily involved in the response to drug abuse. But it is clear that authorities in Iran's Drug Control Headquarters have been trying to make drug abuse treatment both more available and more effective, and have turned to foreign models for ideas. In the face of growing intravenous drug abuse among Iranian youth, and a concomitant danger from HIV/AIDS, Iran has begun free needle programs, and the free distribution of condoms, even using dispensing machines for condoms in some locations. UNODC has been instrumental in introducing these new approaches to drug abuse. Iran is also spending more of its drug abuse budget on treatment, and is experimenting with techniques like maintaining addicts, with opiates adapted for use in treatment like methadone and buprenorphine. Iran's Drug Control

Headquarters also supports post treatment efforts to reintegrate addicts into Iranian society. Moreover, research into the reasons for drug abuse in Iran and education campaigns to discourage drug abuse continue apace. A further indication of Iran's new thinking on how to deal with drug abuse is a very sharp year-over-year reduction—96 percent between 2007 and 2008—in the number of drug abusers being condemned to prison.

**Law Enforcement Efforts.** Iran blames Afghanistan for many of Iran's problems with growing drug abuse. Iran also clearly believes that its efforts to keep drugs out of Iran have the side effect of mitigating the impact of drugs on the West, and as a result, Iranian authorities regularly call for the West to recognize this fact by more vigorous assistance to Iran, especially through grants of more modern inspection and interdiction technologies for use at Iranian border control points.

Iran pursues an aggressive border interdiction effort. A senior Iranian official told the UNODC that Iran had invested as much as $1 billion in a system of mud walls, moats, concrete dams, sentry points, and observation towers, as well as a road along its entire eastern border with Pakistan and Afghanistan. According to an official Iranian government Internet site, Iran has installed 212 border posts, 205 observation posts, 22 concrete barriers, and 290 km of canals, 659 km of soil embankments, a 78 km barbed wire fence, and 2,645 km of asphalt and gravel roads. It has also relocated numerous border villages to newly constructed sites so that their inhabitants are less subject to harassment by narcotics traffickers.

While this elaborate system of fortifications no doubt plays an important role in narcotics control, Iran began investing in this extensive barrier-type construction and fortification system on its eastern border region many years ago, well before the burgeoning drug problem started in the mid-1990's, as security protection against general lawlessness along its eastern border.

Some villagers organized into self-defense forces (Basij) have received training from the Iranian government, and on occasion even launch offensive operations against traffickers and ethnic insurgents. Security forces also periodically clash with Baluch tribesmen who are seeking more autonomy from the central governments in Iran and Pakistan. These tribesmen are also an important element in narcotics trafficking and have traditionally smuggled goods across regional borders. Finally, there are numerous Afghan displaced persons and refugees on both sides of Iran's eastern border, some of whom also participate in drug trafficking. As a result, three elements of lawlessness—narcotics trafficking, ethnic conflict and smuggling of other goods—occur simultaneously, complicating the situation along Iran's eastern border.

Iran claims that 50,000 law enforcement personnel (From 2009 –IRGC-Iranian Revolutionary Guard Corps) are regularly deployed along its border with Afghanistan and Pakistan. Interdiction efforts by the police and the Islamic Revolutionary Guard Corps have resulted in numerous drug seizures. Iranian officials seized more than 896 metric tons of opiates (opium equivalent) during 2008. Opiate seizures in 2008 set a new record for Iran's seizures of opiates, increasing by more than 30 percent over 2007. Seizures at rates like those claimed in Iran surely strike a blow at narcotics criminals and their financiers. Iran and Pakistan alternate as the countries with the highest volume of opiate seizures in the world.

Iranian opiate seizures in 2008 demonstrated the following interesting trends:

- Unrefined (raw) opium seizures continued to increase sharply during 2008, reaching more than 562 metric tons, a new record for Iranian raw opium seizures, and more than 31 percent higher than 2007. The share of raw opium in total opiate seizures was 62.7 percent. Raw opium remains the drug of choice in Iran by a wide margin;
- Iran's reported seizures of more addictive opiates that it names "crystal" and "crack" heroin continued to grow. Seizures in these two categories were more than 4.6 metric

tons, suggesting a sharply increased addiction potential from these purer and more intense refined products;

- Morphine base seizures in 2008 declined by 7.3 percent to 8.9 metric tons and the share of morphine base in total opiates seized fell to just 10 percent. Morphine base seized during the first six months of 2009 represented 15.3 percent of total opiates seized. Refineries in Afghanistan seem to be turning out more heroin as opposed to morphine base. More refined opiates, especially the various kinds of heroin available in Iran, are increasing the negative impact opiate addiction has on Iran, and the countries "downstream" from Iran, viz. Russia and Europe.

Hashish seizures in Iran in 2008 were more than 75 metric tons, and were running at about the same level in the first six months of 2009. Even under the assumption that Iranian security forces have increased the efficiency with which they are seizing all drugs, these high seizure results for hashish together with the equally high results for opiates suggest an across-the-board explosion in demand for all drugs in Iran.

Iran also reported destruction of almost 32 metric tons of marijuana seized and/or burned during counternarcotics operations. The large volumes of marijuana seized and destroyed in Iran suggest more marijuana may be being cultivated illegally in Iran itself.

While methamphetamine seizures remain small at 150 metric tons in 2008, the upward trend was quite sharp (a 285 percent increase over 2007) and the trend continued into 2009, when six months of seizures (366 kilograms) exceeded the level of seizures for all of 2008 by more than 144 percent. The growing availability of relatively cheap synthetic drugs to Iran's young population represents just one more threat to Iranian society from illicit drugs. There are also continuing reports that synthetic drugs are now being manufactured in Iran itself, for example from neighboring countries like Turkey.

**Corruption.** Without diplomatic representation in Iran, it is hard to know what role corruption plays in narcotics trafficking. In other countries in the region, enforcement authorities accept bribes to look the other way to drug smuggling, and fail to enforce laws that prohibit street sales of narcotics and other contraband. Higher level officials are sometimes convicted of protecting narcotics traffickers. Given the scale of narcotics trafficking in Iran, it is not unreasonable to speculate that the conditions in Iran are similar to its neighbors. Iran does not, as a matter of official government policy, 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.** Iran is a party to the 1988 UN Drug Convention. However, its legislation does not bring it completely into compliance with the Convention, particularly in the areas of money laundering and controlled deliveries. Iran is also a party to the UN Convention against Corruption. The UNODC is working with Iran to modify its laws and practices, train the judiciary, and improve the court system. UNODC has also begun to implement new assistance projects for Iran's judicial system after a Paris Pact review of Iran's counternarcotics efforts. The new assistance, which is projected to cost in excess of $7.5 million, focuses on modernization of the courts, especially increased use of computerization in courts, transparency, and corruption reduction. Iran is also a party to the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Iran has signed, but has not yet ratified, the UN Convention on Transnational Organized Crime. Iran has shown an increasing desire to cooperate with the international community on counternarcotics matters. Iran is an active participant in the Paris Pact, a group of countries that seeks to coordinate efforts to counter opiate smuggling in Southwest Asia. Iran also actively cooperates with its nearest neighbors, Pakistan and Afghanistan, in an effort, the Trilateral Initiative, to counternarcotics smuggling and hosted a trilateral meeting, also attended by the UNODC, in 2008.

**Cultivation/Production.** In 1998, and in 1999, a U.S. survey of opium poppy cultivation in Iran and a detailed U.S. multi-agency assessment concluded that the amount of poppy being grown in Iran was

negligible. The survey studied more than 1.25 million acres in Iran's traditional poppy-growing areas, and found no poppy production, although the survey could not rule out the possibility of some cultivation in remote areas. Iran is now generally viewed as a consumer of imported drugs and a transit country for drugs produced elsewhere, but there are reports of opium refining near the Turkish/Iranian border.

Cultivation of marijuana in Iran, on the other hand, seems more extensive than originally thought. Iran reported seizing and or destroying more than 32 metric tons of marijuana in 2008. The difficultly of moving bulky, hard-to-transport marijuana leaves long distances suggests that a significant share of the reported 32 metric tons of marijuana seized or destroyed-in-place is likely to be from marijuana cultivated in Iran itself.

**Drug Flow/Transit.** Shipments of opiates enter Iran overland from Pakistan and Afghanistan by camel, donkey, or truck caravans, often organized and protected by heavily armed ethnic Baluch tribesmen from either side of the frontier. In recent years, the size of caravans is smaller and the emphasis is on avoiding Iranian efforts to interdict opiates. Iranian enforcement officials have estimated that as much as half of the opium produced in Afghanistan in past years entered Iran, with as much as 800-900 metric tons of opium consumed in Iran itself by its 1-2.4 million users. Once inside Iran, large shipments are either concealed within ordinary commercial truck cargoes or broken down into smaller sub-shipments. The Iranian town of Zahedan is reportedly a center for the opiate trade as it first enters Iran, and then moves westward. The Iranian government has tried to counter this problem by stationing a drug enforcement unit headquarters in Zahedan.

Foreign embassy officials report that Iranian interdiction efforts have disrupted smuggling convoys sufficiently to force smugglers to change tactics and emphasize concealment more than they have in the past. Narcotics traffickers are increasingly using human "mules" to smuggle drugs into Iran. In some cases, individuals and small groups attempt to cross the border with two to 10 kilograms of drugs either ingested for concealment or hidden in backpacks or hand luggage. Trafficking through Iran's airports also appears to be on the rise, with numerous reports that couriers transit Iranian airports, bound for foreign destinations. There are even foreign trafficking rings operating in Iran, as was revealed when Iranian authorities broke up a large international trafficking group in 2008 that was led by Africans who shipped drugs worldwide. Still, many local traffickers in Iran move drugs in large armed convoys on Iran's eastern border and are ready for a fight if challenged.

A large share of the opiates smuggled into Iran from Afghanistan is smuggled to neighboring countries for further processing and transportation to Europe. Turkey is an important transit point for these opiates, most of which are bound for consumption in Russia and Europe. Some refining of opiates takes place in the ethnically Kurdish areas of Turkey and in other parts of Eastern Turkey and Western Iran's own Kurdish areas. Almost all of the morphine base, which represents a diminishing share (10 percent in 2008) of all opiates seized in Iran, is moving west for additional refining. Important quantities of the approximately 26 percent of opiates moving as heroin also transit Turkey on their way to Europe, according to UNODC, while some heads to Russia. Significant quantities of raw opium are consumed in Iran itself, but some raw opium also moves on to the west.

There is a northern smuggling route through Iran's Khorasan Province, to Turkmenistan, to Tehran, and then on to Turkey. The sparsely populated mountains and desert, along this route, make it hard to police. Traffickers are frequently well armed and dangerous, and some residents appear complicit. Azerbaijan and Armenia also provide alternative routes to Russia and Europe that bypass Turkish interdiction efforts.

The southern route also passes through sparsely settled desert terrain, and then passes through Tehran on its way to Turkey; some opiates moving along the southern route detour to Bandar Abbas and move by sea to the Persian Gulf states. Bandar Abbas also appears to be an entry point for precursor chemicals moving to refineries in Afghanistan. Such movement is facilitated by the fact that the goods are "in transit" and never officially clear customs and enter Iran. Iran actively participates in the international

systems for pre-notification of exports for precursor chemicals, and maintains a licensing and inspection regime for domestic firms authorized to use dual-use precursor chemicals. Iran has also made a number of important seizures, mostly at Bandar Abbas, of acetic anhydride, which is used in the refining of heroin. For example, in early 2008, Iranian enforcement found 5 metric tons (5,000 liters) of acetic anhydride hidden in a shipment of second-hand cars and parts loaded in Pusan, South Korea. All precursor chemicals seized were consigned to Afghanistan. Trafficking through Iran is facilitated by wide-spread smuggling traditionally used to provide necessities, small luxuries like TV satellite dishes, and to escape high taxation.

Despite the risk of severe punishment, marine transport is used through the Persian Gulf to the nations of the Arabian Peninsula, taking advantage of modern transportation and communication facilities and a laissez-faire commercial attitude in that area. The UAE is a prominent transshipment destination and small loads of opiates are smuggled across the Persian Gulf to be placed in containerized cargo shipments. Hashish moves extensively along this route, as well. Iran reported to UNODC in October 2008, for example, a seizure of 610 kilograms of opium and 150 kilograms of hashish from a vessel passing along Iran's coastline towards the UAE. In December 2008, Iran reported to UNODC a seizure of 250 kilograms of hashish in Bushehr province, bound for Qatar. Oman and Dubai appear to be important destinations for drugs, but some hashish transiting Iran even finds its way to Iraq.

Increasingly, synthetic drugs from Europe (Netherlands) and Southeast Asia (Thailand) are shipped to Iran for sale to young people in Iran's larger cities and towns. Iranian drug control officials are concerned since Iran has a young population, and synthetic drugs could become popular quickly given their low price. Based on sharply increasing seizure statistics for synthetic drugs and reports of synthetic drug trafficking to neighboring countries from Iran itself, synthetic drugs are a growing problem for Iran.

**Domestic Programs (Demand Reduction).** Drug offenses are under the jurisdiction of the Revolutionary Courts. Punishment for narcotics offenses is severe, with death sentences possible for possession of more than 30 grams of heroin or 5 kilograms of opium. Those convicted of lesser offenses may be punished with imprisonment, fines, or lashings. Offenders under the age of 18 are afforded some leniency. More than 60 percent of the inmates in Iranian prisons are incarcerated for drug offenses, ranging from drug use to drug trafficking. In a sharp switch from former years, Iran reported that it condemned almost twice the number of traffickers as drug abusers to prison in 2008. In the past, the ratio was twice as many drug abusers as drug traffickers. Iran has executed more than 10,000 narcotics traffickers since the Islamic Revolution in 1979.

As in other countries with serious drug abuse problems, many other crimes are associated with drug abuse; among these are armed robberies and assaults, home break-ins, and kidnappings for ransom. Making needles for addicts freely available and medication assisted drug treatment, plus increased efforts to reintegrate addicts into Iranian society after treatment are a relatively new departure for Iran encouraged perhaps by the heavy costs of addiction.

The scale of the drug abuse problem in Iran forces it into the public arena. Under the UNODC's narcotics assistance projects, the Iranian government spent more than $68 million in the first year of project implementation for demand reduction and community awareness. The Prevention Department of Iran's Social Welfare Association says that it treated 438,341 drug addicts in 2007, and reports that more than 4 million syringes were distributed in the first nine months of 2007. The ability to deliver treatment on this scale represented a significant success, as addicts admitted for treatment in 2007 were up 40 times from just five years earlier in 2002, according to official treatment statistics. Narcotics Anonymous and other self-help programs can be found in almost all districts, and several other NGOs, which focus on drug demand reduction are active in Iran. There are now methadone treatment and HIV prevention programs in Iran as well, in response to growing HIV infection, especially in the prison population.

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

**Policy Initiatives.** The U.S. Government continues to encourage regional cooperation against narcotics trafficking. The United States has also approved licenses that allow U.S. NGOs to work on drug issues in Iran.

**The Road Ahead.** The Iranian Government has demonstrated sustained national political will and taken strong measures against illicit narcotics, including cooperation with the international community and costly interdiction of drugs moving into and through its territory. Iran's actions have won the praise of such knowledgeable observers of the international effort against narcotics as UNODC Director, Antonio Maria Costa. Iran stands to be one of the major benefactors of any long-term reduction in drug production/trafficking from Afghanistan, as it is one of the biggest victims of the opium/heroin production and trafficking there now. The United States anticipates that Iran will continue to pursue policies and actions in support of efforts to combat drug production and trafficking.

# Iraq

## I. Summary

Senior Iraqi Government officials acknowledge that illicit drugs enter Iraq from Iran, some to be used by Iraqis, but most are transshipped south out of Basra or north through Iraqi Kurdistan. However, officials deny that illicit narcotics are a major problem in Iraq. Indeed, faced with terrorist attacks and sectarian violence, the Government of Iraq (GOI) maintains no drug-abuse-specific statistics. The Iraqi Ministry of the Interior (MOI) has reported no known production of illicit drugs in Iraq. While the MOI, which also supervises the Border Forces, monitors narcotics-related arrests or seizures for its own internal purposes, it does not release the data to the public. Anecdotal reports from the Kurdish region note an increased, albeit nascent, use of illegal narcotics as a function of proximity to the transit route and returning Iraqi Kurds from exile in Iran with existing addictions.

According to the Ministry of Health (MOH), the Iraqi health system is under-resourced and overwhelmed by trauma cases from violence. Given the relatively modest drug abuse problems in Iraq, the MOH has not organized special treatment options for drug abuse. There are no controls over prescription drugs and no GOI focus on illegal drug use. Smuggling or theft of chemicals of any sort is more often related to bomb-making activities, not drug manufacture or abuse. However, within the last few years, there has been a marked increase in the seizure of large quantities of methamphetamine precursors, ephedrine, and pseudoephedrine, as well as large seizures of amphetamine tablets. Money laundering is widely employed to support sectarian militias and/or terrorist groups, but is less apt to be used to launder the proceeds of narcotics sales. The availability of both chemical precursors and money laundering networks illustrate Iraq's vulnerability to narcotics trafficking, should the security environment continue to improve. The three GOI anticorruption agencies reported no corruption cases involving narcotics. Iraq is a party to the 1988 United Nations (UN)Drug Convention.

## II. Status of Country

Iraq is not a significant producer of illicit drugs or precursor chemicals. The U.S. Department of Agriculture (USDA) advisors in Iraq opined that most of Iraq is too arid to grow plants that could be used for illicit drugs. In the south, where sufficient water is available, efforts to farm marijuana instead of rice have not succeeded. Due to its geographical location near drug-producing countries (Afghanistan) and drug-consuming or transshipping countries (Iran), Iraq is a transit country for illicit drugs. Iraq's vast desert borders and tenuous security situation make it vulnerable to illicit drug smuggling operations. However, due to numerous military checkpoints and subversive activity outside of military-controlled areas, the amount of narcotics being smuggled in and through Iraq is estimated to be low. Iraq is not a major drug-consuming country: most Iraqis would seem hard-pressed to find the cash to support a drug habit.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The U.S. Department of Defense (DoD), in conjunction with the Department of State (DoS) Bureau of International Narcotics and Law Enforcement (INL), has begun an extensive training program for Iraqi Border Forces. This basic skills training program for Iraqi Forces includes a module on narcotics.

**Law Enforcement Efforts.** While Iraq lacks a coordinated national counternarcotics effort, several Iraqi police commanders have requested training from the U.S. in identifying and prosecuting narcotics traffickers. The U.S. Drug Enforcement Administration (DEA) has been providing training over the last two years to Kurdish law enforcement agencies in order to improve their investigative capabilities.

Several provinces have counternarcotics units and have requested funding, training and equipment for forensics laboratories to assist them in enforcing the strict counternarcotics laws. To date, the GOI does not have official statistics on arrests and convictions for narcotics-related crime The Iraqi Ministry of Justice (MOJ) reports that the vast majority of inmates confined in Iraq's prisons are there on terrorism-related charges. The U.S. Department of Homeland Security (DHS) through U.S. Immigration and Customs Enforcement (ICE) and U.S. Customs and Border Protection (CBP) provide advisory and training assistance to Iraqi Department of Border Enforcement officials at high threat locations along Iraq's borders. ICE and CBP also provide assistance to Iraqi Customs, Immigration, and Border Guards to help ensure their policies, procedures, and capabilities enhance Iraqi border control efforts.

The United States Government (USG) provides some assistance to help the GOI develop counternarcotics capacity. For example, State Department-INL-contracted experts assigned to MNC-I (Multi-National Corps-Iraq) conduct training for Iraqi Border Forces. DEA also provides assistance. DEA operates in a concerted region-wide manner through the Ankara Regional Office in Turkey. DEA efforts include: establishing inter-agency operational relations with Kurdish law enforcement in the Kurdish Regional Government (KRG) to develop operational cooperation, and intelligence sharing in counternarcotics; providing investigative training to Kurdish law enforcement in order to improve their capabilities; sharing intelligence and supporting Coalition initiatives such as Multi-National Force-West(MNF-W) Joint Prosecution Exploitation Cell (JPEC); increasing efforts to develop intelligence in southeast Turkey, along the borders with Iran and Syria; assigning DEA agents to the Major Crimes Task Force (MCTF), an interagency effort headed by the FBI that works with the Iraqi Ministry of Interior. Much of the effort directed against terrorists has an obvious spin-off benefit for narcotics crime detection and even prosecution.

**Corruption.** While corruption is a serious problem in Iraq, Iraqi officials do not seem to engage in narcotics-related corruption. Before 2003, the GOI enforced strict prohibitions on narcotics abuse; current Iraqi cultural norms discourage recreational drug use. Consequently, current GOI officials are not viewed as encouraging or facilitating illicit production or otherwise supporting drug-trafficking. INL has provided $21 million in assistance from the fiscal year2007 supplemental budget, and an additional $6.2 million from the 2008 supplemental budget, to train Iraqi anticorruption agencies. Thus far, none of the corruption investigations undertaken have involved narcotics. Iraq does not, as a matter of official government policy, 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.** Iraq is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, the UN Convention against Corruption and to the UN Convention against Transnational Organized Crime (UNTOC), and on February 9, 2009, acceded to its Protocols on Trafficking in Persons and Migrant Smuggling. An extradition treaty between Iraq and the United States is in force.

**Drug Flow/Transit.** Iraq is primarily a narcotics transit country. This presents many challenges for its government. The Commander of the Iraqi Drug Squad in Sulaymaniyah Province reported seeing opium, heroin, and cannabis coming over the border in mule trains, cars, and trucks operated by Iranian gangs. The drugs are moved on to Turkey, where the opium is refined into heroin then trafficked to Western Europe.

**Domestic Programs/Demand Reduction.** With its current focus on antiterrorism operations, the GOI has no domestic programs to respond to the relatively few instances of narcotics-related problems. There are no prescription drug controls in Iraq. Village markets often have prescription drugs, pilfered from medical facilities, for sale in an uncontrolled atmosphere. In February 2008, the GOI, in a report provided by the National Intelligence Information Agency, within the Ministry of the Interior (MOI), summarized the drug problem in Iraq. The GOI reported that after 2003, there was a noticeable increase in the sale and consumption of illegal drugs. The GOI estimated approximately 10,000 Iraqi's are addicted to illegal

narcotics, with recent growth among the addicted population between the ages of 16-24. It identified Iran as the main immediate transit source of illegal drugs, and Maysan provinces as a primary passageway for illegal drugs. Health officials believe that Valium, a drug found in Iraqi correctional facilities and health institutions, is the drug most commonly abused by the Iraqi population. NGOs report that prescription drugs are significantly cheaper and more easily accessible than illegal drugs or even alcohol. Accordingly, there is limited street demand for illegal drugs at this time.

**Drug Trafficking,** the Insurgency, and Security Forces. There is some evidence that terrorists and/or violent groups use drug trafficking as a means of financing. Additionally, Coalition forces have reported that these groups use drugs to increase the risk-taking willingness of their fighters.

Amphetamine: Since 2006, there have been several seizures of significant amounts of amphetamine tablets in Iraq.

In December 2006, coalition forces seized 50,000 tablets of amphetamine.

In June 2008, coalition forces seized 595,000 tablets of amphetamine.

In July 2008 the Iraqi National Intelligence and Information Agency (INIIA) seized approximately 425,000 tablets of amphetamine.

In October 2008, coalition forces seized 125,000 tablets of amphetamine.

Regionally, Jordanian law enforcement reported seizing approximately ten million tablets a year since 2004, while Saudi Arabian authorities reported seizing approximately twenty-two million tablets from May to November 2007.

Hashish: Kuwait law enforcement has reported large quantities of hashish are being smuggled from Iran through Basra Province into Kuwait. This is corroborated by limited Iraqi intelligence reporting. Syrian law enforcement officials reported seizing approximately 125 kilograms of hashish smuggled through Iraq.

Equipment/Precursors: In the last three years there have been multiple attempts to import tablet processing equipment and large quantities of methamphetamine precursors into Iraq, notably:

In 2005 international law enforcement officials tracked the delivery of a tablet manufacturing press capable of producing 50,000 tablets per hour from Germany to Iraq.

In 2006, international law enforcement officials stopped six shipments of ephedrine to Iraq totaling 18,000 kilograms, and in 2007, stopped an additional three shipments of pseudoephedrine totaling 250,900 kilograms. In consultation with the International Narcotics Control Board (INCB), Iraq has set its legitimate annual ephedrine/ pseudoephedrine requirement at 1,400 kilograms.

In March 2008, international law enforcement officials halted the shipment of 10,000 kilograms of pseudoephedrine to a company in Iraq.

In May 2009, DEA stopped the shipment of 17,760 kilograms of acetic anhydride from the United States to Iraq. The shipment was stopped since the legitimacy of the Iraqi importer and its requirement could not be verified.

While there has not been any indication of large scale methamphetamine production in Iraq, incidents of this nature and the large number of amphetamine tablets seized cause concern for the possibility of future production of methamphetamine or, more likely, illicit diversion of precursors to third countries.

Heroin: With the relative stability in the Kurdistan Region and its proximity to Iran and Turkey, it is highly likely that traffickers will increasingly use the region to transit heroin from Iran into Turkey.

In January 2009, 50 kilograms of heroin were discovered inside a car attempting to enter Syria, and seized at the Iraqi Rabiah port of entry (POE). The heroin had entered Iraq at the Haji Omuran POE in the Kurdistan Region and transited Dohuk and Mosul before being discovered at Rabiah.

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

**Policy Initiatives.** To assist Iraqi maritime forces to be ready to patrol, the United States Coast Guard (USCG) sent two engineering teams to provide training in the areas of logistics and administration. USCG also sent teams to provide advanced outboard motor maintenance and small boat operations training

**The Road Ahead.** The USG will continue to support the training of the Iraqi Army, the Iraqi Police, the anticorruption agencies, the Border Forces, and economic policy-makers in terms of agriculture and banking. The U.S. will encourage Iraq to direct more resources towards narcotics-related crime and abuse, and will assist Iraqi ministries to improve their capacity in preparation for a period when improved security permits a more typical counternarcotics enforcement.

# Ireland

## I. Summary

Ireland is not a transshipment point for narcotics to the United States, nor is it a hub for drug trafficking. The ability to travel between Ireland and the U.K. document-free does pose a unique challenge for Irish law enforcement officials. According to Government of Ireland (GOI) officials, overall drug use in Ireland continues to remain steady, with the exception of cocaine use, which continues its upward trend. The overall strategic objective of the GOI's National Drugs Strategy 2009-2016 is "To continue to tackle the harm caused to individuals and society by the misuse of drugs though a concerted focus on the five pillars of supply reduction, prevention, treatment, rehabilitation and research". 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, a part of the United Kingdom. Ireland is not a significant source of illicit narcotics, though officials have seized a large quantity of diverted precursors (Euro 500 million worth) intended to manufacture Ecstasy and amphetamines.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Following a comprehensive consultation process which took place during 2008 and early in 2009, a new National Drugs Strategy for the period 2009-2016 was developed and agreed on. As stated above, the objective of the strategy is "To continue to tackle the harm caused to individuals and society by the misuse of drugs though a concerted focus on the five pillars of supply reduction, prevention, treatment, rehabilitation and research".

Throughout the consultation process for the National Drugs Strategy, the issue of problem alcohol use was highlighted. Alcohol was seen, for many, as a gateway to illicit drug use and poly-drug use, often including alcohol, and is now the norm among illicit drug users. People also had serious concerns about the high level of alcohol consumption in Ireland, the pattern of drinking, especially binge drinking, among young people and in the community generally, and the wider social harms which are associated with the misuse of alcohol. In March 2009, the GOI approved the development of a combined Substance Misuse policy to include alcohol and drugs, to facilitate a more coherent approach to the issues and consequences of alcohol and illicit drug use. Work on the development of an integrated National Substance Misuse Strategy which will incorporate the already agreed Drugs policy has commenced and is expected to be completed in 2010.

Substance abuse programs are 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. The Department of Community, Rural and Gaeltacht Affairs continues to support the work of the 14 Local Drugs Task Forces (LDTF) in Dublin, Bray, and Cork as well as the 10 Regional Drugs Task Forces (RDTF), throughout the country. Approximately €36million in current funding and €4.6million in capital funding was made available to the Department in 2009. Approximately 600 projects are funded through the task forces. Under the Young People's Facilities and Services Fund (YPFSF), further facilities and services were provided for young people at risk of becoming involved with drugs. The increased funding provided staffing and continuing costs for projects in existing areas and facilitated the expansion of the YPFSF into four new towns: Arklow, Athlone, Dundalk and Wexford. In October 2008, the Taoiseach (Prime

Minister) announced the transfer of the YPFSF into the Office of the Minister for Children and Youth Affairs to facilitate a more coordinated approach to policies for young people at risk.

The Dial-to-Stop Drug Dealing Campaign, launched in October 2008 and continued through July 2009, have been rolled out successfully in 3 phases through 15 of the Local and Regional Drugs Task Forces. Three phases of the campaigns have been completed and nearly 5,500 calls were made to the confidential number by mid-November 2009. Calls came from across the country including areas that did not directly run a campaign. This highlights the fact that the confidential number used in the campaign is open to all to use regardless of the area one comes from. The Campaign was originally due to cease operation in September 2009, but due to the positive outcomes being achieved, the Minister for Drugs decided to continue it with further funding from the Department of Community, Rural and Gaeltacht Affairs.

The 2006/2007 Drug Prevalence Survey: "Drug Use in Ireland and Northern Ireland" was published in October 2008. While overall current drug use has stabilized cocaine use has increased. There is a general consensus that heroin use has stabilized in Dublin while increasing, from a low base, in other urban centers, particularly in Leinster and in the South of the country.

The Department of Community, Rural and Gaeltacht Affairs coordinated the Irish input into the preparation of the EU Action Plan on Drugs 2009-2012. The British-Irish Council met on a number of occasions and discussed Youth Justice Systems, Drug Related Death indices and Prevention.

**Accomplishments.** Prosecutions increased in 2008, the majority of which were for drug possession, which has risen steadily since 2003, and accounted for 77.3 percent of the total drug offences prosecuted in 2008. The number of simple possession offences increased from 14,033 in 2007 to 18,093 in 2008.

The number of supply offences leading to a prosecution in 2007 was 2,831, representing 22.1 percent of the total number of offences prosecuted (Figures for 2008 are not yet available). Recorded headline drug offences in 2008 rose by 4,851 (26.1 percent). The largest offence type, Possession of drugs for sale or supply, increased by 800 (19.4 percent) while recorded Cultivation, manufacture or importation of drugs offences increased by 57 (35.4 percent) over the year. The Irish Police continued to cooperate closely with other national police forces. In November, Irish Police arrested three British nationals for their part in an international cocaine smuggling network following information from the British Serious Organized Crime Agency (SOCA) and the Lisbon-based European anti drugs agency Maritime Analysis and Operations Center—Narcotics (MAOC-N), of which Ireland is a participating member.

**Law Enforcement Efforts.** Although official statistics are not yet available for 2009, the Irish Police confirmed that drug-related arrests fell in 2009. It is believed that this decrease is due to the fact that many drug dealers are suffering from the credit crunch and a shortage of cash in distribution. It is also likely that less drugs were imported in 2009. There are normally 7,000-8,000 arrests annually, including 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 some notable success.

Police sources said, contrary to widely-held perceptions, the value of cocaine seizures decreased in 2008, while the value of heroin seized increased. Sources said the rise in the quantity of heroin being offered for sale was directly related to large opium crops in Afghanistan.

Police sources say the increase in quantities seized and arrests made in 2008 compared to 2007 was a function of enhanced efforts rather than an increase in narcotic use.

At the invitation of the U.S. Drug Enforcement Administration's London Country Office, the Irish Police became full members of the International Drug Enforcement Conference (IDEC) in 2009.

On March 28, 10 kilograms of uncut heroin, valued at up to €8 million was found when armed members of the Garda National Drugs Unit and Organized Crime Unit searched a car in North Dublin. On May 1, Garda recovered 50 kilograms of cocaine, with a street value of €3.5 million, in Drogheda, County Louth.

The Garda were assisted by the Garda Dog Unit, Garda National Drugs Unit, members of the Criminal Assets Bureau, and Customs and Excise officers, during a three month operation. Five people were arrested after Garda seized cocaine, valued at €1.5 million, in Dublin on July 1. On September 11, a Dutch national was arrested following a seizure of cannabis worth more than €8 million at Dublin Port. Officers from the Customs service supported by Garda seized 700 kilograms of the drug, which had been found vacuum packed in a 40ft Dutch-registered truck carrying a consignment of flowers. On September 17, joint operations by the Garda organized crime unit, Garda National Drugs Unit and Customs officials seized 1.1 tons of cannabis resin, worth €2 million in Dunboyne, County Meath. The drugs had arrived at Dublin Port on a container from Spain and were concealed under a consignment of detergents and fabric cleansers. In a separate operation on the same day, 15 kilograms of heroin, worth €2 million, was seized in County Kildare. On November 4, Garda seized 100 kilograms of cannabis (75 kilograms herbal and 25 kilograms of resin) with a value of €1 million, in a joint operation involving officers from the Customs Service and the Garda National Drug Unit, in Blessington, County Wicklow. The drugs had arrived from the Netherlands through Dublin Port concealed in a consignment of lamps and clothing. On November 28, Garda in County Carlow arrested one man following the seizure of 20 kilograms of cannabis herb and 8 kilograms of amphetamines worth an estimated €400,000. In Athlone, County Westmeath, local Garda seized 20 kilograms of cocaine, with an approximate value of €1.4 million, and five kilograms of cannabis resin with an approximate value of €60,000, on November 29.

**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. There are also no known reports of senior officials of the government engaging in, encouraging, or facilitating the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** 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.** An extradition treaty and mutual legal assistance treaty are in force between the United States and Ireland. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into **force on February 1, 2010.**

**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 2008, published in June, placed Ireland in joint fifth place (out of 32 European countries) for cocaine use and in joint sixth 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.** The Irish Demand Reduction Strategy 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 71 methadone treatment locations. The treatment centers treat 9,000 of Ireland's approximately 15,000 heroin addicts, 13,000 of whom live in Dublin. A total of 1,612 individual prisoners received methadone in Irish prisons, accounting for about 10 percent of the total population sent to prison in 2007.

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

**Policy Initiatives.** In 2009, 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. In addition, based on a recent MOU between DHS-ICE and DEA, DHS-ICE has begun to develop its investigative coordination role and intelligence sharing capabilities with Irish law enforcement counterparts. 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.

# Israel

## I. Summary

Israel is not a significant producer of or trafficking point for illicit narcotics. However, domestic demand fuels a diverse local drug market that relies on smuggling from both neighboring and more distant countries. Imported marijuana, hashish, ecstasy, heroin, cocaine, and LSD are all prevalent, as are a growing number of domestically produced "designer" drugs and higher-quality hydroponically-grown marijuana. Israeli officials noted with concern that some "designer" drugs are being marketed and exported to the U.S., Europe, and Australasia via the internet. Israel has also become a transit country for the smuggling of heroin from Jordan to Egypt in exchange for money or hashish. Unlike the U.S., Israel does not have an analog drug law, i.e., a drug law which outlaws classes of illicit drugs, precluding minor chemical changes to an illicit drug producing "designer" drug, which escapes the intent of dangerous drug control. This has facilitated the phenomenon of "pitzutziot," or, 24-hour convenience stores, selling "designer" drugs—only some of which are specifically prohibited by existing ordinances. Oftentimes, these stores also sell illicit narcotics, surreptitiously, large quantities of common household products used as inhalants, such as glue, and alcohol. They operate near popular clubs and bars. Israel is a party to the 1988 UN Drug Convention.

## II. Status of Country

Over the past year, Israeli authorities noticed that many segments of the population moved away from abusing traditional illicit narcotics. Instead, the abuse of "designer" drugs—many of which are manufactured to fall within the bounds of technically "legal highs" due to their chemical composition—and counterfeit pharmaceutical prescriptions became more common. Officials seized several large quantities of active pharmaceutical ingredients (API) diverted for use in the manufacture of illicit narcotics and "designer" drugs over the past year. These included Paracetamol (used to dilute heroin), Mannitol (a sugar used as an adulterant or cutting agent in various illicit narcotics), pseudoephedrine, cathinone, amphetamines, as well as large quantities of empty pill capsules found in make-shift drug laboratories. Israel has no law requiring pharmaceutical machinery to be registered, which facilitates its use in the manufacture of illicit narcotics.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Since Israel is not a major drug cultivation or manufacturing country, most enforcement efforts were targeted to counter illicit drug trafficking, supply and the small-scale manufacture and use of new "designer" drugs. The Israeli National Police (INP) continued its general policy of interdiction at Israel's borders and ports of entry.

Israel focused legislative measures to promote the rapid inclusion of new substances into its Dangerous Drugs Ordinance. Over the past year, almost 50 new substances were added. This year's additions set a new precedent since some of the substances have not yet been detected in Israel, nor determined in practice to be dangerous. Instead these substances were assumed to be dangerous due to their chemical composition, close to an existing dangerous drug. A recent amendment to this Ordinance forbids the manufacturing, importing, exporting, displaying, possessing or selling, without permission, of any drug-related paraphernalia.

Israel also recognized the dangers inherent in the diversion of precursors and substances used in the manufacture of illicit narcotics. To prevent and control the diversion of precursors, a competent national authority was appointed, national legislation requiring permits for import and export of precursors is now being enforced, and good cooperation exists with the industrial sector to prevent diversion.

**Law Enforcement Efforts.** The police concentrated their efforts on interdicting smuggling from both neighboring and overseas countries. Marijuana and hashish remain the most common drugs smuggled into Israel. The 230-KM peaceful border with Egypt makes it an attractive entry point for smuggling. The Egyptian border has become the main hashish entry point in the country with Moroccan and Afghan hashish finding their way into the Israeli market by this route. In the first three-quarters of 2009, INP seized 930 kilograms of hashish and 186 kilograms of marijuana along the Egyptian border.

In the past year, Israeli law enforcement officials opened 31,419 total drug offence files—a 7.1 percent increase from the previous year. Around three-quarters of these cases (23,259) were for drug use (a 9.5 percent increase on the previous year). There were 4,532 trafficking cases—a 38.3 percent increase, demonstrating the Israeli National Police's focus on trafficking offenses. Cultivation and production cases (206) fell by 38.5 percent. There was no significant change in possession cases (5,849).

Law enforcement officials engaged in a special initiative to combat the sale of "designer drugs" sold in 24-hour convenience stores, or "pitzutziot." Israeli police and customs officials conducted over 30 raids on such kiosks this year, with seizures up to 5,000 capsules. The Pharmaceutical Crimes Unit, in coordination with the police, also executed three major raids on capsule producers and suppliers, seizing over one million empty capsules. However, the lack of an analog drug law or law requiring the registration of pharmaceutical processing machinery continues to cause complications for law enforcement. Customs, Police and Pharmaceutical Crimes Unit (PCU) officials also worked together to intercept and investigate shipments of active pharmaceutical ingredients (API) diverted for use in the production of illicit narcotics.

Police and customs officials increased efforts to combat the importation of "Yaba" (a combination of methamphetamine and caffeine) from Thailand and Laos, as well as to suppress its use among the local Thai ex-pat population. They conducted over 40 seizures in the second half of 2009.

Operation North Star, a joint effort among local and national police authorities and international partners, broke up cocaine smuggling ring operating from Panama to Israel and Europe. In all, over 100 kilograms of cocaine were seized during this operation.

Police also broke up a major ring of narcotic addicts and psychiatrists in the major cities that was stealing and forging Ritalin prescriptions. Police documented over 100 incidents of counterfeit Ritalin prescriptions. Efforts are also underway to interdict the smuggling of anabolic steroids, another chief concern.

**Corruption.** As a matter of government policy, Israel 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. Corruption is treated as a serious matter by the government. In 2009, a number of public officials, including a former prime minister, were under investigation for corruption-related offenses. Israel does not have specific legislation for public corruption related to narcotics, but narcotics-related corruption is covered under its generic anticorruption legislation. Israel ratified the UN Convention against Corruption in February 2009.

**Agreements and Treaties.** Israel is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol. Israel and the U.S. have a customs mutual assistance agreement and a mutual legal assistance treaty. Israel ratified the UN Convention against Transnational Organized Crime in December 2006 and has been a member of the Commission on Narcotic Drugs in the UN Office on Drugs and Crime (UNODC) since 2003. Israeli companies participate in UN operations Topaz and Purple to avoid the diversion of precursor chemical substances. Israel is one of 36 parties to the COE (Council of Europe) European Treaty on Extradition and has separate extradition treaties with several other countries, including the U.S. Under the umbrella of the UNODC, Israel has restarted bilateral cooperation with the Palestinian Authority on reducing demand and supply of narcotics. Israel also cooperates on a regular

basis with the Anti-Narcotics Department in Jordan. This has resulted in increasingly effective control of the Israel-Jordan border area, as reflected in interdiction figures.

In 2007, a new Protocol to the Convention on Extradition between the United States and Israel entered into force. Significantly updating the 1962 convention, the Protocol replaces the outdated list of extraditable offenses with a modern dual criminality approach and permits temporary surrender for trial in the requesting state of fugitives serving a prison sentence in the requested state. In combination with Israeli domestic extradition law, the Protocol also provides for service of a U.S. sentence in Israel for fugitives determined to be Israeli citizens and residents at the time of the commission of the offenses. Israeli domestic statute of limitations in certain circumstances, however, may prohibit extradition of fugitives whose cases are more than ten years old.

This year, Israel was accepted as a member of the Permanent Forum on International Pharmaceutical Crime (PFIPC), which consists of 15 member countries from around the world, including the United States. In 2010, Israel will host the annual PFIPC Conference.

**Cultivation/Production.** The majority of illicit narcotics consumed in Israel are produced elsewhere. A small amount of high-quality hydroponic marijuana ("hydro") is grown domestically.

**Drug Flow/Transit.** The Israeli National Police (INP) believes that Israel has become a transit country for the smuggling of heroin from Jordan to Egypt in return for money or hashish. Routes used to smuggle weaponry, people and tobacco are also utilized for drug smuggling. Much of the smuggling is carried out by Israeli Bedouin drug smugglers who have connections with Egyptian cultivators. In 2009, the INP seized over 150 kilograms of heroin along the Jordanian border and 36.5 kilograms of heroin along the Egyptian border.

The diversion of precursor chemicals to the production of illicit drugs and production of "designer" drugs is becoming increasingly prevalent in Israel. The Pharmaceutical Crime Unit (PCU) reports that some of these drugs have been marketed and exported to the U.S., Europe, and Australasia via the internet. Israeli officials have noted the establishment of an entire network whereby precursor chemicals are smuggled into or diverted once in Israel, immediately used to produce various "designer" drugs, which are in turn shipped for sale in kiosks domestically and small quantities for export. Law enforcement intelligence shows that these domestic drug manufacturing and distribution networks are functioning extremely effectively so as to not keep large quantities of any finished product in any one place.

**Domestic Programs/Demand Reduction.** The Israel Anti-Drug Authority (IADA) is the primary agency responsible for designing and implementing domestic programs to reduce the demand for drugs. National efforts to counter the abuse of illicit drugs focus on cultural and gender sensitive policies aimed to prevent drug use among the general, target and high-risk populations. Treatment and rehabilitation of drug abuse victims and their families is a key goal. Israel offers myriad treatment methods, ranging from drug detoxification, therapeutic communities, drug substitution and needle exchange programs, with the overall aim to provide unique solutions for different individuals and minimize the adverse consequences of drug abuse on society. Credible and accurate information on the harmful consequences of amphetamine-type stimulants (ATS) is provided to the public as part of general national public awareness campaigns. The IADA stresses the importance of community-wide participatory approach to countering drug abuse, and has developed regional and local programs addressing the unique needs of each community. An amendment to Israel's Municipality Law has made it compulsory for local municipalities to establish treatment services for drug abuse victims, and to offer education and prevention activities in their jurisdiction, as well as establish local committees for combating drugs. In the last year, IADA has worked intensively on the issue of alcohol, especially as it relates to drug abuse.

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

**Bilateral Cooperation.** There is robust collaboration between Israel and the United States on illicit narcotics. The DEA Country Office in Nicosia, Cyprus and Israeli officials characterize their cooperation as outstanding. The Israeli Tax Authority also maintains direct cooperation with Immigration and Customs Enforcement offices in Rome, and continues to conduct joint antismuggling operations. There is a monthly bilateral exchange on major drug seizures in both countries. The Pharmaceutical Crime Unit also works directly with the DEA.

**The Road Ahead.** Officials from both the Israeli and U.S. government wish to continue strengthening an already excellent partnership in the area of illicit drug enforcement and rehabilitation efforts. The DEA Country Office in Nicosia, Cyprus will continue its cooperation and coordination with counterparts in the Israeli law enforcement community. The Israeli National Police continues to strengthen relationships with law enforcement agencies in other countries, and works through the Office of International Relations within the IADA to pursue this objective. The IADA has begun to establish relationships with the National Institute on Drug Abuse and the Office of National Drug Control Policy in the U.S. The Pharmaceutical Crimes Unit hopes to engage with U.S. governmental and private researchers on the effects of several “designer” drugs made with Cathinone and amphetamine derivates as it prepares for an Israeli analog drug law. The Israeli Tax Authority would like to bolster collaboration with the U.S. on investigations of narcotics smuggling.

# Italy

## I. Summary

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 and central Europe. Italian and Italy-based foreign organized crime groups are heavily involved in international drug trafficking. The Government of Italy (GOI) is firmly committed to the fight against drug trafficking domestically and internationally. The Berlusconi government continues Italy's strong counternarcotics stand with capable Italian law enforcement agencies. 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, hashish and synthetic drugs. 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 2009

**Policy Initiatives.** Italy continues to combat narcotics aggressively and effectively. In 2006, Italy adopted a tough 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.

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. However, recent budget cuts will reduce future contributions. Italy has supported key U.S. objectives at the UN Commission on Narcotic Drugs (CND), and chairs the Dublin Group of countries coordinating narcotics sector assistance projects for Central Asia.

**Law Enforcement Efforts.** The fight against drugs is a major priority for the National Police, Carabinieri, and Guardia di Finanza (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 the United States Drug Enforcement Administration (DEA) and other foreign law enforcement agencies. DCSA has 22 drug liaison officers in 20 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, and the Naples-based Camorra). Additional narcotics trafficking groups include West African, Albanian, and other Balkan organized crime groups responsible for smuggling heroin and cocaine into Italy. In 2009, Italian drug investigations revealed that Serbian groups have begun importing large quantities of cocaine (100-kilogram shipments or greater) into Italy. Colombian, Dominican, and other Latin American trafficking groups are also 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.

From January 1 to June 30, 2009, Italian authorities seized 2,473 kilograms of cocaine; 690 kilograms of heroin; 10,264 kilograms of hashish; 2,272 kilograms of marijuana; 27,400 marijuana plants; and 52,958 doses of synthetic drugs. The single largest drug seizures during the same period were: January 2009—28,700 tablets of Ecstasy in Turin; April 2009—180 kilograms of heroin in Milan; April 2009—723 kilograms of marijuana in Ancona; May 2009—2,010 kilograms of hashish in Naples; June 2009—400 kilograms of cocaine in Padua. Also during this period, 14,412 individuals were arrested in Italy on drug-related charges, 1,721 of which were arrested for the more serious drug trafficking / conspiracy violations. 64 percent of those arrested were Italian nationals, while the remaining 36 percent of the arrestees were primarily Moroccan, Tunisian, Albanian and Nigerian nationals.

The DEA Rome Office is coordinating a container flow analysis between Italy and Ecuador at the request of law enforcement authorities in both countries as a result of significant numbers of cocaine seizures in recent months on shipments to Italy originating in Ecuador, including a 400 kilogram cocaine seizure in June 2009 in Padua and another 200 kilograms of cocaine seized at the Calabrian port of Gioia Tauro in October 2009.

Between May and June 2009, the DEA Rome office coordinated multilateral assistance with the Italian Guardia di Finanza in an investigation into a Rome-based Italian organized crime group responsible for the importation of significant quantities of cocaine into Europe utilizing Colombian cocaine brokers resident in Europe with sources of cocaine supply in Colombia and Venezuela. This investigative effort resulted in the maritime seizure of approximately 300 kilograms of cocaine and utilized the modern and sophisticated air and sea assets available to the Guardia di Finanza.

In late 2008, the DEA Milan office and the Italian Carabinieri in Milan initiated a hashish and cocaine trafficking investigation targeting a Moroccan trafficking organization based in Milan, that was smuggling large quantities of hashish from Morocco and multi-kilogram quantities of cocaine from South America, both for distribution in northern Italy. The investigation ultimately yielded the January 2009 seizure of 1,200 kilograms of hashish from a tractor trailer in Italy. Numerous associated arrests and additional hashish, cocaine and money seizures were also conducted throughout the course of the investigation.

In 2009, Italian law enforcement agencies concluded several long-term criminal investigations targeting drug trafficking organizations operating throughout the country. Operation Red Man (Operazione Uomo Rosso) began in 2007 and targeted two West African criminal groups responsible for transporting cocaine and heroin from the Netherlands to Italy. The investigation linked the African groups to members of rival Italian Camorra (Naples-based) organized crime families and resulted in the arrest of 74 individuals and the seizure of cocaine, heroin and marijuana. Operation Como Hills (Operazione Colline Comasche) began in 2006 and targeted a large network of Albanian nationals operating in northern Italy and Tuscany. This organization was responsible for importing cocaine into Italy from the Netherlands and drug distribution throughout Europe. The investigation resulted in the seizure of cocaine and heroin and the arrest of 174 people. In June 2009, Italian police officials in Trento and Genoa concluded Operation Sutka (Operazione Sutka) with the arrest of 49 members of a predominately ethnic Romanian crime group importing cocaine from Spain. Over the course of this two-year investigation, Italian law enforcement seized 36 kilograms of cocaine and 60 kilograms of marijuana.

From 2008 to 2009, the DEA Rome office, in conjunction with Italian law enforcement officials and numerous other DEA domestic and foreign offices, participated in a multinational and multi-jurisdictional enforcement action—dubbed Operation Reckoning—which targeted a significant element of the Mexican based "Gulf Cartel" responsible for importing multi-ton quantities of cocaine, heroin, methamphetamine and marijuana from Mexico for distribution in the U.S. and elsewhere, including Italy. The joint DEA and Italian Carabinieri investigation targeted 'Ndrangheta organized crime cells operating between Calabria, Italy and New York City as part of the overall operation. In mid-September 2008, ten other subjects were

arrested in Italy and six were arrested in New York. This investigation has increased law enforcement attention and focus on drug trafficking links between Italy and Mexico.

**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. The USG has 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 is a party to the UN Convention against Transnational Organized Crime and its three protocols and ratified the UN Convention against Corruption in October 2009. Italy has bilateral extradition and mutual legal assistance treaties with the U.S. In addition, all 27 EU member states, including Italy, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocol with Italy and they will enter into force on February 1, 2010. Cultivation /Production. There is no known large-scale cultivation of narcotic plants in Italy, although small-scale marijuana production in remote areas does exist 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 en route to western and central Europe. A large percentage of all heroin seized in Italy is shipped from Turkey through overland routes in Balkan countries. Balkan heroin traffickers work with Italian criminal organizations as transporters and suppliers of drugs. Heroin is smuggled into Italy via automobiles, ferryboats and commercial cargo. Italy maintains liaison offices in Ankara and Istanbul, Turkey to assist counterparts in interdicting narcotics originating there and destined for Italy.

Almost all cocaine found in Italy originates with Colombian and other South American criminal groups and is managed in Italy by Calabria and Campania-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. In 2009, Italian drug investigations have identified increased activity by Serbian criminal groups involved in the importation of large amounts of cocaine.

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, the Netherlands and the Balkan Region are eventually transported to Italy and other European countries by land vehicles. Smaller amounts of cocaine (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 couriers utilizing commercial airlines, trains or land vehicles. The couriers originating in Amsterdam often conceal thousands of Ecstasy tablets in luggage and 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 is also 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 555 public health offices operated at the regional level; the Ministry of Interior identified 726 residential, 210 semi-residential facilities, and 188 walk-in facilities. Of about 500,000 estimated drug addicts and 385,000 estimated eligible for treatment in Italy, 174,000 receive services at public agencies. About 71 percent of the total used heroin. Others either are not receiving treatment or arrange for treatment privately. The government continues to promote more responsible use of methadone at the public treatment facilities. Regional and local governments spent about 32 million Euro for drug prevention programs.

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

**Bilateral Cooperation.** The U.S. and Italy continue to enjoy exemplary counternarcotics cooperation. In January 2007, the Italian Central Directorate for Anti-Drug Services (DCSA) hosted a working group conference of law enforcement counterparts from Europe and Africa as part of the DEA's annual International Drug Enforcement Conference (IDEC). At the July 2008 IDEC, the Director of DCSA met with DEA's Acting Administrator in furtherance of bilateral cooperation and operations. 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 dual-use drug precursor chemicals. (Note: Italy has not been identified as a significant international producer or distributor of methamphetamine precursor chemicals.)

In June 2008, the Italian 'Ndrangheta Organized Crime group was added to the U.S. Treasury Department Office of Foreign Asset Control (OFAC) Foreign Drug Kingpin list after close coordination between American and Italian counterparts. The designation is aimed at reducing the ability of 'Ndrangheta members to use the U.S. and international banking systems in furtherance of their drug trafficking operations. The GOI's stated intention to enforce the provision is an indication of the Italian government's commitment to target and dismantle 'Ndrangheta's financial infrastructure. During 2009, DEA continued the Drug Sample Program with the GOI, which consists of the analysis of seized narcotics to determine purity, cutting agents, and source countries. From October 2008 to September 2009, DEA received approximately 65 samples of heroin, cocaine, and Ecstasy. The sample collection from Italy and other Balkan countries is essential in determining production methods and trafficking trends that ultimately impact Italy. DEA conducted drug awareness programs at international schools in Rome and Milan. DEA also provided training to Italian counterparts on asset forfeiture and drug law enforcement operations. Members from the Italian Coast Guard attended U.S. Coast Guard port security training, with a focus on antiterrorism prevention.

**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' ability 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.

# Jamaica

## I. Summary

Jamaica remains the Caribbean's largest source of marijuana for the United States. It is also a transit point for cocaine trafficked from South America. While cooperation between Government of Jamaica (GOJ) and U.S. Government (USG) law enforcement agencies remained strong, delays in proceeding with the significant extradition request for a major alleged narcotics and firearms trafficker who is reported to have ties to the ruling Jamaica Labour Party, and subsequent delays in other extradition requests, have called into question Kingston's commitment to law enforcement cooperation with the U.S. The GOJ's ambitious anticorruption and anticrime legislative agendas announced in 2007 remain stalled in parliament. Five anticrime proposals under consideration as part of an extensive agenda to address the widespread crime challenges have yet to be debated by Parliament. Jamaica is a party to the 1988 UN Drug Convention.

## II. Status of Country

Porous sea and air ports serve as direct export locations of marijuana and cocaine to the United States. Jamaican law stipulates that consumption of cocaine, heroin, and marijuana are illegal, with marijuana being the most frequently abused. The possession and use of MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) is controlled by Jamaica's Food and Drug Act and is currently subject to light, non-criminal penalties. Jamaica's murder rate per capita reached 1,672 in 2009 making it one of the highest in the world. The difficult economic situation has spawned a significant increase in aggravated crime such as larceny, robbery, and rape. This, in turn, has placed a national spotlight on increasingly brazen criminal activity throughout the country which continues to threaten civil society. A particular focus of concern has been the increasing activity of organized crime, which permeates both the legitimate business sector as well as the political sector. The "guns for ganja" trade exacerbates the problem as undocumented handguns continue to flow freely into the country. Recent assessments indicate that approximately 70 percent of the illegal firearms entering Jamaica originated from the U.S.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Ministry of National Security (MNS) and the Ministry of Justice (MOJ) held a two-day high level forum to discuss organized crime and its impact on Jamaica's political and economic stability. The MNS outlined an ambitious set of legislative proposals which included tackling the drugs for guns trade, lottery scams, extortion, and the trafficking of drugs and people. These proposals are currently being reviewed at the Cabinet level with the hopes of being presented to Parliament for ratification. Efforts to reform the police force, as mandated by the GOJ-approved Police Strategic Review in 2007, have yet to yield significant results in a law enforcement system that is plagued by corruption and inefficiencies.

The GOJ took steps to ensure greater accountability in the implementation of the anti-money laundering provisions of the Financial Investigative Division Act enacted in late 2008. Procedural training was provided to judges, prosecutors, and investigators on how to apply the new legislation with further training exercises planned for the next two years. A Code of Practice for investigators has been developed to guide officials in the execution of their powers and is expected to be sent to Parliament. The Bank of Jamaica and the Financial Services Commission regulate compliance with the Proceeds of Crime Act of 2007 by financial sector institutions. As a result of enforcement efforts, 31 persons were charged with money laundering; $86 million (Jamaican Dollars) in property seized; $3 million (U.S. Dollars) seized; and $1,335,724 (U.S. Dollars) forfeited.

Jamaica is not in full compliance with the Egmont Group requirements. The Financial Action Task Force has deemed that Jamaica has complied fully with three of the recommendations, is largely compliant in twenty-seven areas, partially compliant in thirteen, and non-compliant in five areas.

Pervasive corruption at Kingston's container and bulk terminals continues to undermine the USG Container Security and MegaPorts (CSI) initiatives team's activities. In an effort to combat corruption, the Commissioner of Jamaican Customs Department has taken measures to crack down on importers who evade customs duties and to dismiss staff complicit in criminal activity.

**Accomplishments.** Drug-related arrests were relatively stagnant at 6,346 arrests for 2009. Drug seizure levels showed a dramatic decrease with approximately 9 metric tons of marijuana seized compared to nearly 32 metric tons in 2008. The GOJ seized 222 kilograms of cocaine, 2,785 Ecstasy tablets and 3.2 metric tons of hashish.

**Law Enforcement Efforts.** Two years after the strategic review of the police force, the GOJ has yet to implement the necessary recommended reforms. The slow paced, along with the increasing rate of aggravated crime compelled the Jamaican Executive Office (JEO), MNS, and the Police Services Commission (PSC) to assess the overall effectiveness of Police Commissioner Lewin's leadership. Shortly after a public statement of no confidence was announced by the Prime Minister, Commissioner Lewin tendered his resignation and left office on November 6, 2009. He provided few details for his resignation but stated that there were numerous problems that he encountered with the authorities that conflicted with the macro management of law and order in Jamaica. The Jamaica Constabulary Force (JCF) senior official, Owen Ellington was appointed Acting Police Commissioner until the PSC formally appoints a permanent replacement in January 2010. While he has taken a strong public stance to eliminate corruption, he could face, as his predecessor did, internal, judicial and political roadblocks that hinder efforts to reform the police. In the past, these battles have paralyzed the Commissioner's authority and ability to affect change on the force. If this continues, Commissioner Ellington's fate could be similar to the previous three Police Commissioners who, despite the best of intentions, could not secure the necessary legislative support and political will to underscore their reform efforts at a time when murder and other violent crimes threaten to overwhelm the country.

The Department of Homeland Security's Immigration and Customs Enforcement (ICE) Assistant Attaché office in Kingston currently supports a 41-person JCF Vetted Unit with investigative responsibility over violations of Intellectual Property Rights (IPR), weapons smuggling, human trafficking, human smuggling, money laundering, and fraud investigations. Much of the unit's investigative efforts have been focused primarily on investigating lottery scam cases under the auspices of the Jamaican Operations Linked to Telemarketing (JOLT) Task Force. The task force was established to combat the overwhelming amount of fraudulent monetary schemes perpetrated on United States citizens. Since inception of JOLT in May 2009, the task force has yielded 60 arrests, seized $283,460 (Jamaican Dollars), repatriated $251,892.00 (U.S. Dollars) back to victims in the United States, and contributed to the opening of approximately 140 domestic ICE cases.

**Corruption.** As a matter of policy, GOJ does not facilitate or encourage illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from illegal drug transactions. However, pervasive public corruption continues to undermine efforts against drug-related and other crimes, and plays a major role in the safe passage of drugs and drug proceeds through Jamaica. For the first time, corruption ranked first to crime and violence as the area of greatest concern for Jamaicans. It remains the major barrier to improving counternarcotics efforts. Indeed, Jamaica's delay in processing the U.S. extradition request for a major suspected drug and firearms trafficker with reported ties to the ruling party highlights the potential depth of corruption in the government. The Jamaica Defense Force (JDF) investigates any report of corruption, and takes swift disciplinary action when warranted in furtherance of its zero tolerance policy. Unfortunately, a bill creating an Anti-Corruption Special Prosecutor remains stuck in Parliament despite having the requisite legislative majority needed

for passage. There has not been legislative action to create a National Anti-corruption Agency (NIIA), which could satisfy the Inter-American Convention against Corruption's requirements. However, the Anti-Corruption Branch (ACB), headed by an internationally recruited police officer, continues to have success in identifying and removing corrupt officials which included the dismissal of 59 JCF personnel since March 2009. The Branch's number one task is to target high-level officers responsible for corruption. The GOJ now requires senior police officers to sign employment contracts to improve accountability and facilitate the speedy dismissal of corrupt police officers.

**Agreements and Treaties.** Jamaica and the U.S. have a Mutual Legal Assistance Treaty (MLAT) in place, which assists in evidence sharing. The U.S. and Jamaica have a reciprocal asset sharing agreement, and a bilateral law enforcement agreement governing cooperation on stopping the flow of illegal drugs by maritime means. Jamaica is a party to the Inter-American Convention on Mutual Legal Assistance in Criminal Matters. The GOJ signed, but has not ratified, the Caribbean Regional Maritime Counterdrug Agreement. Jamaica 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. Jamaica is also a party to the UN Convention against Corruption, the UN Convention against Transnational Organized Crime and its three Protocols, as well as the Inter-American Convention against Corruption.

Until August 2009, the extradition treaty between the USG and the GOJ had been actively and successfully used by the United States to extradite suspected criminals from Jamaica. Extradition requests were routinely and timely processed by Jamaican political and judicial authorities. The GOJ's unusual handling of the August request for the extradition of a high profile Jamaican crime lord with reported ties to the ruling Jamaica Labor Party, which currently holds a majority in parliament, on alleged drug and firearms trafficking charges marked a dramatic change in GOJ's previous cooperation on extradition, including a temporary suspension in the processing of all other pending requests and raises serious questions about the GOJ's commitment to combating transnational crime. The high profile suspect resides in and essentially controls the Kingston neighborhood known as Tivoli Gardens, a key constituency for the Jamaica Labour Party. Jamaica's processing of the extradition request has been subjected to unprecedented delays, unexplained disclosure of law enforcement information to the press, and unfounded allegations questioning U.S. compliance with the MLAT and Jamaican law.

**Cultivation/Production.** Natural environmental barriers such as swamps, marshes and mountainous terrains make it difficult to conduct marijuana crop surveys. Marijuana is grown in areas generally inaccessible to vehicular traffic on small plots in both rocky terrain and along the tributaries of the Black River in Saint Elizabeth. Eradication of marijuana decreased this year, with 254.9 hectares eliminated compared with 423 hectares eliminated in 2008. Much of this is due to fiscal constraints within the JDF. Jamaican law also prohibits the use of herbicides; therefore only manual eradication is conducted.

The manufacture, sale, transport, and possession of Ecstasy, methamphetamine, or the precursor chemicals used to produce them remains regulated by civil and administrative rather than criminal authorities. Jamaica is not a producer of precursor chemicals or other chemical substances, and therefore relies on the export countries to conform to international standards governing export verification. Jamaica does not import the prime components used in combination with diverted chemical substances for the production of synthetic drugs. Furthermore, the importation and sale of pharmaceutical products and chemical substances are regulated, and reinforced with fines or imprisonment. Additionally, other controls exist to monitor the usage of pharmaceutical products and chemical substances, including register controls, inspections and audits.

**Drug Flow/Transit.** Cocaine smugglers continued to use maritime containers, couriers, checked luggage, and bulk commercial shipments to move cocaine through Jamaica to the United States. There was a noticeable increase by law enforcement in detection of liquid cocaine secreted into consumer goods and luggage. Marijuana traffickers continue to barter for cocaine and illegal weapons. While Operation Kingfish, a multinational a multinational taskforce (GOJ, U.S., United Kingdom and Canada) to target

high profile organized crime gangs, continued to successfully operate, it has not been able to exclusively focus on high powered leaders of criminal gangs. This is due to the fact that these leaders are afforded community and, in some cases, police and political protection. Additionally, their activity is often linked with legitimate business holdings.

**Domestic Programs/Demand Reduction.** Jamaica has several demand reduction programs, including the Ministry of Health's National Council on Drug Abuse. U.S. funding supported the provision of books and teaching staff to an inner-city after school program. The GOJ operates five treatment centers through the Ministry of Health. The GOJ/Organization of American States Inter-American Drug Abuse Control Commission (CICAD) university-level certificate program in drug addiction and drug prevention remains active. The United Nations Office Drug Control (UNODC) works directly with the GOJ and NGOs on demand reduction; however, due to limited resources these programs have limited impact.

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

**Policy Initiatives.** The USG supports counternarcotics projects in Jamaica designed to increase the capacity of its law enforcement agencies to reduce the trafficking of illicit narcotics through Jamaica and sustain improvements in law enforcement capabilities through modernization and professionalization of the JCF, while maintaining a strong and corruption-free law enforcement institution. The pressures of narcotics trafficking, money laundering, corruption and crime undermine the rule of law and democratic governance. Supporting Jamaica's transformation into a more secure, democratic, prosperous and stable partner represents a major U.S. policy goal. This included enhancing the abilities of Jamaica's law enforcement agencies to detect and intercept shipments and detain traffickers.

**Bilateral Cooperation.** In 2009, the USG provided training and material support to elements of the JCF and JDF to strengthen their counternarcotics, and anticorruption capabilities and improve the investigation, arrest, and prosecution of organized crime, including assisting the GOJ with vetting of specialized units within the JCF. The Jamaica Fugitive Apprehension Team (JFAT) received specialized training, equipment, guidance and operational support from the U.S. Marshals permanently stationed in Kingston. The U.S. Marshals opened 71 new cases and closed 198 cases involving U.S. fugitives. Jamaican authorities made 14 arrests, 15 extraditions and eight deportations during the year.

The JDF Coast Guard participated in joint deployments with the USG in Jamaican waters during 2009 under the auspices of "Operation Riptide," which allow both nations to conduct law enforcement operations within each other's maritime zones and is authorized under the Joint Jamaica-United States Maritime Cooperation Agreement Concerning Cooperation in Suppressing Illicit Maritime Trafficking. In addition, the U.S. Coast Guard provided JDF Coast Guard resident, mobile and on –the-job training in maritime law enforcement, engineering and maintenance, search and rescue, port security, and leadership and management, while a three phase training exercise was conducted which covered land navigation, port security, and search and rescue boat maintenance and repair and leadership principles.

**Multilateral Cooperation.** While multi-nationals (United States, United Kingdom and Canada) continue to provide assistance to the GOJ for the implementation of 124 recommendations cited in the Police Strategic Review, a parallel strategy to enhance judicial operations has gained support from all partners The priority to assist the Anti-Corruption Branch with tackling corruption among senior police officers while, in tandem, strengthening the judiciary infrastructure so it can adequately process all forms of criminality remains high. Recognizing the abysmal five percent conviction rate for murders, the U.S. sponsored a comprehensive training which focused on defining the role of the prosecutor, developing broader analytical tools, and applying their skills via mock case studies in concert with the United Kingdom Crown Prosecution Service, the United Kingdom's High Commission and the GOJ . The Department of State's Bureau of International Narcotics and Law Enforcement Affairs' Narcotics Affairs Section in Kingston also brought the Governments of Jamaica, Haiti, and the Dominican Republic together to define, discuss, and formulate a multilateral strategy to reduce transnational crimes in the

region organized crime activity between the three countries. As a result, the GOJ and Government of Haiti were in the final stages of drafting a security agreement covering a wide range of issues including joint operations, personnel exchanges, joint training, intelligence sharing, immigration, drugs and narcotics interdiction, transnational crime and gang reduction.

A two day meeting comprising of representatives from the Jamaican, American, British and Canadian law enforcement agencies, several major international airline companies, and the Montego Bay Airport Authority took place in Montego Bay December to discuss airport operations. The purpose of the meeting was to review current airport operations, identify airport assets and challenges, determine operational gaps, develop a measurable strategic response to combat previously defined roadblocks, and enhance cooperation between international law enforcement partners, the airlines and the airport authority. Over the course of the two day meeting all objectives were met including a short list of immediately actionable items for all players. Future meetings and task force groups have been established for the purpose of resource de-confliction, information sharing and strategic planning development.

**The Road Ahead.** The rise of gang-led violent crime and corruption will continue to pose a significant threat to social stability in Jamaica. As trust in the government to provide peace and security wanes daily, some communities are resorting to the use of "vigilante style" law and order by forming community policing units to target criminals who threaten their families and businesses. We encourage the GOJ to enhance its collaboration with the USG, and other regional partners, to develop a comprehensive gang reduction strategy and pass legislation to criminalize participation in organized criminal gangs which is currently under review by Parliament. The GOJ is encouraged to demonstrate its political will to address corruption by successfully investigating, prosecuting, and convicting corrupt officials at all levels of government service and by the timely extradition of fugitives in accordance with the provisions of the bilateral extradition treaty, without regard to political influence or party affiliation. We encourage the GOJ to maintain the independence of the Anti-Corruption Special Prosecutor, the JCF's ACB, the Police Civilian Oversight Authority and the Financial Investigative Division, and provide them with the resources and political backing to undertake their tasks. We also encourage the GOJ to support the Commissioner of Police to implement the reform recommendations of the Ministry of National Security's Strategic Review of the JCF to ensure a professional non-corrupt organization.

# Japan

## I. Summary

Methamphetamine and stimulant abuse remains the biggest challenge to Japanese counternarcotics efforts. Marijuana continues to become more popular and other drugs such as MDMA (Ecstasy), cocaine, and heroin are available, but less prevalent. According to Japanese authorities, all illegal drugs consumed in Japan are imported from overseas, usually by Japanese or foreign organized crime syndicates. Japanese law enforcement officers are well-trained and equipped, but proactive law enforcement efforts are hindered by legal hurdles (both real and perceived) and bureaucratic obstacles. Despite these problems, Japanese authorities continue to conduct complex drug investigations both independently and in cooperation with international counterparts such as the U.S. Drug Enforcement Administration (DEA) and U.S. Immigration and Customs Enforcement (ICE). Japan is a party to the 1988 United Nations (UN) Drug Convention.

## II. Status of Country

Japan is one of the largest markets for methamphetamine in Asia. A significant source of income for Japanese organized crime syndicates, over 80 percent of all drug arrests in Japan involve methamphetamine or Amphetamine-Type Stimulants (ATS). MDMA (Ecstasy) is also a significant problem in Japan and MDMA abuse is increasing. Marijuana is the second most commonly used drug in Japan and is readily available. Although there is limited domestic cannabis cultivation, most marijuana available in Japan is imported. Japan is not a significant producer of narcotics. The Ministry of Health, Labor, and Welfare (MHLW) strictly controls some licit cultivation of opium poppies, coca plants, and cannabis for research. According to the U.S. Drug Enforcement Administration (DEA) and the National Police Agency (NPA), there is no conclusive evidence that methamphetamine or any other synthetic drug is manufactured domestically. There is, however, some anecdotal evidence that small quantities of MDMA may be being produced in Japan. Recent seizures of liquid methamphetamine solution at some of Japan's international airports indicate that some refining of the final product is occurring in Japan.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Headquarters for the Promotion of Measures to Prevent Drug Abuse, which is part of the Prime Minister's Office (Kantei), supervises the implementation of Japan's Five-Year Drug Abuse Prevention Strategy. The "Third Five-Year Drug Abuse Prevention Strategy" was announced in August 2008 and includes measures to "strengthen coordination between administrative agencies and other organizations such as private sector groups in efforts to prevent relapse into drug abuse, among other activities; effective promotion of measures against organized crimes; and adequate countermeasures in response to illicit drug trafficking trends and other factors."

In 2007, the Pharmaceutical Affairs Law was revised to give the Ministry of Health, Labor, and Welfare (MHLW) more control over the legislation, manufacture, import and sale of "designated substances." The revised law allows the MHLW to quickly control emerging drugs of abuse and analogs of other controlled substances. Since the revision of the Pharmaceutical Affairs Law, 33 substances have been "designated" by the MHLW.

**Law Enforcement Efforts.** Japanese police are effective at gathering intelligence. Investigations, however, are largely reactive in nature, and normally only disrupt drug operations at lower levels, that of couriers and street dealers. Prosecutors do not have the plea-bargaining tools to motivate the assistance of co-defendants and co-conspirators in furthering investigations. Japan does not have laws explicitly permitting the proactive use of informants, undercover operations, and controlled deliveries using a

human courier. After the 2009 election, members of Japan's new government made statements supportive of the idea of giving Japanese authorities these basic law enforcement tools. Japan's heavy reliance on confessions in criminal prosecutions has come under increased scrutiny with the 2009 implementation of a jury system in Japan and new requirements for the video taping of police interviews with suspects. Negative publicity surrounding a few high-profile instances of alleged coerced confessions has highlighted the need to give Japanese police additional tools to help them further their investigations.

Police are increasingly making use of legislation authorizing the use of telephone intercepts. In addition, officials maintain detailed records of drug trafficking and organized crime organizations. Japanese agencies involved in drug law enforcement fiercely protect their turf and investigative and intelligence gathering efforts can be hindered by poor inter- and intra-agency cooperation. Concerns about the privacy of criminal suspects and real and perceived legal and bureaucratic constraints can also restrict Japanese authorities from passing useful and timely information of real assistance in international drug-trafficking investigations. These same obstacles make it very difficult for police authorities to pro-actively investigate members of international drug cartels which operate in Japan.

In February 2009, Japanese authorities seized approximately 8.4 tons of Acetic Anhydride (AA) being shipped to Afghanistan concealed in shipping containers at the ports of Yokohama and Nagoya. This was the first seizure of AA in Japan and was significant in that it showed that international drug trafficking organizations are actively attempting to obtain chemicals required for narcotics production from Japan's well-developed chemical industry.

In 2009, Japanese authorities have made several seizures of methamphetamine from couriers originating in Mexico and Iran. These seizures indicate that foreign trafficking organizations are actively looking to profit from Japan's lucrative methamphetamine market.

According to NPA statistics, total seizures for the January through October 2009 period were: Methamphetamine: 325.1 kilograms; MDMA: 57,438 tablets; Cocaine: 3.4 kilograms; Marijuana: 174.8 kilograms; Hashish: 11.9 kilograms; Heroin: 1.2 kilograms. Of note is the fact that Narita Airport arrested a record number of drug couriers this year. From January to October 2009, Japanese authorities at Narita arrested 59 couriers, almost three times the number arrested during the same period in 2008. The previous annual record of courier arrests was set in 2004 when 48 couriers were arrested. So far in 2009, officials at Narita have seized 72 kilograms of methamphetamine from couriers, more than three times the amount of methamphetamine they seized from couriers during the same period in 2008.

Japanese agencies involved in drug law enforcement (the NPA; Japan Customs; Japan Coast Guard; the Ministry of Health, Labor and Welfare; Narcotics Control Department; and the Ministry of Justice) routinely host and attend conferences and meetings aimed at improving communication between Japanese and foreign agencies involved in targeting trans-national organized crime and drug trafficking.

**Corruption.** There were no reported cases of Japanese officials being involved in drug-related corruption in Japan in 2009. The government does not encourage or facilitate the illicit production or distribution of narcotics, psychotropic drugs, controlled substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Japan's parliament has failed to implement an anticonspiracy bill. As a result, Japan still cannot ratify the UN Convention against Transnational Organized Crime (UNTOC), although it has signed the UNTOC and its three protocols. Japan 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 and has signed, but not yet ratified the UN Convention against Corruption. An extradition treaty is in force between the U.S. and Japan, and a Mutual Legal Assistance Treaty (MLAT) went into effect in August 2006, Japan's first MLAT with any country. The MLAT allows Japan's Ministry of Justice to share information and cooperate directly with the Department of

Justice in connection with investigations, prosecutions and other proceedings in criminal matters and is used with some regularity between Japanese and U.S. law enforcement.

**Cultivation/Production.** Japan is not a significant cultivator or producer of controlled substances. The Ministry of Health, Labor, and Welfare's research cultivation program produces a negligible amount of narcotic substances purely for research purposes. Some clandestine marijuana grow operations have been discovered in 2009. Most of these operations are small and most cannabis consumed in Japan is imported from other countries.

**Drug Flow/Transit.** Instances of narcotics transiting Japan en route to other locations are extremely rare. Japanese authorities believe that the People's Republic of China (PRC) remains the primary source of methamphetamine smuggled into Japan with bulk quantities often shipped via maritime vessels. Mexico and Iran have recently emerged as source countries for smaller quantities of methamphetamine with arrests of drug couriers originating from these locations reported in 2009. In recent years Canada has emerged as a significant source of methamphetamine, MDMA, and marijuana, although most MDMA encountered in Japan still originates in Europe.

**Domestic Programs/Demand Reduction.** Most drug treatment programs are small and are run by private organizations, but the government also supports the rehabilitation of addicts at prefectural (regional) centers. There are a number of government-funded drug awareness campaigns designed to inform the public about the dangers of stimulant use, especially among junior and senior high school students. The Ministry of Health, Labor, and Welfare, along with prefectural governments and private organizations, continues to administer national publicity campaigns and to promote drug education programs at the community level.

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

**Policy Initiatives.** U.S. goals and objectives include strengthening law enforcement cooperation related to controlled deliveries and drug-related money-laundering investigations; supporting increased use of existing anticrime legislation and advanced investigative tools against drug traffickers; and promoting substantive involvement from government agencies responsible for financial transaction oversight and control of money-laundering operations.

**The Road Ahead.** The Drug Enforcement Administration (DEA) Tokyo and ICE Attaché will continue to work closely with its Japanese counterparts to offer support in conducting investigations on international drug trafficking, money-laundering, and other crimes. Law enforcement efforts alone however, without political backing to change restrictive Japanese laws, will not succeed in making Japan an equal partner in international counternarcotics efforts.

# Jordan

## I. Summary

Jordan's geographical location between drug producing countries to the north and east, and drug consuming countries to the south and west, continues to make it primarily a transit point for illicit drugs. This being the case, the Public Security Directorate (PSD) believes that the amount of drugs transiting through Jordan continues to grow. Historically, Jordanians do not consume significant quantities of illegal drugs, and according to the PSD there are no known production operations in the country. Enforcement statistics for the first nine months of 2009 show a slight increase in total drug cases compared to 2008. The number of persons involved and the number of drug abusers are also slightly higher than 2008. The PSD attributes the lack of any substantial increases to Jordan's enhanced rehabilitation programs, increased border interdiction operations, better intelligence gathering, and stronger cooperation between Jordan and neighboring countries. Of note are the cooperative efforts between the PSD and the Israeli National Police on narcotic related matters. The drugs of choice among users arrested for drug possession in Jordan continue to be cannabis and heroin and, to a lesser degree, captagon. The age range for people arrested for drug related crimes is predominantly between 18 and 35 years old. The PSD continues to see an increase in drug trafficking through its border regions, especially with Iraq, and drugs transiting through the Queen Alia International Airport (QAIA). During the first nine months of 2009 there was a large increase in the amount of cocaine and heroin seized by the PSD compared to 2008. However, when compared to historical figures for the past five years the increase does not seem so substantial. For the moment, this increase should not be considered a notable trend in trafficking through Jordan. Jordan is a party to the 1988 United Nations (UN) Drug Convention.

## II: Status of Country

There are currently no indications that Jordan will move from a predominantly drug transit country to a drug producing country. Statistics produced by the Public Security Directorate-Anti-Narcotics Department (PSD-AND) confirm this assessment. Jordan's vast desert borders make it vulnerable to illicit drug smuggling operations. Jordanian authorities do not believe that internal drug distribution is substantial; they believe most drugs entering Jordan are moving to markets elsewhere.

## III: Country Actions Against Drugs in 2009

**Policy Initiatives.** Jordan continues its drug awareness campaign focused on educating people to the dangers of drug use. This includes providing educational presentations in schools and universities throughout the country. The PSD-AND created the program "Friends of the AND", which sends volunteer civilians into the schools, universities, and other community centers to speak out against drug usage. Jordan has also implemented an outreach program for the country's religious institutions whereby some Imams are trained and given literature on drug prevention topics for inclusion in religious services. Jordan publishes a number of brochures and other materials aimed at educating Jordan's youth on the dangers of drug abuse. In 2008, members of the PSD-AND participated in their first Drug Enforcement Administration (DEA)-sponsored International Drug Enforcement Conference (IDEC), representing Jordan as an observer nation. n 2009, Jordan was admitted as a fulltime member of IDEC and it is anticipated the government of Jordan will send two members of the PSD-AND to IDEC in 2010.

**Law Enforcement Efforts.** Jordan's PSD maintains an active counternarcotics bureau, and established excellent relations with the U.S. Drug Enforcement Administration (DEA), Nicosia Country Office in Cyprus. PSD-AND has seen an increase in cocaine and other drug trafficking through QAIA and has increased interdiction efforts there. Government of Jordan (GOJ) authorities continue utilizing x-ray equipment on larger vehicles at its major border crossings between Syria and Iraq. This practice netted

numerous drug seizures in past years and continues to do so in 2009. Seizures of captagon tablets have increased substantially during 2009. However, PSD claims the vast majority of captagon is destined for the Gulf States, primarily Saudi Arabia.

The PSD reports that 85 percent of all seized illicit drugs coming into Jordan are bound for export to other countries in the region. Drugs moving through Jordan include cannabis entering from Lebanon and more now from Iraq, Afghan heroin entering through Syria on its way to Israel and captagon tablets from Bulgaria and Turkey entering through Syria on the way to the Gulf. The majority of Jordan's drug seizures take place at the Jaber border crossing point between Jordan and Syria. Cooperative efforts between the PSD-AND and the Israeli National Police have resulted in positive outcomes in regard to heroin seizures along the Israeli border.

**Corruption.** Jordanian officials report no narcotics-related corruption investigations during 2009. There is currently no evidence to suggest that senior level officials are involved in narcotics trafficking. As a matter of government policy, Jordan 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.** Jordan 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. Jordan is a party the UN Convention against Corruption and has signed but not ratified the UN Convention against Transnational Organized Crime. Jordan continues to remain committed to existing bilateral agreements providing for counternarcotics cooperation with Syria, Lebanon, Iraq, Saudi Arabia, Turkey, Egypt, Pakistan, Israel, Iran, and Hungary. Jordan and the United States signed a Customs Mutual Assistance Agreement in 2004.

**Cultivation and Production.** Existing laws prohibit the cultivation and production of narcotics in Jordan. These laws have been effectively enforced. The majority of Jordan's territory is also not suitable for the cultivation of narcotic drug plants such as marijuana and opium poppy.

**Drug Flow/Transit.** Jordan remains primarily a narcotics transit country. Jordan's main challenge in stemming the flow of illicit drugs through the country remains its vast and open desert borders. PSD-AND reports, however, that drug detection at QAIA is on the rise due to increased levels of training and new drug detection methods. While law enforcement contacts confirm continued excellent cooperation with Jordan's neighbors, the desolate border regions and the various tribes, with centuries-old traditions of smuggling as a principle source of income, make interdiction outside of the ports of entry difficult. None of the narcotics transiting Jordan are believed to be destined for the United States. Jordan is bordered by Israel and the West Bank on the west, Syria on the north, and Iraq and Saudi Arabia to the east. Most of Jordan's borders are difficult to effectively patrol. The stationary posts along these areas lack the equipment and infrastructure to effectively patrol and monitor border traffic.

**Domestic Programs/Demand Reduction.** Jordan has continued its programs on drug abuse awareness, education, and rehabilitation in 2009. Education programs target high schools, colleges, prison inmates, and religious institutions. Authorities continue to provide educational presentations in schools and universities throughout the country. As noted above, Jordan created the "Friends of the AND" Program to increase access to at risk youth. Jordan also publishes a number of brochures and other materials aimed at educating the country's youth. Jordan's counternarcotics cartoon program aimed at younger children and designed to dissuade youngsters from trying drugs has continued to flourish. Cultural and religious norms also help to control drug use. In conjunction with the Untied Nations Office of Drugs and Crime (UNODC), Jordan has again strengthened its treatment and rehabilitation services for drug abusers in the country.

The national treatment and rehabilitation strategy and coordination mechanism has proven effective, and Jordan looks to continued successes in this strategy. The PSD-AND takes great pride in its efforts to

assist in the rehabilitation of narcotic abusers. The PSD-AND has implemented a strategy of utilizing law enforcement as an important role in the rehabilitation process. Officers take part in the entire rehabilitation process and work to actively involve family members in the process as well.

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

**Policy Initiatives.** The DEA Nicosia Country Office, Regional Security Office Amman, and the PSD have an excellent working relationship. There are several miles of Jordan's borders that are patrolled only by the PSD's Anti-Narcotics Department. In October 2007, the Export Control and Related Border Security Program (EXBS) provided PSD with a portable x-ray van for use in screening containers and vehicles at the Port of Aqaba. This equipment primarily screens for weapons, but can detect density anomalies that may indicate the presence of drugs and/or other contraband, and did in fact detect narcotics during 2009. Other ongoing GOJ and United States Government (USG) efforts to strengthen border security measures following the Iraq-based terrorist attacks in Amman and Aqaba in 2005 have served to enhance Jordan's detection capabilities for narcotics and to disrupt the flow of illegal drugs transiting through Jordan. The U.S. Customs and Border Protection (CBP) has supported USG efforts to strengthen Jordan's border security capabilities through the EXBS program and customs capacity building. Though both the EXBS program and capacity building support the implementation of international standards to secure and facilitate global trade, they also include training and technical assistance focused on border enforcement techniques and methods. In January of 2009 the DEA provided narcotic related training to approximately 35 members of the PSD in Amman, Jordan. Also during 2009, the DEA Nicosia Country Office funded the travel of two high ranking members of the PSD-AND to New York in order to observe the daily activities of a DEA enforcement group. This training was extremely well received by the PSD-AND and efforts will be made in 2010 to expand on this program. DEA international training anticipates more training in Jordan during 2010.

**The Road Ahead.** The USG expects continued strong cooperation with the Jordanian government in counternarcotics efforts and related issues.

# Kazakhstan

## I. Summary

Kazakhstan is primarily a transit country for drug trafficking and is located on the northern route from Afghanistan to Western Europe. Unfortunately, the citizens of Kazakhstan and its Central Asian neighbors are increasingly becoming active consumers of Afghan opiates transiting through their countries. In 2009, the government of Kazakhstan focused its attention on drug abuse prevention programs and strengthening of the control regime along its southern border. Kazakhstan is party to the 1988 UN Drug Convention and the Convention against Corruption.

## II. Status of Country

Kazakhstan's geographic location, transportation infrastructure, and hard-to-control borders have made it a major transit zone for narcotics. In addition, vast areas of marijuana and opium poppy grow wild in certain parts of Kazakhstan adding to the challenge from dangerous drugs. The combination of regular transit of illicit drugs from Afghanistan and the additional threat of locally available marijuana and opium poppy have led to growing drug abuse among Kazakhstan's population. The main drugs consumed in Kazakhstan are marijuana and heroin. Heroin from Afghanistan has rapidly overtaken opium, the traditional drug of choice in Kazakhstan.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Three law enforcement agencies combat drug trafficking in Kazakhstan—the Committee for National Security (KNB), the Customs Control Committee (CCC) and the Ministry of Interior (MVD). Of these three organizations, the MVD , through its Committee on Combating Drugs and Control over the Circulation of Drugs (KBN), plays the lead role in the domestic market, while the KNB and CCC focus their efforts on Kazakhstan's borders. In addition, the KBN coordinates the counternarcotics work of ministries, agencies, and NGOs. It also works with international organizations and conducts counternarcotics information campaigns and other demand-reduction activities.

The Kazakh government continues to work within the framework of its 2006-2014 overall drug strategy. On the demand reduction front, government agencies plan to implement computer-based training programs in schools and increase the number of projects with NGOs to keep young people from ever exploring dangerous drugs. Currently, 1,400 police officers are working in city schools on drug education programs. Kazakh authorities will expand the number of police officers working in schools and will add police to large schools in rural areas. The government also intends to strengthen treatment and rehabilitation for drug addicts.

Kazakhstan has notably stepped up its participation in controlled deliveries, which have been conducted with neighboring countries including China to very positive effect on dismantling whole drug trafficking organizations (DTOs).

Based on UN recommendations and positive results in some European countries, the KBN is developing a draft law to provide treatment instead of imprisonment for drug-addicted criminals. The law would permit a suspended sentence and mandated treatment.

The Criminal Procedural Code was also amended to allow for the retention of only the amount of seized narcotics required for forensic testing and use as evidence in court. The rest of the seized drugs will be destroyed immediately to avoid the serious problem of resale of seized heroin by corrupt police.

In June 2008, the Kazakh government amended the Criminal, Criminal Procedural, and Administrative Codes to strengthen punishment for drug-related crimes. The new laws provide for life imprisonment for

serious drug-related crimes, including trafficking in large quantities of illicit drugs, participation in drug-related crimes as part of a criminal organization, sale of drugs in educational institutions and/or to minors, and sale or distribution of drugs resulting in death.

An Article of the Administrative Code penalizes owners of entertainment facilities, such as bars and clubs, who do not take measures to stop the sales or consumption of drugs or psychotropic substances on their premises. During 2009, the government carried out operations and raids to stop distribution and consumption of drugs in entertainment centers. As a result, 12 criminal cases were opened and the owners of four entertainment centers were fined.

The issue of border security came to the forefront this year during the negotiations among Kazakhstan, Russia, and Belarus to enter into a customs union. As part of the agreement, Kazakhstan may withdraw customs officers from its border with Russia as soon as July 2011, which has led Russia to express concerns about the security of its border with Kazakhstan.

As a partial response to this concern, the Government of Kazakhstan approved the 2009-2011 Program on Combating Drug Addiction and Narco-Business with a total budget of 39.7 billion tenge (approximately $260 million). The program prioritizes strengthening the southern border with radar, patrol vehicles, and communications equipment. Customs checkpoints will be equipped with X-ray, automated cargo control systems, and other modern inspection equipment. The government will provide counternarcotics divisions of the Ministry of Interior (MVD) with three mobile scanning machines for inspection of trucks in the South-Kazakhstan, Kyzylorda, Almaty and Zhambyl Oblasts. The Border Guard Service, which has aviation units, plans to increase its use of helicopters to search for narco-traffickers, with emphasis along the southern border.

The Central Asian Regional Information and Coordination Center (CARICC) was created to facilitate information exchange and analysis, and to assist in the coordination of operational activities of regional law-enforcement agencies. Members include Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan and Tajikistan. The CARICC agreement entered into force on March 2. The President of the Russian Federation signed the agreement on September 4, 2009, joining the other participants.

The government of Kazakhstan allocated $2.7 million for the renovation of the CARICC building. Canada, the Czech Republic, Great Britain, Finland, France, Italy, Luxembourg, Turkey, and the United States have contributed to CARICC's creation. The total budget through 2011 is $15.4 million.

**Law-Enforcement Efforts.** During the first nine months of 2009, law-enforcement agencies registered 7,840 drug-related crimes, a 0.5 percent decrease from last year. Of the total, the overwhelming majority (7,389) were registered by the MVD, 279 by the KNB, and 172 by Customs. Of the total drug-related crimes, 2,047 were sales-related cases, an increase from last year's 1,849. During the same time period, drug trafficking cases (206 cases) dropped 30.6 percent. Of those cases, 88 were registered by the MVD, 23 by the KNB, and 92 by Customs. During the time period, the government shut down 29 drug houses and seized 24.2 tons of drugs and psychotropic substances (a 4.5 percent increase from last year's 23.2 tons). There was a 57.6 percent decrease in heroin seizures (641.3 kilos), a 92.9 percent increase in opium seizures (95.3 kilos), a 33 percent increase in hashish seizures (432.6 kilos), and an 8.2 percent increase in marijuana seizures (22.9 metric tons). This year, Georgian, Nigerian, Mongolian, Afghan, Ghanaian, and Russian citizens have been arrested for narco-trafficking along with citizens from throughout Central Asia.

During the past year, Kazakhstani law-enforcement agencies have increased their focus on operations against entire cartels, using controlled deliveries. They tried to get away from the past practice of arresting as many low-level couriers as possible. The KNB conducted 20 international counternarcotics operations, and dismantled 57 drug trafficking groups. The MVD dismantled eight organized criminal groups, members of which had committed 40 drug-related crimes throughout the country. The MVD

conducted 21 controlled delivery operations, including operations with Kyrgyzstan and Russia. As a result of these operations, it seized 555.7 kilos of drugs, including 21 kilos of heroin.

During the first nine months of 2009, the number of people charged with administrative drug offenses has increased 93.3 percent (4,816). Of the total, 2,739 people were arrested for driving while under the influence of narcotics.

- During Operation Temir Tor, the KNB dismantled a large, regional drug group that transported opiates from Tajikistan through Uzbekistan and Kazakhstan to Russia. As a result, the KNB seized over 42 kilos of heroin, opened five criminal cases, and arrested one leader and eight members of the group. The KNB discovered that the group's profits were laundered through various investments, and a criminal case for tax evasion was filed against the wife of the group's leader.
- The KNB also stopped a large, regional drug group transporting opiates to Eastern Kazakhstan during Operation Valkiriya. As a result, the KNB arrested the leader and six members who operated a sales network in the East Kazakhstan Oblast and seized four kilos of heroin, 1.65 million tenge ($11,000), over $11,000 in U.S. currency, 1,500 rubles, and 600 grams of explosives.
- The Collective Security Treaty Organization (SCTO)-a grouping of regional countries working together for better narcotics enforcement among other issues- conducted the Kanal-2009 interstate operation during September 22-29. The operation reportedly resulted in the detection of 231 crimes and seizures of 1.8 metric tons of drugs, including 25.6 kilos of heroin, and over 523 metric tons of precursor chemicals.
- A scheme to use fund transfers to pay drug dealers, previously seen in Russia, has been found in Kazakhstan. In this scheme, the purchaser is given information on a newly-opened bank account. When funds are transferred into the account, the location of a hidden cache of drugs is revealed, thus minimizing the direct contact between seller and purchaser. When the scheme was uncovered, police discovered that 15 million tenge ($100,000) had been transferred through accounts to pay for drugs. During a search of an organizer's residence, police found 150 lost or stolen ID cards, which had been used to open some of the new bank accounts used in the scheme.
- Drug dealers also smuggle drugs into jails and temporary detention facilities, including through hiding them in parcels brought into the facilities. In one case in Akmolinskaya Oblast, an attorney was arrested with 5.3 grams of heroin hidden under his belt.
- Customs had large seizures this year. On June 16, Customs canine officers in the Kostanaiskaya Oblast on the border with Russia found 63 packets of heroin weighing 19.7 kilos in a vehicle's tire. The owner of the vehicle was from Kyrgyzstan en route to Russia.

**Corruption.** The government of Kazakhstan does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. It also does not support the laundering of proceeds from illegal drug trafficking. There have been no cases this year of senior government officials charged with involvement in the illicit production or distribution of drugs. But alluding to possible corruption within enforcement units, Prime Minister Masimov stated that traffickers would not attempt to transport large quantities across the border without protection from law-enforcement officers. Masimov then called for the creation of a special unit to root out government officials cooperating with traffickers. However, no such unit appears to have been formed.

The MVD actively fights narco-corruption in its ranks. Recruits are vetted, and a special internal affairs unit investigates crimes committed by police. Ten police officers were arrested this year for drug-related

crimes. The average police salary is approximately $200-$266 a month. A new anticorruption plan includes bonuses for police officers of $200-$333 to encourage them not to take bribes. Some corruption-related cases discovered in 2009 follow:

- A counternarcotics police officer in the Northern Kazakhstan Oblast was arrested for accepting a 200,000 tenge ($1,333) bribe from a trafficker. A criminal case was opened.
- The KNB arrested an MVD employee for selling 0.28 grams of heroin. KNB officers found 58.97 grams of heroin and 1.5 grams of marijuana in the employee's residence. A criminal case for storage and sales of narcotics was opened.
- Two police officers were fired after traces of narcotics were found during a blood test. No criminal case was opened, because no drugs were found on their persons or in their homes.

**Agreements and Treaties.** Kazakhstan 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 against Psychotropic Substances. Kazakhstan plans to sign an agreement with Afghanistan on cooperation in the fight against trafficking and abuse of drugs, psychotropic substances, and precursors. Kazakhstan is also working on new narcotics enforcement cooperation agreements with Kyrgyzstan and Tajikistan. Kazakhstan is a party to the UN Convention against Corruption and to the UN Convention against Transnational Organized Crime and its three protocols.

**Cultivation/Production.** Wild marijuana, ephedra, and opium poppies grow naturally in Kazakhstan. These three drugs grow intermittently in certain parts of a large area of over 1.2 million hectares in the Almaty, Zhambyl, South Kazakhstan, Kyzylorda, and East Kazakhstan Oblasts. The largest source of marijuana is the Chu Valley in the Zhambyl Oblast, in which wild marijuana with a high THC content grows on an estimated 138,000 hectares. Experts estimate that 145,000 metric tons of marijuana or as much as 6,000 tons of hashish could be produced from this wild marijuana annually

The KBN established two special divisions in 2008 to combat marijuana trafficking. The Ontustik (South) Special Division focuses on organized crime in South Kazakhstan, and Delta-Dolina specifically focuses on illicit activities in the Chu Valley. The work of these divisions is believed to have contributed to the recent 17 percent increase in marijuana and hashish prices. The divisions still require additional staffing, vehicles, and satellite communications equipment.

Operation Mak (Poppy) is conducted annually from June 1 through October 20 to combat the marijuana and poppy harvests and dismantle drug cartels in the Chu Valley. Despite the name, most of the focus is on marijuana. During the operation, the KBN closely cooperates with the BGS and Customs to create a security belt around the valley to prevent the traffic of marijuana while Delta-Dolina patrols the valley. As a result, law-enforcement agencies seized 16.1 tons of drugs. The MVD registered 3,300 drug–related crimes, including 32 cases of trafficking.

**Drug Flow/Transit.** The main types of drugs trafficked through Kazakhstan are Afghani opiates (heroin and opium), marijuana, and hashish. There was no manufacture of synthetic drugs in Kazakhstan in 2009.

The primary trafficking route through Kazakhstan to Russia and on to Western Europe transits Almaty, Karaganda, Semey, Novosibirsk, Barnaul, and Omsk. Drugs travel over land by rail, bus, and vehicle. Trafficking on the border with Kyrgyzstan is increasing as the border with Uzbekistan is better patrolled. The MVD believes that drug traffickers cross the mountains on foot or horse.

The number of human "drug mules" swallowing drugs has increased on the border with Kyrgyzstan. In June 2009, a passenger on a train from Bishkek to Novokuznezk was transported to the hospital after suffering intestinal problems. After his death, it was discovered that he had swallowed 45 packets of heroin, totaling 284 grams. Another drug mule traveling by bus from Pavlodar to Novosibirsk survived

after seven of the nine packets of heroin dissolved in his stomach. The two remaining capsules contained 13.6 grams of heroin.

With the transit of narcotics through Kazakhstan, the drug addiction rate in the country continues to increase. Experts estimate that 10-15 percent of the opiates trafficked through Kazakhstan remain in the domestic market. Narcotics are primarily trafficked over land on trains and in trucks with fruits and vegetables. Law-enforcement agencies continue to complain about the use of International Road Transport Convention (TIR) carnets by drug traffickers. The TIR system calls for Customs inspection at the point of original shipment. The truck is then sealed, and transits other countries along its route expeditiously without inspection, unless intelligence causes an unscheduled inspection en route. The 2009-2011 Program on Combating Drug Addiction and Narco-Business provides for the purchase of scanners for border checkpoints and inside the country in order to detect contraband in sealed trucks.

According to the MVD, one kilo of heroin costs $1,000-$1,500 on the Afghan-Tajik border, $4,000 upon entry into Kazakhstan, and $20,000 when it enters Russia from Kazakhstan. The wholesale price of heroin is $30,000 per kilo in Europe.

In July, the Head of the KNB Division on Combating International Drug Trafficking stated that the use of serious dangerous drugs (refined opiates) has decreased since the beginning of the financial crisis, because drug users no longer have cash. However, the barter of vehicles and other property for drugs has increased. The KNB reported a corresponding increase in the production and traffic of less expensive drugs such as hashish and marijuana.

**Domestic Programs/Demand Reduction.** The total number of registered drug addicts in Kazakhstan has decreased by 1.6 percent to 53,883, while the number of drug addicts under the age of 18 has increased by 2.1 percent to 3,839. In general, registered drug addicts are thought to represent a minor share of all drug addicts because of the disincentives to formal registration with the government.

National television stations and newspapers distribute information on the fight against drug trafficking. They regularly publish articles about police operations and drug-demand reduction campaigns. The MVD publishes the magazines “Narkopost” and “Future Without Drugs”. The Ministry of Education and Science introduced special demand-reduction curricula at schools, which include lectures by Treatment experts, psychologists, and police.

Civil society and human-rights activists opposed last year’s proposal to drug test all students. The Ministry of Health proposed testing only high-risk groups after only 0.5 percent of 5,300 students in Almaty tested positive during a 2006 pilot project. Alexandr Katkov, Acting Head of the Pavlodar Republican Scientific and Practical Center of Medical and Social Problems believes simple drug testing is not the answer to solving childhood addiction. He has pushed for psychological testing to determine whether a student has a risk of becoming a drug user.

A government counternarcotics program provides for counternarcotics education for school psychologists and social workers. The staff of 500 schools will be trained over three years.

A pilot project to test methadone therapy was launched in Pavlodar and Temirtau and 29 heroin addicts, including 11 that were HIV-positive, took part. Funded by the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the project provides patients with medical and psychological treatment. So far, the project appears to have helped four participants to abandon drug use. Despite these results, the project’s funding is due to end soon.

Kazakhstan’s 2006-2010 AIDS Program provides for contraceptives, information, educational materials, needle exchanges, and free, confidential treatment. Help-lines and clinics provide services.

## IV. U.S. Policy Initiatives And Programs

**Bilateral Cooperation.** To increase the capacity of the canine services of law-enforcement agencies, INL funded a series of events that included extensive train-the-trainer courses in Austria, participation for trainers and dog handlers in an International Canine Conference in Kazakhstan and other countries, and training events in Kazakhstan itself.

The KNB's Military Institute, which trains border guards, has adopted the Austrian methods to select and train canines and has trained one group of cadets in the new curriculum. Three instructors trained in Austria have trained approximately 60 canine officers from the MVD and BGS. The Military Institute's training program has lead to a number of successful seizures on the border.

Through UNODC, INL continues to provide support to the MVD's internal narcotics checkpoints. UNODC has purchased and installed satellite-communication, radio-communications, and office equipment. In 2008, over 10 metric tons of drugs, including heroin, marijuana, hashish, and opium, were seized at internal checkpoints.

INL provided the MVD with 17 mini-vans and four jeeps to strengthen its capacity to conduct special operations and patrol vulnerable areas. In order to support better data handling by the MVD, INL purchased a server to allow for the safe and secure storage of law enforcement data. INL also supported a two-week counternarcotics training course for counternarcotics officers at the Turkish Academy on Combating Organized Crime and Drugs (TADOC). INL is funding the purchase of office equipment and furniture for the MVD's Interagency Counter-Narcotics Training Center.

INL continues to cooperate with the Military Institute and the BGS. INL funded the renovation of and provided equipment to an additional Border Guard Field Training Center in Uralsk, Western Kazakhstan and a classroom at the Military Institute of the Committee for National Security. INL equipped the Aviation Border Guard Training Center in Astana. In response to a request from the Military Institute, a study tour for five law-enforcement training academies was combined with a train-the-trainer course at TADOC. The study tour provided ideas for the curriculum at the MVD's Interagency Counter-Narcotics Training Center. The study tour also introduced various computer-based training systems (CBT) that the UNODC program has now installed in some law-enforcement training centers. INL also provided a language laboratory to the Military Institute

**The Road Ahead.** INL will continue cooperation with the government of Kazakhstan to increase its counternarcotics enforcement capacity. Embassy Astana will continue to organize training seminars on drug-courier profiling, use of newly-provided equipment, and new operations techniques. INL will continue its cooperation with the BGS and provide technical assistance to border checkpoints.

# Kenya

## I. Summary

Kenya remains a significant transit country for cocaine, heroin, and khat. Quantities of heroin and hashish transiting Kenya, mostly from Southwest Asia bound for Europe and the United States have markedly increased in recent years. There is a growing domestic heroin and cocaine market and use of cannabis or marijuana is widespread, particularly on the coast and in Nairobi. Opiates are trafficked from Kenya to the Indian Ocean islands of Seychelles, Mauritius, Madagascar and Comoros. Although government officials profess strong support for counternarcotics efforts, the overall program suffers from a lack of resources and corruption at various levels. Drug seizures were relatively insignificant for 2008, but have increased dramatically in 2009 following installation of a new Officer-in-Charge of the Kenya Police Force's Anti-Narcotics Unit (ANU). Kenya is a party to the 1988 UN Drug Convention.

## II. Status of Country

Kenya is a significant transit country for cocaine and heroin and a minor producer of cannabis for the domestic market. The production of khat, legal in Kenya, is an important source of foreign revenue for Kenya. Though there is some local demand for the product, particularly in North Eastern and Coast provinces, the majority of khat grown is for export to Somalia, Ethiopia and Yemen, and increasingly, to the U.K. and the Netherlands, where its use is legal. Kenya also serves as a transit country for large shipments of cocaine from South America destined for Europe. Kenya's sea and air transportation infrastructure, and the network of commercial and family ties that link some Kenyans to Southwest Asia, make Kenya a significant transit country for Southwest Asian heroin and hashish. Cannabis is produced in commercial quantities primarily for the domestic market (including use by some elements among the large number of tourists vacationing in Kenya), with additional quantities arriving from Uganda and Tanzania. Kenya does not produce significant quantities of precursor chemicals; the Pharmacy and Poisons Board monitors imports and exports of precursor and licit drugs.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Counternarcotics agencies, notably the Anti-Narcotics Unit (ANU) within the Kenyan Police Service, depend on the 1994 Narcotic Drugs and Psychotropic Substances Act (Narcotics Act) for enforcement authorities and interdiction guidelines. Revisions to the Narcotics Act on the seizure, analysis, and disposal of narcotic drugs and psychotropic substances drafted by the government of Kenya with the advice of the United Nations Office for Drugs and Crime (UNODC) in 2005 were implemented in March 2006. The National Agency for the Campaign against Drug Abuse Authority (NACADAA) is the governmental organization charged with combating drug abuse in Kenya. In 2009, NACADAA finalized the National Strategy on Prevention, Control and Mitigation of Drug and Substance Abuse, 2009-2014. It has subsequently developed a National Action Plan on Drugs and Substance Abuse, based on the National Strategy. Both the National Strategy and the National Action Plan are before the Ministry of State for Provincial Administration and Internal Security for final approval. Though the National Strategy Plan has not yet been approved, NACADAA has moved forward on implementing certain elements, such as requiring all public institutions to include alcohol and drug abuse prevention in their employee performance contracts.

As a result of UNODC and bilateral training programs, the ANU and the Kenyan Customs Service now have a cadre of officers proficient in profiling and searching suspected drug couriers and containers at airports and seaports. Airport profiling has yielded good results in arrests for couriers, but not major traffickers. Seaport profiling has proven difficult. Despite the official estimate that a significant portion of the narcotics trafficked through Kenya originates on international sea vessels. ANU maritime interdiction

capabilities are limited. Personnel turnover at the ports is high, contributing to Kenya's limited capability for maritime interdiction. The ANU remains the focus of Kenyan counternarcotics efforts. Corruption continues to thwart the success of long-term port security training. Lack of resources, a problem throughout the Kenyan police force, significantly reduces the ANU's operational effectiveness. . Malindi, an important coastal tourism destination and major narcotics transit site, has but one ANU officer.

**Law Enforcement Efforts.** 2008 annual drug seizures were dismal. Only sixty-seven individuals were arrested for trafficking, and only a total of 5.7 kilograms of heroin and cocaine (3.7 and 2 kilograms respectively) were seized. 2009 seizure results were significantly improved, with 194 persons arrested and 18 kilograms of heroin and cocaine seized (8.5 and 9.5 kilograms respectively). In 2008, law enforcement elements seized 800 gm and 253 tabs of non-designated psychotropic substances while in 2009, the ANU seized more than 9000 tabs of mandrax (3197), rohypnol (1714), diazepam (243) and valium (2554).

**Corruption.** Corruption remains a significant barrier to effective narcotics enforcement at both the prosecutorial and law enforcement level. Despite Kenya's strict narcotics laws that encompass most forms of narcotics-related corruption, reports continue to link public officials with narcotics trafficking. 2009 has seen many religious and civil society groups demanding that the government address the issues of drug trafficking and drug abuse. Some consider the drug abuse problem significant enough to request a declaration of national emergency. As a matter of policy, the Government of Kenya 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.** Kenya 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. The 1931 U.S.-U.K. Extradition Treaty remains in force between the United States and Kenya through a 1965 exchange of notes. Kenya is a party to the UN Corruption Convention and to the UN Convention against Transnational Organized Crime and its three protocols.

**Cultivation and Production.** A significant number of Kenyan farmers illegally grow cannabis on a commercial basis for the domestic market. Fairly large-scale cannabis cultivation occurs in the Lake Victoria basin, in the central highlands around Mt. Kenya, and along the coast. ANU officials conduct aerial surveys to identify significant cannabis-producing areas in cooperation with the Kenya Wildlife Service. However, according to ANU officials, farmers are increasingly savvy about how to shield their crops from aerial detection and difficult terrain hampers eradication efforts. In late 2009, the ANU was conducting field surveys to determine the extent of cannabis production. Routinely, when fields are found, the crops are uprooted and burned.

Khat, categorized as a Schedule 1 narcotic in the U.S, but legal in Kenya, is a major generator of foreign exchange revenues. Khat's active ingredient is cathinone, a naturally occurring chemical similar to amphetamine which is best chewed within 48 hours of being picked, when the leaves are still fresh. Grown primarily near the town of Meru on the slopes of Mt. Kenya, khat is primarily exported through Somali networks to countries in the Horn of Africa, particularly Somalia, Ethiopia and Yemen. Tanzania has banned the sale of khat, and Uganda has drafted legislation to ban sales as well, but bans in these countries have had little impact on the massive khat trade to Somalia. Exports to U.K. and Netherlands, where the drug is legal, have increased in recent years to satisfy the demands of immigrants from the Horn of Africa residing in those countries. The U.S. market is not immune to khat trafficking, as khat cultivated in East Africa is shipped through European nations to the U.S. In 2006, a major Drug Enforcement Administration (DEA) operation dismantled an organization responsible for importing over 25 metric tons of khat into the U.S.

**Drug Flow/Transit.** Kenya is strategically located along a major transit route between Southwest Asian producers of heroin and markets in Europe and North America. Heroin normally transits Kenya by air, carried by individual couriers. A string of cocaine and heroin seizures at Jomo Kenyatta International

Airport (JKIA) in 2009 highlights the continuing drug trafficking problem in Kenya. While the arrests of drug "mules" may alert trafficking syndicates that enhanced profiling measures and counternarcotics efforts make JKIA an increasingly inconvenient entry/exit point for drugs, the arrests have achieved little in the way of assisting authorities to identify the individuals behind the drug trafficking networks.

ANU officials also continued to intercept couriers transiting land routes from Uganda and Tanzania, where it is believed the drugs arrive via air. The increased use of land routes demonstrates, in the minds of ANU officials, that traffickers have noted the increase in security and narcotics checks at JKIA. Postal and commercial courier services are also used for narcotics shipments through Kenya, particularly shipments of khat to the U.K. and United States. Reports indicate that poor policing along the East African coast makes this region attractive to maritime smugglers.

A recently emerged pattern is that of opiates shipped from Kenya to the islands of the Indian Ocean: Seychelles, Mauritius, Madagascar and Comoros. In June 2008, a Kenyan woman was arrested in Mauritius in a $1.8 million drug bust. She appeared to be the contact in Mauritius for two Tanzanian boxers and four officials who had arrived for the African boxing championships with the heroin. The majority of drug couriers arrested in Kenya in 2008 and 2009 were Kenyans trafficking in cannabis. Nationalities arrested for trafficking of heroin and cocaine in 2008 and 2009 included Tanzanian, Ugandan, German, Ghanaian, Pakistani, American, Congolese, Saudi, Seychellois, and Somali.

**Domestic Programs/Demand Reduction.** Kenya continues to make progress in efforts to institute programs for demand reduction. Illegal cannabis and legal khat remain the domestic drugs of choice. Cocaine abuse is generally limited to urban centers and members of the economic elite with a broader range of users using heroin on the coast. Solvent abuse is widespread among street children in Nairobi and other urban centers. NACADAA actively combats drug abuse, although the organization's budget remains inadequate to the challenge. In 2009, NACADAA finalized its National Strategy on Prevention, Control and Mitigation of Drug and Substance Abuse which is presently before the Ministry for Provincial Administration and Internal Security for signature. In an effort to offset the dearth of reliable statistics on drug abuse in Kenya, NACADAA developed a comprehensive survey of the problem in 2007. It has also done an assessment of drug counseling and treatment centers in Kenya. NACADAA and a number of communities sponsored programs to commemorate International Day against Drug Abuse and Illicit Trafficking on June 26, 2009 with public fora and speeches. NACADAA is presently engaged in developing certification standards for drug treatment centers and implementing a licensing service to formalize the process. NACADAA continues to be actively engaged at the community level, distributing public information brochures and leaflets through schools, religious organizations, and community-based organizations and centers. NACADAA also makes liberal use of the media to air its counternarcotics abuse message. Community associations and local activists promote peer counseling and provide training to volunteers. Of particular note is that all Kenyan civil servants have clauses in their performance contracts relating to what they will do to counternarcotics abuse.

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

**Policy Initiatives.** The principal U.S. counternarcotics objective in Kenya is to interdict the flow of narcotics to the United States. A related objective is to limit the corrosive effects of narcotics-related corruption in law enforcement, the judiciary, and political institutions, which has created an environment of impunity for well-connected traffickers. The United States seeks to accomplish this objective through law enforcement cooperation, the encouragement of a strong Kenyan government commitment to narcotics interdiction, and strengthening Kenyan counternarcotics and overall judicial capabilities.

**Bilateral Cooperation and Accomplishments.** U.S. bilateral cooperation with Kenya on counternarcotics matters is ongoing. The U.S. Department of State's Office of Antiterrorism (ATA) continued to train multi-agency maritime security patrol units. Graduates of this training are credited with a number of interdictions of boats which were transporting illegal narcotics. At least one of the boardings

was under hostile circumstances. In the Manda Bay/Lamu area cocaine, large rolls of marijuana and rohypnol tablets were seized and arrests made in the course of multiple interdictions. ATA also delivered cyber and cellular forensics laboratories to investigators at the Criminal Investigations Division and the Anti-Terrorism Police Unit. Graduates of ATA cyber courses are successfully retrieving and analyzing digital evidence linking suspects to trafficking in narcotics, weapons, humans and other criminal activities. The Department of Homeland Security's Customs and Border Protection (CBP) agency is assisting the Kenya Revenue Authority (KRA) Customs Services Department in meeting the World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade and addressing export border control issues. CBP has provided multi-agency training through workshops, seminars, and courses covering airport, seaport, land border, and export control issues and previously provided $450,760 worth of inspection equipment to customs and other agencies in Kenya engaged in port/border security issues. CBP has also assisted the KRA in improving and expanding its Customs Canine Enforcement Program. KRA procured four additional canines from the United States for its program in the first quarter of 2009. In May 2008, July 2009, and October 2009 GOK delegations traveled to the United States to witness CBP best practices pertaining to airport, seaport, land border, headquarters operations programs, and training facilities which they have adapted to enhance programs, operations and training in Kenya. The DEA continues to partner with Kenyan law enforcement on bilateral narcotics investigations.

USAID/Kenya provides support to projects offering addiction treatment services to substance abuse addicts in Nairobi and on the Kenyan coast. The Department of State's Bureau for International Narcotics and Law Enforcement Affairs provided training to Kenyan drug addiction counselors and administrators in the therapeutic communities model beginning in January 2009 and is assisting the GOK in establishing a three-year training program to train drug addiction counselors throughout the country in Level 1 certification and prepare them for an independently-administered examination by the U.S.-based Association for Addiction Professionals (NAADAC)

**The Road Ahead.** The ANU is looking forward to working with the United States to enhance its operational capacity and to share information. The United States will actively seek ways to maximize counternarcotics efforts both in Kenya and throughout East Africa. Local, regional, and international partners have indicated their desire to work with the United States to combat the flow of international narcotics through Kenya. The United States will also continue to work with and support NACADAA to provide training and to expand public awareness outreach in demand reduction efforts in Kenya.

# Kosovo

## I. Summary

Though Kosovo is primarily a transit country for Afghan drugs destined for Europe, anecdotal evidence from the Kosovo Police (KP) suggests a growing domestic narcotics market. Kosovo faces challenges in its battle against narcotics trafficking since its borders are porous and there is corruption among the Kosovo Border Police (KBP) and Customs officers. The KP continues its efforts to combat the drug trade, but suffers from limited resources and the low priority of its counternarcotics branch. The Kosovo Government, led by the Ministry of Internal Affairs (MOIA) adopted its national counternarcotics strategy in July 2009, but has yet to find the resources to implement it fully.

Kosovo has not yet become a party to the 1988 UN Drug Convention. Kosovo declared independence on February 17, 2008 and the United Nations Mission in Kosovo (UNMIK) began to transfer competencies to the Kosovo Government starting on June 15, 2008 when Kosovo's constitution came into force. Kosovo now possesses the authority to sign treaties and agreements and is currently reviewing and prioritizing the most important treaties for future ratification. The European Union Rule of Law Mission (EULEX) was declared operational December 9, 2008, replacing most of UNMIK's civilian police, prosecutors and judges, but with a significantly different mandate. EULEX, unlike UNMIK, has very limited executive authority, focusing on the roles of mentoring, monitoring, and advising. The United States and the European Union continue to provide rule of law technical assistance, including training and equipment that will help Kosovo combat narcotics trafficking more effectively over time.

## II. Status of Country

The Kosovo Border Police (KBP), an element of the KP, lacks basic equipment, and narcotics traffickers capitalize on weak border controls in Kosovo. The KBP patrol all border crossing points, except two entry points in northern Kosovo, which are staffed by EULEX and the NATO-led Kosovo Force (KFOR). EULEX provides police and customs advisors to the KBP at all other border crossings. The KBP and KFOR jointly patrol the "Green Border," the area where there are no official manned borders or administrative boundary line gates, along the borders with Albania (112 km), Macedonia (159 km) and Montenegro (79 km). At this time, KFOR alone patrols the 352 km border with Serbia. This patrolling along the "Green Border" extends up to the actual border, but traffickers nevertheless take advantage of numerous roads leading into Kosovo that lack border controls. Narcotics interdiction is not part of KFOR's mandate. KFOR soldiers seize narcotics they happen to encounter while performing their duties, but they do not actively investigate narcotics trafficking. A proposed drawdown of KFOR troops would place additional border management responsibilities on the KBP.

Information on domestic narcotics consumption is gathered by UNICEF and "NGO Labyrinth", who agree that there is a growing local market and that illegal drug use is on the rise. They add that the levels of narcotics consumption among teenagers and university-aged young adults, the primary users, are close to those in most Western European countries. There are no reliable estimates of the number of drug users, but UNICEF places the figure around 20,000, mostly heroin users, although cocaine seems to be gaining popularity. The vast majority of addicts referred for treatment are heroin users.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Kosovo has made limited progress on counternarcotics policy initiatives in 2009. The country's national counternarcotics strategy, developed by the MOIA, was released in July 2009 but has yet to be implemented, in part due to financial constraints. The new national strategy calls for better coordination with other organizations such as the Ministry of Health (MOH) and the Ministry of

Education, and for better communication within the KP. For instance, street-level drug enforcement is managed by the KP Department of Order while higher-level drug crimes are investigated by their Department of Crime. Although these two departments do not communicate well now, a proposed reorganization of the KP should address that problem.

The MOH, in its strategic plan and budget for 2008-2013, included the 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. In December 2007, the MOH compiled the National Strategy on Mental Health, which includes treatment and services for drug addicts, but implementation has been slow due to lack of funding.

The MOIA reported that it is working to increase Kosovo's narcotics investigative capacity and plans to meet European Partnership Agreement Program goals by training counternarcotics officials, procuring technical equipment, and strengthening interagency cooperation.

**Law Enforcement Efforts.** KP counternarcotics officers face many challenges. Their resources are limited and counternarcotics is not a top priority for the GOK. Furthermore, statistics on seizures, arrests and prosecutions are largely unreliable and inconsistent.

From January through September 2009, according to a report published by the KP Unit for Planning and Development, the KP confiscated 27.7 kilograms of heroin, 2.4 kilograms of cocaine, 19.5 kilograms of marijuana, 2.2 kilograms of hashish and 7278 individual marijuana plants. The KP has found no evidence of synthetic drug production in Kosovo.

In the first nine months of 2009, the KP arrested 275 people on narcotics charges and filed 169 narcotics-related cases, 122 of which were sent to the Prosecutor's Office. The remaining cases are still under investigation.

The KP uses a wide range of investigative techniques, from information collection to interception and surveillance. "Intelligence-led policing" is an approach being used by the KP to find traffickers and learn of their activities. It is a logical extension of community policing and relies on good relationships formed between the police and local communities. However, in contrast to other countries, this strategy is difficult to implement in Kosovo because of the tight-knit family and clan structures.

While UNMIK focused its counternarcotics efforts on intercepting drugs smuggled into Kosovo and preventing them from departing to third countries, EULEX provides mentoring, monitoring and advising services to the KP.

**Corruption.** It is difficult to estimate the extent to which corruption in Kosovo influences drug trafficking. Kosovo has taken legal and law enforcement measures to prevent and punish public corruption that facilitates the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or that discourages the investigation or prosecution of such offenses, especially by senior government officials. However, results so far have been mixed.

The "Suppression of Corruption" law, passed in April 2005, is the prevailing legislation that directs anticorruption activities. There are no laws that specifically address narcotics-related public corruption. The Suppression of Corruption law created the Kosovo Anti-Corruption Agency, an independent agency that began operations in July 2006. In early 2009, the Government of Kosovo drafted an amendment to the Suppression of Corruption law and also an official strategy against corruption for 2009 to 2011. As of November, 2009, neither measure had been approved by the Kosovo Assembly.

While there is no evidence of systemic corruption in the KP or Customs, there are reports of individual corruption, which officials are attempting to address. Cases reportedly involve officers turning a blind eye to narcotics trafficking or accepting bribes to allow narcotics to pass through borders. KP 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.

The Police Inspectorate of Kosovo (PIK) is an independent body under the MOIA designed to promote police efficiency and effectiveness and investigate and punish serious misconduct. In May 2009, 47 kilograms of heroin and a large quantity of money and other evidence were stolen from a police evidence room. While there are at least 15 suspects, so far no charges have been brought, nor has any of the stolen property been recovered. The case is being investigated by the PIK, while a government official is being investigated by the EULEX Police Executive Department.

There is no information indicating that the Kosovo Government or its senior officials encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or launder the proceeds from illegal drug transactions.

**Agreements and Treaties.** The 1902 extradition treaty with the Kingdom of Serbia is now recognized as being in force by both the United States and the Government of Kosovo. However, Kosovo will not extradite its nationals.

Due to its unique history as a UN-administered entity, Kosovo was not previously party to the 1988 UN Drug Convention or any other international convention or protocol. Since declaring independence in February 2008 and adopting a new state constitution in June 2008, Kosovo has gained the authority to sign international treaties as well as bilateral and multilateral agreements; however, this authority is for practical purposes limited to agreements with the 63 countries which have recognized Kosovo. Kosovo is not yet a UN member-state.

Kosovo cooperates and exchanges information with countries in the region through informal bilateral and multilateral meetings. For example, the Director of Organized Crime in the KP regularly meets with his Albanian counterpart. The KP reports that data sharing with Macedonia and Montenegro on drug investigations is poor, while data sharing with Albania, with whom a data sharing agreement was signed in 2008, is reported to be excellent. Data sharing agreements with Macedonia and Montenegro are being negotiated. The effectiveness of EULEX advisors assigned to the narcotics department has not yet been reflected in increased arrests and prosecutions. Data sharing between EULEX and the KP could improve due to recently signed data sharing agreements between EULEX and Serbia and EULEX and the KP. Additionally, Kosovo Customs has memoranda of understanding with both Albania and Macedonia.

**Cultivation/Production.** Kosovo is not a significant narcotics producer. The KP has found some evidence of small-scale marijuana cultivation in rural areas, mostly in the form of plants mixed in with corn crops or cultivated in back yards. The police have also found some uncultivated marijuana plants growing in rural areas. The KPS determine crop yield by counting individual plants, and the number of plants grown by any one producer is small enough to make this feasible. There have been a few reports of seizures of small quantities of precursor chemicals in Kosovo, but KP officials have found no evidence of narcotics refining or production labs.

**Drug Flow/Transit.** Though Kosovo is primarily a transit country for Afghan drugs destined for Europe, anecdotal evidence from the KP suggests a growing domestic narcotics market. Data on drugs entering the country is weak, but data on drugs leaving the country is virtually non-existent. The KP reported a sharp drop in heroin coming from Bulgaria and transiting Macedonia after Bulgaria entered the EU, while drug flow from Albania has increased. Most of the drug traffic entering Kosovo is carried in small quantities across rugged borders on foot or by mule. Most drug seizures do not occur at a border crossing.

While the most prevalent drug in Kosovo is heroin, synthetic drugs manufactured in Serbia have been intercepted enroute to Albania while marijuana grown in Albania has been intercepted heading for Serbia. Several years ago most of the drug traffic was coming from Macedonia but now much of it comes from Albania. The street value of heroin is from 10,000 to 15,000 Euro per kilogram uncut while cocaine is

between 50,000 and 60,000 Euro per kilogram. Despite the much higher cost of cocaine, the KP reports that the amount of cocaine entering Kosovo from Albania, Montenegro and other sources has been growing. In fact the KP recently seized a shipment of cocaine coming from Belgium.

EULEX and KP officials report many small movements of narcotics, such as two to five kilograms on one person or 10 to 20 kilograms in a bag on a bus. EULEX advisors have observed the KBP allowing buses to pass without search, and in some cases, without checking passports of the passengers.

The Kosovo Government continues its efforts to interdict and seize drugs transiting Kosovo. However, there have been no significant changes in the methodology or tactics used by the Kosovo Police or customs agencies. The KBP are attempting to acquire drug detection dogs but have not yet secured funding.

**Domestic Programs/Demand Reduction.** According to NGO Labyrinth, the use of marijuana in schools has been increasing. Only 18 percent of 15 to 24-year-olds understand the dangers of drug use according to recent surveys by UNICEF. Even more alarming is that the age of first injection has dropped to 14 years. While there are no reliable estimates of the number of drug users in Kosovo, UNICEF believes that there are now 20,000, up from 10,000 to 15,000 in 2001. One problem in obtaining data is that parents in Kosovo's culture are deeply ashamed if their children use drugs and try to deny and hide the addiction rather than seek help. Also, wealthier parents are able to send their children to Slovenia and Croatia for rehabilitation. One initiative sponsored by UNICEF is called the Peer Education Network which so far has recruited 1500 young people in 22 municipalities to provide training and awareness to other young people on drug prevention, the risks of HIV, sexually transmitted diseases, and the risks of smoking. In addition, UNICEF is pioneering a life skills-based education program for eighth graders which will be expanded to other grades. The program, already in 500 schools, focuses on health, nutrition, sexuality, and HIV as well as drug prevention.

Both the Ministry of Health and the Ministry of Education run domestic prevention programs, and community police officers visit schools throughout Kosovo to educate students about the risks associated with drug use. NGOs such as Labyrinth assist with both education and treatment.

Labyrinth says that based on the number of people asking for treatment for cocaine addiction, usage of cocaine has increased considerably in the last five years, an opinion supported by the KP. Labyrinth currently has about 600 clients in various stages of treatment. The number of new clients is ten to eleven per month, up from seven to eight per month two years ago. In addition only about 3 percent of Labyrinth's clients remain drug-free compared to about 25 percent in the European Union. Labyrinth attributes this to lack of follow-up and social services, cultural norms according to which a child can be disowned from his or her family for using drugs, and lack of economic or educational opportunities for young people.

The Pristina University Hospital Psychiatry Department, which also provides drug treatment, reports that on average two to four people are receiving in-patient treatment at any given time. The overwhelming majority of the patients are heroin addicts. Approximately 120-140 addicts receive out-patient treatment each year. The staff at Pristina University Hospital is limited, with only one doctor and one nurse devoted to treating drug addicts. Other regional medical centers' psychiatry wards reportedly do what they can to assist drug addicts, but they do not devote staff exclusively to their treatment.

The Hospital notes that the number of patients is increasing and sees an urgent need for a better drug treatment program that includes more and better trained staff, individual and group therapy, and separation from the psychiatric ward. Hospital officials consider the construction of a separate drug treatment facility a priority. They believe that the current arrangement that places drug addicts alongside psychiatric patients in the same ward creates a social stigma that prevents all but the most severe cases of drug addiction from seeking treatment.

Methadone has not been prescribed by public health services due to a technicality in the law, although NGO Labyrinth has been using it as part of its rehabilitation program. Last year the Global Fund awarded Kosovo $5.6 million for a five-year methadone treatment program. The methadone, taken orally, will be administered and tracked by Labyrinth and other clinics under this program beginning in December 2009. Labyrinth reports a success rate of only 12 percent using methadone to treat heroin addiction, and it attributes this low rate of success to the absence of a long-term maintenance and follow-up program.

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

**Bilateral Cooperation.** Kosovo cooperates with the United States on counternarcotics issues.

Kosovo officials seek out and enthusiastically receive technical assistance and training provided through robust Department of Justice programs in country, the Office of Overseas Prosecutorial Development and Training (OPDAT) and International Criminal Investigative Training Assistance Program (ICITAP), both funded through the State Department. In 2009, the OPDAT program, conducted a series of training seminars focused on prosecutors in Kosovo, including those in the Special Prosecutors Office, which handles narcotics trafficking and other complex crimes. Depending on the course subject-matter, many of the programs also welcomed judges and police as participants. Programs included narcotics investigations and trial preparation, organized crime, money laundering, trafficking in persons, terrorism, and other crime-related topics. A separate OPDAT initiative provided training and technical assistance for Kosovar and EULEX prosecutors in implementing the new law on negotiated guilty pleas (plea bargaining). In cooperation with the National Institute for Trial Advocacy (NITA), OPDAT has provided intensive trial advocacy training for prosecutors in Kosovo and the United States to assist Kosovo in implementing a justice system that incorporates more elements of the adversarial trial system. The U.S. Attorney's Office for the Eastern District of North Carolina has begun an active partnership with Kosovo narcotics investigators and prosecutors, which has yielded some early success. The USG's Export Control and Related Border Security (EXBS) program donated a large amount of border security equipment, including x-ray machines, density measuring kits, and other equipment. The USG funded and contributed 80 police officers, one judge, and three prosecutors to EULEX's rule of law mission.

In partnership with the North Carolina U.S. Attorney General's office, OPDAT has led a series of trainings in both Kosovo and the United States aimed at teaching the KP and Kosovar prosecutors U.S. methods of drug detection, investigation and prosecution. OPDAT will also provide the KP with much-needed equipment including field test kits and specialized communications and tracking gear.

ICITAP also manages an ambitious State Department (INL)-funded police training program in Kosovo, which provides training and technical assistance to police, border control officials and other law enforcement.

**The Road Ahead.** The United States will continue to provide rule of law assistance to Kosovo. USG-funded police, prosecutors, and judges will continue working in Kosovo as part of the EULEX deployment. The USG is coordinating its rule of law assistance goals and priorities for Kosovo with the EU, and it will continue to provide training, technical assistance and equipment to the KP and Kosovo's criminal justice sector that directly and indirectly support counternarcotics work. Among the USG's contribution of police officers to the EULEX police mission in Kosovo, some officers will possess special organized crime and counternarcotics skills. One issue facing Kosovo is the planned drawdown of KFOR and its impact on border crossing control. Kosovo Police will have to take over KFOR's duties in this area.

# Kyrgyz Republic

## I. Summary

The Kyrgyz Republic continues to have minimal internal 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 the United States. As in past years, experts still estimate that 20 metric tons (20,000 kilograms) of narcotics transit through the Kyrgyz Republic each year. The Government of the Kyrgyz Republic attempts to combat drug trafficking and prosecute offenders, but is constrained by limited resources. The government has been supportive of international and regional efforts to limit drug trafficking and has supported major initiatives to address its own domestic drug use problems.

In September 2009, the government implemented a series of reforms that shifted counternarcotics responsibilities to the Ministry of Internal Affairs from the Drug Control Agency. The Ministry of Internal Affairs is reviewing plans for integrating Drug Control Agency personnel and equipment into the ministry.

## II. Status of Country

The Kyrgyz Republic borders 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 difficult. Border stations located on mountain passes on the Chinese and Tajik borders are snow covered and unstaffed for up to four months of the year. These isolated passes are open to drug traffickers during this period. Government outposts and interdiction forces rarely have electricity, running water or modern amenities to support their counternarcotics efforts. The Kyrgyz Republic is one of the poorest countries in Central Asia and does not have major natural resources or significant industry. The south and southwest regions—the Osh and Batken districts—are important 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 and Western Europe. The Kyrgyz Republic is not a major producer of narcotics; however, cannabis, ephedra and poppy grow wild in some areas. As of July 2009, there were no active eradication activities planned for the plants that grow wild.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In September 2009, the government reorganized key government agencies and ministries, including the Drug Control Agency, in an attempt to streamline government operations. The Ministry of Internal Affairs and the government are reviewing plans to integrate Drug Control Agency operations, equipment and personnel into the ministry. However, the elimination of the Drug Control Agency is a significant blow to regional counternarcotics efforts, as the agency had the advantage of having vetted officers, international funding, and a higher degree of professionalism.

**Law Enforcement Efforts.** Over the past year, the Government of the Kyrgyz Republic has made a series of high profile drug seizures, culminating in the single largest seizure (38 kilograms) of liquid heroin in the region. During the first half of 2009, the Government of the Kyrgyz Republic increased the amount of seizures of major drugs (heroin, opium and hashish) compared to the same period in 2008. During the first six months of 2009, authorities seized 179 kilograms of heroin, 118 kilograms of opium, and 285 kilograms of hashish. Seizure data for the rest of 2009 are not yet available.

**Corruption.** As a matter of policy, the Government of the Kyrgyz Republic 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 serious

problem and a deterrent to effective law enforcement efforts. In 2008, four Kyrgyz law enforcement (Ministry of Internal Affairs) officials were identified as participants in narcotics the drug trade. Criminal cases against these individuals are still pending. The Drug Control Agency possesses a relatively good reputation, and its staff went through a thorough vetting procedure and receives substantial salary supplements from the UN/U.S. counternarcotics project. The MobITs (Mobile Interdiction Teams) were also vetted and received polygraph tests, as did all Drug Control Agency agents.

**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 Convention against Corruption and the UN Convention against Transnational Crime and its Protocols on Trafficking in Persons and Smuggling of Migrants.

**Cultivation/Production.** While there is no significant commercial production of drugs in the Kyrgyz Republic, cannabis and ephedra grow wild over wide areas, especially in the Chui valley region, and around Lake Issyk-Kul. In 2009, there was at least one substantial seizure of locally-produced marijuana, which resulted in the destruction of approximately 1,400 kilograms of marijuana. During 2009, the Government of the Kyrgyz Republic did not carry out eradication campaigns against illicit crops.

**Drug Flow/Transit.** Most of the opiates smuggled through Central Asia in 2009 entered the region through Tajikistan. The Kyrgyz Republic represents the main conduit for onward smuggling. Over the last few years, trafficking activities have remained steady on the long and mountainous border between the Tajik Garm region and Batken in Kyrgyz Republic. 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.** According to the 2009 national annual report on the "Situation of Narcotics" published by the Kyrgyz National Narcotics Center, the number of illegal drug users increased from 83.4 per 100,000population in 1998 to 172.5 per 100,000 population in 2008. The report's data only includes illegal drug users that register with the National Narcotics Center at the Ministry of Health and the real number of addicts is almost certainly higher, considering the disincentive to register.

The Government of the Kyrgyz Republic lacks the resources to address effectively drug abuse and the related HIV/AIDS problems. In addition, insufficient funding is hampering prevention and treatment programs and training of professional staff. Programs providing treatment 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 treatment assistance programs in the Kyrgyz Republic.

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

**The Road Ahead.** The Ministry of Interior is reviewing plans for integrating Drug Control Agency personnel and equipment into the ministry. As of January 31, 2010, the U.S. will end funding of a U.S. Drug Enforcement agent on temporary duty at the Drug Control Agency in Bishkek.

# Laos

## I. Summary

The Lao People's Democratic Republic (Lao PDR) made tremendous progress in reducing opium poppy cultivation between 2000 and 2008. Poppy cultivation gains remain precarious, however. Estimates by the 2009 UNODC helicopter survey, funded by the USG and with the participation of U.S. Embassy staff, estimated that about 1,900 hectares (range between 1,100 to 2,700 hectares, with 90 percent confidence interval) of poppy were cultivated This is an increase from the previous year by some 300 ha or 19 percent. The USG completed a partial survey in Laos of the Phongsali growing area—which is the main poppy growing region in Laos—and estimated that 1,000 hectares of poppy were cultivated in 2009, which was similar to the amount there the previous year.

Remaining opium poppy planting is generally in areas near borders with China, Vietnam, and Burma. There is reason to believe that part of the production in these border areas is for export sales or even "contract opium farming" by traffickers in adjacent countries where enforcement measures are stronger. The recently expanded planting reflects higher opium prices, convenient trafficking routes, and the extreme poverty and food shortages in these areas. Most poppy is grown in areas that have received little or no development assistance.

Both awareness programs and treatment capacity targeting abuse of methamphetamines increased during 2009, but remain insufficient and ineffective in responding to the rapidly rising level of methamphetamine abuse which now affects every socio-economic group in Lao society. Law enforcement capacity is inadequate to establish an effective deterrent to regional and international trafficking organizations. This, in addition to its central geographic location, makes Laos an important transit route for Southeast Asian heroin, amphetamine-type stimulants (ATS), and precursor chemicals en route to other nations in the region. This transit drug trade includes criminal gangs with links in Africa, Latin America, Europe, and the United States, as well as in other parts of Asia. Laos also continues to be a major source for raw opium being sent to the United States; conservative estimates are that in 2009 over 1,000 pounds of opium originating from Laos was sent to the United States, mostly via small parcels.

Engagement between Lao law enforcement and the U.S. Drug Enforcement Administration (DEA) has increased over the past two years. The Lao government, however, has placed limitations on cooperation with DEA and other regional law enforcement partners. The Lao are receptive to training opportunities, but restrict the timely exchange of actionable information on drug trafficking. Counternarcotics law enforcement in Laos continues to be weak. Laos is a party to the 1988 UN Drug Convention.

## II. Status of Country

While the Lao Government is seeking additional international support for tackling drug control problems, few donors show significant interest in reducing illegal poppy cultivation or drug addiction, preferring to focus assistance on rural poverty alleviation and food security in general. Higher prices for unprocessed opium (up from $900 in 2007 to $1,600–$2,500/kilogram in 2009) are driven by a reduction in supply, regional demand, and a residual number of opium addicts. The opium addict population in Laos is now estimated at nearly 16,000, including some 8,000 relapsed addicts. Many former poppy growers, finding themselves without the assistance they expected, continue to face severe staple food shortages (rice), a prime cause of a return to opium planting. Rice purchase prices have decreased somewhat (12 percent) from 2008, but remain higher in most areas than in earlier years, which means former opium growers are often hard pressed to purchase rice to make up for food deficits. Only sustainable rural development in the mountainous north, with alternative livelihood programs for former poppy cultivators, will enable the Laotian authorities to sustainably eliminate opium cultivation.

Amphetamine-Type Substances (ATS), primarily methamphetamine, constitute the greatest current and expanding drug abuse problem in Laos. There are currently an estimated 50,000-60,000 ATS addicts, with about 200,000 occasional users, though the last UNODC survey was conducted in 2004. ATS abuse, once confined primarily to urban youth, is now more common among rural peoples, especially in towns and villages along major roadways. The scope of this problem has overwhelmed the country's limited capacity to enforce laws against sale and abuse of illegal drugs, and to provide effective treatment to addicts. Petty crime in Lao cities and towns, some involving violence, has increased significantly in recent years, with much of the cause for the increase attributed by the Lao Government to ATS abuse. ATS in Laos is largely consumed in tablet form, but drug abuse treatment centers and hospitals report admission of a growing number of users who have injected ATS. Continued emphasis on drug abuse prevention, comprehensive drug awareness programs, increased capacity to provide treatment to addicts, and post-detox follow-up are all essential to control the growth in domestic demand for ATS. There are no effective drug addiction education and prevention programs for young people, either students or school leavers in Laos. Government health services are relatively competent at opium addict treatment after 20 years of experience, but treatment of ATS addicts is just beginning and is sorely inadequate. Relapse prevention is also lacking and there is little or no follow up post treatment.

Heroin abuse in Laos, once limited to foreign workers and tourists, has emerged as a growing problem in highland areas bordering Vietnam, with some heroin abuse also being reported in cities. Heroin is trafficked through Laos and on to such countries as China and Vietnam. Injected heroin is competing with smoked opium as the favored method for drug abuse in some ethnic minority communities, bringing with it an attendant potential for increased transmission of HIV/AIDS, hepatitis and other blood-borne diseases. The Lao government is working to develop a treatment capacity to address this new problem, but at present there is only one facility in Laos which has even a marginal capability to address heroin abuse.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Laos finalized and officially disseminated a significant new drug control policy initiative in 2009, the "National Drug Control Master Plan (2009-2013): A Five Year Strategy to Address the Illicit Drug Control Problem in the Lao P.D.R." It is posted in English translation on the UNODC Laos website.

The Master Plan is a document that summarizes activities and proposed budgets for comprehensively addressing the challenges of drug crop control, demand reduction and law enforcement. The assistance requested from the international donor community to implement the Master Plan totals some $72 million over five years, with $44 million requested for crop control, $16 million for demand reduction (including the threat of HIV/AIDS infection) and $9 million for improvements to the criminal justice system and law enforcement. Some donor support has been forthcoming, with new alternative development projects valued at several million dollars each announced by the German Government and the European Union, working in association with UNODC. The Australian Government announced funding for a multi-year, $4 million program to address the risks of injectible drug use and the spread of HIV/AIDs.

But without stronger international donor support, Laos could revert to being a major opium producer, and risks becoming an even more important transit point for regional and international drug trafficking, given its weak law enforcement capacity and a high corruption rating (see Transparency International 2009 report).

**Law Enforcement Efforts.** The economic value of drug trafficking in Laos, both domestic-oriented and international, is estimated in the National Drug Control Plan of 2009 to be between $350–$700 million, or about 10 percent of the country's estimated $4 billion GDP. In contrast, the relative contribution to 2008 GDP of mining was about $252 million, tourism was estimated at $234 million, and hydropower/electricity production was about $147 million. Increasing property crime, the growth of

youth gangs, drug trafficking gangsters, the increased presence of West African drug gangs and dealers, growing methamphetamine addiction and the emergence of heroin addiction among Lao and ethnic minority groups all suggest that trafficking in drugs for internal sale and abuse in Laos is increasing. Individuals or small-scale merchants undertake the majority of street-level methamphetamine sales. Criminal gangs involved in drug trafficking across border areas adjacent to Vietnam, China, Thailand and Burma, including ethnic minority groups operating on both sides of those borders, constitute a particular problem for Lao law enforcement. Such cross-border gangs now reportedly play a leading role in the expansion of injected heroin use in northern Laos, and in the cultivation of marijuana for export from central and southern provinces to neighboring countries.

Laos' law enforcement and criminal justice institutions remain inadequate to deal effectively with the problems created by domestic sale and abuse of illegal drugs and international trafficking in drugs, chemical precursors and other contraband. Laos does not currently possess the means to accurately assess the extent of production, transport or distribution of ATS or its precursors. There was a significant increase in seizures of ATS transiting through Laos to neighboring countries in 2008 and early 2009. The number of reported drug arrest cases rose in 2008 by 63 percent.

Laos' principal narcotics law enforcement office is the Department of Drug Control (DCD) within the Ministry of Public Security. At the provincial level, DCD's counterparts are the Counter Narcotics Units (CNUs), the first of which was created in 1994 and which now exist as elements of provincial police in most provinces. The CNUs, however, remain generally under-staffed, poorly equipped, under-resourced, and with personnel inadequately trained and experienced to deal with the drug law enforcement environment in Laos. CNUs in most provinces are generally staffed by fewer than 15 officials. The average annual budget of a typical provincial CNU (excluding salaries) is only about $3,000. Shortages of office supplies and operational (non-lethal) equipment are endemic. Given other priorities, CNUs are given only marginal budget support by provincial governments.

This limited law enforcement presence in rural areas creates an obvious vulnerability to establishment of clandestine drug production or processing activities. There are persistent but unconfirmed reports of some methamphetamine laboratories operating in northwest Laos. Assistance provided by the U.S., UNODC, Luxembourg, South Korea, Australia, and China has mitigated equipment, training, and skills deficiencies of the CNUs to some extent. Lao drug enforcement and criminal justice institutions have demonstrated an inability to investigate and develop prosecutable cases against significant drug traffickers. Prosecutions that do occur almost exclusively involve street-level drug pushers or couriers. Following a major Lao interagency seminar in June 2009 regarding the regional problems of West African drug trafficking, the Lao government did act to curb the number of West African drug gang members operating in Laos by ending the practice of granting "visas upon arrival" to holders of African passports. This policy measure alone greatly reduced the number of Africans visibly present in the country, although the impact on the volume of African-related drug trafficking cannot be verified. Other measures taken included a tighter scrutiny of work permits issued to Africans, and instructions for hotels and guest houses to scrutinize registration documents of foreign guests. The seminar clearly prompted the Lao government to take these policy actions. In 2009, Lao Police also arrested West Africans and other foreigners with significant quantities of cocaine and heroin in their possession.

In December 2007, the Lao National Assembly passed a drug law (Law on Drugs and Article 46 of the Penal Law), signed by the Prime Minister in early 2008, that defines what substances are prohibited and which pharmaceuticals are permissible for medical use. The law also outlines criminal penalties for possession and contains provisions for asset seizure. Prosecutors still lack legal means to seize assets of convicted drug traffickers except for those assets that were clearly involved in the drug trafficking offense. Extrajudicial asset seizures reportedly occur in some cases. In March 2009, the Prime Minister's Office issued a "Decree" pursuant to the revised drug law to clarify criminal liability, which specified the types of prohibited drugs (38), the types of controlled drugs and chemical substances (92), types of drugs

which could be used or mixed for both medicinal and illicit purposes (68), and a list of chemical precursors which could be used for illicit purposes (32 including caffeine). Other provisions of the decree detail the specific roles of Lao government agencies, including the LCDC and its provincial counterparts, in counternarcotics efforts. The extent to which these implementing regulations have been distributed and understood in the provinces is unknown.

**Corruption.** There continue to be credible allegations of corruption in the ranks of the Lao police and criminal justice system, as elsewhere in Lao society. In late 2009, a Lao police major was arrested by Thai police after he was found to be transporting over six kilos of methamphetamine into Thailand. It is commonly understood within Lao society that police, customs officers, and prosecutors can be paid to not perform their duties. Assessing fines, whether formal or informal, is often preferred by law enforcement authorities to going through the process of prosecuting and sentencing drug traffickers.

In 2008, the Government's "Anti Corruption Committee" was moved from the party organization to the Prime Minister's Office, and designated the "State Inspection Authority," UNODC, UNDP and the French government have assistance programs for "good governance" which are intended to build the capacity and legal basis for this new Authority. However, corruption in Laos is at serious risk of increasing as the flow of illicit drugs and precursors through Laos grows. Lao civil service pay is inadequate, and those able to exploit their official positions, particularly police and customs officials, can augment their salaries through corruption. Lao law explicitly prohibits official corruption, and some officials have been removed from office and/or prosecuted for corrupt acts. The Lao PDR has made fighting corruption one of its declared policy priorities although enforcement of such policies remains weak and not well publicized. The 2009 international corruption ratings issued by Transparency International continued to indicate a deteriorating situation in Laos. In 2006, the first year that Laos was rated by TI, Laos ranked 111 on a global list of 179 countries with a "corruption index" of 2.6 (on a scale from 10 to 1, from least corrupt to most corrupt). Laos has since then steadily fallen to its current 2009 rating of 168 on a global list of 180 countries, with an index of 2.0

As a matter of government policy, Laos strongly opposes the illicit production or distribution of narcotic drugs, psychotropic or other controlled substances, and the laundering of the proceeds of illegal drug transactions. No senior official of the Lao PDR has been shown to engage in, encourage, or facilitate the illicit production or distribution of illegal drugs or substances, or the laundering of proceeds of illegal drug transactions.

**Agreements and Treaties.** The USG signed initial agreements to provide international narcotics control assistance in Laos in 1990, and has signed further Letters of Agreement (LOAs) to provide additional assistance to projects for Crop Control, Drug Demand Reduction, and Law Enforcement Cooperation annually since then. Laos has no bilateral extradition or mutual legal assistance agreements with the United States. During 2009, the U.S. made no requests to Laos to deliver suspects or fugitives on drug offenses to the United States under any formal or informal arrangement. Laos is a party to the 1988 UN Drug Convention. It has made substantial progress in the control of opium cultivation, production and addiction, but has not yet achieved all objectives of the 1988 UN Convention. Laos is party to the 1961 UN Single Convention and in 2009 ratified and acceded to the 1972 Amending Protocol to the Single Convention. Laos is a party to the 1971 UN Convention on Psychotropic Substances. Laos is a party to the UN Convention against Transnational Organized Crime, and its three protocols. In September 2009, Laos ratified and became a full member of the United Nations Convention Against Corruption (UNCAC). Laos had first signed this Convention in December 2003. Laos has declared its support for the ASEAN initiative to promote a drug-free region by 2015. Laos has extradition treaties with China, Thailand, Vietnam and Cambodia. The Lao PDR has assisted in the arrest and delivery of individuals to some of those nations, but does not use formal extradition procedures in all cases.

**Cultivation/Production.** The 2009 UNODC aerial survey of opium poppy production in Laos, funded by INL, estimated cultivation at 1,900 hectares (with a range of 1,100—2,700 ha), an increase of 19 percent

over 2008. Most of the remaining poppy cultivation observed in the survey was encountered in remote areas of three Northern provinces: Phongsaly, Luang Namtha and Houaphan. The greatest opium poppy cultivation was observed in Phongsaly and Houaphan provinces, which also have the largest numbers of opium addicts. Unlike in 2008, the survey showed that opium planting areas had increased significantly in border areas to a commercial scale far beyond the local requirements of Lao opium addicts. UNODC estimated 2009 opium production at around 11.4 metric tons, up from some 9.6 metric tons in 2008. Estimated yields continued to be low at about 6 kilograms/ha. The USG conducted a partial satellite survey in Laos in 2009 and estimates that 1,000 hectares of poppy were grown in the Phongsali growing area, which could potentially produce 10.6 metric tons of opium. UNODC reported an average price for opium in Laos of $2,000/kilogram, nearly four times the $550/kilogram reported in 2006. Some border areas reported prices as high as $2,500 per kilogram. Most opium produced in Laos is consumed domestically in northern areas, where raw and cooked opium is smoked or eaten. The share of the opium product in Laos that is refined into heroin is thought to be very small. UNODC surveys show that about 5 percent of opium smokers are now converting to heroin or otherwise becoming "poly drug users," adding ATS type drugs to their choice of drugs, with the numbers rising especially among younger persons.

The USG crop control projects implemented in Laos from 1990 to 2006 did not employ chemical herbicides or any other form of compulsory eradication of opium poppy. The government of Laos began forced eradication in 2003, and since 2006, USG crop control assistance has supported the limited use of involuntary eradication (by hand) by Lao authorities. Only when individual farmers are found attempting to repeatedly cultivate poppy are their crops eradicated. Since declaring Laos to be formally opium-free in 2006 (a policy assertion it justifies by arguing that eradication reduces harvestable cultivation to insignificant levels), the Lao PDR has stated that compulsory poppy eradication may be carried out in selected areas where alternative development programs are not available, or have not by themselves sufficed to reduce and eliminate poppy cultivation. Following release of the results of the 2008-9 opium survey in December 2009, the UNODC Resident Representative in Laos stated that the situation of the farm population that had depended primarily on poppy cultivation for cash income remains "precarious" and that "the current reduction in cultivation is dependent on the existence and creation of appropriate and sustainable livelihood opportunities." However, UNODC asserts that international donor support for such alternative development programs continues to diminish. UNODC has reported that many former opium growers have survived the loss of income from opium only by consuming their savings, generally in the form of livestock and depleting local non-timber forest products.

In 2008, the World Food Program published its "Comprehensive Food Security and Vulnerability Analysis Report (CFSVA)" for Laos. The report notes that on average 13 percent of the rural population is chronically short of staple food (3-6 months per year), 20 percent of all children are seriously malnourished, and 60 percent of the population are vulnerable to slipping back into serious food shortages if natural calamities destroy or reduce food crop production. Recognizing the particular vulnerability of remote mountain areas, WFP in 2008 began a two-year "protracted food emergency program" in three northern provinces. The program targets areas where opium was once grown that have developed no income alternatives as yet. WFP provides an emergency food (rice) ration of three months to over 200 such villages. This program continued in 2009.

Illicit drug seizures indicate continuing "contract" cannabis cultivation in central Laos. Use of cannabis as a traditional food seasoning in some Lao localities complicates attempts to eradicate this crop.

**Drug Flow/Transit.** The Mekong River and remote mountainous regions dominate Laos' highly porous borders, over 5,000 kilometers in length. This terrain is notoriously difficult to control, and is permeable to trafficking of illicit drugs or other contraband, although there are no reliable estimates of the volume of such flows. An increase in the number and size of seizures in neighboring countries of drugs that reportedly passed in transit through Laos indicate a rapidly growing transit problem. Illegal drug flows include methamphetamine, heroin, marijuana, precursor chemicals, and even cocaine (originating from

Latin America) destined for other countries in the region, some of which is diverted for consumption in Laos. Opium from Laos is shipped regularly to the U.S. via parcel post and commercial express packages. New regional transportation infrastructure, trade agreements, and special economic zones intended to facilitate regional trade and development may inadvertently also benefit transnational criminal trafficking organizations. Border checkpoints are few and far between.

The opening of two new transit arteries in Southeast Asia that pass through Laos, one a continuous east–west paved highway running from Danang in central Vietnam to ports in Burma or near Bangkok, and the other a north to south all weather road from Kunming (Yunnan, China) to Bangkok, have further complicated the already difficult challenge posed by illicit transit of drugs or other contraband for Lao law enforcement and border control agencies. Laos is not a principal destination for the majority of cargo that transits its territory, but the volume of traffic overwhelms Laos' limited capacity for border control. In addition to increased trade volume, new bilateral and regional trade agreements will also likely result in proportionally fewer cargo inspections and a greater reliance on intelligence to identify suspect shipments of drugs or other contraband. Laos, which has very limited capabilities in this area, will have to rely substantially on regional cooperation with its neighbors to effectively impede trafficking in illegal drugs or other contraband. In addition, three major gambling casinos have opened in the past year along these new international road networks, with principal investors from Mainland China and Macau.

**Domestic Programs/Demand Reduction.** Laos made some limited advances during 2009 in reducing the demand for and consumption of illicit drugs. Four new provincial drug addiction treatment facilities were constructed in 2007, but only two of these began offering any effective services in 2009. The operational costs and staffing of such provincial treatment centers are provided (or frequently, not provided) from limited provincial budgets, so their capacity and effectiveness has been very limited.

In general, the operating capacity of existing facilities remains well short of the reported numbers of drug addicts in Laos. Available evidence suggests that many untreated addicts turn to crime as a means to support their addiction. Most existing treatment facilities are notably deficient in staff proficiency, systematic operations, counseling, effective occupational therapy or training, post-discharge follow-up and relapse prevention. The U.S. is providing assistance to several treatment facilities in Laos to enhance their capabilities to offer some worthwhile occupational therapy and skills training prior to release. A new U.S.-supported program to develop modern media materials for use in national drug awareness efforts was implemented in early 2009 using hip hop music and youth-oriented materials; there has been strong demand for the music and materials.

Estimates by the Lao PDR in 2009 indicate that the number of remaining opium addicts has plateaued at approximately 16,000 persons, after years of steady declines. Many opium addicts may remain unreported living in distant areas. Recidivism after attempted treatment and rehabilitation is estimated at approximately 40 percent but there has been no systematic survey. Information about follow-on rehabilitation is scanty, with some good results reported by UNODC alternative development projects. The LCDC reported that some 1,770 opium addicts in 8 northern provinces were provided with detox treatment in 2009 under an INL-funded program with the UNODC and the LCDC.

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

**Bilateral and Multilateral Cooperation.** Most U.S. counternarcotics assistance to Laos over the past two decades has supported the successful effort to reduce poppy cultivation in Laos to a historically low level. U.S. crop control assistance continued at a diminished level in 2009, focusing on a large number of former opium growing communities that had not yet received assistance in identifying alternative income sources. The Law Enforcement and Narcotics Affairs Section (LENS) in Vientiane focused its efforts with the LCDC on administering village-based alternative livelihood programs (mainly crops and livestock) in three northern provinces, working in six districts with some 40 villages. LENS also provided

funding support for UNODC rural development programs in areas of Houaphan Province where poppy cultivation remains high.

As poppy cultivation has declined, a greater proportion of U.S. counternarcotics assistance has been devoted to demand reduction and law enforcement activities. During 2009, the LENS in Vientiane worked closely with the LCDC and the Ministry of Health on enhancements to methamphetamine abuse treatment centers in Laos' two largest cities, such as basic psychiatric care training for treatment center staff, as well as on a variety of national drug awareness and prevention programs. One of the more successful efforts using INL funding has been an innovative occupational therapy program at the Somsanga Drug Treatment Center operated in cooperation with UNODC. Several hundred previously idle youth in the rehabilitation section are now busy with a variety of training activities. The groundwork was also laid this year for a school-based addiction prevention program and a "half-way house" program for long term opium addicts. U.S. law enforcement assistance funds supported operational costs, training and equipment for DCD, provincial CNUs and the Lao Customs Department. Training was also provided to the Lao Prosecutors Office under the INL-funded U.S. Department of Justice Overseas Prosecutorial Development, Assistance and Training (OPDAT) program, and an anti-money laundering seminar delivered to Ministry of Finance and MOPS personnel by the U.S. Treasury Department. This was complemented by continuing regular Lao participation (over 100 persons in 2009) in INL-funded regional training opportunities offered by the U.S. and Thailand at the International Law Enforcement Academies in Bangkok and Roswell, New Mexico. The LENS office also funded a Lao interagency workshop on West African drug traffickers that featured a DEA presentation on this regional problem.

**The Road Ahead.** Laos' two-decade effort to sustainably eliminate opium poppy cultivation has made great progress, but the task is by no means complete. Further economic development is necessary in the northern highlands to achieve food security, integration with the legal national economy, and higher human development indicators generally. Most of this will come from broader rural development planning and assistance, but assistance targeted at former poppy growers and opium addicts remains necessary to ensure that poppy is completely abandoned. Providing alternative incomes to opium poppy cultivation and market access for remote areas remain key roles for continuing U.S. crop control assistance. The Lao PDR is working to develop greater capacity for dealing with growing addiction to methamphetamines, as well as to other illegal drugs. Existing programs to educate youth and other vulnerable groups on the dangers of methamphetamine addiction are important to success. Drug abuse treatment availability is also crucial to reducing the demand for illicit drugs.

Increased law enforcement cooperation with neighbors and other partners, including the United States, will be necessary for Laos to respond effectively to domestic and international drug trafficking activity. INL law enforcement funds will be used to increase capacity for effective cooperation, while DEA continues to provide operational expertise and help tie Lao law enforcement into broader channels of counternarcotics information. Lao authorities, however, remain cautious about engaging with other countries on law enforcement, and prefer to focus on crop control and demand reduction. The new Lao National Drug Control Master Plan (2009-2013) aims to address many of the problems noted here, but implementation would seem to require both greater exertion of Lao political will and substantial and sustained support from development partners. Laos has made considerable progress in some areas of its counternarcotics efforts, but great challenges remain.

# Latvia

## I. Summary

As in previous years, drug use in Latvia is characterized by the continued prevalence of cannabis and synthetics. Although relatively few drugs are produced in Latvia, criminals involved in the illegal drug trade use Latvia as a transit country. Unfortunately, budget constraints caused by the severe national economic crisis have decreased Latvia's ability to provide drug rehabilitation and prevention services. Latvia is party to the 1988 UN Drug Convention.

## II. Status of Country

The number of drug-related crimes recorded by the Latvian government in the first nine months of 2009 was almost 11 percent higher than in the corresponding time period in 2008. The total number of drug seizures in the same time period was also slightly higher. However, the volumes of seized drugs fluctuated widely due to the relatively small volumes of drugs seized overall, with large increases in the volume of heroin, marijuana and methamphetamines seized but decreases in the volume of cocaine, Ecstasy and amphetamines seized. Drugs are distributed in venues that attract youth, such as nightclubs, discotheques, gambling centers and "rave" parties, but Latvian police have made a concerted effort to combat drug sales in those locations. Latvia itself is not a significant producer of synthetic drugs or their precursor chemicals, but officials believe that a significant quantity of diverted synthetics and their pre-precursors originate in neighboring countries and transit Latvia en route to other countries. Control of some cocaine smuggling through the Baltic region is directed by Latvian organized crime groups in coordination with other organized crime groups. Russia is the most likely final market for this cocaine. Due to reductions in the health services budget, the government has closed some drug treatment programs and reduced the services offered in others. The government has also decreased funding for drug prevention programs

## III. Country Action Against Drugs in 2009

**Policy Initiatives.** Latvia completed an evaluation of its State Program for the Restriction and Control of Addiction and the Spread of Narcotic and Psychotropic Substances for the years 2005 to 2008. The report concluded that the program was successful and authorities have managed to maintain stable control over drug use and trade, given the fact that the Latvian authorities could not influence external factors, such as the effects of joining the Schengen zone.

Government ministries prepared an Action Plan for the Restriction and Control of Addiction and the Spread of Narcotic and Psychotropic Substances for 2009, which had the same priorities as the State Program and was intended to guide Latvia's efforts until a new State Program could be adopted, but this short term plan was not adopted by the government. The government is currently developing a new State Program for 2010 to 2013, which the government plans to formally consider and accept next year.

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. The program is scheduled to last from 2006 to 2010.

Peperzine, a new synthetic drug from Western Europe was added to the Latvian list of controlled substances in 2009.

**Law Enforcement Efforts.** Due to the economic crisis, the Latvian government cut the State Police budget, and significantly reduced the salaries of police officers. However, the number of personnel at the Latvian Central Criminal Police's Narcotics Combating Office has not changed.

Latvian law enforcement targets both street level drug dealers, through traffic stops and raids in nightclubs, and large international drug trafficking organizations through cooperation with the United States DEA and other nations. For example, in 2009 the Central Criminal Police concluded a 20-month investigation in which they worked in close concert with other European countries and Ecuador to target a drug smuggling conspiracy led by a major Latvian organized crime figure. In addition, in November of 2008 the State Police discovered the largest cannabis growing farm ever in Latvia, containing 1,905 cannabis plants.

The total number of drug seizures in Latvia in the first nine months of 2009 was slightly higher than the corresponding time period in 2008, but the volumes of various drugs fluctuated widely. In the first nine months of 2009, the weight of heroin confiscated by the Latvian police increased by 112 percent compared to the first nine months of 2008, although the number of confiscations was up only 9.7 percent in the same time period. The weight of marijuana confiscated was 124.4 percent higher in the same time period, but the number of confiscations was only 7 percent higher. Methamphetamines seizures, the most frequently seized drug, were up 66 percent by volume and 3 percent by the number of seizures. Latvian police seized 84 percent less cocaine in the same time period but the number of seizures increased by almost 23 percent. Ecstasy and amphetamines seizures decreased both in volume (94 percent and 45 percent respectively) and number (78 percent and 21 percent respectively). The number of drug-related crimes recorded by the Latvian government in the first nine months of 2009 was almost 11 percent higher than in the corresponding time period in 2008. (1597 in 2008 to 1769 in 2009).

**Corruption.** Latvia's Corruption Prevention and Combating Bureau (KNAB) was established in 2002 to help combat and prevent public corruption. According to a KNAB official, the bureau has not uncovered any evidence of narcotics-related-corruption connected to high-ranking officials.

However, corruption generally remains a problem in Latvia and there have been cases involving relatively low-ranking government officials that have implications for narcotics control. For example, in 2009 KNAB asked prosecutors to bring criminal charges against a fellow prosecutor for accepting bribes from a person involved in narcotics distribution. KNAB also asked prosecutors to bring criminal charges against a customs official at the Riga port for attempting to accept a bribe in return for not inspecting a container

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 between the U.S. and Latvia have been replaced by a comprehensive new extradition treaty which entered into force in April 15, 2009. The United States and Latvia are parties to a mutual legal assistance agreement (MLAT) which entered into force on September 17, 1999, and both governments have also ratified and exchanged instruments regarding a Protocol to the MLAT, which will come into force when the MLAT between the European Union and the United States comes into force, February 1, 2010. 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.

**Cultivation/Production.** Latvia is not a major drug producing country, but relatively small amounts of drugs are produced in Latvia. For example, local police have discovered a few marijuana growing

operations in the last few years. Criminal groups in Latvia also produce quantities of amphetamines, as well as methamphetamine, primarily for export to markets in Scandinavia.

**Drug Flow/Transit.** The drug transit situation in Latvia did not significantly change in the past year. Latvia is not a transit route for drugs destined for the United States. Most drugs transiting Latvia are destined for the Nordic countries, Russia or Western Europe. Criminals transport precursor chemicals for synthetic drugs,, such as ecstasy and amphetamines, and other drugs through Latvia. Heroin transiting Latvia is predominantly Afghan in origin and comes via the "Northern Route" through former Soviet Central Asia. Cocaine in small amounts also transits Latvia, typically arriving via maritime routes from South America and transported onward to Russia

Criminals commonly drive synthetic drugs produced in Lithuania to Riga and then transport the drugs by ferry to Sweden. Benzyl Methyl Ketone (BMK), a chemical precursor for the production of amphetamines, is produced in Russia and also transported through Latvia en route to other European destinations.

Local and foreign organized crime groups smuggle cocaine through the Baltic region, and some of it goes through Latvian route to Russia. Latvian organized crime groups send cocaine 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 became a Schengen country on December 21, 2007, thus opening its borders to other Schengen Treaty states of the European Union. The Latvian State Police reported that the greatest rise in narcotics trafficking in Latvia occurred when it became an EU country in 2004. Police do not believe the change after Schengen accession has been significant.

**Domestic Programs/Demand Reduction.** The 2005-2008 national strategy addressed demand reduction, education, and drug treatment programs. Under that strategy the following objectives were achieved: establishment of a co-ordination mechanism for institutions involved in combating drug addiction (involving eight ministries); 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; and mechanisms for information exchange amongst relevant institutions.

Budget cuts threaten to reduce some of these programs. For example, in 2009 the national government stopped funding the Riga Addiction Prevention Center, which organizes drug education programs in Riga. The Riga City Council now funds the center, although at a reduced level.

Due to the economic crisis and the accompanying budget cuts, the Latvian government reduced the services offered by publicly funded drug treatment and rehabilitation programs. The government closed the drug treatment program in Rindzele. The Riga Centre of Psychiatry and Addictions, the name of the State Narcotics Center since 2007, continues to offer a drug rehabilitation program, but the government reduced funding from a level that supported the care of 15 patients at a time to a level that only supports the care of two patients. Additional patients must pay 150 LVL ($318) per month, a significant amount in Latvia. Government funded regional narcotics addiction treatment centers in Jelgava, Daugavpils, Liepaja, and Straupe continue to operate. Private rehabilitation centers in Riga and publicly funded youth rehabilitation centers in Jaunpiebalga, Gailezers and Straupe also continue to operate.

2008 data on drug treatment clients show a modest increase in the number of patients treated at publicly funded in-or out-patient treatment programs. The number of those treated for the first time at out-patient treatment centers in 2008 increased by 5 percent compared to 2007 (659 in 2008 and 627 in 2007). Data show that approximately every fifth problem drug or injection drug user sought treatment in 2008. Preliminary analysis indicates that the number of those treated at in-patient programs has increased by the

same percentage as out-patient programs. The number of patients treated in 2009 will probably decrease, given the reduced services offered by the publicly funded health care system.

In December 2006, a four-year UNODC project called "HIV/AIDS prevention and care among injection drug and in-prison settings in Latvia, Estonia and Lithuania" was initiated. The programs focus includes substitution treatment and other support services. A local NGO manages syringe exchange centers, including a mobile exchange center, and provides psychological and social counseling to addicts.

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

**Bilateral Cooperation.** The United States offers assistance on investigating and prosecuting drug offenses and organized crime to Latvian enforcement officials. The Drug Enforcement Administration (DEA) and Latvia Central Criminal Police continue to conduct joint investigations in an effort to disrupt and dismantle Latvian-based organized crime groups that operate both regionally and internationally. In 2009 a USCG Mobile Training Team visited Latvia in 2009 to provide a course on advanced boarding of suspect vessels.

**The Road Ahead.** The United States will continue to aggressively pursue and deepen law enforcement cooperation with Latvia, especially in the area of money laundering and border control. The United States will also encourage Latvia to work with regional partners to advance the mutual fight against narcotics trafficking.

# Lebanon

## I. Summary

Lebanon is not a major illicit drug producing or drug-transit country. The Lebanese government reported ongoing cannabis cultivation in 2009, and increased drug use particularly among the young, due to greater availability and reduced price of most drugs sold in Lebanon. During 2009, Lebanon undertook eradication efforts in the Bekaa Valley and claimed to have destroyed nearly all cannabis and opium production. This is significant since between 2005 and 2007, the Drug Enforcement Bureau (DEB) of the Internal Security Forces (ISF) of Lebanon undertook almost no crop destruction operations due to ongoing political crises and overstretched security commitments on the part of the Lebanese Armed Forces (LAF), which provide security for the police involved in crop destruction. However, illicit crop cultivation remains an attractive option for some farmers due to a lack of economically viable alternate crops. There is practically no illicit drug refining in Lebanon. The majority of drug refining labs are very small in scale and incapable of producing large amounts of illicit narcotics. There is minimal production, trading or transit of precursor chemicals.

Drug trafficking across the Lebanese-Syrian border continued in 2009, in large part due to the absence of effective border controls along the two countries' long common border. The UN peacekeeping force on the Lebanese-Israeli border, the UN Interim Force in Lebanon(UNIFL), also reported continued drug smuggling across the Lebanese-Israeli border in 2009. Lebanon is a transit country for cocaine and heroin, with Lebanese nationals operating in concert with drug traffickers from Colombia and South America. The government of Lebanon continued its ongoing drug demand reduction efforts through public service messages and awareness campaigns. Lebanon is a party to the 1988 UN Drug Convention.

## II. Status of Country

At least five types of drugs are available in Lebanon: hashish, heroin, cocaine, amphetamine, and other synthetics such as MDMA (Ecstasy). The use of hashish and heroin continues to rise. Although eradication efforts have diminished the supply of marijuana and hashish, the drugs are still relatively easy to obtain and readily available to the growing number of young users. According to local officials, heroin use is limited but increasing. They also reported an increase in heroin smuggling from Lebanon to Africa. It is believed the heroin is smuggled into Lebanon from Afghanistan via Turkey and Syria and transported by individuals via commercial airlines to Africa. The government also reported increased abuse of synthetic drugs. Lebanon is not considered a major transit country for illicit drugs. There is growing evidence that drug trafficking in Lebanon is in part controlled or facilitated by large scale criminal groups. Lebanese citizens with links to these organizations are a major presence among international drug trafficking and money laundering organizations in South America, and are tied into the highest levels of Colombian traffickers moving cocaine throughout the world. Cannabis and opium derivatives are trafficked to a modest extent in the region, but there is no evidence that the illicit narcotics that transit Lebanon reach the U.S. in significant amounts. South American cocaine, primarily from Colombia, Peru, and Bolivia, is smuggled into Lebanon via air and sea routes from Europe, Jordan, and Syria, or directly to Lebanon. Lebanese nationals living in South America, in concert with resident Lebanese traffickers, often finance these operations. Synthetic drugs are visible in the market, and Lebanese officials report that they are smuggled into Lebanon primarily from Eastern Europe for sale to high-income recreational users both within Lebanon and for transit to the Gulf States.

The stagnant economic situation in rural Lebanon makes illicit crop cultivation appealing to farmers in the Bekaa Valley of eastern Lebanon. Lebanese officials hope that renewed eradication efforts during 2009 will help deter further cultivation. There is no significant illicit drug refining in Lebanon. However, small amounts of precursor chemicals, being shipped from Lebanon to Turkey via Syria, were thought to

be diverted for illicit use in Lebanon. Lebanese officials reported an increase in misuse/overuse of prescribed medications. The ISF is working with the Ministry of Health to tighten regulations on the sale of drugs without prescription to lessen the increased consumption and overuse of pain killers such as Tramadol and a codeine-based cough medicine referred to as "Simo." Legislation passed in 1998 authorized seizure of assets if a drug trafficking nexus is established in court proceedings.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Ministry of Interior considers counternarcotics a priority. The government has continued a vigorous campaign to discourage drug use by expanding public awareness programs on high school and university campuses, through media campaigns and in advertisements.

**Law Enforcement Efforts.** Over the last few years, only small quantities of cocaine and heroin arrived in Lebanon to meet local demand. Through September 2009, Lebanese officials seized 6.6 kilograms of cocaine, compared to 61 kilograms in 2008 and 3.5 kilograms in 2007. However, there was a significant increase in the seizure of heroin, with over 68 kilograms seized though September 2009 compared to 14.5 kilograms in 2008 and 2.7 kilograms in 2007. Given the variance in seizures from year to year, it is too early to tell if the increase in heroin seizures constitutes a trend.

Between 2005 and 2007 there were almost no eradication efforts in Lebanon. In both 2006 and 2007, the LAF was unable to provide the requisite security for the ISF because of its commitments in internal conflicts (the Israel/Lebanon war in 2006 and battle against Islamic militants in a northern Palestinian camp in summer 2007). In early 2008 internal sectarian conflicts and political tensions precluded a decision approving eradication. After political tensions eased, the ISF mounted a large policing operation in October 2008, supported by the LAF, in the cannabis growing region of the Bekaa. In a one-week period in October 2008, the ISF arrested over 350 drug dealers and traffickers and seized 83 tons of cannabis plants, 7.5 kilograms of processed hashish, and 1,700 kilograms of cannabis seeds. These aggressive efforts continued into 2009, when the ISF claims to have eradicated 51 acres of opium and 3,237 acres of cannabis. The ISF continues to face the possibility of armed and violent resistance by local farmers when attempting to eradicate crops or when attempting to undertake drug enforcement operations.

Lebanese officials report increased trafficking of Captagon into the domestic market, with 1.3 million tablets seized through September 2009. The vast majority of Captagon seized in Lebanon is destined for the Gulf States, primarily Saudi Arabia. In October 2008, DEA and Colombian authorities arrested three Lebanese nationals suspected of being part of a large-scale international drug trafficking and money-laundering ring that operates globally, from Colombia to the U.S., Canada, Europe and the Middle East.

Lebanese law enforcement officers cooperated with foreign officials bilaterally and through Interpol in 2009. Several European and Persian Gulf countries have drug enforcement liaison offices in Beirut with which local law enforcement authorities cooperate. The ISF stated that from January to October 2009 they arrested a total of 2,059 people for drug use, dealing, distribution, and smuggling.

**Corruption.** Corruption remains endemic in Lebanon in all levels of government, but the U.S. has no information that government corruption is systematically connected to drug production or trafficking or the protection of persons who deal in illicit drugs. The government of Lebanon does not encourage or facilitate illicit production or distribution of controlled substances. While low-level corruption in the counternarcotics forces is possible, there is no evidence of wide-scale corruption within the Judiciary Police or the ISF, who appear to be genuinely dedicated to combating drugs. Lebanon is a party to the UN Convention against Corruption

**Agreements and Treaties.** Lebanon 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. Lebanon 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.** Lebanon is no longer a significant drug producing country, though there had been an increase in cannabis cultivation for hashish production since 2005, when many farmers appeared to be resuming planting illicit crops because they believed the crops would not be destroyed. In remote areas in the north of the country where few other viable economic options exist, illicit crop production remains an attractive option. Lebanese police claim that they destroyed nearly all of the cannabis and opium cultivation in Lebanon during 2009.

**Drug Flow/Transit.** Joint Syrian-Lebanese antitrafficking operations, coordinated through Interpol, have continued since the Syrian withdrawal from Lebanese territory in 2005. Lebanon's eastern border remains porous, and border policing efforts remain ineffective due to political constraints and lack of resources and manpower. UNIFIL and press reports indicate increased drug smuggling incidents on the Blue Line (Lebanese/Israeli border) since the passage of UN Security Council Resolution 1701 (2006) and particularly since 2008. The primary route for smuggling hashish from Lebanon during 2009 was overland through Syria to Arab countries such as Saudi Arabia, Egypt, Kuwait, the United Arab Emirates, and via sea routes to Europe. According to the ISF, large exports of hashish from Lebanon to Europe are more and more difficult for smugglers due to increased seashore patrols and airport control.

**Domestic Programs/Demand Reduction.** The Lebanese government and NGOs are actively involved in programs and campaigns to address the problems of illicit drug use in Lebanon. The current (but unimplemented) law on drugs dictates that a National Council on Drugs (NCD) be established to provide substance abuse treatment, prevention and awareness, and to formulate a national action plan. The NCD has not yet been established. Since 2002 the government has sponsored public awareness campaigns to discourage drug use. Textbooks approved for public schools contain a chapter on narcotics awareness. The ISF undertakes demand reduction programs in the schools and community. DEB officers personally speak to youth at high schools and universities on a regular basis.

There are several detoxification and rehabilitation programs, the most comprehensive of which is run by Oum al-Nour (ON), a Beirut-based NGO funded in part by the Ministries of Social Affairs and Public Health. ON operates two drug treatment centers with a maximum capacity of 120 patients and offers a year-long residential program, in addition to its wide range of prevention programs, parents' and family guidance programs, outpatient follow-up programs, media campaigns, and training and conferences.

Several other organizations also provide prevention and treatment services. A drug rehabilitation center in Zahleh is run by the Saint Charles Hospital and the Ministry of Health. The center holds drug prevention conferences, assemblies and talks throughout the municipality every two weeks, and runs weekly counternarcotics use campaigns in the schools. Skoun, an outpatient facility, has broadened its drug treatment, prevention, awareness, and counseling to drug users and their families throughout Lebanon, including in Sidon, Tripoli and the southern suburbs of Beirut. Skoun is the first treatment center in the Middle East to prescribe buprenorphine maintenance for opiate addicts and continues to lobby with the Ministry of Health for buprenorphine's formal legalization for use in heroin maintenance during withdrawal. With the aim of better implementing the 1998 law decriminalizing addiction and educating the criminal justice system on the benefits of treatment centers over imprisonment of drug addicts, Skoun has been working since August 2007 to ensure the legal rights of drug addicts through a series of roundtable discussions and workshops designed to sensitize judges, police investigators, heads of police, police recruits, and other public officials on the condition of drug addicts and the laws that govern them. This project is sponsored by the European Union and administered by the office of the Minister of State for Administrative Reform. Jeunesse Anti-Drogue (JAD) offers rehabilitation centers, educational programs, medical treatment, and outpatient counseling. Jeunesse Contre la Drogue raises awareness of substance abuse and AIDS. The Association Justice et Misericorde was established to assist incarcerated drug abusers.

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

**Policy Initiatives.** In meetings with Lebanese officials, U.S. officials continued to stress the U.S. commitment to support law enforcement sector development by strengthening the capacity of the ISF to enforce the rule of law in Lebanon, and to punish violators by increasing the capacity of the ISF to combat criminal activities in all forms, including drug trafficking, production and use. The USG also stressed the importance of anticorruption efforts. High-level ISF officials state drug trafficking is the second highest priority of the ISF, second only to antiterrorism efforts.

**Bilateral Cooperation.** Bilateral law enforcement cooperation has continued to increase during FY 2009. The INL Office at the U.S. Embassy in Beirut has been the major force in furthering these cooperative efforts. The INL Director manages the U.S. Lebanon Police Reform Program with a goal to strengthen the capacity of the ISF to enforce the rule of law in Lebanon through provision of police training and equipment. The excellent working relations between the DEA Country Office in Nicosia, Cyprus, and the DEB were strengthened when 35 DEB officers participated in DEA's Basic Counter-Narcotics course in December 2008. During 2009, INL funded donations of computers and investigative equipment to the DEB. USAID continued its programs to empower Lebanese municipal governments and civil society to promote transparency, accountability and good governance. The U.S. Coast Guard provided diesel engine maintenance training to enable maritime patrolling, as well as professional military education (PME) to enhance leadership and management skills.

**The Road Ahead.** The U.S. Embassy in Beirut and DEA Country Office in Nicosia will continue to enhance cooperation and coordination with the Lebanese government and the ISF. Using increased USG assistance funding in support of the security forces of Lebanon, the Embassy and DEA intend to increase in-country training and investigative cooperation and provide necessary equipment for the underfunded ISF counternarcotics unit. To ensure that all Lebanese security agencies with a counternarcotics role are capable of carrying out their mandate, the Embassy and DEA will explore extending U.S. training in counternarcotics strategies to Lebanese customs officers.

# Lithuania

## I. Summary

Synthetic drugs and cannabis are the most popular illicit narcotics in Lithuania. Lithuania remains a source country for synthetic drugs, as well as a transit route for heroin and other illicit drugs. The Government of Lithuania continued to strengthen efforts to deal with drug trafficking. Seizures of cocaine and heroin significantly increased. The number of people who tried drugs at least once in their lives increased by 67 percent (From 7.5 percent to 11.5 percent) compared to 2004. The number of drug-related crimes increased by 11 percent. Lithuania is a party to the 1988 UN Drug Convention.

## II. Status of Country

According to the 2008 general population survey on the prevalence of drug use in Lithuania, carried out by the Narcotics Control Department (NCD) every four years, about 12.5 percent of Lithuanians of 15-64 years of age said they had tried drugs at least once in their lifetime compared to 7.5 percent in 2004. While the same percentage (11.9 percent) of Lithuanians said they tried cannabis at least once in their lifetime in 2008 as in 2004, consumption of Ecstasy has increased—in 2008, 2.1 percent of Lithuanians said they had tried Ecstasy at least once in their lives in comparison to one percent in 2004. The relatively low price of these synthetic drugs is one of the main reasons for their popularity. Most drug abuse takes place in nightclubs and discos. Lithuanian enforcement officers also consider prescription tranquilizers a problem—the NCD estimates that about 20 percent of the adult population is misusing or abusing them.

According to the Lithuanian Statistics Department, 60 people died of narcotic or psychotropic substances in 2008, down from 72 people in 2007. Two thirds of the casualties were accidental overdoses. Nearly all drug victims (92 percent) were male.

In 2008, 273 persons applied to medical institutions for treatment of drug problems. The number of patients overall was 5,800 at the end of 2008 (compared to 5,700 in 2007), and approximately 80 percent of these patients were men. Of those getting treatment, 80 percent had been abusing opiates.

## III. Country Actions Against Drugs in 2009

**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, police, and other institutions implemented a National Program on Drug Control and Prevention of Drug Addiction for 2004-2008. In July, the Government submitted to the Parliament a new National Programme on Drug Control and Prevention of Drug Abuse for 2009-2016, but as of November 1 it had not been approved nor had any budget been allocated. Lithuania has tightened the control of precursors, chemical substances that can be used in the production of narcotics. In July, the Parliament amended the Code of Administrative Violations to impose fines on persons or organizations that do not cooperate with state-authorized officials checking on proper use and handling of precursors. Lithuania did increase funding to the National Drug Prevention and Control Program from 14.6 million LTL ($5.4 million) in 2007 to 19.1 million LTL ($7 million) in 2008.

**Law Enforcement Efforts.** As of October 2009, Lithuanian law enforcement officials had recorded 1,557 drug-related crimes, compared to 1,391 in 2008, 1,198 in 2007 and 1,393 in 2006. As of October 2009, police and customs in cooperation with other countries' law enforcement agencies had seized 57.3 kilograms of cannabis seeds, 1.2 kilograms of heroin, 5.8 kilograms of Ecstasy, 10.2 kilograms of hashish, 5.8 kilograms of cocaine and 64.7 kilograms of methamphetamines. Lithuanian authorities also seized small quantities (less than five kilograms each) of LSD, hallucinogenic mushrooms, various psychotropic drugs, and various precursors.

Lithuania worked effectively with international partners to break up drug smuggling operations in 2009, making important seizures in cooperation with Belarusian, French, Norwegian, Swedish, Estonian, Latvian, Russian and Polish law enforcement partners. For example:

In 2009, police seized 14 kilograms of methamphetamines in Norway and 32 kilograms in Sweden, resulting in the arrest of six Lithuanians and three Norwegian citizens who had been trafficking drugs into Lithuania. In cooperation with Russian counterparts, police seized 27 kilograms of hashish in Russia and arrested four Lithuanians. In 2009, police shut down one laboratory producing high-quality methamphetamines, confiscating 50 kilograms of the drug in the process.

As of October 1, 2009, the Lithuanian court system adjudicated 866 drug-related cases and convicted 904 persons. Sentences for trafficking or distribution of drugs range from fines to 12 years of imprisonment.

**Corruption.** The Special Investigation Service (STT) established in 1997, has coordinated the Government of Lithuania's national anticorruption program since 2002. The task of the STT is to collect and use intelligence about criminal associations and corrupt public officials as well as carry out anticorruption prevention activities. There were no reports of drug-related corruption involving Lithuanian government officials. The Government of Lithuania does not, as a matter of policy, 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 is known to engage in, encourage, or facilitate narcotics production or trafficking, or the laundering of proceeds from illegal drug transactions.

**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 Corruption, and the UN Convention against Transnational Organized Crime and its three protocols. An extradition treaty and mutual legal assistance treaty are in force between the United States and Lithuania. In addition, Lithuania and the United States have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the extradition and mutual legal assistance treaties. The protocols will enter into force on February 1, 2010.

**Cultivation/Production.** Laboratories in Lithuania illegally produce amphetamines for both domestic 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.

**Drug Flow/Transit.** According to Lithuanian law enforcement agencies, Lithuanian-produced synthetic drugs have been intercepted in Germany, Poland, and Denmark and also en route to Sweden and Norway. Customs agents have seized drugs entering Lithuania from all frontiers—cocaine and Ecstasy enter the country via Western Europe; amphetamines and other synthetic drugs are produced in country, in the neighboring Baltic States, or in Poland; and heroin typically arrives from Central Asia via Russia and Belarus. Domestically grown poppy straw satisfies local demand and is also exported to Russia's Kaliningrad region and to Latvia.

**Domestic Programs/Demand Reduction.** Lithuania operates five national drug dependence centers and ten regional public health centers. In 2008 the Government allocated to NGOs approximately $220,000 (521,000 Litas) for implementation of 78 prevention and supply-and-demand reduction projects targeted toward "at risk" youth and their parents. The Government has also continued implementation of a drug prevention teaching program for parents and the prevention project "Entertainment Without Narcotics," targeted at public discos and nightclubs. The Government continued implementing demand-reduction programs and developed a classified information database about persons who received these services. In 2008-2009, about 3,000 persons used the services of 11 Government-financed harm-reduction centers that provided needle exchanges, methadone, medical exams and other services.

## 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 2008 and 2009, four Lithuanian police officers participated in U.S. Government-sponsored training in the United States, geared toward criminal investigation. In October 2008 the United States and Lithuania signed a cooperation agreement on crime prevention. In 2008 Lithuania was accepted into the U.S. Visa Waiver Program, which required a USG determination that Lithuania's admission would not compromise the law enforcement and security interests of the United States. The United States has successfully cooperated with the Lithuanian authorities in numerous investigations involving fraud, narcotics trafficking, money laundering, and other crimes. In 2009, members from the Lithuanian Navy attended two U. S. Coast Guard training courses: maritime law enforcement and leadership and management.

**The Road Ahead.** The United States will continue cooperating with Lithuanian institutions to support drug prevention activities and the 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) continues to make progress in combating drug trafficking, evidenced by the fact that illicit drug seizures in Macedonia increased during the first nine months of 2009. Macedonian law enforcement authorities cooperated on narcotics issues with regional counterparts, including Serbia, Bulgaria, and Turkey. The lack of a more capable drug enforcement agency in Kosovo has somewhat hindered Macedonia's cooperation with its newest neighbor, but the Macedonian Ministry of Interior (MOI) works with third-country representatives in Kosovo on counternarcotics operations. There have been significant improvements in interagency coordination compared to the previous year, resulting in only a small number of operational problems due to lack of coordination. Macedonia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Macedonia is one of several Balkan drug routes used to deliver Afghan heroin (through Turkey and Bulgaria) to Western Europe. Hashish and marijuana produced in Albania travel along the same Macedonian routes to Turkey and Greece. Synthetic drugs on the Macedonian market are smuggled in from neighboring Bulgaria and Serbia and also from the Netherlands. Illegal commercial marijuana is cultivated in fields in northwest Macedonia, while small amounts of marijuana are cultivated for personal use in southern Macedonia, where the climate is favorable. According to government sources, there was no production of precursor chemicals or synthetic drugs, nor illicit drug production facilities of significance in Macedonia. According to MOI sources, trafficking in synthetic drugs remained at a similarly low level to 2008. Seizures, however, were significantly higher this year. Macedonia produced licit poppy straw and poppy straw concentrate on approximately 1000 hectares of its territory, 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 2009

**Policy Initiatives.** Macedonia's National Anti-drug Strategy, approved in 2006, was followed in May 2007 by a National Action Plan for implementing that strategy, which in turn was succeeded by the current 2008–2012 Action plan for Implementation. A 2008 Law on Control of Narcotic Drugs and Psychotropic Substances improved drug enforcement efforts and interagency cooperation, which resulted in an increase in seizures and better cooperation between Customs officials and other agencies.

**Law Enforcement Efforts.** According to MOI statistics, in the first nine months of 2009, criminal narcotics-related charges were brought against 359 persons (268 for Jan-Sept 2008)—a total of 91 more cases then in the same period of 2008. Of these persons charged, 288 were cases of illicit drug trafficking, including 21 cases in the largest prison in the country. In 2009, police seizures of illicit drugs increased significantly compared to the previous year. MOI sources claim that Macedonia, especially the northwestern areas, continues to be used as a wholesale drug depot. The Macedonian MOI has significantly improved cooperation and communication with its counterparts in Austria, Bulgaria, Serbia, and Turkey. MOI sources and intelligence contributed to the seizure of 111 kilograms of heroin in Bulgaria, resulting in the arrests of three people, and the seizure of 16 kilograms of heroin in Serbia. The Macedonian MOI has cooperated on two successful controlled deliveries in Turkey, and a Macedonian-led initiative resulted in the bust of a group of dealers in Austria and a conviction of 14 people.

Customs Administration continued to strengthen its intelligence units and mobile teams. Police officials pointed to cooperation with their Customs colleagues as being significantly improved compared to past years.

**Corruption.** Corruption is widespread in Macedonia, with low salaries fostering graft among law enforcement officials and the judiciary.

Macedonia's judiciary remains weak. As a matter of policy and practice, however, 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 of the former Yugoslavia. Macedonia is a party to the UN Convention against Corruption and to the UN Convention against Transnational Organized Crime and its three protocols.

**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 for licit pharmaceutical raw materials, some 1000 hectares in 2009, is monitored by the Ministry of Health, which shares production data regularly with the Vienna-based International Narcotics Control Board. Illicit marijuana cultivation in southeast Macedonia continued mostly for personal consumption. However, in 2009, MOI officials noted a new trend in northwest Macedonia, where the illicit cultivation of marijuana is occurring in greenhouses and fields for sale on both the domestic and foreign markets.

**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 2009 probably remained the same, judging by the stability of the street price. Most synthetic drugs aimed at the Macedonian market originated in Bulgaria, Serbia, and the Netherlands, and arrived in small amounts by vehicle.

**Domestic Programs/Demand Reduction.** Official Macedonian statistics regarding drug abuse and addiction are unreliable, but they are improving with the opening of the National Center, triggered by efforts to reach European standards in narcotics control policies. Ministry of Health officials estimated there were some 9,000 drug users in the country. The most frequently used drug was marijuana, followed by heroin. There were an estimated 600 or fewer cocaine users in the country in 2009, according to official sources. Treatment and rehabilitation activities are carried out in eleven state-run outpatient medical clinics for drug users. These clinics supervise methadone maintenance therapy for registered heroin addicts. One of the eleven centers is located in the largest prison in the country (with over 60 percent of the country's total prisoner population). Of the 1,500 prisoners in the country's main prison, an estimated 380 were identified as drug addicts, mainly addicted to heroin. Macedonian health officials acknowledged that rehabilitation centers were overcrowded. 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. There were only three centers for social reintegration and rehabilitation.

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

**Bilateral Cooperation.** During 2009, DEA agents worked with the Macedonian police to support coordination of regional counternarcotics efforts. 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. The United States Government, through State Department-funded law enforcement training programs administered by DOJ, will continue to work 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 continued successful implementation of the national counternarcotics action plan. USG law enforcement training agencies in Macedonia will encourage the preparation of new laws 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.

# Malaysia

## I. Summary

Malaysia is not a significant source country or transit point for U.S.-bound illegal drugs; however, domestic drug abuse in Malaysia remains on the rise, and Malaysia is increasingly being used as a regional hub for methamphetamine production. The government continues promoting its "drug-free by 2015" policy. Malaysia's counternarcotics officials and police officers have the full support of senior government officials, but basic problems with the legal system hinder the overall effectiveness of enforcement and interdiction efforts. Malaysia has a low conviction rate for arrested drug traffickers, and the country relies heavily on preventive detention under the Dangerous Drugs Act (Special Preventive Measures 1985) rather than active prosecution. The extensive use of preventive detention in narcotics cases in lieu of prosecution is due in large part to an extremely high burden of proof required for narcotics trafficking cases, which is a disincentive to prosecute such cases, as many would result in a death sentence in the case of a guilty verdict.. As there are no alternative sentences, authorities rely on preventive detention without trial. Malaysia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Malaysia is not a significant source country or transit point for U.S.-bound illegal drugs. Nevertheless, regional and domestic drug-trafficking remains a problem and international drug syndicates are increasingly turning to Malaysia as a regional production hub for crystal methamphetamine and Ecstasy (MDMA). Narcotics imported to Malaysia include heroin and marijuana from the Golden Triangle area (Thailand, Burma, Laos), and other drugs such as amphetamine type stimulants (ATS). Small quantities of cocaine are smuggled into and through Malaysia from South America. Local demand and consumption of drugs is very limited in Malaysia; however, crystal methamphetamine, Ecstasy, and Ketamine, mostly from India, are smuggled through Malaysia en route to consumers in Thailand, Japan, Indonesia, Singapore, China, and Australia. Ketamine from India continues to be an increasingly popular drug in Malaysia. Since 2006, Malaysia has also been a location where significant quantities of crystal methamphetamine are produced. This trend continued in 2009, with methamphetamine laboratories seized in Kuala Lumpur and in Southern Malaysia, and frequent police reports of ethnic Chinese traffickers setting up labs in Malaysia. Nigerian and Iranian drug trafficking organizations are increasingly using Kuala Lumpur as a hub for their illegal activities. As of September 2009, the government had identified 1,560 new addicts and an additional 1,192 relapsed addicts. Since 1988 the Malaysian Government cumulatively has identified more than 300,000 drug addicts, and the government-linked Malaysia Crime Prevention Foundation and other NGO's estimate that there are currently some 900,000 to 1.2 million drug addicts in Malaysia. Statistics continue to show that the majority of the nation's drug addicts are between 19 and 39 years of age and have not completed high school.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Malaysia continues a long-term effort launched in 2003 to reduce domestic drug use to negligible levels by 2015. Senior officials, including the Prime Minister, speak out strongly and frequently against drug abuse. The Prime Minister chairs the Cabinet Committee on Eradication of Drugs, composed of 20 government ministers. The National Anti-Drugs Agency (NADA) is the policy arm of Malaysia's counternarcotics strategy, coordinating demand reduction efforts with various cabinet ministries. Malaysian law stipulates a mandatory death penalty for major drug traffickers, with harsh mandatory sentences also applied for possession and use of smaller quantities. In practice however, many minor offenders are placed into treatment programs instead of prison. Convictions for trafficking are rare, as such a conviction would require the defendant to receive a death sentence. Consequently, most major

traffickers are placed in preventive detention. Subjects convicted of drug trafficking frequently have their sentences commuted.

**Accomplishments.** Malaysia authorities seized several operational methamphetamine laboratories in 2009, and had numerous other successful investigations, confiscating large quantities of methamphetamine, Ketamine, and Ecstasy (MDMA). Police corruption was not a serious problem during the reporting period. However, in 2009 there was at least one case of corruption among Customs officers who were facilitating smuggling of drugs into Malaysia.

**Law Enforcement Efforts.** Police and Customs Officers arrested 56,205 people for drug-related offenses between January and September 2009, an increase of 10.5 percent from the same period the previous year. Enforcement officials continued to show successes in ATS-related seizures and have also recorded a higher level of heroin, MDMA and methamphetamine seizures over the same period last year. The RMP (Royal Malaysian Police) aggressively seize the assets of narcotics criminals. The Police reported they seized RM 40.6 million (approximately $11.6 million) in drug-related property in the first half of 2009, versus RM 38.3 million (approximately $10.9 million) in all of 2008. Between May and July 2009 RMP confiscated RM 22 million (approximately $6.2 million) in assets from one drug trafficking organization. Malaysian police are generally effective in arresting small-time drug offenders but have shown limited success in arresting upper level syndicate members. The Royal Malaysian Police have acknowledged these short comings and have begun implementing training plans to improve their investigations and procedures. Prosecutorial successes in presenting narcotics cases in court are generally about as successful as the RMP: conviction rates are higher on simple, straight-forward cases.. Malaysian prosecutors have shown only limited success in prosecuting and convicting drug traffickers. Prosecutors are limited in their ability to charge and prosecute regular drug trafficking cases as Malaysia does not have an effective drug conspiracy law, thus limiting charging options when considering charging decisions against major traffickers. In addition, there are limited sentencing alternatives if a subject is charged and convicted of drug trafficking-in many cases the sentence required by Malaysia's laws seems excessive, even to prosecutors. Consequently, Malaysia police almost always use the Special Preventive Measures Act (SPMA) to arrest and detain drug traffickers. The SPMA allows for the detention without trial of suspects who pose a threat to public order or national security. The systemic use of the SPMA to arrest drug traffickers stems from the extremely high burden of proof required for a drug trafficking conviction, which would then require a mandatory death sentence. Police and prosecutors are limited in their ability to prosecute such cases and preventive detention is therefore common. There is very limited judicial oversight for subjects arrested under preventive detention.

**Corruption.** As a matter of government policy, Malaysia 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. While Malaysian and foreign media organizations continued to highlight cases of government corruption both specifically and in general, no senior officials were arrested for drug-related corruption in 2008-2009.

**Agreements and Treaties.** Malaysia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by its 1972 Protocol, and to the 1971 UN Convention on Psychotropic Substances. Malaysia is also party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and on February 26, 2009, acceded to its Protocol on Migrant Smuggling. Malaysia signed an MLAT with the U.S. in July 2006 which went into effect in January 2009. Malaysia also has a multilateral MLAT with seven Southeast Asian nations, and an MLAT with Australia. Malaysia is a party to the ASEAN MLAT. The U.S.-Malaysia Extradition Treaty has been in effect since 1997.

**Cultivation/Production.** While there is no notable cultivation of U.S.-listed drugs in Malaysia, local officials report significant cultivation/presence of a local plant known as ketum (Mitragyna speciosa) with known psychoactive properties and used for its narcotic effects throughout the region. ATS production

has shown a marked increase since 2006 and Malaysian authorities admit that international drug syndicates are using Malaysia as a base of operations. Most methamphetamine and MDMA labs seized in Malaysia since 2006 were financed by ethnic Chinese traffickers from Singapore, Taiwan, Thailand, or other countries. In 2008, a lab was seized in Malaysia in which the chemists were from Mexico. In October 2009, a clandestine methamphetamine lab operated by Iranians was seized in Kuala Lumpur, and separately police seized two MDMA labs controlled by Indonesian traffickers.

**Drug Flow/Transit.** Drugs transiting Malaysia do not appear to make a significant impact on the U.S. market. However, Malaysia's proximity to the heroin production areas and methamphetamine labs of the Golden Triangle (Thailand, Burma, Laos) leads to smuggling across Malaysian borders, destined for Australia and other markets. Ecstasy from Amsterdam is flown clandestinely into Kuala Lumpur International Airport (KLIA) for domestic use and distribution to Thailand, Singapore, and Australia. Ketamine comes from Tamil Nadu State, in southern India and is exported to several countries in the region. There is evidence of increased transit of cocaine from South America. In 2008, several Peruvian couriers and one Bolivian courier were arrested with cocaine upon arrival in Malaysia. In nearly every case the cocaine was destined for Thailand. Nigerian trafficking organizations continue to mail small quantities of cocaine from South American to Kuala Lumpur. Large scale production of ATS in Malaysia remains a significant problem. There were three large labs seized in 2007, one large lab seized in 2008, and several small labs seized in 2009. There are other cases in which traffickers sought chemicals to set up methamphetamine labs in Malaysia. In May 2009, Malaysian police seized 960 kilograms of crystal methamphetamine smuggled into the East coast of Malaysia en route to the southern part of the country.

**Domestic Programs (Demand Reduction).** The NADA targets its demand reduction efforts toward youth, parents, students, teachers, and workers, with extensive efforts to engage schools, student leaders, parent-teacher associations, community leaders, religious institutions, and workplaces. Statistics from the NADA indicate that as of September 2009 6,510 people, were undergoing treatment at Malaysia's 23 public rehabilitation facilities. Of these, 126 were women. Another 34,652 persons, including more than 1,000 women, were undergoing "in community" treatment and rehabilitation and as part of their therapy participate as role models for relapse cases.

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

**Bilateral Cooperation.** Overall cooperation with DEA on drug investigations is quite good. DEA sponsored a chemical diversion and clandestine lab seminar in July 2009 and an airport interdiction seminar in December 2009. U.S. counternarcotics training continued in 2009 via the International Law Enforcement Academy (ILEA) in Bangkok and the "Baker-Mint" program sponsored by the DEA and U.S. Department of Defense. Baker-Mint aims to raise the operational skill level of local counternarcotics law enforcement officers. In 2009, U.S. officials from the Department of Justice, DEA, and FBI presented a training workshop for Malaysian counternarcotics investigators on intelligence analysis and other drug investigative techniques. In addition, in 2008 senior Malaysian counternarcotics officials traveled to the United States and visited DEA Headquarters and DEA's New York Field Division in an effort to expand U.S-Malaysian cooperation. The U.S. Coast Guard is working closely with the Malaysian Maritime Enforcement Agency (MMEA; Malay: Agensi Penguatkuasaan Maritim Malaysia; APMM) to develop "coast guard like" capabilities.

**The Road Ahead.** United States goals and objectives for the year 2010 are to improve coordination and communication between Malaysian and U.S. law enforcement authorities in counternarcotics efforts. United States law enforcement agencies will continue to coordinate with Malaysian authorities to assist Malaysian enforcement agencies to interdict drugs transiting Malaysia and to investigate international drug trafficking organizations operating in Malaysia and in the region., U.S.-funded counternarcotics training for Malaysian law enforcement officers will continue, and U.S. agencies will continue working with Malaysian authorities to further develop Malaysia's investigative and prosecutorial capabilities.

# Maldives

## I. Summary

The Government of the Maldives (GOM) estimates that as much as ten percent of its population of 350,000 uses illicit drugs regularly. The GOM is committed to targeting drugs traffickers and implementing nation-wide demand reduction programs. It is working with international donors to tackle the nation's drug problem.

## II. Status of Country

The Maldives is not a producer of narcotics or precursor chemicals; however the drug problem is quite dramatic. Some GOM officials estimate that as much as ten percent of the population (about 35,000 persons) is addicted to or abuses drugs. Drug use has been noted in all regions of the Maldives. While the previous government generally ignored the growing drug problem, the current government—elected in late 2008—has made tackling the issue a major policy initiative. Despite the fact that the country is located near major illicit opium producing countries in Asia, it is not known to serve as a major transshipment route. Narcotics are generally smuggled via small craft into the country from South India for domestic use.

## III. Country Actions Against Drugs in 2009

**Law Enforcement.** The lead agency for counternarcotics efforts is the Drug Enforcement Department—part of the Maldives Police—headquartered in the capital city of Male'. In 2009, the Drug Enforcement Department arrested two of the large scale drug dealers (out of the six known major dealers) and carried on over 200 drug sting operations across many of the Atolls. The Customs Department works closely with the police on interdiction cases, with customs narcotics enforcement officials stationed at the ports. Customs also uses a small number of speed boats to monitor the country's considerable coastline. In 2009, Maldivian Officials arrested 2363 persons for possession of narcotics. In part due to the GOM's stepped-up efforts (including UN-funded public information campaigns), Maldivian Police state that the number of new drug users this year declined by 43 percent compared to previous years. In 2009, Customs and the Police seized a total of 12.56 kilograms of heroin, cannabis, benzodiazepine, ketamine and small amounts of cocaine. Cannabis was the major drug seized by weight. The drugs seized were valued at Maldivian Rufiyaa 11 million ($830,000)

In December, the Maldivian Customs intercepted over 5 kilograms of ketamine (and small amounts of cocaine) at the Male' International Airport. An Indian national, with an onward flight bound for Indonesia, was arrested on the spot. Another flight from India earlier in 2009 was found to contain 1.04 kilograms of cannabis and 0.7 kilogram of heroin in a vegetable consignment bound for Male.

The present Maldivian Government established a Narcotics Control Council within the President's Office and has submitted legislation to the Parliament to curb drug use and trafficking. The Health Ministry is tasked with treatment and prevention programs and the Ministry of Education is currently developing—with the assistance of the United Nations and the Colombo Plan—an in-school counternarcotics curriculum. The Maldives also continues to work with the Colombo Plan's Drug Advisory Program, as well as with the United Nations, the European Union, and the USG to combat drug use in the country. A rehabilitation program has been in existence since 1977; however the country has limited after-care treatment programs.

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

The USG remained committed to helping GOM officials develop increased capacity to enforce narcotics laws. The USG is also ready for cooperation on other counternarcotics issues, such as demand reduction. The USG also continued its support of a regional counternarcotics program through the Colombo Plan, which conducts regional and country-specific training seminars, fostering better communication and cooperation on drug issues throughout the countries of South and East Asia. The U.S. Drug Enforcement Administration attaché based in New Delhi visited Male' in November 2009 to coordinate counternarcotics trafficking activities with the local police and Customs.

# Malta

## I. Summary

The Republic of Malta does not play a significant role in the transit, processing or production of narcotics and psychotropic drugs and other controlled substances. Surveys indicate that illicit drug use is confined to a small segment of the population. The Maltese Government dedicated significant time and effort over the past decade updating Malta's laws and criminal codes in preparation for joining the European Union in 2004. As a result, Malta's criminal code is in alignment with the goals and objectives of the 1988 United Nations Drug convention. The Malta Police Drug Unit and the National Drug Intelligence Unit (NDIU) continue to improve their capabilities. Their success is perhaps best illustrated by the general upward trend in seizures of controlled substances over the last five years. This trend is the result of improved coordination and communications among all agencies involved in controlling drugs.

## II. Status of Country

Malta, an island nation of some 413,000 population between Sicily and North Africa, is a minor player in global production, processing, and transshipment of narcotics and other controlled substances. There is no evidence to indicate that Malta's role in the worldwide drug trade will change significantly in the near future. There is some evidence to suggest that on a small scale Malta serves as a transshipment point for drugs from Africa to Europe. Malta is not isolated, with daily flights, numerous ship calls, a large commercial port, the presence of numerous irregular migrants, and frequent international travel by a large percentage of Maltese, the island has myriad connections with Europe and Africa. The drug problem is generally limited to the sale and use of consumer quantities of illegal drugs. Consumption is generally not high, although there has been over the past decade an increase in the proliferation of recreational drugs such as Ecstasy and also an increased use and trafficking of illicit drugs by persons under eighteen. Police have recently seized quantities of the drug khat, which is frequently seen in countries surrounding the Horn of Africa, from which a number of asylum seekers have arrived in recent years. Cultivation activity in-country appears to be limited to the growing of less than a few hundred cannabis plants per year for local consumption. Malta is not a precursor or essential chemical source country. There are a number of generic pharmaceutical firms operating in Malta, but no evidence of diversion from the licit production side. There are stringent legislative controls of the pharmaceutical sector and the Maltese Health Department conducts inspections and review of company records.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2004, the Government of Malta and the United States successfully negotiated a Maritime Counter-Narcotics Cooperation Agreement. This agreement concerns "cooperation to suppress illicit traffic in narcotic drugs and psychotropic substances by sea" and is intended to assist the interdiction of the flow of drugs via Maltese flagged shipping. Parliament passed the legislation necessary to implement the Counter Narcotics Cooperation Agreement in November 2007. The agreement entered into force after the exchange of notes in December 2007, and Malta is prepared to execute the provisions of the Agreement.

**Law Enforcement Efforts.** Since the drug problem in Malta is not widespread, enforcement agencies are able to focus a substantial percentage of their resources on preventing the smuggling of drugs into Malta. The Police Drug Squad and Customs personnel have had significant success through the profiling and targeting of suspected passengers transiting the airport. The Police and the Armed Forces of Malta work together to monitor, intercept and interrupt sea borne smuggling of illegal drugs. Maltese Custom officials have worked to become more adept at detecting and preventing the movement of drugs through the Malta Freeport. Port authorities have shown the ability to respond quickly when notified by foreign law

enforcement of intelligence-related to transshipment attempts. Maltese law provides the necessary provisions for asset forfeiture of those accused of drug related crimes. In 2009, the Courts handed down several prison sentences and fines related to drug offences and ordered the freezing and/or seizure of cash and movable or immovable property of several persons found guilty of drug trafficking.

**Corruption.** The Government of Malta does not, as a matter of policy, 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 is known to engage in, encourage, or facilitate narcotics production or trafficking, or the laundering of proceeds from illegal drug transactions.

Maltese law contains the necessary provisions to deal effectively with official corruption. In 2002 the country's Chief Justice and a fellow judge, both of whom thereafter voluntarily resigned their positions, were arraigned on corruption charges for taking bribes from inmates convicted on drug charges. Investigative agencies used wiretapping authority to identify the judges involved and gather evidence that they were planning to accept bribes in exchange for reducing the sentences of several individuals appealing the terms of their drug convictions. In 2007, one of the accused pleaded guilty to the charges and was sentenced to two years imprisonment. The case against the former chief justice is still pending. In connection with the case, in 2008 an inmate and two accomplices were sentenced to four and three year imprisonment, respectively.

**Agreements and Treaties.** Malta is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. A mutual legal assistance treaty between the U.S. and Malta was signed in 2006. On July 1, 2009, a new extradition treaty entered into force between the U.S. and Malta.. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties. The protocols and the bilateral MLAT will enter into force on February 1, 2010.

**Drug Flow Transit.** There is no indication that Malta is a major trafficking location. The Malta Freeport container port is a continuing source of concern due to the high volume of containers passing through its vast container terminal. The USG has provided equipment and training as part of non-proliferation and border security initiatives that also have enhanced Malta's ability to monitor illicit narcotics trafficking through the Freeport. This has improved detection and should act as a deterrent to narco-traffickers seeking to use container-shipping activity at the Freeport as a platform for drug movements internationally. Malta serves as a transfer point for travelers between North Africa and Europe. In 2009, there were several cases involving heroin and cocaine being smuggled into Malta carried by visitors from African, western hemisphere and European countries, mostly from Eastern Europe and South America. Traditionally, Malta's drug problems involved the importation and distribution of small quantities of illegal drugs for individual use. Arrests in 2009 included, a Slovak national—apprehended at the Malta International Airport with a kilo of heroin in the form of 100 capsules in his stomach; a Bulgarian woman resident in the Netherlands—860g of cocaine and heroin in capsules; a Romanian living in Germany—one kilo of cocaine and heroin in two large packages; a Ghanaian man and a woman from the Dominican Republic both holding Spanish identity cards—one kilo of heroin and 3,000 Ecstasy pills; a Bulgarian national—one kilo of cocaine and heroin hidden in a suitcase; a Panamanian national—two kilos of cocaine in a suitcase; a British national—60g of cocaine seized aboard a yacht in Malta; and a man from the Dominican Republic who had admitted to importing a kilo of cocaine that was found in his hotel room. Malta has the world's eighth largest shipping flag registry, which makes it a likely player in future ship interdiction scenarios.

**Domestic Programs/Demand Reduction.** A National Drug Policy was adopted in January 2008 to "streamline the practices to be adopted by the various bodies, governmental and non-governmental involved in the provision of services related to drug use."

There are five main drug-treatment providers. Three are managed and funded by the government: Sedqa, Agency Against Drug and Alcohol Abuse, which falls under the Ministry of Social Policy; the prison-based unit SATU (Substance Abuse Therapeutic Unit), which falls under the Ministry for Justice and Home Affairs; and the DDU (Dual Diagnosis Unit) within Mount Carmel Psychiatric Hospital, which falls under the Ministry for Social Policy. Caritas and OASI are non-governmental voluntary treatment agencies, which receive partial support from the government.

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

**Bilateral Cooperation.** U.S. law enforcement and security agencies and their Maltese counterparts continue to cooperate closely on drug-related crime. U.S. Customs has provided several training courses in Malta over the last two years. Under the Export Control and Border Security assistance program (EXBS) at Embassy Valletta, the U.S. continues to work closely with port officials to improve their ability to monitor and detect illegal shipments. In 2005, a Coast Guard Attaché was assigned to Embassy Valletta to improve coordination and training with the Maltese Maritime Enforcement Squadron. Training focuses on maritime search and seizure techniques as well as on the proper utilization and operation of two state-of the-art patrol boats. The Embassy's Regional Security Officer (RSO) works closely with the DEA Country Attaché and the FBI Legal Attaché based in Rome to foster cooperative efforts to strengthen law enforcement.

In 2009, members from the Maltese Armed Forces attended two U. S. Coast Guard training courses: maritime law enforcement and small boat engineering and maintenance. Malta was also the first foreign recipient of SAROPS, which is a software program designed to assist in the planning and execution of search and rescue cases. This is noteworthy in that funding for this was provided by EUCOM's Counter-Narco Terrorism (CNT) monies. While SAROPS is a search and rescue tool, it will help improve Malta's maritime domain awareness in the region.

**The Road Ahead.** The joint effort to provide training, support and assistance to GOM law enforcement agencies has clearly improved the Maltese enforcement ability to profile individuals possibly involved with trafficking and/or in possession of dangerous drugs. The number of arrests and seizures for drug related offenses has steadily increased, indicating that Maltese authorities are battling the drug problem within their own country and have benefited from close USG cooperation.

# Mexico

## I. Summary

Mexico's aggressive campaign to combat drugs and confront major drug trafficking organizations (DTOs) continued at an ambitious pace in 2009. The Mexican government reaffirmed its commitment to limit the flow of drugs and combat DTOs by dedicating more resources and personnel to the effort. The results are clear: a number of significant DTO leaders and key associates were captured; and the government continued to dismiss officials co-opted by the traffickers. In addition, Mexico received the first tranche of Merida Initiative assistance that provided U.S.-funded equipment, technical advice, and training.

Though these efforts disrupted some operations of major DTOs, the cartels responded by unleashing a wave of violence that led to a record number of drug-related murders that included numerous police and public officials. Even with the removal of tainted officials, the DTOs maintain a cadre of suborned officials on their payroll to undermine law enforcement operations. Mexico is party to the 1988 UN Drug Convention.

## II. Status of Country

Mexico is both a major transit and source country for illicit drugs reaching the United States. Approximately 90 percent of cocaine destined for the U.S. flows through Mexico from its origins in South America. It continues to be a major supplier of heroin, marijuana, and methamphetamine to the U.S. In general, these drugs are produced in remote areas of the country where detection and eradication are difficult and the federal government has a minimal presence.

Mexico also remains a hub for money laundering. It is estimated that DTOs' annual gross revenue ranges between $15-30 billion from illicit drug sales in the U.S. Most of these proceeds are returned from the U.S. primarily through bulk currency shipments and laundered through legitimate Mexican businesses.

The cross-border flow of money and guns into Mexico from the United States has enabled well-armed and well-funded cartels to engage in violent activities. They employ advanced military tactics and utilize sophisticated weaponry such as sniper rifles, grenades, rocket-propelled grenades and even mortars in attacks on security personnel. DTOs have openly challenged the GOM through conflict and intimidation and have fought amongst themselves to control drug distribution routes. The results led to unprecedented violence and a general sense of insecurity in certain areas of the country, particularly near the U.S. border. Between January and September 2009, there were 5,874 drug-related murders in Mexico, an almost 5 percent increase over 2008 (5,600).

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The government of Felipe Calderon continued its campaign to confront trafficking across Mexico using a multi-pronged approach. It has actively sought to disrupt the production and distribution of drugs throughout Mexico, prosecute individuals and organizations involved in the drug trade and reform those institutions whose job it is to uphold the rule of law in the country.

Police Reform: Federal police functions were restructured through the creation of the Federal Police (FP), an organization housed within the SSP. The FP was given new investigative powers by Congress, which will greatly increase the ability of federal law enforcement to confront Mexico's security challenges. The new force is being hired from a pool of vetted college graduates and trained in police procedure by U.S. and international instructors in San Luis Potosi. The preventive investigation function will be complemented by a national investigative police force in the reorganized Ministerial Federal Police belonging to the PGR. Under new public security laws implemented in 2009, Federal Police are subject to

greater vetting and hiring standards intended to assemble a force better able to combat the DTOs and one less susceptible to corruption.

Judicial Reforms: In response to constitutional reforms set in motion in 2008, at least nine states and the federal district moved forward to implement an oral accusatorial system of justice. In 2009, a number of leading universities incorporated these concepts into their curricula. The reforms are intended to provide more speedy trials, reducing some stress on Mexico's over-taxed penitentiary system. More importantly, the reforms are designed to increase transparency of local and federal courts and restore confidence in the judicial system. Full transition of the criminal case load to the accusatorial system is mandated by 2016.

Technological Improvements: Key advances in data and telecommunications systems for public security were made in 2009. Most notable was the Secretariat for Public Security's (SSP) on-going implementation of Plataforma Mexico information technology connectivity program, with the initial operational capability of the national command and control center in November 2009. The SSP granted access to Plataforma Mexico's databases and more than 400,000 individual records/case files to over 100 municipal locations. The Office of the Attorney General (PGR) moved forward on the development of the national prosecutorial case management system, Justicia Efectiva para Todos (JET), with the finalization of the conceptual design and translation into working prototypes. This system is expected to be operational in 2010.

Regional Cooperation: The GOM sought greater cooperation with the governments of Colombia, Panama, and Guatemala in the sharing of information and coordination of resources in the effort to counternarcotics trafficking and criminal organizations. Colombia, for example, provided dozens of National Police instructors in support of the GOM's training initiatives.

Narcomenudeo Law: The GOM ratified a law decriminalizing the possession of small amounts of drugs intended for personal use. The law, in essence, attempts to distinguish between recreational drug users and traffickers and is intended to enable law enforcement and the judicial system to focus more resources on drug sales than on drug use. Persons caught with small quantities of drugs will be offered drug treatment instead of jail, with jail being a possibility for repeat offenders. As part of this law, the Secretariat of Health was also required to develop a national strategy for the prevention and treatment of drug addiction.

Border Customs Inspectors: The GOM enhanced its customs capability by moving away from strictly revenue collection toward an enforcement role. In 2009, it added 800 new inspectors and replaced 700 more. These new inspectors were hired with increased vetting, including background checks and drug testing, in an effort to establish a more effective, professional organization better equipped to interdict the flow of weapons and cash entering the country. In addition, the Customs and Border Patrol is conducting an in-depth review and analysis of the training curriculum at the Mexico Customs Academy to identify gaps and recommended solutions.

Rewards for Information: The GOM offered $2 million rewards for information leading to the arrest of 24 of the country's top drug trafficking targets and $1 million for arrests of top lieutenants. The large rewards are an attempt by the GOM to encourage more public involvement in the effort to eliminate organized crime. These rewards were the largest ever offered by the GOM and just one day after they were announced, Hector Huerta Rios, a key lieutenant of the Beltran Leyva cartel in Monterrey, was captured.

**Law Enforcement Efforts.** Mexican law enforcement saw a number of successes during the year in methamphetamine seizures and drug-related arrests. Through October, 5,400 metric tons of methamphetamines were seized by Mexican law enforcement, a significant increase from 2008; 165 labs were destroyed, more than three times greater than the year before. Part of this is due to the GOM's more focused efforts in pursuing methamphetamine labs.

Through the end of November, 2009, GOM seized 20 metric tons of cocaine (up from 19 metric tons in 2008), 665 kilograms of opium gum (up from 168 kilograms in 2008), and 277 kilograms of heroin. Marijuana seizures were somewhat down from the historical levels of recent years. In 2009, 1,385 metric tons of marijuana were seized, while the previous five years averaged almost 2,000 metric tons. This may be attributed to the military's and law enforcement's reallocation of resources away from marijuana eradication and interdiction efforts, and towards the pursuit of DTOs.

Total arrests hit record highs in 2009. Through September, Mexican law enforcement arrested or detained 36,332 persons (versus 28,650 in 2008). This total included a number of high-profile members of the Mexican cartels including:

- Arturo Beltran Leyva—leader of the Beltran Leyva Cartel and the most significant trafficker arrested during Calderon's administration (killed).
- Carlos Beltran Leyva—brother of Arturo Beltran Leyva and a key member of the Beltran Leyva Cartel.
- Miguel Angel Soto Parra—founding member of the Gulf Cartel's Zetas.
- Oscar Nava Valencia—key cocaine trafficker for the Sinaloa Cartel.
- Geronimo Gamez Garcia—member of Beltran Leyva cartel who played a leading role in cocaine acquisition from Colombia.
- Hector Huerta Rios—key Beltran Leyva operative based in Northern Mexico.
- Angel Bejar Chavez—key cocaine trafficker for the Sinaloa Cartel.
- Vicente Carrillo Leyva—one of the top leaders in the Juarez Cartel and son of former cartel leader Amado Carrillo Fuentes.
- Vicente Zambada Niebla—son of notorious drug trafficker Ismael Zambada and a high ranking member of the Sinaloa Cartel.
- Arnoldo Rueda Medina—a pivotal member of the La Familia Michoacana; his capture resulted in violent retaliation, including the murder of 12 federal police.

In addition to arrests in Mexico, the Calderon government continued its policy of extraditing drug traffickers and other criminals wanted in the U.S. Over 100 people were extradited from Mexico to the U.S. in 2009, breaking 2008's record of 95. Notable cases from the past year include Mexican nationals Miguel Caro Quintero, wanted for drug trafficking in Colorado and Arizona, and Oscar Escajeda Candelaria, wanted for cocaine and marijuana trafficking in Texas, Ever Villafane Martinez, a Colombian national wanted on federal narcotics trafficking and money laundering charges.

**Corruption.** As a matter of policy, the GOM does not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or any other controlled substances, or the laundering of money derived from illicit drug transactions. A law on National Public Security, passed in January, mandated that within four years, Mexican law enforcement personnel at all levels undergo background checks to screen for possible corruption. During the year, the Calderon government undertook a number of actions to address corruption within the law enforcement community, including the greater use of polygraphs and background checks on law enforcement employees. While this vetting had some success at the federal level, it lagged behind at the state and municipal levels due to funding constraints and the large numbers of state and municipal officers. Additionally, the GOM made a number of high profile arrests to demonstrate its commitment to root out corruption across all levels of government. In May, raids in the state of Michoacan led to the arrest of ten mayors with alleged ties to corruption. Despite some progress, however, corruption remains a significant impediment to counternarcotics efforts in

Mexico. Cartels combine threats of violence with promises of financial gain ("plata o plomo") to influence law enforcement and government officials. Their influence is greatest among lower paid municipal and state police who have had historically lower hiring standards and fewer controls in place to check for corruption. This is a significant problem given that these police organizations represent roughly 90 percent of Mexico's total police force. A May incident where prison guards literally stepped aside as 53 prisoners walked out of a prison in Zacatecas state reinforced widespread skepticism about the integrity of local level law enforcement personnel. Recent police and legal reforms appear to be making progress in the fight against corruption, but it is clear that more time and more reforms are required to make lasting progress.

**Agreements and Treaties.** Mexico 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. Mexico also subscribes to regional counternarcotics commitments, including the 1996 Anti-Drug Strategy in the Hemisphere and the 1990 Declaration of Ixtapa. Mexico is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its three protocols. Mexico is also a party to the Inter-American Convention Against Corruption. The current U.S.-Mexico bilateral extradition treaty has been in force since 1980. The 2001 Protocol to this Treaty allows for the temporary surrender for trial of fugitives serving a sentence in one country but wanted on criminal charges in another. Mexico and the United States cooperate in judicial assistance matters under a bilateral mutual legal assistance treaty. In addition, Colombia and Mexico formed a tri-party group with the U.S. that consists of the U.S. Drug Enforcement Administration (DEA) Administrator, the Colombian Minister of Defense, and the Mexican Attorney General. This group meets at least twice a year to discuss counternarcotics and other issues of mutual interest. Also, Mexico is a party to the Inter-American Convention on Mutual Assistance in Criminal Matters.

Mexico is an active participant in the Multilateral Counterdrug Summit, which includes the participation of the U.S., Panama, Colombia, and Ecuador working towards regional counternarcotics interoperability. GOM and USG have continued to effectively use the North American Security Initiative (NAMSI) Standard Operating Procedures (SOP) to facilitate maritime interdiction operations executed by Mexican Navy and the U.S. Coast Guard. In 2009, cooperation via the NAMSI SOP resulted in the removal of over 7,600 kilograms of cocaine and over 16,000 kilograms of marijuana, the seizure of six vessels, and the detention of 24 suspected smugglers.

**Cultivation/Production.** Drug crops such as opium poppy and marijuana are produced in rural Mexico, predominately in the rugged terrain of the Western Sierra Madres. Major increases in both crops over the past few years have taken place in the tri-state area of Sinaloa, Chihuahua, and Durango in the north, where most of the crops are grown. Production has also been found in the states of Guerrero and Oaxaca in southern Mexico as well as Michoacan, Nayarit, and Jalisco. While marijuana cultivation is more dispersed, opium poppy tends to be concentrated in the western part of the country. Opium poppy is usually harvested by small, independent farmers who sell refined gum to heroin trafficking organizations.

Production of methamphetamine takes place in clandestine labs. The two areas in the country with the highest concentration of labs are Michoacan and Jalisco. While it is difficult to estimate levels of production for the drug, it is believed to be large and growing. The 5,400 metric tons seized as of November 2009 presumably represent just a fraction of total production. In October 2009, for example, Mexican law enforcement seized a combined 37 metric tons of precursor chemicals used to make methamphetamine in just two raids—the largest such seizures in Mexican history.

Despite the efforts of the GOM, drug cultivation rose significantly in 2009 according to U.S. government agencies' estimates. Opium poppy cultivation more than doubled to 15,000 hectares (ha) as of September 2009 from 6,900 in 2008—the highest level of production ever estimated in Mexico and all of Latin America combined. Cannabis production increased 35 percent to 12,000 ha from 8,900 in 2008—the highest level since 1992. These increases in drug production could represent greater vertical integration of

DTO businesses intended to diminish reliance on foreign suppliers of product. Mexico is not considered a significant producer of cocaine, although DTOs continue to transit the drug through the country.

The GOM reported eradicating 14,135 ha of cannabis as of November 2009, as compared to 18,663 ha in all of 2008. This is well down from the yearly 30,000+ ha level of eradication from 2002—2006 and represents the sixth consecutive year of decline. Opium poppy eradication is also down from historic levels, with 11,471 ha reported eradicated as of November 2009, down from 13,189 ha in 2008. Much of this can be attributed to Mexican law enforcement's shift in focus to harder drugs such as methamphetamine as well as more military and law enforcement resources being diverted to confront the DTOs and violence.

**Drug Flow/Transit.** Mexico is a major transit point for drugs destined for the U.S., particularly cocaine cultivated and produced in South America source countries. Cocaine enters Mexico via air, land, and sea routes. Smugglers employ a wide range of tools to deliver illicit contraband to the U.S., including light aircraft, fishing trawlers, go-fast vessels, self propelled semi-submersible vessels, automobiles, and trucks. Large commercial vessels are also used, as illegal drugs are transported via large containers into and out of Mexico's commercial shipping ports. Once drugs are inside the country, they are transported to the U.S. border via land routes. The GOM has taken a number of steps to seize drugs entering and transiting the country. It continues to work with governments in Central and South America as well as the United States to coordinate interdiction efforts and share information. In 2009, it upgraded the capabilities of customs agents by providing specialized training to look for weapons and drugs and military checkpoints were placed along key transit routes to inspect northbound traffic for drugs. Additionally, the GOM increased its focus on stopping the flow of methamphetamines.

**Domestic Programs/Demand Reduction.** Domestic drug consumption is increasing in Mexico. It is estimated that 3.5 million Mexicans have used narcotics and that nearly 600,000 have become dependent drug consumers. Some observers argue that the adoption of the narcomenudeo law could result in higher levels of recreational use. However, in 2009, Mexico took steps to upgrade the capacity of its demand reduction efforts, including establishing a training and certification process for treatment counselors. In addition, it held two conferences that were attended by international demand reduction specialists. These conferences were intended to galvanize demand reduction efforts, improve capabilities, and share industry-leading best practices.

National Demand Reduction efforts are led by the National Council Against Addiction (CONADIC). At the direction of President Calderon, CONADIC is in the midst of a national campaign to fight domestic demand for illicit drugs. This effort is championed by the Mexican First Lady, Margarita Zavala, who is a vocal advocate for counternarcotics causes. The country also has a network of more than 300 government-funded treatment centers working on demand reduction efforts that focus on counternarcotics youth outreach as well as prevention. Currently, most treatment programs are staffed by personnel who have limited training in counseling due in large part to the historically limited resources allocated to demand reduction efforts and the lack of comprehensive training programs for substance abuse professionals.

The Mexican state of Nuevo Leon commenced a pilot drug court program that may serve as a prototype pilot program for other states. Modeled on the U.S. drug court program, Mexico's focus is to provide drug-abuse treatment alternatives to incarceration for some classes of criminal offenders.

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

**Policy Initiatives.** The United States shares many interests with Mexico—politically, economically, and with regard to our own national security. Mexico long ago became the principal transit route for cocaine and is an important producer in its own right of the heroin, marijuana, and methamphetamine consumed in the United States. The enormously corruptive influences of Mexico's narcotics cartels touch the

communities on both sides of our shared border. The Calderon Administration has made progress in reforming Mexico's juridical system, diminishing its opaqueness in some instances, and increasing its efficiency, it is a priority for the United States to support Mexico's efforts to reform its justice system and improve security along our shared border and throughout the nation.

**Bilateral Cooperation.** Historically, the governments of Mexico and the United States have cooperated on counternarcotics and security-related issues, and have had some success sharing information and coordinating law enforcement and military efforts. Additionally, the U.S. has aided in the fight against DTOs by providing Mexico with training, equipment, and information technology assistance. With the implementation of the Merida Initiative, 2009 represented a new era of cooperation between the two countries. The Initiative represents not only a historically significant increase in bilateral cooperation, but the inauguration of a new strategy in which the USG helps strengthen Mexico's institutional capacity to counter the shared threat posed by DTOs. The Merida Initiative focused on eight general areas:

- Judicial reform
- Combating financial crime
- Law enforcement professionalization
- Upgrading non-intrusive inspection equipment
- Improving aviation capability
- Demand reduction
- Fostering a culture of lawfulness
- Information management technology enhancement

Although it is still early in its implementation, the Merida Initiative has moved forward in a number of areas. Some examples for 2009 include:

- A National Command and Control Center opened at the SSP to provide enhanced real-time communications and information flow to support law enforcement and disaster relief efforts.
- GOM received shipment of 15 x-ray vans and 30 ion scanners that will enhance its ability to interdict illegal weapons, drugs, and shipments of cash.
- Mexico accepted delivery of five Bell-412 helicopters to provide tactical support on a wide variety of counternarcotics and law enforcement missions.
- Over 3,000 Mexican university graduates received basic investigations training to form a cadre of Federal Police investigators; and over 300 mid- and senior-level federal law enforcement personnel received advanced training from U.S. trainers on topics ranging from enhanced investigations and drug interdiction to cyber-crime and counter-intelligence; as well as case management and leadership.
- A record 107 criminals were extradited from Mexico to the U.S.
- 318 polygraph machines are being delivered to key branches of the GOM including the Prosecutor General's Office (PGR), Secretary for Public Security (SSP), and Mexican Customs (SAT) in order to better detect and prevent potential corruption.

**The Road Ahead.** With over a billion dollars appropriated to the Merida Initiative, the USG will continue to be a strong, resolute partner with Mexico over the long-term. The next several years will see the U.S. provide hundreds of millions of dollars in advanced hardware and equipment for Mexico's

counternarcotics effort and training for tens of thousands in law enforcement, customs and security; preparing civilian law enforcement to take back from the military the role of maintaining civilian security and disrupting and dismantling DTOs. With the return of the Mexican military to its traditional duties, marijuana and opium poppy eradication activities should increase.

Programs provided through the Merida Initiative will provide thousands of hours of specialized training and consultations for judges, lawyers, legal educators, and court staff designed to help transform Mexico's judicial sector and assist the implementation of accusatorial trials. The United States urges the GOM to implement previously passed judicial reform legislation as it will complement the additional work being done between law enforcement and government agencies on both sides of the border.

For its part, the USG is looking at new ways to reduce domestic demand for drugs within its borders and to disrupt the flow of guns and money moving southward into Mexico. This holistic approach is intended to weaken DTOs by impacting their financial resources and ability to secure weapons, complementing Mexican efforts.

## V. Statistical Tables

| | 2009 YTD 05 NOV | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|---|---|---|---|---|---|---|---|---|---|
| **Opium** | | | | | | | | | |
| Harvestable / Net Cultivation (ha) | 15,000 | 6,900 | ~ | 5,100 | 3,300 | 3,500 | 4,800 | 2,700 | 4,400 |
| Eradication (ha) | 11,471 | 13,189 | 11,410 | 16,890 | 21,609 | 15,926 | 20,034 | 19,158 | 19,115 |
| Potential Opium Gum (MT) | ~ | 325 | 149 | 110 | 71 | 73 | 101 | 58 | 91 |
| Potential Black Tar Heroin (MT) | | 105 | 50 | 36 | 22 | 25 | 23 | 13 | 21 |
| Potential Pure Heroin (MT) | ~ | 38 | 18 | 13 | 8 | 9 | 12 | 7 | 11 |
| **Cannabis** | | | | | | | | | |
| Harvestable / Net Cultivation (ha) | 12,000 | 8,900 | ~ | 8,600 | 5,600 | 5,800 | 7,500 | 7,900 | 4,100 |
| Eradication (ha) | 14,135 | 18,663 | 23,316 | 30,162 | 30,857 | 30,852 | 36,585 | 30,775 | 28,699 |
| Net Cannabis Production (MT) | ~ | 21,500 | 15,800 | 15,500 | 10,100 | 10,440 | 13,500 | 7,900 | 7,400 |
| **Seizures** | | | | | | | | | |
| Cocaine HCL (MT) | 20 | 19 | 48 | 21 | 31 | 27 | 21 | 13 | 30 |
| Cannabis (MT) | 1,385 | 1,685 | 2,213 | 1,902 | 1,796 | 2,208 | 2,248 | 1,633 | 1,839 |
| Opium Gum (kg) | 665 | 168 | 308 | 124 | 276 | 465 | 198 | 310 | 516 |
| Heroin (kg) | 277 | 296 | 317 | 334 | 462 | 302 | 306 | 283 | 269 |
| Methamphetamine (kg) | 5,400 | 232 | 805 | 753 | 980 | 952 | 751 | 457 | 400 |
| **Arrests/Detentions** | **36,332** | **28,650** | **29,357** | **18,903** | **28,651** | **23,459** | **13,571** | **14,231** | **9,973** |
| Nationals | 35,984 | 28,258 | 29,042 | 18,696 | 28,332 | 22,966 | 13,167 | 13,815 | 9,784 |
| Foreigners | 348 | 392 | 315 | 207 | 319 | 493 | 404 | 416 | 189 |
| **Labs Destroyed** | 165 | 47 | 33 | 31 | 37 | 23 | 22 | 13 | 28 |

Sources:
1: Centro Nacional de Planeacion, Analisis e informacion para el Combate a la Delincuencia (CENAPI) and PGR
2: CNC

# Moldova

## I. Summary

Moldova is an impoverished country susceptible to drug trafficking and drug abuse problems. Governmental and societal neglect of drug trafficking, drug abuse, and associated crime issues is a problem in Moldova. The Government of Moldova's (GOM) lack of a comprehensive national drug strategy remains a shortcoming of Moldovan drug control policy in 2009. Moldova is a party to the 1988 UN Drug Convention and other major international drug treaties.

## II. Status of Country

Moldova is not a major drug-producing country. Moldova is a transit point for drugs destined for Western Europe, although information regarding the scale of the transit is incomplete. Domestic use of narcotics remains an ongoing concern to the GOM. Seizures of recreational drugs such as marijuana and Ecstasy continue to grow. Analysis conducted by Moldovan officials suggests that the country's illegal drug market will be increasingly targeted by sellers of synthetic drugs. Moldova's proximity to the European Union (EU), the low capacity of its law enforcement agencies, and its limited control of the territory situated on the left bank of the Dniester River, where Moldovan law, and by extension, national drug policy are not applicable, has resulted in the increased cultivation of domestically grown narcotics for both local use and external distribution outside the country. Authorities have also noted the increased import of synthetic drugs and psychotropic substances. However, despite these issues, Moldova's drug concerns are not a major domestic issue.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Moldovan counternarcotics legal framework covers both the fight against illegal drug trafficking and the prevention of illegal drug use. Although the development of a national drug strategy was explicitly stipulated in the EU-Moldova Action Plan to harmonize Moldova's laws and policies towards eventual EU membership, the lack of an adopted national drug strategy remains the primary shortcoming of national drug control policy. According to Moldova's commitment to the EU, the GOM had to "further strengthen its resolve" in the fight against drug trafficking, including the trafficking of essential chemicals and precursors. In addition, action against drug abuse through prevention and rehabilitation of drug abusers, was required.

Fulfillment of these objectives was of great importance for the GOM in the context of its European integration aspirations. According to the European Commission's European Neighborhood Policy (ENP) Progress Report on Moldova (April 2009), "Moldova made no, or limited progress, in the effective implementation of a number of reforms which constitute key priorities under the ENP Action Plan." This also included the effective implementation and enforcement of national strategies in areas such as the fight against drugs. The report goes on to say, "The implementation of the national drugs strategy and relevant action plan for the period 2007-2009 is hampered by lack of trained human resources, financial means and technical equipment. The anti-drugs unit of the Ministry of Internal Affairs does not have adequate data on drug usage though noticeable success was achieved in 2008 with regard to seizures. Drug trafficking remains an issue of serious concern requiring an intensification of inter-agency law enforcement cooperation both nationally and regionally."

In March2007, Moldova introduced a 2007-2009 Action Plan to meet its commitment to the EU. The Action Plan focused on several items including: improving the country's drug-related legal framework; establishing educational activities to discourage drug abuse; organizing activities to help reduce drug consumption; and informational activities and training for specialized staff. This Decision, however, did

not define any measurable objectives and/or performance indicators that would allow for evaluation of activities prescribed by the Action Plan. Inadequate domestic funding undermined the Action Plan's goals. Activities that were implemented were funded from outside the GOM.

Other elements of Moldova's management of narcotics issues also experienced problems. The Interdepartmental Commission for Drug Addiction and Drug Trafficking Control and the Permanent Committee on Drug Control are in charge of managing the GOM's policies against drug addiction and trafficking.

The members of the Commission are representatives of ministries and other central public authorities dealing with drug-related issues. The majority of these programs exist only on paper and lack real substance. In addition, the Commission does not have local coordinators, and its decisions are not binding. The Commission held only one meeting in 2009.

In 2009, the GOM amended some of its drug control legislation to provide clearer rules for the handling of precursor chemicals and controlled pharmaceuticals, including special labeling for legal, but controlled pharmaceuticals. The new amendments also require that establishments selling narcotic drugs and/or psychotropic substances be licensed. In January 2009, a Governmental Decision defined the quantity for every type of drug, psychotropic substance, or plant that ultimately serves as a basis for legal charges from administrative offence to a more serious charge. In this same connection, basic drug use is considered an administrative offence and not a crime. The illegal purchase or storage of narcotic drugs or psychotropic substances in small quantities without intent for distribution, as well as their consumption without a medical prescription, is sanctioned with a fine or with up to 40 hours of community service. An individual who voluntarily turns in narcotic drugs or psychotropic substances, and/or intends to seek out of his/her own free will, health care assistance related to drug usage or dependency, is exempted from legal sanction.

Moldova is considering a National Anti-Drug Strategy which will have two principal objectives: to decrease drug trafficking to and through Moldova and to restrict the supply and availability of all types of dangerous drugs. This National Anti-Drug Strategy was supposed to be considered and approved in 2009. However, because of political instability which affected Moldova after the April 2009 elections, and the country's inability to install a government before September, approval of the National Anti-Drug Strategy will be delayed until 2010.

**Law Enforcement Efforts.** Combating narcotics related crime is one of the major priorities for Moldovan law enforcement agencies. Police, customs officials, and border guards cooperate in counternarcotics activities. The MOI's Anti-Drug Unit is a 16-person specialized police unit responsible for the prevention and combating of drug-related crime nationwide. Their primary mission is to dismantle organized criminal groups and networks of drug traffickers, rather than dealing with individual drug abusers or small scale street sales. In addition to these full time specialized counternarcotics officers there are 65 other police officers nationwide combating drug-related crime. These 65 officers work at all local police stations situated in different regions of the country. The officers do not report to the Anti-Drug Unit and do not work solely on drug issues. Counternarcotics activities overall were hampered by the lack of a sufficient number of specialized police officers and the lack of funding and inadequate technical equipment.

According to data provided by the MOI's Internal Affairs Department, 2,103 drug related crimes were registered by law enforcement authorities in 2008, representing a decrease of two percent compared to 2007 (2,147 offences). In the first nine months of 2009, Moldovan authorities registered 1,542 drug-related crimes, compared with 1,747 cases registered during the same timeframe in 2008, which represented a decrease of 11.3 percent. The trend of a slight decrease in drug-related criminal offences has been observed for the last six years.

Districts in the north of the country closer to the Ukrainian border registered a higher number of drug-related crimes, especially those regarding cannabis and poppy cultivation. The municipalities of Chisinau and Balti are the main illegal drugs markets in the country.

Corruption. As a matter of government policy, the GOM does not encourage or facilitate production, shipment, or distribution of illicit drugs or the laundering of illegal drug proceeds. However, corruption is a serious problem within both Moldovan government and society. The Center for Combating Economic Crimes and Corruption (CCECC) is a specialized law enforcement agency responsible for combating of corruption, including money laundering related to narcotics. Some Moldovan civil society representatives have accused the CCECC of a lack of transparency and political bias regarding its investigations, although not specifically in regard to narcotics cases.

**Agreements and Treaties.** The GOM is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol . Moldova is a party to the UN Convention against Corruption. The GOM is also a party to the 1959 Council of Europe Convention on Mutual Assistance in Criminal Matters and its 1978 protocol.

**Cultivation/Production.** Moldova is an agriculturally fertile nation with a climate favorable for cultivating cannabis and poppy plants. Authorities regularly seize and destroy illicitly cultivated plants. Cannabis and poppy cultivation is a source of income for the local population in some rural areas. According to the MOI's Internal Affairs Department, these drugs are primarily produced for local usage, but are also smuggled to neighboring countries such as Ukraine and Russia. Synthetic drugs such as Ecstasy are imported from several EU countries. Moldova is the poorest country in Europe; its population cannot afford expensive drugs. The import of expensive drugs (e.g., heroin and cocaine) is rarely detected and seizures are usually of only small amounts. Lack of control over Moldova's eastern border creates favorable conditions for cultivation of drugs and drug trafficking via that border.

Each summer, the MOI launches a special law enforcement operation, called "Operation Poppy," aimed at combating illicit cultivation of narcotics. In 2009, as a result of "Operation Poppy", 555 criminal proceedings were initiated on charges of illegal cultivation of cannabis and poppy plants. Authorities discovered 406 cannabis plots totaling 70,752 cannabis plants along with 149 different poppy plots totaling 40,665 poppy plants. All were destroyed and 351 persons were arrested.

**Drug Flow/Transit.** Seizures of illicit narcotics and psychotropic substances in 2009 continued to indicate that Moldova remains primarily a transshipment country. Information provided by the Anti-Drug Unit of the MOI in 2009 indicates that drugs reach Moldova from the following countries: cocaine from Costa Rica and Spain; Ecstasy from Belgium and the Netherlands; heroin from Turkey, Russia, and Ukraine; and amphetamines from Poland and Russia.

Locally cultivated marijuana and poppy straw are exported mostly to neighboring countries such as Ukraine and Russia. According to existing data, Moldova is a transit point for drugs destined for Western Europe and potentially the U.S. as well.

**Domestic Programs/Demand Reduction.** The national Education and Youth Departments develop their own yearly activity plans to prevent drug use in school-age children. "Anti-Drug" lessons are taught in schools. NGOs consider these plans to be inefficient and obsolete. The MOI also organizes activities designed to prevent drug use in pre-university educational institutions primarily through making presentations directly to classes.

In 2008, for the first time, a General Population Survey studying psychotropic substances and related attitudes was conducted to estimate the prevalence of substance abuse among 15-64 year olds living on the right bank of the Dniester River. According to its results, cannabis is the most widely used drug. As of 2008, 3.4 percent of Moldovans had used marijuana/hashish at some point in their lifetimes and 0.9

percent had done so in the last year. Only 0.3 percent of respondents used cannabis in the previous month. Usage of marijuana/hashish is almost thirteen times higher in males (6.5 percent) than in females (0.5 percent). According to the survey, the prevalence of cannabis use in 16-year-old children reached 4.8 percent. Other illegal drugs registered considerably lower rates of use. In Moldova, there are still no reliable estimates for the number of Intravenous Drug Users (IDU). An Integrated Bio Behavioural Survey is planned to be conducted soon in order to estimate the number of IDUs.

Moldova has a national system for collecting data on people who use illegal drugs based almost exclusively on counting the number of cases which enter voluntarily or involuntarily into treatment or the justice system. Registration with relevant public institutions implies the disclosure of one's identity in the great majority of cases. This is a formidable disincentive to registration. On the other hand, the police have been focusing their enforcement efforts on entertainment venues. This enforcement has led to growth in the number of newly registered cases of drug use for recreational purposes (marijuana, Ecstasy). As of January 1, 2009, 8,390 people were officially registered as drug users on the right bank of the Dniester River. During 2008, 1,138 newly registered cases of drug use on the right bank of the Dniester River were entered into the database, compared to 2007's figures of 928 out of 1,138 involved in non-addictive usage (mainly cannabis usage) while 210 were considered addicts (primarily opiate users). During 2008, in Moldova's penitentiary system, 683 prisoners (10 percent of all prisoners) were considered drug users (both registered and suspected).

Detoxification is available within specialized medical institutions in Chisinau and Balti. A few private health care institutions are also authorized to offer detoxification treatment. Detoxification is included in the minimum package of health care services covered by the National Health Insurance Fund, which applies only for insured people (those employed by the government, those who had purchased the health insurance on their own, or had been insured by the state, e.g. students, school pupils, the disabled, and those officially registered as unemployed). Detoxification for the uninsured is not provided for free, excluding cases of deep social vulnerability. If insured potential patients for detoxification do not wish to disclose their identity, they must pay for the detoxification too, since the use of the medical insurance policy rules out anonymity.

There is no formally structured, integrated approach to treatment for drug addiction in Moldova. The after-care and reintegration system is underdeveloped. There are no known assistance donors interested in supporting such activities either. In 2007, the first Center for the rehabilitation for drug addicts was created in Chisinau. The Center works on an outpatient basis. Persons who are drug-addicted are treated. For insured persons, all services are free of charge.

Once discharged from the hospital after detoxification, those patients who are not referred for different reasons to the rehabilitation center may be invited to continue treatment in rehabilitation and reintegration programs offered by different local NGOs, or to even go outside the country for treatment. The advantage of local NGOs is that they offer free-of-charge services on an anonymous basis.

An agreement between the Ministry of Health and the Soros Foundation-Moldova was signed on May 8, 2003. According to this agreement, the Soros Foundation-Moldova would develop a network of NGOs and public institutions implementing activities to prevent the spread of HIV among high risk groups. The GOM has not funded such activities to date.

The basic components of programs for IDUs within the penitentiary sector are as follows: information/education/outreach about HIV and ways of preventing it in the context of high risk practices (distribution of informational materials, condoms, workshops), needle/syringe exchange; substitution-maintenance treatment using methadone as the key pharmaceutical.

Activities for inmates are conducted primarily by the medical services of the penitentiary institutions. In 2008, the information component was implemented with materials distributed and workshops on HIV/AIDS prevention held in all 18 penitentiary institutions. Needle exchange programs started

functioning in seven prisons. At the end of 2008 substitution (methadone) treatment was available in five prisons

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

**Bilateral Cooperation.** The GOM and the USG cooperate on law enforcement and counternarcotics issues on basis of the Letter of Agreement on Narcotics Control and Law Enforcement, signed on August 28, 2001, along with amendments to this letter, providing additional funding to support activities designed to create sustainable improvement to the rule-of-law and to the operational capabilities of Moldova's law enforcement agencies.

Ongoing USG-provided training and provision of equipment are designed to improve the ability of Moldovan police to investigate and dismantle organized crime and narcotics enterprises. The DEA's office in Vienna is responsible for case work cooperation and drug enforcement assistance to members of Moldova's drug unit within the MOI. Direct communication between the DEA and Moldovan officers is regular and benefits both sides' efforts against the drug trade.

The USG also offers assistance in customs and border control, with programs specifically aimed at strengthening Moldovan border control. During 2008, the USG financed basic and specialized law enforcement training programs via the Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL), which included narcotics enforcement modules. INL also supported the GOM through the donation of equipment in 2009. These programs focused on enhancing techniques related to combating corruption, money laundering, illicit drug trafficking, and organized crime. Seventeen employees of Moldovan law enforcement agencies attended the International Law Enforcement Academy in Hungary during 2009.

One of the goals of the 2009 tranche of INL assistance is to modernize Moldovan law enforcement by improving its ability to investigate and effectively prosecute serious crimes that stem from transnational organized crime. Using a variety of USG law enforcement agencies (DOJ's OPDAT and ICITAP, DEA, FBI, ICE, etc.), training courses will be provided to meet EU-Moldova Action plan goals linked to combating organized crime. Specialized training will be implemented in the areas of financial crime, money laundering, cyber crime, general forensics investigations, border security, interdiction, transnational narcotics trafficking, and law enforcement leadership and management. Actions to be taken by the USG, primarily through experienced DOJ/OPDAT and ICITAP legal and law enforcement advisors posted to Embassy Chisinau, include the provision of targeted skills development training and appropriate instructional materials to Moldovan law enforcement.

**The Road Ahead.** The USG and the GOM will continue to work together through USG-sponsored assistance programs to help improve the ability of Moldovan law enforcement to create sustainable improvement in the rule of law and in the operational capabilities of Moldova's law enforcement agencies. Successful collaboration of the GOM with international law enforcement and political entities in combating transnational organized crime involving narcotics will yield great results for the USG, the Moldovan government, and the Moldovan people.

# Mongolia

## I. Summary

Although small in scale, the production, sale, trafficking and abuse of narcotics in Mongolia is on the rise. The primary drugs of abuse are hashish and cannabis. Poor people are apt to use commercially available inhalants and glues. In addition, many patients hospitalized for trauma or other painful conditions become addicted to morphine through prescriptions of excessive doses of the painkiller. Groups particularly vulnerable to narcotics abuse include children and young adults from upper-middle class families as well as women employed or exploited in night clubs and underground brothels. Narcotics are most prevalent in Ulaanbaatar as well as cities bordering Russia and China, such as Darkhan and Zamyn-Uud.

Although Mongolia implemented the National Anti-Drug, Anti-Narcotics Program (NADANP) from 2005-2008, progress was very modest. Interagency cooperation increased and customs procedures for drug interdiction continue to improve. Nevertheless, enforcement capacity and budgeting remains insufficient for law enforcement and customs agencies. Officers by and large remain dedicated to fighting drug trafficking and abuse. Prevention and treatment programs for narcotics are poor. What therapy drug addicts do receive is generally based upon the therapies applied to abusers of alcohol. There are only two practicing doctors nationwide with specialization in narcotics addiction. Combined with the inaccessibility of appropriate treatment options, the lack of public awareness campaigns and the severe social stigma regarding drug use, very few patients voluntarily check into drug treatment. Mongolia is a party to the 1988 UN Drug Convention.

## II. Status of Country

The level of domestic narcotics production is believed to be low. The most common local source is naturally growing cannabis plants in the northern provinces. Blown on southerly winds, their spores incrementally approach the latitudes of the Mongolian capital of Ulaanbaatar each year. Another source is drug exporters residing in Russia and China. Smugglers use Mongolia both as a destination and as a transit route.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The National Council carried out the National Anti-Drug, Anti-Narcotics Program from 2005 to 2008. Led by the National Police, the goals of the council include the coordination of counternarcotics policies among administrative bodies, legal reviews, studies of the circumstances of drug related crimes, prevention campaigns for minors and the supply of necessary equipment and trained staff to the drug identification labs.

A new law was implemented in 2009, providing for the monitoring of narcotic flows and psychological assistance for addicts. In addition, cooperation between government law enforcement, intelligence, customs and border patrol agencies improved. Under the impetus of a new customs law in 2008, the Mongolian Customs General Administration (MCGA) is reforming its risk assessment techniques. With its nationwide network to gather and analyze data and information shared among agencies, the MCGA is implementing a risk management program beginning this year. The goal is to focus more effectively on suspicious customs declarations as recommended in World Customs Organization guidelines. This is in conjunction with an IT modernization project currently underway. The MCGA is also training dogs for drug sniffing and deploying the dogs to border crossings, airports and post offices.

Despite these improvements, the NADANP has lapsed and remains in limbo. Government-NGO coordination is insufficient. Then-Prime Minister Bayar announced an intergovernmental working group in February 2009 to continue counternarcotics measures. The group failed to meet or set an agenda.

NGOs and drug treatment specialists reported that even in the midst of NADANP they were given little opportunity to offer input in counternarcotics policy. Despite the goal of supporting field studies, little remains known regarding drug related criminal activity, the quantity of drug production or the scale of narcotics abuse within Mongolia.

The government of Mongolia arranged a conference in June 2009 on National Anti-Drug Day, bringing together government agencies and NGOs and emphasizing cooperation among them. Meanwhile, conference resolutions from the prior year saw little progress towards actual implementation. Although a 2008 forum had similarly emphasized cooperation between government agencies and NGOs and increased funding for the latter, these policies have not materialized. NGOs reported continued isolation from policy discussions, and lost funding as budgets were cut amidst the international financial crisis. In addition, there was no progress made on the 2008 conference proposal to build the nation's first drug rehabilitation center.

**Law Enforcement Efforts.** Law enforcement success hinges on intelligence gathering by the MCGA, the Border Patrol and the General Intelligence Agency, and the apprehension and investigation of suspects by the National Police Agency (NPA). The NPA in turn divides these duties respectively between the Division Against Organized Crime within the Criminal Police Department and the State Investigation Department. In 2009 through October, the police seized 125 ounces of cannabis, seven ounces of hashish and several amphetamine tablets. In the same period 40 cases were opened regarding drug offenses, through which 35 people were found guilty. In comparison, from 1998 to 2008, there were 215 people found guilty through 93 cases. Thirty foreigners were among those convicted in this period, including 15 Russians and 10 Chinese.

Drug traffickers tended to operate on an individual basis or in small groups. Fully fledged organized criminal enterprises have yet to take root. The Serious and Organized Crime Investigation Division reported no violent crimes by drug abusers. The offenses most correlated with drug trafficking included identity card forgery, larceny and illegal border crossing. Law enforcement officials report there is no evidence drug traffickers engage in money laundering within Mongolia.

Resources available to law enforcement are inadequate. Nationwide there are 60 police officers who work on drug cases related to minors, or one officer for every 15,000 children. Although it is every police officer's duty to monitor secondary schools, it was unclear how effective the police were at monitoring. Only two children were referred to the National Psychopathology and Addiction Center year to date for narcotics abuse, and they were not provided with sustained treatment or counseling there.

**Corruption.** Although corruption is widespread in the public sector, there are no specific reports linking it to narcotics trafficking. However there are possibly improprieties done by pharmacists and/or doctors given the numerous cases of morphine abuse by their former patients.

The Independent Authority Against Corruption investigates public officials for misconduct. The Authority compels the country's top officials, including parliamentarians, Cabinet ministers and Supreme Court justices to declare their assets and income. Although they have indicted a number of officials on charges of corruption, none were narcotics related. The government does not encourage or facilitate illicit production of drugs or the laundering of the proceeds thereof. No senior government official is known to facilitate or encourage the production or distribution of illegal drugs or the laundering of the proceeds thereof.

**Agreements and Treaties.** Mongolia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Mongolia also is a party to the UN Convention Against Corruption and the UN Convention against Transnational Organized Crime, and on June 27, 2008, acceded to its three Protocols.. The United States and Mongolia have in force a customs mutual legal assistance agreement.

In December 2008, the MCGA signed a three-year technical cooperation agreement with the Dutch Tax and Customs Administration. Dutch officials have since begun assisting their Mongolian counterparts with risk management techniques and other capacity-building measures.

**Drug Flow/Transit.** The MCGA believes there are two primary drug transit routes into or through Mongolia. The first brings narcotics from China into Mongolia. The second originates in Central Asia, and passes through Mongolia with ultimate destinations as far as Japan and South Korea. The predominant contraband is cannabis and hashish, both of which are also grown locally. In addition, foreign manufactured amphetamines, heroin, and cocaine have also been seized in recent years. Although morphine stocks are government regulated and reserved for medical use, this narcotic is occasionally prescribed excessively or inappropriately, leading to patient addiction.

**Domestic Programs/Demand Reduction.** The lack of studies regarding domestic narcotics consumption hinders progress in setting metrics for demand reduction programs. In 2009 for the first time the publicly sponsored National Psychopathology and Addiction Center published a booklet entitled: "The Distribution of Addicts". It focuses on alcohol abuse and touches only briefly on narcotics. Of note, it references a 2006 NGO that surveyed 1000 secondary school students in Zamyn-Uud, Darkhan and Ulaanbaatar. Of those, 410 admitted at least one instance of narcotic use, and 80 described themselves as addicts.

There is a dire lack of drug abuse prevention programs in Mongolia. The government made little effort to inform the public regarding the dangers of narcotics and the path to recovery. Public awareness initiatives of note included counternarcotics advertisements broadcast on the occasion of National Anti-Drug Day. Besides this, government-funded NGO staff visited primary schools to inform students of the dangers of alcohol and narcotics. The primary source of increased narcotics awareness was the private media. They reported on a number of narcotics trafficking and abuse cases, some involving public figures.

Drug treatment programs are also lacking. Nationwide there are only two practicing doctors who have some specialization in narcotics abuse. Both are employed in the Ulaanbaatar-based National Psychopathology and Addiction Center. The only medical facility that specializes in addictions, the Center lacks the medical equipment to screen patients to determine what drugs are in their system. Furthermore, the treatment regimen is all but identical to that applied to alcohol abusers. The number of patients being treated at the center for narcotics abuse is generally under 10 at any given time. Only one new patient was admitted through October of 2009. This low number of new admissions is likely a product not only of the inaccessibility of appropriate treatment options to wide swaths of the population, but also the lack of public awareness campaigns and the severe social stigma regarding drug use.

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

**Bilateral Cooperation.** U.S. Government assistance has included international visitor programs on transnational crime and counternarcotics, as well as training by several U.S. law-enforcement agencies.

**The Road Ahead.** The United States will continue to cooperate closely with Mongolia to assist with implementation of counternarcotics policies, including border protection, support for the Independent Authority Against Corruption, and training and assistance for the Mongolian police.

# Montenegro

## I. Summary

Montenegro is mainly a transit country for narcotics moving from Southeast and Southwest Asia towards Western Europe. Heroin, mostly produced in Afghanistan, and cannabis (marijuana type "skunk") from neighboring Albania find their way to the Western European market via the Western Balkans. Montenegro is also a transit point for cocaine produced in Latin America and smuggled overseas to Montenegro and then on to EU countries. A small portion of the smuggled narcotics (between 10-15 per cent) remains in the country and is sold in the small, but growing, domestic market. In spite of the fact that Montenegro has made counternarcotics activities one of its main priorities, drug related crime and drug abuse, particularly among young people, is on the rise. The National Strategic Response to Narcotics and the Action Plan are implemented by the new National Drugs Office at the Ministry of Health. Montenegrin law enforcement bodies cooperate with the U.S., EU and regional partners to combat illicit narcotics smuggling and distribution. There were some significant drug seizures during 2009. Montenegro is a party to the 1988 UN Drug Convention, as a successor state of Serbia and Montenegro. GoM officials actively participated in various U.S. training programs and were receptive to strengthened cooperation with U.S agencies in Montenegro, including RLA, ICITAP, EXBS, and DEA.

## II. Status of Country

Montenegro's location along the so called "Balkan route" of drug smuggling provided an incentive to organized criminal groups to use its territory as a transshipment point for drugs destined for the EU. This is clear from growing drug seizures made in Montenegro and along its borders. Montenegro is still vulnerable to the penetration of drug traffickers, and the Government of Montenegro (GoM) has made the protection of its borders one of its priorities. U.S.-sponsored projects to promote border security have provided assistance. The police believe that most smuggled drugs come from Albania and Kosovo and are carried by both Montenegrin and foreign nationals. According to the Ministry of Interior (MOI), domestic drug traffickers remain closely connected to organized crime groups in neighboring countries and the wider region. There are also press reports indicating the involvement of Montenegrin citizens in illicit narcotic smuggling abroad. There were no reports about the production of narcotics, precursor chemicals or synthetic drugs in Montenegro. Marijuana and heroin are the most prevalent drugs on the local market, while synthetic drugs are less frequently used. After police seizures it has been noticed that 'skunk' marijuana has increasingly supplanted ordinary marijuana in the illegal drug market and in smuggling through Montenegro headed for Western Europe. Despite the GoM's counternarcotics efforts, statistics show that drug-related crimes as well as domestic drug addiction rates have increased in 2009. Authorities have noted an increase in the use of drugs among the young population and an increase of sexually- and blood-transmitted diseases (HIV/AIDS, hepatitis B and C, gonorrhea). Surveys showed that drugs were most used in the southern region, somewhat less in the northern region, and least in the central region of Montenegro.

The GoM has placed a high priority on fighting drug abuse and trafficking and has begun to take steps to address public health issues associated with drug use. Education programs in schools, outreach programs and awareness campaigns on the harmful effects of drug use were carried out. Analysis confirmed that young people were most likely to abuse drugs.

## III. Country Actions Against Drugs

**Policy Initiatives.** In 2000 and 2001, the GoM produced a five-year plan and program for combating addictive drug use in Montenegro. Subsequently, the GoM adopted a long term plan and action program to continue combating drug addiction, followed by an even more detailed, and action-oriented Drug

Abuse Prevention Program for children and adults (2003), which defined activities for combating drug addiction for the period 2003-2006.

In May 2008, the GoM issued the country's first National Strategic Response to Drugs 2008-2012, along with an Action Plan 2008-2009 to implement that strategy and carry forward plans and initiatives to meet the objectives of the 1988 UN Drug Convention. These documents replaced and supplanted previous programs. The government also created a National Office, within the Ministry of Health, to ensure effective coordination, monitoring and evaluation of the country's counternarcotics efforts.

The National Strategy has both general and specific objectives. The general objective of the strategy is to reduce both the supply of, and the demand for drugs. Demand reduction programs, achieved through prevention education, treatment, and rehabilitation, are designed to achieve a measurable reduction in drug use, drug dependence, and will have the spin-off benefits of a reduction in associated health and social risks. The central supply reduction objective is to raise the efficiency of police and customs enforcement through better intelligence. Specific objectives are: establishment of an information system to collect and process drug-related intelligence, and establishment of a clear system for European Monitoring Center for Drugs and Drug Addiction (EMCDAA) information to be used in Montenegro. Strengthening relevant legislation in line with EU recommendations, sustaining research into drug addiction and trafficking, and encouraging professional training in drug related areas are all part of the plan.

The Action Plan defines a timetable of activities and duties for each ministry or particular office for each budgetary period. It regularly emphasizes the importance of coordination of all actors involved in combating drugs, making clear the importance of information exchange. The National Drugs Office has established a system of contact persons within each entity responsible for carrying out these polices: the Ministry of Interior and Police, Justice Ministry, and other relevant ministries, local governments and the healthcare system, plus several NGOs are all involved. A Council of Experts, with the President of Montenegro as its honorary President, provides expertise and advisory support.

Articles 300 and 301 of the Montenegrin Criminal Code provide criminal penalties for production and trafficking of narcotics. Article 300 is related to unauthorized production, storage and sale of narcotics, and Article 301 relates to drug consumption penalties. The new Criminal Procedure Code provides for mandatory treatment of drug addicts, temporary or permanent seizure of assets derived from illicit drug trafficking, and the use of secret surveillance measures during the pre—trial and investigation process. The penalty for producing and selling drugs ranges from two to 15 years in prison. The penalty for producing or acquiring equipment or materials for the production of drugs ranges from six months to five years in prison. The incitement or facilitation of drug use is punishable by prison sentence from six months to 10 years.

**Law Enforcement Efforts.** The Drug Smuggling Suppression Department (DSSD) within the Police's crime division is responsible for law enforcement efforts and for exchange of information between eight counternarcotics police units located throughout Montenegro, the Customs Administration, the Ministry of Justice, Ministry of Finance and Interpol. There are 57 trained staff in Montenegro's eight counternarcotics police units. Police officials believe that current staffing levels meet their needs, but have plans to reorganize their personnel to form a centralized unit with five departments. Police and Customs cooperation has been effective. Border police use 10 tracking dogs and motor patrol boats to curb illicit drug trafficking at sea. During 2009 police officers continued to receive counternarcotics training at the Police Academy, with continuing strong support from Montenegro's international partners

Several important counternarcotics police operations were launched during the year:

- The largest operation "Golub" (Pigeon) was carried out on February 26 and resulted in the arrest of 50 people involved with seven organized criminal groups from central Montenegro. The suspects are accused of smuggling 600 kilograms of "skunk"

marijuana, weapons and ammunition from Albania to Montenegro. Police believe that their success on this case has forced drug traffickers to search for new routes through Kosovo to smuggle "skunk" ("high THC-content marijuana") from Albania.

- On April 10, the police carried out an action dubbed "BM-ZX" and arrested 8 persons for smuggling heroin and skunk.
- On September 5, police arrested ten persons from Rozaje and Berane for trafficking illicit drugs.
- Investigations mostly focused on the lower-level organizers of criminal groups, users, street dealers, and border seizures; major narcotics dealers are rarely arrested.

**Corruption.** 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. Nonetheless, corruption and the perception that corruption is tolerated are common in Montenegro, and affect both law enforcement and the judiciary. The Government made efforts aimed at reducing corruption, identifying it as a key strategic priority and has adopted many new laws and established institutions to deal with corruption. However, implementation in practice of these programs has lagged behind legislation. Public confidence in the Government's ability to combat corruption remained weak. Montenegrin police denied local press claims that they had been excluded from some joint police investigations (for example, an international police action dubbed, "Balkan Warrior", which resulted in seizure of 2.1 tons of cocaine in Uruguay.) because of concern for operational security.

**Agreements and Treaties.** As the successor state to Serbia and Montenegro, Montenegro has become a party to a number of narcotics-related international treaties, 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 a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its three protocols. The 1902 extradition treaty between the United States and the Kingdom of Serbia remains in force between the U.S. and Montenegro.

**Cultivation / Production.** There was no known cultivation or production of narcotics in Montenegro in 2009, short of a few cases of "house" cultivation of marijuana.

**Drug Flow/Transit.** Organized crime groups use Montenegro as a transit point for drug smuggling, due to the country's location and its topography-both coastal and mountainous. Police believe that certain criminal groups in the country are a part of larger international narcotics smuggling chains from the region, Western Europe, South America and Middle East. The money earned from narcotics is laundered through legal business, and by buying of real estate or expensive cars.

Marijuana ("skunk") is smuggled from producers in Albania, en route to the former SFRY republics and Central and Western Europe. Police say that this problem has been particularly prevalent in recent years during which they discovered significant expansion of the production of high THC-content marijuana ("skunk") which contains 3-4 times more THC than regular marijuana, and is several times more expensive.

Heroin from Afghanistan transits Turkey, Albania, Kosovo, Bulgaria, Macedonia and Serbia and is smuggled to Montenegro in private vehicles before being transported further into Western Europe (to Scandinavia, Germany, Belgium, Italy and the Netherlands). In recent years the police have identified major heroin smuggling routes through Montenegro from Kosovo under the control of criminal groups from in Rozaje and Berane (northern Montenegro).

Cocaine is smuggled by sea from South America and then on to other countries in the region and to EU countries (Scandinavia, Belgium, the Netherlands). The police believe that Montenegrin citizens residing

in EU countries have been involved in cocaine smuggling from Latin America to Spain, Holland and Scandinavia.

The Montenegrin police report that the usual summer influx of tourists along Montenegro's coast has led to seasonal increases in the use of synthetic drugs. Heroin prices in Montenegro ranged from 10 to 15 Euros (equivalent to $15-$23) per gram, cocaine from 60 to 80 Euros (equivalent to $90-$120) per gram, marijuana from 5 to 10 Euros (equivalent to $7.5-$15) per pack weighting 10-15 grams, and Ecstasy from 3 to 5 Euros (equivalent to $ 4.5- $7.5) per tablet.

**Domestic Programs/Demand Reduction.** Drug use began to spread more widely in Montenegro in the mid 1990s, becoming a significant public health issue in 2000. Reliable statistics on drug use in Montenegro are still lacking. According to a 2008 survey on the use of alcohol and other drugs, conducted using the EU's methodology and involving high-school-age respondents, the most frequently-used illicit drugs were marijuana and inhalants, followed by tranquilizers and sedatives. Local surveys showed the rate of lifetime use of drugs by secondary school students to be 7.8 percent in 1999/2000 compared to 6.9 percent in 2006/2007; while age of first use fell from 16 years in 1999/2000 to 14 years in 2006/7.

There are nine municipal drug prevention offices across the country that carry out various public awareness activities and conduct local polls on the use of drugs. Authorities estimate that Montenegro has between 2,000 and 3,000 addicts. The number of patients treated for addiction in inpatient and outpatient healthcare in 2007 was around 600. The number of drug-related deaths per year was low (four in 2005, four in 2006, seven in 2007 and five in 2008). There is no formal mechanism for coordinating drug addiction treatment. Available treatment consists of outpatient level in 17 health centers across the country, while inpatient includes the psychiatric clinics in Podgorica and Niksic and the psychiatric hospital in Kotor as well as some private psychiatric facilities. Rehabilitation and re-socialization programs are provided in the Public Institution for Accommodation, Rehabilitation and Re-socialization of Drug-Users in Podgorica.

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

**Bilateral Cooperation.** Montenegrin Police and Customs officers continued to receive USG-funded training in anti-organized crime operations and suppression techniques aimed at strengthening Montenegro's capacity to protect its borders and to combat drug trafficking and other related crimes. Training, technical advice, equipment and other assistance to Customs and Police units have been provided via the International Criminal Investigative Training and Assistance Program (ICITAP) funded by the State Department, and Export Control and Related Border Security Program (EXBS)-led training. The U.S. Coast Guard sent training teams to Montenegro for courses on Incident Command System implementation and professional military education. Although not specifically related to drugs, these programs are aimed at reducing the flow of all illicit goods and improving the professional capability of law enforcement officials. DEA local police cooperation is excellent.

**The Road Ahead.** Accession to the EU and NATO remains Montenegro's primary foreign policy goal, and provides a strong incentive to build up the criminal justice system to European standards. To help Montenegro reach those goals, the U.S. coordinates its assistance programs and priorities with the EU and other international donors, particularly in strengthening the rule of law, combating corruption and developing an independent judiciary. The U.S. plans to continue its bilateral assistance for promoting the rule of law in Montenegro, including suppression of narcotics trafficking.

# Morocco

## I. Summary

The Government of Morocco (GOM) has achieved a significant reduction in its cannabis and cannabis resin production in recent years. Advances in Morocco's counternarcotics efforts are a result of the GOM's comprehensive counternarcotics strategy, which emphasizes combining conventional law enforcement, crop eradication, and demand reduction efforts with economic development to erode the "cannabis growing culture" that exists in northern Morocco. The vast majority of cannabis produced in Morocco is consumed in Europe and has little, if any, impact on the U.S. market for illegal drugs. Morocco is a party to the 1988 UN Drug Convention.

## II. Status of Country

Morocco is one of the world's largest cannabis resin (hashish) producers, but its importance as a main source country for cannabis resin is declining. The 2009 United Nations Office on Drugs and Crime (UNODC) World Drug Report states that although Morocco remains one of the world's largest producers of cannabis, fewer countries around the world are citing Morocco as the "source" country or "origin" of the cannabis resin found in their markets. The percentage of countries citing Morocco as the origin of hashish found in their markets has dropped from 31 percent in 2003 to 21 percent in 2009. The GOM points to this statistic as an indication of success in its counternarcotics efforts. Increased cannabis resin production in Afghanistan might also have pushed Moroccan hashish from some illicit markets.

Cannabis remains primarily an illicit export crop for Moroccan growers, with the vast majority of the product typically processed into cannabis resin or oil and exported predominately to Europe. Only very small amounts of cannabis and other narcotics being produced in or transiting through Morocco reach the United States. Cannabis cultivation has historically centered in the northern tip of the country, between the Rif Mountains and the Mediterranean Sea, and at one time large segments of the population of that area participated in that cultivation. The GOM has had some success reducing the area dedicated to cannabis cultivation and in encouraging the cultivation of alternative crops. Fewer than 100,000 Moroccans are currently involved in cannabis cultivation, according to the GOM.

The center of cannabis production in Morocco appears to have shifted from Chefchaouen to al-Hoceima due to GOM eradication efforts. Most current cannabis cultivation occurs in al-Hoceima, with the adjoining province of Chefchaouen largely making up the rest of production. The provinces of Larache, Taounate, and Tetouan, which were formerly major production centers, have become less important areas for cannabis cultivation as a direct result of GOM eradication efforts.

Morocco is also combating the growth in trafficking and consumption of harder drugs, particularly cocaine. According to the GOM, South American drug smugglers continue to transport cocaine through Morocco and onward to Europe.

Heroin and synthetic drugs (methamphetamine, Ecstasy, etc.) are also making inroads into the country, but to a lesser extent than cocaine. Morocco has only a relatively modest licit requirement for dual-use meth or Ecstasy precursor chemicals (1025 kilograms of pseudoephedrine), and the country neither serves as a known source nor transit point for diverted meth precursors.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Morocco's national strategy to combat drugs rests on the three pillars of: (1) interdiction, (2) eradication, and (3) demand reduction. Morocco's strongest actions have been in the areas of interdiction and eradication. GOM officials seek to build upon their already strong existing

relationships with international organizations such as the UNODC, the U.S. Drug Enforcement Administration (DEA), the International Narcotics Control Board (INCB), and INTERPOL. This cooperation has been strong on the law enforcement side but less robust in terms of demand reduction efforts, as GOM officials still consider demand to be mainly a European problem.

Morocco's national drug strategy is augmented by an emphasis on a broader economic development approach and crop substitution. Moroccan officials have reported the successful substitution of olives, figs and carob (Ed. Used as a sweetener, as a substitute for chocolate, and in drinks in Mediterranean countries) for cannabis since the launch of their 2004 drug-eradication campaign. Saffron may offer another crop substitution possibility.

Moroccan authorities reported that they hope to complete another detailed drug study in cooperation with UNODC as well as update their national drug strategy in 2010. The Moroccan Ministry of Interior (MOI) has as its goal to reduce cannabis cultivation to 12,000 ha from the current level of about 50,000 ha by 2012. If this goal is accomplished, it would mean that Morocco would have reduced cannabis cultivation by 91 percent since it first started serious eradication efforts in 2003, according to the GOM.

**Law Enforcement Efforts.** The following table is a summary of Morocco's drug seizure efforts since 2004. The decrease in cannabis and hashish seizures between 2007 and 2008 may partly be the result of successful GOM eradication efforts and droughts reducing the supply of cannabis and hashish on the local market.

The GOM has deployed 11,000 enforcement personnel throughout the northern and south western coastal areas to interdict drug shipments, maintain counternarcotics checkpoints, and staff observation posts along the coast. The Moroccan Navy carries out routine sea patrols to suppress sea-borne narcotics trafficking. GOM forces are now using helicopters, planes, speed boats, mobile x-ray scanners, ultrasound equipment, and satellites in their drug fight. The mobile x-ray scanner has proven to be particularly effective. In April, customs and police officials seized and destroyed a record 34 metric tons of cannabis at the port in Casablanca. In June, the GOM seized 20 metric tons of cannabis resin during an inspection at the port of Nador, the largest load ever seized there.

According to the GOM, Moroccan law enforcement arrested 27,226 individuals in connection with drug related offenses in 2009, of whom 471 were foreigners arrested for international drug trafficking. Arrests of traffickers at the seaports and of arriving cocaine "mules" from Sub-Saharan Africa at the Casablanca airport are frequently in the news. Detection training and the use of ultrasound equipment were critical to the success of these seizures. As authorities become more vigilant, GOM officials opine that cocaine smugglers are likely to seek access to Europe through much harder to detect land routes and other methods.

Moroccan law provides a maximum allowable prison sentence for drug offenses of 30 years, as well as fines for illegal drug violations ranging from $20,000-$80,000. Ten to 15 years' imprisonment remains the typical sentence for major drug traffickers convicted in Morocco.

Corruption. 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. These actions are illegal and the government tries to enforce these laws to the best of its ability. Despite GOM actions to combat the illicit drug trafficking industry, narcotics-related corruption among governmental, judicial, military and law enforcement officials appears to continue. In January, authorities dismantled a large international drug trafficking ring involving some Moroccan government officials. The 112 defendants, including 35 civilians, 30 members of the Royal Navy, 19 members of the Royal Gendarmerie, 27 members of the Auxilliary Forces, and one member of the Royal Army Forces, have been charged with alleged involvement in forming a criminal gang, international drug trafficking, and corruption.

In July, Spanish authorities extradited notorious drug baron Mohamed Taieb Ahmed (AKA "El Nene") to Morocco following his escape from a prison in Kenitra with the assistance of local prison guards. In August, Moroccan courts sentenced El Nene to an additional five year prison term on charges of corruption and escaping prison.

In late 2008, the government formed the Central Commission for the Prevention of Corruption (ICPC). In July 2009, the ICPC released its first report, stating that it had received 21 valid corruption complaints. At year's end, investigations were ongoing. Officials attributed the low number of complaints, in part, to the lack of legislation protecting whistle blowers in corruption cases. The Commission is working with the MOJ to develop procedures for processing corruption complaints. In addition to the commission, the MOJ and the Government Accountability Court (Cour de Comptes) also had jurisdiction over corruption issues.

**Agreements and Treaties.** Morocco 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. Morocco is also a party to the UN Convention against Transnational Organized Crime, but has not signed any of its protocols. Morocco and the United States cooperate in law enforcement matters under a Mutual Legal Assistance Treaty (MLAT). Morocco is a party to the UN Convention against Corruption. Morocco has several cooperative agreements to fight against drugs with European countries such as Spain, France, Portugal, and Italy, and it seeks to work closely with other Arab and African countries.

**Cultivation/Production/Eradication.** Morocco succeeded in decreasing the land dedicated to cannabis cultivation by 62 percent from 134,000 ha in 2003 to 52,000 ha in 2009, due in part to an aggressive eradication campaign, carried out mainly by Gendarmes and local authorities, police and customs officials, according to the GOM. Cannabis resin production dropped 75 percent from 3,070 metric tons to 760 metric tons between 2003 and 2009. Morocco used the following methods to eradicate illicit crops: (1) defoliants sprayed via airplane, (2) mechanical and manual destruction of crops and (3) burning.

GOM officials report that during the 2009 eradication campaign, they were able to eradicate a total of 8,338 ha of cannabis in the Northern provinces. This includes 2,032 ha in Taounate, 6,066 ha in Chefchaouen, 5 ha in Tetouan, 3 ha in al Hoceima and 232 ha in Larache.

Since 2004, Morocco has conducted an awareness campaign for cannabis growers, alerting them to the environmental dangers of cannabis mono-culture, including soil exhaustion, excessive fertilizer concentrations, and deforestation, and informing them of alternatives to use the land more productively. The GOM selected the northern province of Taounate in 2006 as the site for the construction of the National Institute of Medicinal and Aromatic Plants to study the viability of various crop substitutes. Saffron cultivation and rose petal extraction for scents are two examples of possible future economically viable substitutes for cannabis cultivation in the region. Olives, figs and carob have also been successfully substituted for cannabis. GOM officials report that since the 2003 awareness campaign started, there has been a 62 percent decrease in cannabis production in the northern areas of the country.

**Drug Flow/Transit.** Given its proximity to Morocco, Spain is a key transfer point for Europe-bound Moroccan cannabis resin. From Spain, it can normally be transshipped to most other Western European destinations. France, Belgium, the Netherlands and Italy are also major European destinations for cannabis trafficked from Morocco. Notwithstanding the changes reported above in cultivation and production, there is no indication of a significant diminution of cannabis products reaching these major European markets, according to the 2009 UNODC World Drug Report.

Most large shipments of illicit cannabis bound for Spain travel via speedboats, which can make the roundtrip to Spain in one hour or less, although fishing boats, yachts, and other vessels are also used. Smugglers also continue to transport cannabis via truck and car through the Spanish enclaves of Ceuta and Melilla, known to have lower inspection standards than the rest of the European Union, and the Moroccan port of Tangier, crossing the Strait of Gibraltar by ferry. According to the GOM, heroin enters

Morocco from the Spanish enclaves of Ceuta and Melilla and is therefore generally limited to the provinces of Tangier and Tetouan. At the end of 2008, Morocco and Spain formed a joint commission to fight drug trafficking and illegal migration. Spain's deployment of a network of fixed and modular radar, infrared, and video sensors around the Strait of Gibraltar, starting in 1999 and known as the Integrated System of External Vigilance (SIVE), has forced Moroccan smugglers to take longer and more vulnerable routes.

Although the main African transit points for South American cocaine remain Sub-Saharan, Morocco has also been used as a transit country. According to the GOM, most of the seizures of cocaine have taken place in airports. The reduction in seizures of cocaine since 2007 may indicate the success of the GOM's drug eradication strategy, including increased use of x-ray scanners in airports.

The number of trans-national drug trafficking networks in Morocco is declining, according to the GOM. However, networks with French, Spanish, Dutch and Belgian ties remain in operation. In September, authorities announced the dismantling of two drug trafficking networks. One consisted of 11 individuals specializing in robberies, assault and drug trafficking. The second ring consisted of an unreported number of individuals involved in distributing cocaine in Morocco.

**Domestic Programs/Demand Reduction.** The GOM is concerned about anecdotal evidence suggesting an increase in domestic cocaine and heroin use, but does not currently have an effective system in place to measure and evaluate the situation. In 2009, the GOM established a drug treatment facility in Casablanca to provide specialized treatments to patients suffering from addiction. Morocco has also established a program to train the staffs of psychiatric hospitals in the treatment of drug addiction. In order to discourage drug abuse among school children, the Ministry of Health launched a counternarcotics awareness campaign targeting school children and created drug-free school zones, patrolled by police and the Auxiliary Forces. In partnership with UNODC, the Ministry of Health is exploring the relationship between drug use and HIV/AIDS infection in Morocco. Moroccan civil society and some schools are active in promoting counternarcotics campaigns.

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

**Bilateral Cooperation.** The USG is working to enhance Morocco's counternarcotics capability through training in law enforcement techniques, and to promote the GOM's adherence to its obligations under relevant bilateral and international narcotics control agreements. U.S.-supported efforts to strengthen anti-money laundering laws and efforts against terrorist financing may also contribute to the GOM's ability to track the flow of money from the cannabis trade as an enforcement technique.

The U.S. Drug Enforcement Administration (DEA), which covers Morocco from its Paris office, continued its bilateral exchange of information with the Moroccans in support of several ongoing drug investigations in 2009.

During FY 2009, DHS/CBP provided training to Moroccan police, gendarmes, customs and Ministry of Justice officials in the areas of: (1) border interdiction training (2) cargo control (3) fraudulent document detection and (4) anticorruption. DHS/CBP will be engaging Moroccan authorities in these same aforementioned areas in FY 2010. Coast Guard Cutter LEGARE conducted coordinated maritime law enforcement operations with the Moroccan Navy in July 2009, conducting professional exchanges and sharing best practices.

**The Road Ahead.** The endemic nature of the cannabis culture in Morocco will continue to be gradually ameliorated through incremental application of Morocco's comprehensive counternarcotics strategy. The U.S. will continue to monitor the illegal drug situation in Morocco, cooperate with the GOM in its counternarcotics efforts, and, provide law enforcement training, intelligence and other support.

# Mozambique

## I. Summary

Mozambique is a transit country for illegal drugs such as hashish, herbal cannabis, cocaine, and heroin consumed primarily in Europe, and for mandrax (methaqualone) consumed primarily in South Africa. Illicit drug shipments passing through Mozambique may also find their way to the North America. Drug production mostly is limited to herbal cannabis cultivation and a small but growing number of mandrax laboratories. Evidence suggests considerable use of herbal cannabis and limited consumption of "club drugs" (Ecstasy/MDMA), prescription medicines, and heroin primarily by the country's urban population. Porous borders, a poorly policed seacoast, inadequately trained and equipped law enforcement agencies, and corruption in the police and judiciary hamper Mozambique's enforcement and interdiction efforts. The United States, the UN Office on Drugs and Crime (UNODC), and other donors have established only a limited number of cooperation programs to improve training of drug control officials and provide better interdiction and laboratory equipment. Mozambique is a party to the 1988 UN Drug Convention.

## II. Status of Country

Mozambique is not a significant producer of illegal drugs and not a producer of precursor chemicals. Herbal cannabis remains the most produced and most consumed drug in the country. Mozambique's role as a transit country for illicit drugs and precursors continues to grow because of its weak and sometimes corrupt law enforcement capacity at borders, major seaports, and airports. It is a favored point of disembarkation in Africa for transiting to South Africa (the major regional market for illicit drugs) and shipment onward to Europe. Southwest Asian traffickers ship cannabis resin (hashish) and synthetic drugs through Mozambique to South Africa and on to Europe. Limited quantities of these shipments may also reach the United States and Canada. Heroin and other opiate derivatives shipped through Mozambique usually originate in Southeast Asia and typically transit India, Pakistan, the United Arab Emirates, and later Tanzania, before arriving by small ship or, occasionally, overland to Mozambique. In 2009, there continued to be reports of cocaine entering the country via couriers on international flights from Brazil.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Mozambique's accomplishments in meeting its goals under the 1988 UN Drug Convention remain limited. Mozambique's resource-poor government, with many claimants for its limited funds, provides few resources for the counternarcotics effort. The government provides some drug education programs in local schools in cooperation with bilateral and multilateral donors.

**Law Enforcement Efforts.** Mozambique's counternarcotics brigade operates in Maputo and reports to the Chief of the Criminal Investigation Police in the Ministry of Interior. The brigade suffers from a general lack of resources and is operating at reduced levels compared with previous years. The brigade has not received training for several years. A small specialized police unit designed to strengthen efforts to fight organized crime, including narcotics trafficking, has operated at airports in provincial capitals since 2005. For the first half of 2009 cannabis seizures were 505 kilograms, down sharply from the 2008 total of 2,603 kilograms. Total cannabis seizures in 2007 were reported at 4,638 kilograms. Mozambique officials say the decrease is due to alterations in trafficking patterns and not to an actual decrease in narcotics transiting the country. Cocaine seizures for the first half of 2009 were 1.3 kilograms, and total seizures in 2008 were 5.5 kilograms. The counternarcotics police reported seizing 4,454 kilograms of hashish in 2009, after reporting no seizures in 2007 and 2008. No heroin was reported seized in the first half of 2009. It is widely assumed that illegal drugs enter the country by sea; the government relies on sporadic port inspections and under-trained border guards to police its long sea coast.

In 2008, 538 Mozambican citizens and 10 foreign nationals were indicted for drug use or trafficking stemming from 480 investigations. Of the 548 total arrests in 2008 only 71 were found guilty and of the 71, only 26 were guilty of drug trafficking.

**Corruption.** Despite strong anticorruption rhetoric from the government, corruption is perceived as rampant in Mozambique. High-level government officials are suspected to be involved in narcotics-trafficking. As one government official put it, "Some fish are too big to catch." Inadequately trained and equipped law enforcement agencies and corruption in the police and judiciary hamper Mozambique's interdiction efforts and makes it easier for traffickers to use Mozambique as a transit point for illegal narcotics. The government does not as a matter of policy encourage or facilitate the illicit production or distribution of narcotics, psychotropic drugs, other controlled substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Mozambique is a party to the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, the 1988 UN Drug Convention, and the UN Convention against Transnational Organized Crime and its three protocols. On April 9, 2008, Mozambique ratified the UN Convention Against Corruption.

**Cultivation/Production.** Cannabis is cultivated primarily in Maputo City, Tete, Manica, Cabo Delgado, Zambézia and Sofala. Intercropping is the most common method of concealment. The Mozambican government has no reliable estimates of crop size. Authorities have made efforts since 2007 to eradicate cannabis crops through controlled burns.

**Drug Flow/Transit.** Assessments of the volume of drugs transiting Mozambique are based upon limited seizure data and the observations of Mozambique officials and UNODC officials; there is no system for collecting reliable information on this illicit activity. Mozambique increasingly serves as a transit country for hashish, cannabis resin, heroin, and mandrax originating in Southwest Asia, owing to its porous borders, long and sparsely patrolled coastline, lack of resources for interdiction efforts, and improving transportation links with neighboring countries. Drugs destined for the South African and European markets arrive in Mozambique by small ship, mostly in the coastal provinces of Cabo Delgado, Nampula, Sofala, and Inhambane, before being repackaged and sent by land to neighboring countries.

**Domestic Program/Demand Reduction.** The primary substances of abuse are alcohol, nicotine, and herbal cannabis. The Mozambican Office for Prevention and the Fight Against Drugs (GCPCD) maintains an office in each provincial capital and coordinates a drug prevention and education program for use in schools and with high risk families; the program includes plays and lectures in schools, churches, and other places where youths gather. The GCPCD has also provided the material to a number of local NGOs for use in their drug education programs. GCPCD reported a near doubling of citizens involved in drug education programs in 2008, to 27,636. With limited abuse and treatment options and no treatment programs specifically for drug abusers, those seeking assistance are often referred to psychiatric hospitals. The number of drug abusers reported in 2008 was 669, a slight increase from the 624 drug abusers reported in 2007.

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

**U.S. Policy Initiatives.** The United States plans to increase its dialogue with Mozambican officials regarding counternarcotics issues, with the goal of increasing the government's attention to the issue, to include matters of corruption at the local and senior levels as well as in an effort to improve border awareness, interdictions, and prosecutions of narcotics-traffickers. The U.S. Government will continue to pursue this dialogue at higher levels of the Mozambican government over the coming year, with the goal that engagement with the Mozambicans on counternarcotics will prevent Mozambique from becoming an even more attractive transit location for hashish, cocaine, and heroin.

**Bilateral Cooperation.** The United States continues to sponsor Mozambican law enforcement officials and prosecutors to attend regional training programs at the International Law Enforcement Academy (ILEA) for Africa in Botswana. Law enforcement officials have also received training at ILEA in New Mexico. The United States has supported the police sciences academy near Maputo, through training and technical assistance in the areas of drug identification and investigation, as well as other areas of criminal sciences including fingerprint identification, forensic photography, and the identification of fraudulent documents. Additionally, in 2007-2008, the USG provided training to 300 guards and senior officers of the Mozambican Border Guards in techniques of securing borders and managing border crossing (document checking, inspections). Inspection materials, vehicles and alternate transportation options, equipment for distant posts, and computer equipment were supplied to border guards to assist them in implementing the techniques taught in the training courses.

**The Road Ahead.** The U.S. military has continued to provide assistance to the Mozambican navy relating to the security of its sea border. DOD has provided shallow draft vessels for limited coastal security work in conjunction with USCG training on ship/vessel boarding and search and seizure techniques, as well as officer development courses.. DOD will train the Mozambican Navy on search and seizure techniques using those vessels. Additionally, DOD will work with the Mozambican Navy to install a sensor network that provides comprehensive, real time information of the sea coast, a technology that should provide the Mozambican Navy with border awareness that previously was lacking. Finally, INL will conduct an assessment in Mozambique in early February. This assessment will address counternarcotics issues across the entire criminal justice system. The findings of this assessment will help guide INL programming efforts in the future.

# Namibia

## I. Summary

While occasionally used as a drug transit point, Namibia is not a major drug producer or exporter. Statistics for 2009 showed a marked decrease in illegal drug seizures compared to previous years, with approximately $300,000 worth of drugs (589 kilograms of marijuana, plus extremely small quantities of Mandrax (methaqualone), cocaine, and Ecstasy) seized between April 2008 and March 2009. Drug abuse remains an issue of concern, especially among economically disadvantaged groups. Narcotics enforcement is the responsibility of the Namibian Police's Drug Law Enforcement Unit (DLEU), which still lacks the manpower, resources and equipment required to fully address the domestic drug trade and transshipment issues. Namibia became a party to the 1988 UN Drug Convention in March 2009.

## II. Status of Country

Namibia is not a significant producer of drugs or precursor chemicals. No drug production facilities were discovered in Namibia in 2009.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The 1988 UN Drug Convention requirements are largely reflected in Namibian law, which criminalizes cultivation, production, distribution, sale, transport and financing of illicit narcotics. The Combating of the Abuse of Drugs Bill was tabled in Parliament in 2006. However, due to non compliance with certain provisions of the 1988 UN Drug Convention, the Bill was withdrawn from Parliament and is currently under review with the Namibian Legal Drafting Directorate in the Ministry of Justice. If passed, it would ban the consumption, trafficking, sale and possession of dangerous, undesirable and dependence-inducing substances, and bring Namibia fully into compliance with the requirements of the 1988 UN Drug Convention. The Namibian Anti-Terrorism Activities Bill and Drugs Control Bill are still under consideration. Once fully implemented and harmonized, the new legislation will allow for asset forfeiture and other narcotics-related prosecution tools. Namibia's Parliament passed the Prevention of Organized Crime Act (POCA), designed to combat organized crime and money laundering, in 2004, and it entered into force in May 2009. In July 2007, Parliament passed the Financial Intelligence Act (FIA) and the law entered into force in May 2009. Namibia has requested United Nations Office on Drugs and Crime (UNODC) assistance in reviewing its 2003-2008 National Drug Master Plan.

**Law Enforcement Efforts.** Namibia fully participates in regional law enforcement cooperation efforts against narcotics trafficking, especially through the Southern African Development Community (SADC) and the Southern African Regional Police Chiefs' Cooperative Organization (SARPCCO). The Minister of Safety and Security and working level officials meet regularly with counterparts from neighboring countries to discuss efforts to combat cross border contraband shipments (including narcotics trafficking).

The Namibian Police's Drug Law Enforcement Unit (DLEU) continues to lack the manpower, resources and equipment required to fully address the domestic drug trade and transshipment issues. For example, the DLEU only has drug detection dogs in Windhoek to carry out its enforcement activities, while other transit points lack coverage.

The Nineteenth Meeting of Heads of National Drug Law Enforcement Agencies of Africa (HONLEA), organized by the United Nations Office on Drugs and Crime (UNODC), was hosted by the Government of Namibia in Windhoek, Namibia, October 12 through 16, 2009.

**Corruption.** As a matter of government policy, the Government of Namibia 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.** In March 2009 Namibia became a party to the 1988 UN Drug Convention. In addition, Namibia is a party to the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Namibia 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 United States and Namibia do not have a bilateral extradition or mutual legal assistance treaty. In 2006, however, Namibia designated the United States as a country to which Namibia could extradite persons, and there is a pending extradition case. Because of severe delay tactics, the case has not been heard in more than three years. In addition, general, there has been excellent cooperation regarding legal assistance between both countries.

**Drug Flow/Transit.** Namibia's excellent port facilities and road network, combined with weak border enforcement, make it a likely transshipment point for drugs en route to the larger and more lucrative South African market. Drug Law Enforcement Unit (DLEU) personnel believe much of the transshipment takes place via shipping containers either offloaded at the port of Walvis Bay or entering overland from Angola and transported via truck to Botswana, Zambia and South Africa. Inadequate staffing and training, inadequate screening equipment, and varying levels of motivation among working-level customs and immigration officers at Namibia's land border posts all prevent adequate container inspection and interception of contraband. However, during 2009 the Namibian Customs Directorate in the Ministry of Finance procured scanning equipment, which will be commissioned at major ports and land borders to enhance the capacity of border interdiction for illegal drugs and other contraband. Inconsistently applied immigration controls also make Namibia an attractive transit point for Africans en route to or from Latin America for illicit purposes. The current maritime security posture does not allow the Namibian police, naval, and port authorities to monitor maritime activities outside the 5 km outer anchorage area of Namibia's major ports in Walvis Bay and Luderitz. It has been reported that drug traffickers have been able to exploit this weakness by using small crafts to meet larger vessels outside these controlled areas. The Namibian Navy assists the police and customs officials with better patrolling of Namibia's Exclusive Economic Zones (EEZs). Six additional patrol ships have been procured from Brazil. Only one ship "Brendan Simbwaye" has been received and is currently in use. It is uncertain when the other five ships will be delivered to the Namibian Navy.

**Domestic Programs/Demand Reduction.** Drug treatment programs are available from private clinics, and to a lesser extent from public facilities. The vast majority of treatment cases in Namibia are for alcohol abuse, with the remainder divided evenly between cannabis and Mandrax (methaqualone). There is also increasing evidence of cocaine use in Namibia.

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

**Policy Initiatives.** The USG continues to support Namibian participation in law enforcement training programs at the International Law Enforcement Academy (ILEA) in Gaborone, Botswana. Many of these training programs include counternarcotics modules. Representatives of several Namibian law enforcement agencies (Customs and Border Protection, Immigration and Customs Enforcement, Prison Service, the Namibian Police, and the Anti-Corruption Commission) and prosecutors have participated in ILEA training. The police have repeatedly stated their willingness to cooperate with the USG on any future narcotics-related investigations.

**The Road Ahead.** The USG will continue to coordinate with relevant law enforcement bodies to allow them to take advantage of training opportunities at ILEA Botswana and elsewhere, and will assist the Government of Namibia in any narcotics investigation with a U.S. nexus.

# Nepal

## I. Summary

Although Nepal is neither a significant producer of, nor a major transit route for, narcotic drugs, some hashish, heroin and domestically produced cannabis and opium are trafficked to and through Nepal every year. Nepal's Narcotics Drug Control Law Enforcement Unit (NDCLEU) reports that more Nepalese citizens are investing in, and taking a larger role in managing trafficking operations. Customs and border controls in Nepal remain weak, but international cooperation has resulted in increased narcotics-related indictments in Nepal and abroad. Nepalese officials claim law enforcement efforts have improved in 2009 over previous years, but limited resources hinder the development of a robust counternarcotics program. Narcotics-related legislation has been pending for several years. Nepal is a party to the 1988 UN Drug Convention.

## II. Status of Country

Police confirm the production of cannabis is on the rise in the southern areas of Nepal, most destined for the Indian market. Abuse of locally grown and wild cannabis and locally produced hashish, which are marketed in freelance operations, remains widespread. Heroin from Southwest and Southeast Asia is smuggled into Nepal across the porous border with India and through Kathmandu's international airport. Legal, medicinal drugs continue to be abused. Nepal is not a producer of chemical precursors but serves as a transit route for precursor traffic between India and China.

Monitoring and interdiction efforts have improved since the official end in 2006 of the Maoist insurgency, which had obstructed rule-of-law and counter narcotic efforts in many parts of the country. The GON has committed to enhance overall law enforcement; however, the GON has given little attention to narcotics-specific initiatives.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Nepal's basic drug law is the Narcotic Drugs Control Act, 2033 (1976). Under this law, the cultivation, production, preparation, manufacture, export, import, purchase, possession, sale, and consumption of most commonly abused drugs is illegal. The Narcotics Control Act, amended last in 1993, conforms in part to the 1961 UN Single Convention on Narcotic Drugs and its 1972 Protocol by addressing narcotics production, manufacture, sales, import, and export. The government plans to amend the Act to incorporate provisions for psychotropic substances, demand reduction, treatment and rehabilitation.

In 2006, the Home Ministry updated its Narcotics Control National Policy. Noting the growing incidence of HIV infection among narcotics-using sex workers, abuse of narcotics and psychotropic medicines among youth, and illicit trafficking by organized crime groups, the revised policy attempts to address these concerns in a more "transparent and enforceable" manner. It consists of five strategies to control drug production, abuse and trafficking: (1) supply control, (2) demand reduction (treatment and rehabilitation and drug abuse prevention), (3) risk reduction, (4) research and development, and (5) collaboration and resource mobilization.

To ensure institutional support, the 2006 policy called for the creation of a Narcotics Control Bureau in the Ministry of Home Affairs that would include the NDCLEU and a special Nepal Police Task Force trained in counternarcotics. As of October 2009, the GON has not decided when or how to implement this planned new Bureau. In addition, the National Policy had called for restructuring a high-level Narcotics Control National Guidance and Coordination Committee, chaired by the Home Minister, and a Narcotics Control Executive Committee, chaired by the Home Secretary. These entities in theory oversee all

narcotics control programs, law enforcement activities, and legal reforms, but appear to exist more on paper than in fact.

Nepal enacted legislation on asset seizures in January 2008 and continues to implement a National Drug Abuse Control Plan (NDACP), but other proposed efforts still await legislative approval. Legislative action on mutual legal assistance and witness protection, developed as part of the NDACP, has stalled for yet another year. The government has not submitted scheduled amendments to its Customs Act to control precursor chemicals. All are pending review by the Ministry of Law and Justice. Legislation on criminal conspiracy has not yet been drafted. Police report the government plans to launch an unspecified program to improve narcotics control, but continued lack of resources and funding might render it ineffective. Narcotics officials claim Nepal's current political instability is not the primary hindrance to policy objectives; general lack of political will is.

In response to reports from the NDCLEU of increased trafficking and criminal behavior among tourists, the government has restricted the travel of several countries' nationals to Nepal. Citizens of Nigeria, Swaziland, Ghana, Zimbabwe, Iraq, Afghanistan, and residents of the Palestinian territories are unable to obtain visas on arrival. The Home Ministry and the NDCLEU reported that Nigerians in particular have traveled on false passports to Nepal, via South Africa and India, to widen their organized crime network.

**Law Enforcement Efforts.** Limited human resources and inadequate technological equipment constrain the effectiveness of the NDCLEU's intelligence and law enforcement operations. The NDCLEU and Nepal's customs and immigration services are improving coordination and cooperation. Narcotics officials admit the destruction of areas of illicit drugs cultivation is not as effective as it could be; statistical data indicate a sizeable drop in area destroyed over each year in 2009, 2008 and 2007. As of October 2009, 62 hectares of cannabis cultivation were destroyed, compared to 105 hectares in 2008, 211 hectares in 2007, and 328 hectares in 2006. In contrast, the area of opium destruction has increased. The NDCLEU reports that as of October 2009, 35 hectares of opium were destroyed, compared to 21 hectares in 2008. Data on opium cultivation destroyed were unavailable for 2007; in 2006, 0.5 hectare (19 plants) of opium was destroyed.

As of September 2009, the police had exceeded the number of arrests and drug seizures they made in all of 2008. From January-September 2009, police arrested 675 individuals (626 Nepalese citizens and 49 foreigners) on the basis of drug trafficking charges. Most of the individuals who were non-Nepalese were Indian nationals; the remainder was from Pakistan, Poland, Nigeria, Tanzania, Mozambique and Iran. No American citizens were arrested in Nepal for drug trafficking in 2009. In all of 2008, police arrested 634 individuals (562 Nepalese citizens and 72 foreigners). Local police made approximately 86 percent of the arrests in 2009, while the NDCLEU accounted for the remaining 14 percent. In the same time period, the NDCLEU and local units reportedly seized almost 16 metric tons of cannabis, a noticeable increase over the 9.6 metric tons seized in 2008 and twice the amount (8 metric tons) seized in 2007. The NDCLEU reports conflicting data for heroin seizures, between 14 kilograms and 28.8 kilograms for January-September 2009. Most of the seizures were of "brown sugar"—low quality heroin smuggled from India. Police made relatively few seizures of more expensive white heroin from Afghanistan although noted an increase in 2009 in white heroin transiting Nepal to foreign markets. Most seizures of heroin and hashish occurred along the Nepal-India border, within Kathmandu, or at Kathmandu's Tribhuvan International Airport (TIA) as passengers departed Nepal. The NDCLEU reported the seizure of 255 kilograms of opium through September 2009, more than twice the 105 kilograms documented in 2008. There were no opium seizures in 2007.

**Corruption.** Nepal has no laws specifically targeting narcotics-related corruption by government officials, although provisions in both the Narcotics Control Drug Act of 1976 and Nepal's anticorruption legislation can be employed to prosecute any narcotics-related corruption. As a matter of government policy, Nepal neither encourages nor facilitates illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, nor the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Nepal 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. Nepal has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. Nepal does not have any extradition or mutual legal assistance treaties with the United States.

**Cultivation/Production.** Nepalese drug enforcement officials noted an increase in cannabis and illicit opium production in 2009 attributable to the failure of other crops because of poor weather and environmental conditions. Cannabis is an indigenous plant in Nepal, and cultivation of certain selected varieties is rising, particularly in the lowland region of the Terai. Small-scale cultivation of opium poppy that exists in Nepal is difficult to detect because it is intercropped among licit crops. All heroin seized in Nepal originated elsewhere.

Nepal does not produce precursor chemicals. Importers of dual-use precursor chemicals must obtain a license and submit bimonthly reports on usage to the Home Ministry. According to the Home Ministry, there have been no seizures of precursor chemicals in the past decade. There have been no reports of the illicit use of licensed, imported, dual-use precursor chemicals. Nepal is used as a transit route to move precursor chemicals between India and China. After the ratification of the SAARC Convention on Narcotics Drugs and Psychotropic Substances, which holds countries liable for policing precursor chemicals, the Home Ministry asserted control over precursor chemicals. The NDCLEU worked with the Home Ministry to develop a voluntary code of conduct for importers, cargo shippers, couriers, manufacturers, and the pharmaceutical industry. Official implementation of the code is pending as of November 2009. Additionally, a proposed amendment to the Narcotics Drugs Control Act regarding the control and regulation of precursor chemicals remains under review.

**Drug Flow/Transit.** According to NDCLEU, evidence from narcotics seizures suggests that narcotics transit Nepal from India, Pakistan, and Afghanistan to other countries in the region and to China, Iran, Europe, the U.S. and Canada. In 2008, police for the first time seized 50 kilograms of phenobarbitone in transit to Pakistan and 800 grams of methamphetamine in transit to Iran. Media reports have claimed that most narcotics are bound for India, and law enforcement sources indicated that most seizures do occur at the India/Nepal border. Narcotics officials claim law enforcement efforts are improving. Nevertheless, customs and border controls are weak along Nepal's land borders with India and China, with the Indian border essentially open. Security measures to interdict narcotics and contraband at TIA and at Nepal's regional airports with direct flights to India are also inadequate. The Nepalese government, along with other governments, is working to increase the level of security at the international airport. The NDCLEU has noted an increase in arrests of Nepalese couriers in other countries in recent years as an indication that Nepalis were becoming more involved in the drug trade both as couriers and as traffickers. This also suggests that Nepal may be increasingly used as a transit point for destinations in South and East Asia, as well as in Europe. The NDCLEU has also identified the United States as a final destination for some drugs transiting Nepal, typically routed through Thailand, China and Indonesia.

**Domestic Programs/Demand Reduction.** The Nepalese government continues to implement its national drug demand reduction strategy with assistance from the United States, UNODC, donor agencies, and NGOs. Budgetary constraints and limited political interest have limited significant progress beyond donor and NGO-funded education and awareness programs. The NDCLEU in 2009 conducted three training programs for field-level officers from a number of GON law enforcement agencies and ministries. The NDCLEU also began awareness sessions for postal and courier services.

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

**Policy Initiatives.** U.S. policy is to strengthen Nepal's law enforcement capacity to combat narcotics trafficking and related crimes, to maintain positive bilateral cooperation, and to encourage Nepal to enact and implement appropriate laws and regulations to meet all objectives of the 1988 UN Drug Convention.

**Bilateral Cooperation.** The United States is committed to working with Nepalese government agencies to provide expertise and training in law enforcement. Nepal exchanges drug trafficking information with regional neighbors and occasionally with destination countries in Europe in connection with international narcotics investigations and proceedings.

**The Road Ahead.** The United States will continue information exchanges, training, and enforcement cooperation. The United States will provide support to various parts of the legal establishment to combat corruption and improve rule of law, as well as support improvements in the Nepalese border and customs services. The United States also will encourage the Nepalese government to enact stalled drug legislation.

# The 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 a sizeable amount of production appears to have shifted to other countries. Although the 2008 National Crime Squad (NR) report has not been finalized to date, a spokesman for the Expertise Center for Synthetic Drugs and Precursors (ESDP) informed U.S. Embassy The Hague that no reports of Ecstasy tablet seizures in the U.S. linked to the Netherlands were received in 2008, though it is always possible that this may be due to incomplete data.

In September 2009, the Cabinet approved a letter outlining future Dutch drug policy. The gist of the letter was that the government wants to maintain its current policy of tolerating cannabis sales in coffee shops, but coffee shops must become smaller and serve only local users. Operational cooperation between U.S. and Dutch law enforcement agencies is excellent, despite some differences in approach and tactics. 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. In August 2009, Justice Minister Hirsch Ballin announced stricter controls on inbound flights from West Africa to combat cocaine trafficking. 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. Since January 2008, certain designated companies are eligible for the European Authorized Economic Operator Certificate (AEO), which allows these entities to conduct imports under less stringent Customs inspections. This development does not go in the direction of strengthening interdiction possibilities, but it facilitates the movement of goods by reliable firms, with procedures which limit the risk that narcotics traffickers could take advantage of their shipments to traffic in narcotics. Production of Ecstasy and cultivation of marijuana is still significant in the Netherlands, 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 2009

**Policy Initiatives.** In September 2009 the Cabinet approved a letter that, following discussions with Parliament, will form the basis for a new policy document on drugs. The letter, which is part of the government's March 2008 commitment to Parliament to produce a new drug policy document, stated that the government wants to maintain the current policy of tolerance of cannabis sales in coffee shops, but will require coffee shops to scale down in size and serve only local users, so as to address related criminal activity and public nuisances more effectively. In drafting the letter, the Ministers of Health, Justice, Interior, and Youth and Family Matters took into account drug policy assessments carried out by the Dutch Institute for Mental Health and Addiction (Trimbos), the Justice Ministry's Scientific Research and Documentation Center (WODC) and recommendations made by the Advisory Committee on Drug Policy.

The Advisory Committee concluded in its July 2009 assessment that Dutch drug policy has been relatively successful in managing health risks and addiction care, but identified four areas in need of improvement:

- Drug use by minors must be combated far more rigorously;
- Coffee shops must be reduced to small-scale facilities for local users, in order to keep the markets for soft and hard drugs separate;
- The fight against organized crime must be intensified; and
- Drug policy should be monitored.

The government's final drug policy document is expected to be submitted to Parliament in early 2010.

Cannabis: In its drug policy letter of September 2009, the government reiterated that, under the terms of the government coalition accord of February 2007, experiments with regulated cannabis cultivation would not take place during this term of office. The government responded to a plea by 33 mayors made during the "cannabis summit" in November 2008, asking the government to allow municipalities to experiment with the cultivation of cannabis for their own coffee shops. The mayors felt that the hypocritical situation of allowing soft drug sales in coffee shops while banning cannabis cultivation (the so-called front-door/back-door controversy) makes enforcement difficult. The government noted in its letter that it wants to maintain the current policy of tolerance of cannabis sales in coffee shops, but would require that coffee shops become smaller and serve only local users, so as to address related criminal activity and public nuisances, particularly created by drug tourists in border areas, more effectively. The government encouraged municipalities to initiate pilot projects to establish a system of small-scale, restricted access coffee shops, for which it will make available six million Euros in 2010 and 2011. On top of this, the city of Maastricht will receive an initial subsidy of 150,000 Euros for the preparation of an experiment with a "pass system" for coffee shop visitors.

In 2006, Maastricht began a trial project to offer local residents special access passes to coffee shops. The objective of the Maastricht trial was to cut down on drug tourism from neighboring countries. The city attracts some 1.5 million drug tourists annually. In April 2008, the Maastricht administrative court ruled that the city government was not allowed to ban foreigners from buying cannabis in coffee shops. The court ruled that making a distinction on the basis of place of residence indirectly means making a distinction based on nationality, which is prohibited under the Constitution. The city appealed the verdict to the Council of State, the highest administrative court in the Netherlands. Consequently, the Council submitted a few questions to the European Court of Justice, which is expected to respond in 2010. An earlier plan by Maastricht to move eight of the 15 coffee shops out of the city center to the outskirts, close to the Belgian border, was suspended after sharp protests by Belgian authorities. In September 2009, the Mayors of Bergen op Zoom and Roosendaal, being fed up with the stream of foreign drug tourists and the nuisances caused by them, decided to ban all cannabis sales in their eight coffee shops, also for local cannabis users. The two cities, situated close to the Belgian border, attracted a total of 1.3 million mostly Belgian and French drug tourists per year. In May 2008, the mayor of Terneuzen closed the country's largest coffee shop with 2,500 visitors a day. During two raids, the police found a total of 200 kilograms of hashish whereas the "tolerated" stock limit is 500 grams.

In December 2008, the ban on sales and cultivation of fresh "magic mushrooms" became effective. Since then, the number of incidents involving use of these psychotropic mushrooms in Amsterdam has dropped significantly. A bill to ban so-called "grow" shops that sell, deliver, transport and manufacture equipment for cannabis cultivation is expected to be submitted before the end of 2009.

According to a May 2009 Justice Ministry report, the number of coffee shops selling cannabis products dropped 3.7 percent to 702 between 2005 and 2007. The 702 coffee shops are spread over 106 of the 443 Dutch municipalities. About 80 percent of local governments currently apply the so-called "distance

criteria," meaning that coffee shops located within 250 meters of a secondary school or college of higher professional education must be closed. By 2010, all local governments should have enforced the "distance criteria."

According to the annual THC Content study by the Trimbos Institute for Mental Health and Addiction, the THC content in Dutch-grown cannabis ("Nederwiet") stabilized at 16.4 percent in 2008 and 16 percent in 2007. The THC content in imported cannabis rose from 13.3 percent in 2007 to 16.2 percent in 2008. The average price for one gram of "Nederwiet" rose from 7.30 Euros in 2007 to 7.70 Euros in 2008, which approximates the price of imported cannabis.

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.

Cocaine Trafficking: The 100 percent checks on inbound flights from the Netherlands Antilles and Suriname continued in 2009, despite the dramatic decline in the number of cocaine couriers arrested at Schiphol airport. In August 2009, Justice Minister Hirsch Ballin announced stricter controls on inbound flights from West Africa to combat cocaine trafficking. He reacted to reports that, because of the sharp controls from the Caribbean region, South American drug barons increasingly appeared to divert to West Africa as a transit point for Colombian cocaine.

In December 2006, the Royal military police (KMar) 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 a U.S. government 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.

U.S. Immigration and Customs Enforcement (ICE) investigators have noted a recent increase in the number of cocaine couriers being apprehended in the United States en route to Amsterdam (Schiphol) from Central or South America. Narcotics traffickers may be searching for new routes to circumvent the additional security measures in place (100 percent inspection) for flights from high-risk countries. Flights from the U.S. to the Netherlands have traditionally been considered by U.S. and Dutch Customs as low-risk flights for narcotics.

ICE is also working with Dutch Customs at the Port of Rotterdam to attempt to identify—and share information relating to—high-risk containers suspected of carrying large quantities of cocaine from Central and South America through the U.S. en route to the Netherlands.

In September 2009, five persons were arrested in the Netherlands and Netherlands Antilles suspected of large-scale cocaine trafficking between South America and West Europe, via West Africa. The suspects allegedly were in direct business with a representative of a Colombian drug cartel, buying up to 2,000 kilograms of cocaine per shipment.

Eleven employees of various firms at Schiphol airport are currently on trial on suspicion of cocaine trafficking from Colombia to the Netherlands via Suriname. The suspects reportedly picked up the drugs in specially marked suitcases in the baggage handling department and smuggled them outside via staff exits.

In September 2009, 330 kilograms of cocaine were found in a transshipment company in Rotterdam. The drugs were hidden in a container with boxes of bananas from Ecuador. Four people were arrested.

Ecstasy: according to a July 2009 study by the Trimbos Institute for Addiction Research and the Justice Ministry's Scientific Research and Documentation Center (WODC), the role of the Netherlands in the

production and export of Ecstasy appears to have declined. The National Police Force (KLPD) also concluded in its report on 2008 drug seizures that the upward trend in the annual amount of Ecstasy tablets seized seems to have ended abruptly in 2008. In April 2009, the Trimbos Institute warned that half of Ecstasy tablets on the Dutch market contained substances other than the active ingredient MDMA, particularly MCPP, the consumption of which is much riskier.

In June 2009, Belgian and Dutch law enforcement authorities dismantled a large international drug syndicate involved in large-scale Ecstasy trafficking. The investigation, which started three years ago, involved law enforcement officers from the U.S., UK, Germany and Dubai. Thirteen people were arrested, including the Dutch leader.

Heroin: According to Trimbos/WODC study, the Netherlands appears to have developed into a transit/distribution center for heroin traffickers to the UK, France, Spain and Portugal, but the internal Dutch market appears relatively stable and comparatively small.

In September 2009, the Rotterdam district court imposed prison sentences of up to nine years on three men suspected of having trafficked more than 1,000 kilograms of heroin from Turkey to the Netherlands. The suspects were arrested in June 2008 after the interception of a truck concealing 460.5 kilograms of heroin in large batteries. One of the suspects was a Romanian national. The investigation was carried out in close cooperation with German and Romanian police.

GHB: The Trimbos Institute for addiction research warned in August 2009 that addiction to the party drug GHB was growing and the risks were seriously underestimated. In Amsterdam, the number of trips by ambulances due to GHB incidents rose from 69 in 2001 to 128 in 2008. Trimbos noted that the number of GHB users seeking treatment for their addiction had risen “dramatically.” GHB seems to be the fastest growing addiction problem in the Netherlands.

**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 “coffee shops” 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. Import, sale and distribution of Khat (or “Quat”) is legal in the Netherlands. Khat, which is primarily cultivated in the Horn of Africa and Yemen, is transported to the Netherlands, where a portion is consumed domestically and the rest is shipped to other countries, including the U.S.

In 2009, DEA and the KLPD conducted joint clandestine laboratory training. KLPD personnel traveled to the DEA Academy in Quantico, Virginia, for specialized training on clandestine laboratories. Additionally in 2009, the equipment provided by Dutch authorities to set up an operational MDMA lab for use in training DEA agents and other U.S. law enforcement officers at the DEA Training Academy in Quantico was placed into service.

All foreign law enforcement assistance requests continue to be sent to the International Network Service (IPOL), a division of the KLPD. The IPOL has assigned two liaison officers to assist DEA and other U.S. law enforcement agencies. Since the reorganization of the NR, the IPOL has allowed DEA and other

liaison officers to contact the Regional Police and NR offices directly for requests and intelligence sharing. This policy has continued to permit better coordination during ongoing enforcement actions. 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 even on a police-to- police basis. Dutch regulations regarding police-to-police information sharing are nebulous and often subject to interpretation, which can hamper the quick sharing of information. However, the quick sharing of police-to-police information is improving as a result of the increased access for DEA agents with NR units. Additionally, DEA has been working with Dutch counterparts at the KLPD and the National Prosecutor's Office to shorten the amount of time it takes to obtain approval for money pickup operations via Mutual Legal Assistance Treaty (MLAT) requests. Recently, Dutch officials indicated that their Justice Ministry may be able to "streamline" certain aspects of the approval process.

Additionally, the use of confidential sources is heavily restricted under Dutch law. Since many DEA investigations outside of the Netherlands utilize cooperating source information, this poses a unique challenge when attempting to initiate or coordinate cases with Dutch counterparts.

**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 has been found 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. Press reports of low-level law enforcement corruption appear from time to time but the problem is not believed to be widespread or systemic.

**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 a fully operational extradition treaty and a MLAT. All 27 EU member states, including the Netherlands, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocol with the Netherlands and they will enter into force on February 1, 2010.

**Cultivation and Production.** In July 2008, the Justice and Interior Ministers established the National Taskforce on Organized Hemp Cultivation. The taskforce is to focus on fighting criminal organizations behind cannabis plantations. According to taskforce member, Police Commissioner Max Daniel, Dutch cannabis growers earn more than two billion Euros annually on illegal exports. He estimated annual exports of Dutch-grown cannabis ("Nederwiet") at more than 500,000 kilos. In comparison, exports of plants and cut flowers yield a total of 5.5 billion Euros. According to Police Commissioner Daniel, more than 80 percent of illegally cultivated "Nederwiet" is exported. According to a report by the National Police Force, 4,731 cannabis plantations were dismantled in 2008, compared to 5,247 in 2007.

Although the 2008 NR report has not been finalized to date, a spokesman for the Expertise Center for Synthetic Drugs and Precursors (ESDP) informed the U.S. Embassy in The Hague that no reports of Ecstasy tablet seizures in the U.S. could be linked to the Netherlands during 2008, although this may be due to incomplete data. According to the 2008 report by the KLPD, the upward trend in Ecstasy tablets seized in the Netherlands appears to have come to a standstill. After a record seizure of almost 8.5 million Ecstasy tablets in 2007, only 249,215 tablets were seized in 2008 and only 300 liters of MDMA oil. The KLPD also reported seizing 517,825 LSD paper trips, 7,764 MCPP tablets, and 20 grams of

methamphetamine in 2008. The number of dismantled production sites in the Netherlands for synthetic drugs rose to 23 in 2008 from 15 in 2007.

According to the KLPD report, only 471 amphetamine tablets were seized in 2008 compared to 1,391 tablets in 2007. The police seized no PMK precursors in 2008 and only 232 liters of BMK, of which 230 liters were found in an amphetamine laboratory in Breda.

**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 in 2008 amounted to 6,757 kilograms, the lowest amount over the past nine years. In 2007, 10,478 kilograms were seized. 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 five 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 and 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 2009 annual report published by the European Monitoring Center for Drugs and Drug Addiction (EMCDDA), out-patient treatment centers registered 8,718 clients seeking treatment for their addiction in 2007, of whom 37.2 percent for cannabis, 38.1 percent for cocaine and 19.7 percent for opiates. On the basis of surveys held in 2007 and 2008 the Dutch Statistical Office (CBS) reported in August 2009 that one-third of young people aged between 15 and 25 had used cannabis at some point of time, and more than one out of 10 admitted having used cannabis during the previous month.

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 60 percent of Dutch secondary schools and a third of primary 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.

## 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 South American cocaine trafficking organizations and 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 regulations continue to restrict the use of criminal undercover informants in investigations of drug traffickers. In addition, the Dutch do not use their asset forfeiture laws in conjunction with drug related investigations as often as the U.S. does. Law enforcement officials and political leaders are now expressing concern about indications that organized crime is involved in the local drug trade. Bilateral law enforcement cooperation continues to expand under the U.S.-Dutch bilateral "Agreed Steps" commitments to jointly 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 Forward Operating Location (FOL) agreement between the U.S. and the Kingdom for the establishment of a FOL (for U.S. enforcement personnel) on Aruba and Curaçao became effective in October 2001. Since 1999, the Dutch Organization for Health Research and Development (ZonMw) has been working with the U.S. National Institute on Drug Abuse (NIDA) on joint addiction research projects.

The U.S. Coast Guard and the Royal Netherlands Navy actively work together in the drug transit zone through a bilateral Law Enforcement Detachment (LEDET) Arrangement. Under this arrangement, the Coast Guard deploys LEDETs aboard Dutch warships patrolling the drug transit zone in the Caribbean Sea to enhance overall interdiction presence, and protect the Dutch overseas territories. In FY2009, the deployment of Coast Guard LEDETs aboard Dutch warships led to the removal of over 770lbs of cocaine and the detention of 4 suspected smugglers.

**The Road Ahead.** During the next bilateral "Agreed Steps" law enforcement consultations, tentatively scheduled for early 2010, the U.S. and the Netherlands will discuss continued operational cooperation in international drug trafficking investigations. These discussions will continue on the subject of enhanced police-to-police information sharing.

Additionally, both DEA and the NR recognize the importance of money laundering investigations and joint initiatives concerning drug related "bulk" money smuggling operations. This includes operational programs, and training and bilateral discussions at DEA Headquarters. Many of these initiatives were discussed and planned during the June 2009 "Expert Meeting" between DEA and NR in The Hague.

During October 2009, Dutch Customs, along with over 80 other World Customs Organization (WCO) member nations, participated in Operation ATLAS, an ICE-led multilateral illicit cash courier interdiction and investigation coordination operation under the auspices of the WCO. This unprecedented operation was the first time that more than 80 countries shared real time information on crimes and coordinated cash declaration information related to cross border cash movement. Dutch Customs' extensive participation in ATLAS was highlighted by six cash seizures during Operation ATLAS.

# Nicaragua

## I. Summary

Nicaragua remains a maritime and land transshipment route for South American cocaine and heroin smuggled to the United States. Nicaragua has also been identified as a producer and supplier of methamphetamine. In 2009, Nicaraguan law enforcement and military forces focused efforts on confronting international trafficking and domestic drug abuse despite the government's often hostile stance toward the United States. Judicial corruption and political interference, especially in the judicial branch, remain the largest impediments to meaningful prosecutions of trafficking-related crime.

Although Nicaragua lacks resources and technical capabilities, collaboration between law enforcement and military components has helped facilitate efforts to disrupt illicit drug trafficking operations and currency flows. During 2009, the Government of Nicaragua (GON) seized approximately 9.8 metric tons of cocaine and dismantled its first clandestine methamphetamine lab. Nicaragua is a party to the 1988 UN Drug Convention.

## II. Status of Country

Drug trafficking organizations (DTOs) continue to transport drugs and currency through Nicaragua via land, air and water routes. During 2009 there was a large increase in pseudoephedrine and amphetamine seizures. In addition to seizures of transshipped drugs, Nicaragua's first known clandestine lab was dismantled. Nicaragua's poor economy, limited law enforcement presence in most parts of the country and weak chemical control laws provide an opportune environment for drug trafficking organizations to establish clandestine labs without detection from law enforcement entities. Another challenge is that the Nicaraguan National Police (NNP) lack adequate training or equipment for the safe handling of seized precursor chemicals from the dismantling of clandestine labs.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009, Nicaragua's new, stricter Penal Code became effective. It addresses some of the legal weaknesses in Nicaragua's efforts against money laundering and terrorism financing. Money laundering is now a crime independent of drug trafficking, penalties are more rigid, and terrorism financing is a crime. While there have been no criminal convictions for the crime of money laundering since its adoption there is one pending case charging two non-citizens with money laundering, as well as additional money laundering cases under investigation. In 2009, the legislation to create an independent Financial Intelligence Unit (FIU) stalled for a fifth year due to Nicaraguan National Assembly concerns about accountability and fears that the proposed unit would face political interference. Nicaragua is the only country in Central America and one of the few countries in the Americas that does not have a functional FIU.

**Law Enforcement Efforts.** During the year, both Nicaraguan law enforcement and military entities continued to excel in their respective counternarcotics efforts and strengthened their coordination with neighboring countries and U.S. law enforcement entities. In 2009, the military and law enforcement continued joint cooperation in conducting interdiction operations. In 2009, Nicaragua law enforcement authorities seized 9.8 metric tons of cocaine, 5 kilograms of heroin, 372.12 kilograms of pseudoephedrine, and arrested 214 drug violators. These figures represent major bulk drug seizures and arrests. Nicaraguan law enforcement arrested other drug violators as a result of street crime policing initiatives. Cocaine seizure amounts decreased dramatically for 2009 from 16.4 metric tons the prior year. Currency seizures, however, more than doubled for 2009. The NNP and the Nicaraguan Navy also seized

$8.6 million during maritime interdictions. Nicaraguan authorities denied access to 178 trafficker assets worth over $14 million.

While the Navy suffered severe budgetary constraints during 2009 it completed, ahead of schedule, the reconstruction of the Naval Base in the Mosquito Keys that had been destroyed by Hurricane Felix in 2007, and was able to deploy some assets based on maritime information provided by the USG. More effectively targeted patrolling enabled the Navy to augment their presence and serve as a deterrent for traffickers and transportation groups moving northbound. Furthermore, the concentration of interdiction efforts on southbound vessels resulted in a dramatic increase in maritime currency seizures, totaling over $5 million.

**Corruption.** As a matter of policy, the GON 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. However, corruption and political interference continue to plague law enforcement and the judiciary. The continued politicization of the Nicaraguan judiciary and the Nicaraguan Supreme Court in particular, is a worrisome impediment to serious law enforcement efforts in the country.

Likewise, monies and other assets seized from drug trafficking activities are to be distributed at the discretion of the Supreme Court. By Nicaraguan law, all monies and assets seized are to be distributed equally amongst the NNP, the Ministry of Health, and the National Council for the Fight Against Drugs, the Penitentiary System, and various non- governmental organizations associated with drug rehabilitation. Frequently, these funds have been unaccounted for after being processed and in some cases justices have kept expensive vehicles for themselves. As a result of these conditions, the United States no longer provides foreign assistance to the Nicaraguan Supreme Court.

**Agreements and Treaties.** Nicaragua 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. An extradition treaty has been in force between the U.S. and Nicaragua since 1907. Occasionally Nicaragua does domestically prosecute its nationals for crimes committed outside Nicaragua, but the outcome is inconsistent. Nicaragua is a member of the Caribbean Financial Action Task Force (CFATF); however, Nicaragua's compliance with its obligations under this task force has been minimal. Nicaragua only recently completed the CFATF Mutual Evaluation Report, which outlines the country's progress in combating money laundering and terrorism financing. The United States and Nicaragua signed a bilateral counternarcotics maritime agreement that entered into force in November 2001. Nicaragua is a party to the UN Convention against Transnational Organized Crime and its three protocols and is a member of the Inter-American Drug Abuse Control Commission (CICAD) of the Organization of American States (OAS). Nicaragua is a party to the UN Convention against Corruption (UNCAC), the UN International Convention for the Suppression of the Financing of Terrorism, the Inter-American Convention on Mutual Assistance in Criminal Matters, and the Inter-American Convention against Corruption. Nicaragua also ratified the Inter-American Mutual Legal Assistance Convention in 2002, an agreement that facilitates sharing of legal information between countries, though the government has failed to comply with several recent U.S. routine requests for evidence sharing or evidence transfer. Nicaragua has ratified the 2002 Inter-American Convention against Terrorism, and Nicaragua signed the Caribbean regional maritime counternarcotics agreement in 2003. In 2004, the United States and Nicaragua signed the Cooperating Nation Information Exchange System (CNIES), which allows greater law enforcement intelligence sharing among nations.

**Cultivation/Production.** Methamphetamine: In 2009, as a result of heightened awareness urged by the U.S. to the danger of methamphetamine production, Nicaraguan authorities seized 372.12 kilograms of illicitly-diverted pseudoephedrine, 56 kilograms of amphetamine and dismantled one clandestine lab containing 30 kilograms of sulfuric acid, 1,200 kilograms of toluene and assorted equipment used in the illicit production of methamphetamine. Two Mexican citizens and two Nicaraguan nationals were

arrested. During the year the NNP also seized 250,000 tablets of amphetamines and 50 pounds of powdered amphetamines which were intended to be smuggled to the United States and Mexico. The DEA, in conjunction with Nicaraguan law enforcement entities will continue to monitor the presence of pseudoephedrine and clandestine labs in the country.

Marijuana: Limited marijuana cultivation continues to take place mostly in the mountainous areas of Nicaragua (Departments of Estelí, Jinotega, Boaco, and Nueva Segovia). Local cultivation is directed towards domestic consumption. During 2009, the NNP did not seize any amounts of marijuana. Cultivation and eradication figures for Nicaragua are unknown, but total cultivation remains below the minimal threshold for the GON to devote additional resources to the issue.

**Drug Flow/Transit.** Cocaine, heroin and currency are the contraband that most commonly transit Nicaragua. During this calendar year, these three commodities were trafficked via maritime and land conveyances, in large and small quantities, without discrimination. Cocaine and heroin are smuggled northbound, while currency shipments are usually interdicted on their transport south. In 2009, traffickers exploited Nicaragua's Pacific and Caribbean coastlines, as well as its two large inland lakes to transship contraband drugs and currency through the country. Small go-fast boats are the most commonly used conveyance for this purpose. The Caribbean Coast, in particular, is sparsely populated, has high unemployment and severe poverty, suffers from endemic corruption among officials and lacks adequate physical infrastructure that would permit more persistent law enforcement and interdiction presence by Nicaraguan authorities. Traffickers also take advantage of the Pan-American Highway traversing through the center of Nicaragua to transship cocaine, heroin and currency through the country concealed in vehicles with hidden compartments or "caletas." Tractor-trailers are the most commonly used conveyance, followed by personally-owned vehicles. Like the conveyances used to smuggle currency and drugs, couriers or "mules" are also used to cross the five Nicaraguan ports of entry (Guasaule, El Espino and Las Manos in the North, and Penas Blancas and Los Chiles in the South). The port of entry in Peñas Blancas, Department of Rivas on the Nicaragua/Costa Rica border is the most successful and aggressive of the Nicaraguan border checkpoints. It is also the last chokepoint for any contraband moving north or currency coming southbound before entering or leaving the Central America customs area that includes Nicaragua, Honduras, El Salvador and Guatemala.

**Domestic Programs/Demand Reduction.** The NNP's Drug Abuse Resistance Education (DARE) Program, established in Nicaragua in 2001, continued to be implemented on the Atlantic Coast in 2009. In July, eight Juvenile Affairs officials were sent to the United States for further DARE training. In 2009, DARE reached 14,395 students in Nicaragua (653 in the Atlantic Coast); almost double the amount in 2008. The NNP's Second Step Program (Segundo Paso), a program to train teachers and police officers as facilitators for drug awareness and prevention at the preschool level, continued to be implemented in areas of Managua and on the Atlantic Coast. In 2009, a total of 34 police officers and preschool teachers were trained for the II Step program, "Train the Trainer."

The Gang Resistance Education and Training (GREAT) Program was scheduled to begin in December 2009; target areas will include Managua as well as the Pacific Coast.

Drug consumption in Nicaragua continues to be a major concern, particularly on the Atlantic Coast, where the increase in drug trafficking has encouraged more drug abuse. The Ministries of Education (MINED) and Health (MINSA), and the Nicaraguan Fund for Children and the Family (FONIF) have all undertaken limited demand reduction campaigns in schools. In 2009, MINED's counternarcotics campaigns reached 20,699 students, of these 2,779 were from Nicaragua's Atlantic Coast. Statistics about MINSA and FONIF's outreach efforts were unavailable at the time of reporting.

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

The USG policy focus in Nicaragua is to enhance GON law enforcement agencies' ability to detect and intercept shipments, detain traffickers, and stop the laundering of illegal profits from the drug industry as well as support preventative programs to protect youth from drugs and recruitment into gangs.

**Bilateral Cooperation.** The U.S. continued to support Nicaragua's efforts in interdiction, and encouraged the GON to undertake more fundamental challenges to corruption and money laundering. During 2009, the United States provided counternarcotics assistance to the NNP and continued funding to expand the NNP Vetted Unit, a unit that investigates international drug trafficking, corruption (in drug trafficking and money laundering investigations) and money laundering. This unit worked closely with anticorruption units in the Attorney General's office and other vetted units in the region to coordinate cross-border counternarcotics operations. The USG also supported the NNP's Mobile Inspection Unit (MIU), a unit deployed to establish random checkpoints on strategic vehicular routes. The USG continued support to the Nicaraguan Navy by finishing the refurbishment of a large naval boat and provided 12 engines, spare parts, and maintenance for several go-fast patrol boats for maritime interdiction on both the Atlantic and Pacific coasts. The USCG provided mobile training to the Nicaraguan Navy in the areas of maritime law enforcement and engineering and maintenance, enhancing their ability to maintain operational readiness and to conduct counternarcotics patrols in their littorals. The USG also constructed barracks on Corn Island as well as a pier and maintenance facility in Bluefields to assist the GON counternarcotics efforts. The USG also provided training in maritime law enforcement, small boat operations, maintenance and logistics, engineering and leadership to the Nicaraguan Navy in 2009. In August 2009, the USG sponsored training in cybercrime issues for three officials to improve Nicaragua law enforcement capacity to track crimes using technology. Nicaraguan cooperation via the maritime bilateral agreement facilitated the removal of over 1,142 lbs of cocaine, the seizure of one vessel engaged in smuggling, and the detention of seven suspected smugglers by the U.S. Coast Guard.

The USG also sponsored delegations of police officers, prosecutors and judges at several regional conferences to build capacity in anti-gang activity, maritime counternarcotics, and general police work in 2009. The USG supported the Nicaraguan Navy in maritime training exercises and continues to provide some budgetary assistance for NNP transportation and communication expenses. Under the Merida Initiative agreement, the NNP will participate in three projects; Central American Fingerprint Exchange (CAFE), the Central American Vetted and Sensitive Investigative Units (SIU), and Improved Policing and Police Equipment.

**The Road Ahead.** The USG hopes to continue its productive working relationship with the Nicaraguan military and law enforcement institutions and encourages the GON to address issues that impede its counternarcotics efforts. The continued politicization of the Nicaraguan judiciary and the Supreme Court in particular, is a serious impediment to law enforcement efforts in Nicaragua. The GON could enhance its drug control efforts further by passing and implementing stronger statutes to combat corruption, strengthening anti-money laundering controls, and creating an effective methamphetamine precursor control regime.

# Nigeria

## I. Summary

Nigeria remains attractive to drug traffickers as a market and as a transit country. Heroin and cocaine transit Nigeria on their way to markets in Europe. The heroin transiting Nigeria has a significant impact on the United States. During the past year, authorities have arrested increased numbers of drug couriers at Lagos International Airport, which may indicate that drug traffickers are increasingly using Nigeria's land and maritime ports of entry to transship drugs to neighboring countries for outward shipment to European and American markets

Nigerian organized criminal networks remain a major factor in moving cocaine and heroin worldwide. Many of these organizations are not based in Nigeria. In addition to drug trafficking, some of these organizations engage in advance-fee fraud, and other forms of fraud against U.S. citizens and businesses, including document fabrication, illegal immigration, and financial fraud. They have extensive documented ties to criminals in the United States, Europe, South America, Asia, and South Africa. Nigerian poly-crime organizations exact significant financial and societal costs, especially among West African states with limited resources for countering these organizations. Poor economic conditions for the vast majority of Nigerians, including widespread unemployment and underemployment, contribute significantly to the continuation and expansion of drug trafficking. During 2009, a large number of universities closed for months due to a prolonged dispute between the federal government and professors. One result: more students opted to become drug couriers.

Widespread corruption in Nigeria makes the traffickers' task easier. These factors, combined with Nigeria's central location, along the major trafficking routes and access to global narcotics markets, provided both an incentive and mechanism for criminal groups to flourish, and for Nigeria to emerge as a major drug trafficking hub.

The only drug cultivated in significant amounts domestically is marijuana. Nigerian-grown marijuana is the most common drug abused in the country. It is also exported to neighboring West African countries through Nigeria's vast porous borders and then shipped to Europe. However, it is not shipped in significant quantities to the United States. Nigeria is a party to the 1988 UN Drug Convention.

## II. Status of Country

NDLEA is responsible for the enforcement of laws against illicit drug trafficking and abuse. It also plays the lead role in demand reduction, drug control policy formulation and implementation in the country. Cooperation among Nigeria's law enforcement agencies is weak. For instance, although all law enforcement elements operate at Nigeria's international ports of entry, joint operations between them virtually never occur. Lack of inter-agency cooperation partially explains the dearth of apprehensions of major traffickers or the absence of consistent interdiction of major shipments of contraband. No single law enforcement agency in Nigeria has adequate resources to combat the increasingly sophisticated international criminal networks that operate in and through the country itself; inter-agency cooperation is necessary for success.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The National Drug Control Master Plan (NDCMP), in place since 1999, outlines Nigeria's counternarcotics policy. This plan assigns responsibilities to various government ministries and agencies as well as NGOs and other interest groups. In addition, the Master Plan outlines basic resource requirements and timeframes for the completion of objectives. Unfortunately, many goals remain unfulfilled. In the past, the Nigerian Government has been open to criticism for not adequately budgeting

for necessary drug law enforcement by NDLEA. For 2009, the budget for NDLEA is 4.62 billion naira (equivalent to $30 million) with no amount specifically allocated to actually train NDLEA staff. Most money, other than salary and expenses for normal operations, will go to upgrades of NDLEA infrastructure, particularly the regional training academy in Jos.

**Law Enforcement Efforts.** In the past year, NDLEA's most successful interdictions have taken place at Nigeria's four international airports, with the majority of hard drug seizures (e.g., cocaine and heroin) at Lagos Murtala Mohammed International Airport. In addition, authorities have apprehended increasing numbers of drug couriers at Abuja Nnamdi Azikiwe International Airport. To reinforce this positive trend, the U.S. Embassy in Nigeria sent commanders from these strategic locations to the International Law Enforcement Academy (ILEA) in Gaborone, Botswana for basic airport interdiction and drug unit commander training. The NDLEA continues to apprehend individual drug couriers transiting these airports and Nigeria's land borders, including airport employees involved in drug rings, but thus far has apprehended no major drug traffickers and financiers. Digital Body scanners donated by the U.S. State Department's counternarcotics assistance project play critical roles in detecting greater numbers of couriers. These "body scanners" have operated at Lagos, Kano, Port Harcourt, and Abuja International Airports since about March 2008. Many observers believe that if Nigeria introduced a vigorous counternarcotics enforcement regime at its five major seaports and porous land borders, such efforts would also yield significant drug seizures.

As noted above, marijuana remains the main drug abused by Nigerians as it is cheap and cultivated locally. In the past year, NDLEA continued to emphasize a high-profile campaign to destroy the annual marijuana crop before it reaches domestic drug abusers. Marijuana remains the drug seized in the largest quantities by the NDLEA. A total of 482.74 hectares of marijuana cultivation was destroyed between April 2009 and September 2009. Between October 2008 and August 2009, the various NDLEA commands apprehended 6,186 narcotics suspects and seized 77,500.38 kilograms of cannabis, 220.17 kilograms of cocaine, 24.27 kilograms of heroin, and 485.19 kilograms of psychotropic substances, of which authorities intercepted 64.7 kilograms of ephedrine at Murtala Mohammed International Airport in Lagos en route to South Africa. The NDLEA also detected and interdicted ephedrine shipments and other precursor chemicals, including a 100 metric ton shipment of acetone from South Africa to prevent its diversion to illicit drug manufacture. Overall, the NDLEA seized more than 78 metric tons of drugs.

Although Nigeria's main domestic drug abuse problem remains cannabis, cocaine has now emerged as one of Nigeria's most challenging drug abuse problems. Some of the most significant seizures in the last year involved cocaine shipments from South America. Drug traffickers take advantage of lax enforcement in Nigeria and other countries in West Africa to "warehouse" bulk quantities of drugs, until they can be moved to developed countries by drug mules. Moreover, trafficking drugs is made easier because it is so difficult to effectively police Nigeria's extensive porous borders. Cross border tribal and cultural links present a further challenge to effective enforcement.

In 2009, NDLEA cooperated with international drug enforcement efforts and conducted a joint operation with Interpol and the Belgian Police, leading to the arrest of a drug courier and seizures of 5.5 kilograms of cocaine, $74,800 dollars in currency, three vehicles and land deeds.

Asset seizures from narcotics traffickers and money launderers, while permitted under Nigerian law, had never been systematically utilized as an enforcement tool until this year. In 2009, seventeen drug related money laundering cases remain under investigation. Five properties and currency ($1,147,050; 3,000 British Pounds; and 6,000,000 Naira) have been temporarily forfeited to the NDLEA pending the outcome of investigations. NDLEA's failure to apprehend and prosecute major traffickers and their associates is often due to the lack of capacity of NDLEA to investigate and assemble successful cases against the higher echelons of sophisticated organized criminal gangs. At other times, the problem rests with Nigeria's courts, which struggle with intimidation and corruption.

**Corruption.** Corruption plays a major role in drug trafficking in Nigeria. The large proceeds from illicit drug trafficking empower criminals to use bribery to protect their operations. Nigerian authorities have indicted several individuals for corruption, including one case lodged against a former Chairman and Chief Executive of the NDLEA itself. The trial of this individual, which began in September, has made steady progress under firm courtroom management by a no-nonsense judge. This trial demonstrates the current NDLEA Chairman's dogged determination to enforce the law even against those in NDLEA's own ranks. The Government of Nigeria does not, as a matter of policy, encourage or facilitate illicit drug production, nor is it involved in laundering the proceeds of illicit drugs. Nonetheless, corruption remains endemic among government officials at the federal and state levels. To ensure that drug traffickers receive and serve stiff sentences, the NDLEA requested that the National Assembly amend Nigeria's narcotics law to provide for minimum sentences of 3-years in jail with no option for paying fines. Although the amendment was initially introduced to the National Assembly in 2007, the Bill did not become law before the 2007 elections and changeover in legislators. The NDLEA will need to introduce a new bill in the current session. NDLEA will also seek a provision to allow NDLEA and the Nigerian Immigration Service to seize offenders' passports during pre-trial and post-conviction periods to prevent them from flight abroad.

**Agreements and Treaties.** Nigeria 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. Nigeria is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime, and its three protocols. The 1931 U.S.-UK Extradition Treaty, made applicable to Nigeria in 1935, provides the legal basis for U.S. extradition requests. The United States and Nigeria also have a Mutual Legal Assistance Treaty (MLAT), which entered into force January 14, 2003. The GON continues to work on a mechanism to process U.S. extradition requests more expeditiously. The U.S. has two outstanding drug extradition requests, one dating only from March 2009 but the other pending since June 2004. A court addressed the two requests in May and June, but both fugitives continued to benefit from delay tactics by defense attorneys. One non-drug extradition was granted in 2009, but seven are outstanding, and these date from 2006 and 2007. A dedicated prosecutorial team handles all U.S. extradition cases before a designated Federal High Court judge. Nigerian law still affords the defendant many options to delay proceedings, especially with interlocutory appeals that require adjudication before cases may proceed.

**Cultivation/Production.** Cannabis is the only illicit drug produced in any significant quantity in Nigeria; it is cultivated in all of Nigeria's 36 states. Major cultivation takes place in central and northern Nigeria and in Delta and Ondo states in the south. Marijuana, or "Indian Hemp" as it is known locally, is sold in Nigeria and exported throughout West Africa and to Europe. To date, there is no evidence of significant marijuana exports from Nigeria to the United States. The NDLEA has continued to pursue an aggressive and successful eradication campaign.

**Drug Flow/Transit.** Nigeria is a major staging point for Southeast and Southwest Asian heroin smuggled to Europe and the United States and for South American cocaine trafficked to Europe. Cocaine smuggling through Nigeria increased during the last year. While Nigeria remains Africa's drug transit hub, there are indications that the preferred methods of transshipment have changed. The NDLEA unit, at Lagos Murtala Mohammed International Airport, searches select passengers and carry-on baggage, preferring to focus on travelers who fit profiles as possible drug couriers. USG donation of Digital Body Scanners has bolstered NDLEA efforts. The scanners ensure that drug couriers face greater likelihood of detection at the international airports. In the past year, U.S. and U.K. officials trained NDLEA officers to improve their skills in intelligence gathering and profiling of potential drug couriers under an airport interdiction program. This training paid immediate dividends with recent large seizures from drug couriers. Many traffickers became more aware of the presence of scanners and began to conceal drugs in cargo shipments of goods, such as light fixtures, confectionary commercial products, and food packages. The scanners

enabled Nigerian law enforcement to perform quick, non-invasive searches of suspected drug traffickers to locate illegal drugs.

The U.S. also purchased three additional scanners and four new drug/explosives-detecting "Itemizers" for Nigeria's international airports in Abuja, Kano, Lagos, and Port Harcourt. The equipment allowed Nigerian law enforcement personnel to improve identification and detection capabilities, especially efforts targeted at drug couriers transiting Nigeria's airports. Nigeria's sea ports and land borders remain vulnerable, and efforts should be made to increase interdiction efforts at these locations.

The increase in low-level drug couriers or "mules" to Europe, especially heading to Spain, can be attributed, in part, to the economic downturn and the desperation of the individuals involved as they seek to earn quick money. The mules often ingest about a kilo of cocaine and try to smuggle it to their destination. Nigerian Drug Law Enforcement Agency (NDLEA) has intercepted drug couriers from Latin America at Lagos' main airport, particularly on flights from Brazil. NDLEA has detected many couriers through the use of modern scanning equipment donated to Nigeria by the U.S. State Department counternarcotics assistance program. In late 2009, authorities detected the first drug courier attempting to board a Delta flight to Atlanta with the USG-donated Digital Body Scanner at the Lagos international airport. Because of the deterrence factor from these apprehensions, DEA and NDLEA report that traffickers are circumventing the machines by traveling through the porous land borders and flying out of neighboring countries' more vulnerable airports. The USG also donated drug detection kits to the NDLEA for use at all Nigerian ports of entry to enhance the drug agency's capacity to identify the drugs they interdict on site, instead of after a long delay.

**Domestic Programs/Demand Reduction.** Local production and use of marijuana have affected Nigeria for some time. According to the NDLEA and NGOs, however, abuse of harder drugs (such as cocaine and heroin) seems on the rise as both types of drugs remain readily available in many larger cities. The NDLEA Demand Reduction Directorate reinvigorated its school oriented programs within the past year focusing on creating awareness of the dangers of drug abuse and trafficking. Other demand reduction programs targeted various groups, including youth, drivers, commercial sex workers, and transport workers. Community leaders are frequently enlisted to deliver a counternarcotics message.

The UN Office of Drugs and Crime (UNODC) and NDLEA celebrated the International Day against Drug Abuse and Illicit Drug Trafficking on June 26, by vigorously pursuing demand reduction programs at the tertiary, adult, and non-formal education sectors. The NDLEA reinvigorated its counseling, treatment, and rehabilitation drive, having counseled and rehabilitated 1,257 drug dependent persons in the past year. Private treatment centers handled more severe cases of dependency. NDLEA also focused on collecting drug data and researching methods to develop effective drug control strategies by conducting a public survey to collect and analyze drug abuse data. The study indicated that younger unmarried males topped the list of drug abusers and that cannabis was the most abused drug.

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

**Policy Initiatives.** U.S.-Nigerian counternarcotics cooperation focused on interdiction at major international entry points and professionalizing the NDLEA and other law enforcement agencies. The State Department Bureau for International Narcotics and Law Enforcement Affairs (INL) Office in Nigeria and the Drug Enforcement Administration (DEA) worked closely with the NDLEA and other narcotics-related agencies to train Nigerian law enforcement to coordinate, plan, and implement internal and regional interdiction operations. USCG provided residential training courses to Nigerian personnel on seaport security, officer development and technical maintenance in FY09. USCG also plans on providing such courses in FY10. Lack of access to the Delta region limits USCG ability to provide training in Nigeria. NDLEA officers received training at the regional, INL-funded International Law Enforcement Academy (ILEA) on border interdiction. At all levels, USG representatives enjoyed excellent access to their counterparts, with both sides wanting to strengthen relationships.

**The Road Ahead.** Inadequate funding for Nigerian law enforcement agencies according to the mangers of those agencies seems to hinder forward planning and adversely affects morale. A reconsideration of budget priorities could have a very positive impact on morale in enforcement agencies and could lead to enhanced success in their work.

Many observers believe that the Nigerian National Police Force (NPF) continues to lack public trust and confidence. Organized crime groups continue to prey on citizens. The NPF needs attention. INL assistance to Nigeria strives to facilitate interaction between the Nigeria Customs Service (NCS) and the NDLEA to improve interdiction at Nigeria's seaports and land borders. Even with support from international donors, NDLEA officers receive relatively little training. Often the problem seemed to be insufficient Nigerian and donor budgets. NDLEA, however, sought to focus significant funding to re-establish the physical infrastructure at its training center in Jos. Once the Jos Academy is fully operational, NDLEA will require all officers to undergo re-training at the basic level and mid-level before qualifying for promotion under a new promotion system.

The U.S. government will continue to engage Nigeria on counternarcotics, money laundering, and other transnational crimes focusing on selected institutions, such as the NDLEA and NCS, which have skilled, professional leaders. The underlying institutional and societal factors that contribute to narcotics trafficking, money laundering, and other crimes in Nigeria remain deep-seated, requiring comprehensive, collaborative efforts by all levels of law enforcement and government. Progress can only occur through Nigeria's own sustained effort and political will, with continued support from the international community

# North Korea

## I. Summary

There is insufficient evidence to say with certainty that state-sponsored trafficking by the Democratic People's Republic of Korea (DPRK or North Korea) has stopped entirely in 2009. Nonetheless, the paucity of public reports of drug trafficking with a direct DPRK connection suggests strongly that such high-profile drug trafficking has either ceased, or has been reduced very sharply. Trafficking of methamphetamine along the DPRK-China border continues. There are indications that international drug traffickers can purchase methamphetamine in kilogram quantities in some of the major towns on the Chinese side of the DPRK-China border. Other criminality involving DPRK territory, such as counterfeit cigarette smuggling and counterfeiting/passing of U.S. currency (supernotes), continues.

## II. Status of Country

No confirmed instances of large-scale drug trafficking involving the DPRK state or its nationals were reported in 2009. This is the seventh consecutive year that there were no known instances of large-scale methamphetamine or heroin trafficking to either Japan or Taiwan with direct DPRK state institution involvement. From the mid- 1990s through to 2002/2003, numerous instances of narcotics trafficking involving DPRK persons and important state assets, such as sea-going vessels and military patrol boats, were recorded in Taiwan and Japan.

Press reporting suggests that methamphetamine trafficking along the DPRK-China border continues. These reports detail the activities of organized criminal groups arranging methamphetamine shipments to destinations in Asia from the major towns near the DPRK-China border (e.g., Dandong, Yanji).

## III. Country Actions Against Drugs in 2009

**Law Enforcement Efforts.** The source of relatively small quantities of methamphetamine seized elsewhere in Asia can occasionally be traced back to the China-DPRK border area. Local press reports in Asia describe apprehensions of traffickers smuggling methamphetamine and indicate that arrangements to purchase that methamphetamine were made in towns near the China-DPRK border. These reports suggest that trafficking of methamphetamine continues along the China-DPRK border and they raise the question of whether or not local DPRK officials might be aware or even complicit in the drug trade. There is no clear evidence of a central role for DPRK state institutions in selling methamphetamine or organizing the trafficking of methamphetamine. Evidence of direct DPRK state involvement in drug trafficking to Taiwan and Japan emerged regularly in the past.

Reports of non-narcotics related acts of criminality in the DPRK suggest that DPRK tolerance of criminal behavior may exist on a larger, organized scale, even if no large-scale narcotics trafficking incidents involving the state itself have come to light. Press, industry, and law enforcement reports of DPRK links to large-scale counterfeit cigarette trafficking in the North Korean Export Processing Zone at Rajiin (or Najin) continue. It is unclear the extent to which DPRK authorities are complicit in this illegal activity, although it is likely that they are aware of it, given the relatively high-profile media reports. In addition, counterfeit $100 U.S. notes called "supernotes" (because they are so difficult to detect), continue to turn up in various countries, including in the United States. There are reports, for example, of supernote seizures in San Francisco and a very large supernote seizure in Pusan, South Korea during 2008. Supernotes are uniquely associated with the DPRK, but it is not clear if recent seizures are notes which have been circulating for some time, or if they are recently-counterfeited new notes.

**Agreements and Treaties.** The DPRK is a party to the 1988 United Nations (UN) Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances.

**Cultivation/Production.** For many years, it has been alleged that poppies are cultivated in the DPRK, with the opium converted into heroin and then trafficked by state organs for profit. However, it has not been possible to confirm such illicit cultivation, and there has not been a heroin trafficking incident with a DPRK connection for many years. There are also several known factories in the DPRK that could produce very pure heroin and methamphetamine drugs, and there have been cases of large-scale smuggling of pure methamphetamine drugs from the DPRK to Japan and Taiwan as recently as 2002.

## IV. U.S. Initiatives and Programs

The Department of State has no evidence to support a clear finding that DPRK state narco-trafficking has either stopped or is continuing. The absence of any seizures linked directly to DPRK state institutions, especially after a period in which seizures of very large quantities of drugs regularly occurred, does suggest considerably less state trafficking, and perhaps a complete end to it.

On the other hand, press reports of continuing seizures of methamphetamine in Asia, which can be traced back to an apparent DPRK source, suggest continuing manufacture and sale of DPRK methamphetamine to criminal traffickers. Large-scale trafficking of counterfeit cigarettes from the DPRK territory also continues and suggests that enforcement against notorious organized criminality in the DPRK is lax.

It is likely that the North Korean government has sponsored narcotics trafficking and other criminal activities in the past. The Department of State has insufficient information to confirm that the DPRK-state is no longer involved in manufacture and trafficking of illicit drugs, but if such activity persists, it is certainly on a much smaller scale.

# Norway

## I. Summary

Norwegian illicit drug production remained insignificant in 2009 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, North Africa and elsewhere.

Norwegian authorities are committed to the fight against illegal drugs, and enjoy broad public support. On the policy side, the government has recently integrated its counternarcotics efforts and provided additional funding. Norwegian authorities have increased regional collaboration and issued a report on Norway's role in international counternarcotics efforts. For 2008, the total volume of drugs and number of seizures is down approximately 4 percent. Cannabis accounted for 45 percent of the total number of seizures, followed by amphetamines and methamphetamine at 21 percent, and benzodiazepines at 14 percent. Other drugs accounted for 20 percent of seizures. The police continued to step up efforts to track and intercept the transit of drugs throughout Norway. Norway is an active participant in international counternarcotics efforts and is party to the 1988 UN Drug Convention.

## II. Status of Country

Norway is not a significant illicit drug producing country. Tight regulations on chemicals and climatic conditions limit the potential for synthetic drug production ever to emerge in Norway. Drug abuse overall has remained steady over the last decade. Hashish use among 15-20 year olds increased in the late 1990s, but has since decreased. However, drug-use among young adults (21-30) has increased over the last decade. According to surveys, a third of people in this age group have tried drugs (50 percent in Oslo), and cocaine and amphetamines have grown more popular. There are between 8200-12,500 injection drug abusers in Norway.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Norwegian Ministry of Health and Care Services continued its narcotics and alcohol abuse treatment and prevention reform program in 2009. The reform program was initiated in 2007 with the publication of an "Escalation Plan"—a structured progress plan detailing government-wide efforts to combat narcotics and alcohol abuse and listing 147 concrete measures to be implemented, directly assigned to the relevant ministries. The first progress report was published in January 2009. The report shows clear performance improvements; cross-departmental work has benefited from the introduction of stricter accountability, and 74 percent of the projects listed in 2007 have now been started. Funding has also increased, with 300 million kroner (equivalent to approximately $53 million) proposed in the pending 2010 State Budget.

In 2009, the Ministry continued to encourage the use of drug injection rooms for drug addicts. It is up to each municipality to decide if it wants to have such facilities. So far, Oslo is the only city in Norway to have them. A "drug injection room" is a facility, maintained by the municipal government, where addicts are given illegal drugs and clean needles without criminal liability. 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 practice has been criticized for encouraging drug abuse, most recently by the International Narcotics Control Board in its Annual Report for 2008, which concludes that Norway fails to fully respect important international treaties on the fight against drugs.

The national government, represented by the regional health authorities, has the ultimate responsibility for treatment and prevention of narcotics and alcohol abuse. 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. However, local governments have an important supporting role to play, and in May 2007, the Health Ministry launched a national electronic database on drugs and alcohol prevention and treatment to serve as a guideline for health personnel and decision makers in the districts.

The Ministry, in 2009, also published several policy documents and brochures dealing with narcotics and alcohol abuse and their treatment (e.g., Drugs and Alcohol in Norway).

A 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 premise behind current narcotics policy and propose any appropriate long-range policy changes.

In 2009, the Norwegian Police Directorate (PD), a part of the Ministry of Justice and Police, continued to enforce the PD's 2003-2008 Counter Narcotics Action Plan, with narcotics police following up by carrying out an increasing number of countrywide and border drug raids. The 2003-2008 action plan carries forward plans and initiatives to meet the objectives of the 1988 UN Drug Convention. Meanwhile, a new counternarcotics action plan has been drafted and is currently undergoing review, scheduled to be announced in late 2009 or early 2010. The PD has at its disposal modern equipment (e.g., a helicopter and drug scanner machinery at borders). The PD thus focuses on reducing domestic drug abuse, identifying and curbing illicit drug distribution, and curbing drug abuse among drivers of motor vehicles.

Several counternarcotics police operations have been launched during recent years. The 2006 operation "Broken Lorry" helped destroy a drug cartel, and the police credit this bust with a subsequent decrease in heroin trafficking and heroin seizures, which were only 8 kilos in 2007. The first half of 2008 saw an increase in heroin seizures, but the seizures are still lower than in many previous years, reflecting a long-term downward trend in heroin abuse in Norway. In 2009, the four main suspects apprehended were sentenced to 21, 21, 19.5 and 19 years in prison. In 2007, "Operation White Snow" infiltrated the cocaine market in the capital, Oslo, increasing seizures by 25 percent in 2007 and keeping them at this higher level in 2008. In addition, Norway has introduced a tracking 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.

Norway's Customs and Excise Directorate (CED) continued its counternarcotics efforts. The CED is 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.

Norwegian authorities have intensified cooperation with their counterparts in neighboring countries. Through cooperation in the Baltic Sea Region Border Control Co-operation (BSRBCC), Norway cooperates with Russia, Estonia, Latvia, Lithuania, Poland, Germany, Denmark, Finland, Sweden, and Iceland on limiting drugs trafficking within the Baltic sea lanes. Cooperation is also taking place through the Schengen Information System, Interpol, Europol, Frontex, as well as Nordic police and customs cooperation initiative known as PTN.

In February 2009, the Norwegian Ministry of Health and Care Services issued a report on Norway's participation in international forums concerning narcotics. The document outlines Norwegian drug control and counternarcotics policy, and sets the agenda for Norwegian involvement at the international level. Key goals include strengthening international, and particularly regional, cooperation, reducing international demand for drugs through rehabilitation and informational campaigns, improving methods of monitoring trade in precursor chemicals, combating organized crime and supporting nation-building

efforts in drug producing countries. Norway is an active participant in the International Security Assistance Force (ISAF) mission in Afghanistan, and one important pillar in the international effort is reducing Afghanistan's opium production.

**Law Enforcement Efforts.** According to statistics compiled by the Norwegian police crime unit (KRIPOS), the numbers of narcotics cases and drug seizures in 2008 were both down for the second year in a row. The number of narcotics cases decreased by 4 percent to an estimated 23,835, and the number of drug seizures by 3 percent to 19,619.

Hashish seizures moved up 9 percent, while other drug seizures, over all decreased by 9 percent.

Of the seizures made in 2008, cannabis accounted for 45 percent, amphetamines and methamphetamine 21 percent, benzodiazepines 15 percent, and other drugs (pain killers, LSD, and hallucinogens) accounted for 20 percent of total seizures. The amount of heroin seized in 2008 increased dramatically from 2007, but at 55 kilograms the amount is average for the decade. The amount of stimulants (amphetamine, methamphetamine, cocaine) seized was lower than in 2007, but still significant in a Nordic/European context. Numbers for cannabis seizures are up significantly, chiefly due to a 401 kilograms hashish seizure, the second largest in Norwegian history. The numbers and volume of Gamma-Hydroxybutyric (GHB) acid, a drug associated with date rape, remains low, but is considered a problem in some rural districts. Cannabis and stimulants continue to dominate the drug market.

Police and customs officials continue to focus attention on drug "wholesalers" rather than individual abusers. In order to discourage the use of narcotic substances, Norwegian law enforcement authorities, in cooperation with CED, have continued to make coordinated raids at border crossings against smuggling rings and to impose heavy fines 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 suspected narcotics offenders.

**Corruption.** As a matter of government policy, Neither the government 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 three protocols, and the UN convention against corruption. Norway has an extradition treaty and customs agreement with the U.S.

**Cultivation/Production.** There were 217 seizures of live cannabis plants in 2008, compared to 207 in 2007. The Norwegian police cracked down on organized cultivation and production of cannabis in and around Oslo. The police seized approximately 300 kilograms of potted and cultivated plants on private premises. This is 13 times the 2007 number. While there is concern that narcotics dealers may establish mobile synthetic drug laboratories, few significant seizures of such labs occurred in 2008.

**Drug Flow/Transit.** According to Norway's National Crime Investigation Service (KRIPOS), the 2009 inflow of illicit drugs remained significant in volume terms with amphetamines, cannabis, heroin, and benzodiazepines. Most illicit drugs enter Norway by road, and originate in 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 efforts and rehabilitation programs. According to the Ministry of Health and Care Services, a significant reduction in drug-related deaths since 2000 suggests that these

programs have been successful. There were 179 drug-related deaths in 2008, compared to 327 in 2000. 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. Since 2000, Norway has been a member country of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), monitoring the state of the drug problem and emerging trends, as well as solutions applied to drug-related problems.

**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 (Norway has a close relationship to the EU, including via the EEA).

# Pakistan

## I. Summary

Pakistan remains a major transit country for opiates and hashish from Afghanistan moving to markets around the world and for precursor chemicals moving into neighboring Afghanistan. Pakistan is also a narcotics producing country with cultivation of 700 acres of poppy (footnote: 2008 USG figure, 2009 estimate not available). In 2009, Pakistani forces continued to engage militants along the border with Afghanistan, particularly in Malakand Division of the North West Frontier Province (NWFP) and South Waziristan Agency of the Federally Administered Tribal Areas (FATA). Militant groups challenged forces throughout FATA and continued encroaching into the settled areas of the NWFP, such as Swat Valley and the settled district of Peshawar, the provincial capital. Fighting in these areas adversely affected efforts to destroy illicitly cultivated poppy in Pakistan and drastically reduced seizures of opiates moving through the country.

The joint U.S. Embassy Narcotics Affairs Section (NAS)—Government of Pakistan (GOP) Narcotics Control Cell poppy survey of 2009 indicated that 1,779 hectares (ha) of poppy were cultivated in 2009. Poppy cultivation levels were 1,909 ha in 2008 and 2,315 ha in 2007. In 2008 and 2009, poppy eradication was not conducted because both the Frontier Corps and Tribal Levies in FATA and Swat were engaged in operations against militants. In 2009, local forces eradicated 16 ha in Baluchistan only.

Pakistan's position as a major drug transit country has fueled domestic addiction, especially in areas of poor economic opportunity and physical isolation. The GOP estimates that there are up to four million drug abusers in the total population of 170 million (2.4 percent).

National counternarcotics efforts are led by the Anti-Narcotics Force (ANF) under the Ministry of Narcotics Control (MNC). In general, counternarcotics cooperation between the GOP and the United States has solid foundations built up over many years and a record of accomplishment, but during the past two years there has been a systemic lack of willingness and capacity on the part of the GOP to exploit investigative leads. In addition, Pakistan's five-year Master Drug Control Plan, promised since 2006, has languished in the cabinet and once again failed to emerge in 2009.

Despite U.S. efforts to strengthen the capacity of law enforcement agencies, the agencies' access to remote areas where drug trafficking takes place remains limited. Seizures in all categories were significantly down from 2008 levels.

During 2009, Pakistani law enforcement agencies seized a combined total of 3.69 metric tons of heroin (including morphine base), 163 metric tons of hashish, and 8.46 metric tons of opium. There is an extradition treaty between the United States and Pakistan, however, Pakistan's performance with respect to U.S. requests, currently 12, has been unsatisfactory. Pakistan is a party to the 1988 UN Drug Convention.

## II. Status of Country

The GOP is committed to regaining the poppy-free status it reached in 2001. Since then, tensions between the GOP and Pakistan's tribal populations on the Afghan border have increased. Small cultivators in remote areas continue to try to exploit this tension by resuming poppy cultivation. In the FATA, where militant activity is a continuous threat, 1,558 ha of poppy were cultivated in 2009, down from 1,730 ha in 2008. In the NWFP, which cultivated 116 ha during 2009, poppy cultivation was almost entirely concentrated in the Kala Dhaka area. Given the lack of enforcement capacity in the FATA and NWFP resulting from the deployment of thousands of Frontier Corps forces to Mohmand, Bajaur, and Swat, as well as to North and South Waziristan, the entirety of the FATA and NWFP's 1,674 ha cultivated poppy

crop was harvested. In Baluchistan, 16 ha out of 105 ha were eradicated. The nationwide net harvest of 1,674 ha in 2009 demonstrates that the long-standing GOP campaign against increased poppy cultivation has been mostly sustained, even without the threat of eradication. However, Afghanistan's record poppy crops in recent years have contributed to an over-supply of opium in the region that has almost certainly contributed to the low levels of poppy cultivated in Pakistan.

Opium production in neighboring Afghanistan continues at record levels. Pakistan shares an approximately 1,500 mile border with Afghanistan marked by three official crossing points (Torkham, Ghulam Khan, and Spin Boldak) as well as hundreds of largely unsupervised trails and passes. Experts estimate that upwards of 150 tons of heroin and 80 tons of opium are annually smuggled across this border and trafficked to Iran, China, the Gulf States, Europe, and the United States. The U.S.-funded Border Security Program, which began in 2002, is building GOP interdiction capabilities along the Afghan border, as demonstrated by drug seizures in 2009 by border security forces such as Frontier Corps Baluchistan. However, successfully interdicting drug shipments is difficult given the rugged terrain, the sheer number of smuggling routes, the lack of resources, scant law enforcement training in reconnaissance and combined ground/air operation experience, and the fact that smugglers keep adapting their tactics.

Pakistan has established a chemical control program that strives to closely monitor the importation of controlled chemicals used to manufacture narcotics. Significant quantities of diverted precursor chemicals nevertheless transit Pakistan. The February 2008 seizure of 14 tons of acetic anhydride (AA) in Karachi and July 2009 seizure of 2,067 liters in Peshawar illustrates the ability to import and transship large quantities of the chemical to Afghanistan. In 2009, 5,000 liters of acetyl chloride destined for Afghanistan were seized. Acetyl chloride can be used to manufacture acetic anhydride, although its volatility during the process makes it an uncommon precursor. In addition, five metric tons of AA was seized in July 2009 in Quetta. Also included in the seizure were lime and soda ash, two other chemicals used in the heroin production process. On the export side, in late December 2008, two men were arrested for attempting to smuggle 42 kilograms of ephedrine out of Pakistan by air. The chemical was destined for Mexico City and likely the clandestine methamphetamine manufacture trade. The two men arrested told investigators they made several similar trips in the past.

Some progress has been made in determining the routes and methods used by traffickers to smuggle chemicals through Pakistan into Afghanistan. Major smuggling routes run through Nangarhar, Helmand, Kandahar, and Nimroz. The Department of Justice's Drug Enforcement Administration (DEA) continues to provide Pakistani law enforcement with information regarding chemical seizures that may have links with Pakistani smuggling groups and/or chemical companies, to facilitate further investigation within Pakistan.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** As of the end of 2009, Pakistan's Drug Control Master Plan is still awaiting approval by the Cabinet. Publication of the national plan was anticipated in early 2007, and the delay in its release remains a concern. The plan should focus on controlling production, identifying interdiction strategies, reducing the number of drug addicts, enhancing efforts to curb money laundering, and promoting international cooperation. The Ministry of Narcotics Control, in coordination with the United Nations Office on Drugs and Crime (UNODC), continues to work on the plan. The GOP also seeks to regain "poppy-free" status, which it had secured from the United Nations (UN) in 2001, by enforcing a strict "no tolerance" policy for cultivation. Federal and provincial authorities continue antipoppy campaigns in both Baluchistan and NWFP, informing local and tribal leaders to observe the poppy ban or face forced eradication, fines, and arrests. Security concerns in the NWFP and FATA, where the majority of Pakistani poppy continues to be cultivated, prevented full realization of the GOP's goal to be "poppy-free" in 2008-2009. Of course, as long as Afghanistan is producing some 90 percent of world opium, even success in

totally eliminating the small amount of poppy cultivation presently occurring in Pakistan still leaves it susceptible to major transit activity and possible overflow production of illegal substances.

ANF is the lead counternarcotics agency in Pakistan. Other law enforcement agencies have counternarcotics mandates, including the Frontier Corps Baluchistan (FCB) and Frontier Corps NWFP (FCN), the Pakistan Coast Guards, the Maritime Security Agency, the Frontier Constabulary (FCONS), the Rangers, Customs Preventive Force, the police, and the Airport Security Force (ASF). The Pakistan Coast Guards are using counternarcotics cells (or units) and checkpoints along the Makran Coast to better coordinate and execute counternarcotics operations. The investigative authority of these agencies, however, is limited by the ANF.

**Law Enforcement Efforts.** In the first three quarters of 2009, GOP law enforcement and security forces reported seizing 3.69 metric tons of heroin/morphine, 8.46 metric tons of opium, and 163 metric tons of hashish. There were several significant drug seizures in Pakistan during 2009 including: 248.8 kilograms of hashish (seized from a truck on September 19, 2009), 4,947 kilograms of hashish (seized from a truck on July 29, 2009), 3,356 kilograms of hashish (seized from a truck on July 12, 2009), and 429.6 kilograms of hashish (seized from a truck on May 7, 2009). An additional 12,000 kilograms of hashish was seized from a container in Peshawar on May 31, 2009, and 2,000 kilograms of hashish (seized from a vehicle on February 14, 2009). Other seizures include 30 kilograms of heroin from the personal possession of an accused person at Sheikhupura on August 25, 2009; and 102 kilograms of opium and 270 kilograms of hashish from the Nazarabad Area of District Kech on January 30, 2009.

In the first three quarters of 2009, Pakistan law enforcement reported arresting a total of 43,036 individuals on drug-related charges. Only 962 of these arrests (716 cases) were reported as being made by the ANF. Of those 716 new cases, 253 have been decided, and the remaining cases are either pending or closed without result. The conviction rate reported by the ANF during this period for the 253 cases that were decided is about 86 percent. In 2008, the total number of narcotics cases registered by all Pakistan law enforcement agencies was 51,779 and the number of arrested persons was 52,040. Statistics for ANF cases for 2008 were: 8,464 cases opened, 5,384 cases convicted, 798 cases acquitted, 558 cases listed as "dormant", 254 cases closed without result, 254 cases under further investigation, and 1,476 cases pending trial. The great majority of narcotics cases that go to trial continue to be uncomplicated drug possession cases involving low-level couriers and straightforward evidence. The problematic cases tend to involve more influential members of society, higher-ups in drug trafficking organizations (DTOs), and wealthier defendants. The ANF continues to prosecute appeals in seven long-running cases in the Pakistani legal system against major drug traffickers, including Munawar Hussain Manj, Sakhi Dost Jan Notazai, Rehmat Shah Afridi, Tasnim Jalal Goraya, Haji Muhammad Iqbal Baig, Ashraf Rana, and Muhammad Ayub Khan Afridi. In 2009, the appeal of Ayub Khan Afridi was rejected by the Supreme Court of Pakistan.

Since many strong cases are reversed on appeal, the ANF has supplemented its own in-house prosecutors by hiring private outside counsel to defend convictions on appeal, in an effort to address these reversals. The DEA continues to advance the concept of conspiracy investigations with the ANF to target major traffickers. Through November 10, 2009, drug traffickers' assets totaling 119,392 million rupees (about $13.48 million) remained frozen.

In 2009, the government froze recruitment for the ANF. The total number of ANF officers is currently 2,434. The Frontier Corps, which is tasked to assist police in maintaining law and order including by conducting border patrol and antismuggling operations, has approximately 80,000 personnel. In 2009, this force was increasingly used to combat militants in the Federally Administered Tribal Areas (FATA) and Baluchistan along the Afghan border. DEA support for the ANF's Special Investigative Cell (SIC) ended in September 2009. Compliance and productivity issues impacted the effectiveness of this effort. DEA is investigating other options for a meaningful cooperative relationship.

**Corruption.** The United States has no evidence that the GOP or any of its senior officials 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. However, with government salaries low and societal and government corruption endemic, it is not surprising that some narcotics-related corruption among government employees occurs. The National Accountability Bureau (NAB), the Pakistani agency tasked with investigation and prosecution of corruption cases (not only narcotics-related), has been targeted for political reasons, resulting in a decrease in its operating budget, reductions in staffing, and a reorganization of its operations. Legislation that would rename the NAB and sharply curtail its authorities is under consideration in the National Assembly. The NAB opened no new investigations during 2009 and directed its efforts at completing pending cases.

**Agreements and Treaties.** Pakistan is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Pakistan is a party to the UN Convention against Corruption, and has signed, but has not yet ratified, the UN Convention on Transnational Organized Crime. The United States provides counternarcotics and law enforcement assistance to Pakistan under a Letter of Agreement (LOA). This LOA provides the terms of and funding for cooperation in border security, crop control and area development efforts, narcotics law enforcement, and drug demand reduction efforts. There is no mutual legal assistance treaty (MLAT) between the U.S. and Pakistan, nor does Pakistan have a mutual legal assistance law; it has not responded to formal U.S. requests for assistance. The 1931 U.S.-U.K. Extradition Treaty, which was applicable to all of British India, was adopted by Pakistan when it gained independence in 1947. Both the Extradition Treaty and Pakistan's Extradition Act are outmoded. Lack of action by Pakistani authorities and courts on pending extradition requests, which currently number 12 including four drug-related cases, continues to be of concern to the United States; one has been pending since 1995; the last extradition was in 2006. Obstacles to extradition include the inexperience of GOP public prosecutors, an interminable appeals process that tolerates defense-delaying tactics, and corruption.

**Cultivation/Production.** Through interagency ground monitoring and aerial surveys, the GOP and United States Government (USG) confirmed that Pakistan's poppy harvest decreased by roughly 146 ha in 2009. In 2009, Pakistan cultivated 1,779 ha, compared to cultivation of approximately 1,909 ha in 2008. Based on the GOP's methodology for determining poppy crop yield, which estimates that approximately 25 kilograms of opium are produced per hectare of land cultivated, Pakistan's potential opium production was approximately 44 metric tons in 2009.

Cultivation in the "non-traditional" areas in NWFP remained almost completely contained in 2009, with Kala Dhaka as the only trouble spot. The USG does not fund any application of aerially applied herbicides in Pakistan. The NWFP Government struggled this year to contain poppy in the FATA agencies where both the Pakistani Army and the Frontier Corps NWFP are combating an aggressive militancy, including elements of al-Qaida. Frontier Corps force concentrations in North and South Waziristan meant that there were no troops available to combat poppy cultivation in Khyber, Bajaur, and Mohmand, where 1,558 ha of poppy were cultivated during 2009. Ground monitoring teams continue to observe, particularly in Khyber, a trend of increased cultivation within walled compounds to deter detection and eradication.

**Drug Flow/Transit.** Although no exact figure exists for the quantity of narcotics flowing across the Pakistan-Afghan border, UNODC's World Drug Report 2009 estimates that 40 percent of Afghanistan's heroin is trafficked to Pakistan, and then onward to Iran, India, Africa, Europe, the U.S., Canada, China, and East and South-East Asia. There are no estimates regarding the amount of hashish manufactured or cannabis harvested in Pakistan, but recent seizures indicate that the quantities are likely large. In 2009, drug couriers intercepted in Pakistan were en route to Thailand, Italy, Kuwait, Malaysia, Nepal, Germany, Vietnam, South Africa, the United Kingdom, Bangladesh, Ghana, Cambodia, China, Nigeria, and the United Arab Emirates (UAE). Ecstasy, buprenorphine (an opiate adapted for use in the treatment of opiate

addiction), and other psychotropics are smuggled from India, the UAE, and Europe for the local Pakistani market. Small amounts of cocaine smuggled into the country by West African DTOs have also been seized.

The UNODC's Afghanistan Opium Survey 2009 notes that opium cultivation in Afghanistan decreased by 22 percent, from 157,000 hectares (ha) in 2008 to 123,000 ha in September 2009. Nevertheless, the GOP is alert to the possibility that law enforcement efforts in Afghanistan could push DTOs and labs further into Pakistan. Many DTOs already have cells throughout Pakistan, predominantly in remote areas of Baluchistan where there is little or no law enforcement presence. DTOs in Pakistan are still fragmented and decentralized, but individuals working in the drug trade often become "specialists" in processing, transportation, or money laundering and sometimes act as independent contractors for several different criminal organizations. To some degree, a cross-border collaborative network of opium/heroin production exists in Afghanistan and Pakistan where antigovernment elements in Pakistan provide significant financing, while insurgents in Afghanistan provide cultivation/refining sanctuaries.

Pakistan discontinued the manufacturing of AA in 1995, but Pakistan borders two major chemical producers, China and India. Pakistani law enforcement notes that precursor chemicals, such as AA, are most likely smuggled through the UAE, Central Asia, China, South Korea, and India to Pakistan and then on to Afghanistan in mislabeled containers that form part of the Afghan transit trade. According to UNODC's 2009 report on Addiction, Crime and Insurgency, the largest precursor flows have historically arrived at Karachi or other seaports on Baluchistan's coast and then crossed Pakistan's borders with the southern Afghan provinces of Nimroz, Helmand, and Kandahar.

Afghan opiates and hashish trafficked to Europe and North America enters Pakistan through Baluchistan and the NWFP and exit either through Iran or Pakistan's Makran coast or through Pakistan's international airports. Customs and ANF report that drugs are being smuggled in the cargo holds of dhows to Yemen, Oman, Saudi Arabia, and UAE via the Arabian Sea. Traffickers also transit land routes from Baluchistan to Iran and from the tribal agencies of NWFP to Afghanistan for transit through Central Asia.

In Baluchistan, drug convoys are now smaller, typically two to three vehicles with well-armed guards and forward stationed scouts, who usually travel under cover of darkness. Several years ago there were seizures of 100-kilogram shipments, but now traffickers are transporting smaller quantities of drugs through multiple couriers, both female and male, to reduce the size of seizures and to protect their investment. This is evidenced by the 20-30 kilograms seizures that are now typical. Other methods of shipment include inside false-sided luggage or concealment within legal objects (such as laptops, crates of mangos, carpets, and cosmetic items), the postal system, or strapped to the body and concealed from drug sniffing dogs with special sprays. The ANF reports that traffickers frequently change their routes and concealment methods to avoid detection. West African traffickers are using more Central Asian, European, and Pakistani nationals as couriers. An increasing number of Pakistani females are being used as human couriers through Pakistan's international airports. In recent years, the GOP has also detected an increase in narcotics, both opium and hashish, traveling through Pakistan to China via airports and land routes. Arrests of couriers traveling via Pakistan to China have increased significantly.

**Domestic Programs/Demand Reduction.** The Ministry of Narcotics Control estimates that there were four million drug users in Pakistan in 2009. The last comprehensive survey on drug use, conducted by the GOP in coordination with UNODC in 2006 and published in 2007, indicated that Pakistan has approximately two to three million drug addicts, with around 628,000 opiate abusers. The most alarming trend from the survey is the near doubling of the number of injecting drug users to an estimated 125,000. The prevalence of drug users testing positive for human immunodeficiency virus (HIV) was estimated at nearly 11 percent in March 2007, with the city of Karachi having the highest prevalence (28 percent). Eleven percent of users reported being infected with hepatitis and 18 percent reported being infected with tuberculosis. With the increased incidence of intravenous drug abuse, blood borne diseases have the potential to spread rapidly. The average age of first use is 18 years and the initial drug of choice is

cannabis (hashish); the average age of first use of heroin is 22 years. Cannabis and heroin are the most widely abused drugs, followed by raw opium. Prescription and synthetic drugs such as Ecstasy are gaining popularity among high-income users. Pakistan's justice system treats addicts as victims, not criminals. Nevertheless, with only a few NGOs and the establishment of two GOP model drug treatment and rehabilitation centers in Islamabad and Quetta, drug users have limited access to effective detoxification and rehabilitation services in Pakistan.

The ANF is also tasked with reducing demand and increasing drug abuse awareness and funds a number of drug demand reduction programs and rehabilitation centers. The USG funded several NGOs, including drug treatment centers in Peshawar and Gujranwala, a drug prevention program in Karachi, and a counternarcotics campaign for school-aged students from across Pakistan.

While the GOP appears to have the political will to do more in demand reduction, it lacks the human and technical resources and an updated, comprehensive strategy.

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

**Policy Initiatives.** It is increasingly clear that traffickers of opiates and hashish have financial links to the insurgents operating on both sides of the Pakistan-Afghanistan border. The United States has several counternarcotics policy objectives in Pakistan that are closely related to America's larger goals of defeating the insurgency on the Pak-Afghan border and preventing terrorist safe-havens in the FATA, NWFP, and Baluchistan. To achieve these objectives the U.S. helps the GOP fortify its land borders and seacoast against drug trafficking and terrorists, supports expanded regional cooperation, encourages GOP efforts to eliminate poppy cultivation, and inhibit further cultivation. The United States is also working with the GOP to enhance the capabilities of GOP law enforcement agencies to combat the flow of narcotics from Afghanistan and to destroy DTOs by building the capacity of the GOP, as well as expanding demand reduction efforts. USG agencies continue to encourage GOP cooperation in the extradition of narcotics fugitives and to encourage enactment of comprehensive money laundering legislation. The United States is also focusing on encouraging the streamlining of Pakistani drug enforcement legislation, making it easier for the ANF and other law enforcement agencies to prosecute narcotics cases. The United States presses for the reform of law enforcement institutions and encourages cooperation among the GOP agencies with counternarcotics responsibilities. The United States also focuses on improving antismuggling capabilities of law enforcement agencies, including the Customs Department, the Frontier Corps, and the National Police, and the Maritime Security Agency (MSA).

**Bilateral Cooperation.** The United States, through the State Department-funded Counternarcotics and Border Security Projects, provides operational support, commodities (e.g., vehicles, radios, and body armor), and training to the ANF, MNC, Frontier Corps-Baluchistan, and the FATA Secretariat's Narcotics Control Center (NCC). Under the Border Security Project, the U.S. has built and refurbished 81 Frontier Corps outposts in Baluchistan and NWFP, and another 62 Levy (tribal police force) and 38 Frontier Constabulary outposts in the NWFP. 14 new outposts are still under construction in NWFP and Baluchistan. Construction of 336 km of roads in the border areas of the FATA are complete and ongoing construction of 73km of border security and counternarcotics roads continues to open up remote areas to law enforcement. Since 1989, the State Department also has funded construction of more than 586 km of counternarcotics program roads in previously inaccessible areas, facilitating farmer-to-market access for legitimate crops and providing authorities access for poppy eradication. Over 1,000 development projects have also been implemented to provide water and electricity to remote areas and to encourage alternative crops in Bajaur, Mohmand, and Khyber Agencies. The construction of 16 additional water projects is under way. Alternative crop programs were extended into Kala Dhaka and Kohistan in 2006. In 2009, 13 kilometers of new road were completed and 24 kilometers are underway. A total of $10 million has been committed to road construction and small electrification and irrigation schemes for this earthquake-devastated area of NWFP.

The State Department's law enforcement reform and capacity building program is building the capacity of Pakistani law enforcement organizations by providing training and equipment and reconstructing/rehabilitating police facilities in vulnerable areas. In 2009, efforts focused on reestablishing security and stability in the NWFP. The Department of State-funded/Department of Justice-provided Resident Legal Advisor has also instituted training for prosecutors in coordination with USAID's Rule of Law efforts. The training is designed to improve advocacy skills, police-prosecutor cooperation, prosecutorial ethics, and management of the prosecutorial function. The program is coordinated with NAS police training and assistance to ensure that police investigations provide prosecutors with suitable evidence and that prosecutors communicate their requirements to police.

The United States funds a Narcotics Control Cell in the FATA Secretariat to help coordinate counternarcotics efforts in the tribal areas, where the overwhelming majority of poppy is grown. The U.S.-supported Air Wing program operated by the Ministry of Interior (MOI) was established to provide significant benefits to counternarcotics efforts and also serves to advance U.S. Border Security objectives. DEA terminated support for the ANF's Special Investigative Cell (SIC), but is exploring other means of assistance.

The Office of the U.S. Defense Representative-Pakistan (ODRP) has begun providing assistance to the Pakistan Coast Guards to improve the GOP's counternarcotics capabilities on the Makran Coast and has also presented a Fusion Cell (intelligence sharing and coordination center) concept to the Pakistan Navy, Maritime Security Agency, and the Coast Guards. The objective of the Fusion Cell will be to foster interagency coordination and increase detection and interdiction capabilities along the Makran Coast. The Makran Coast serves as the transition point between trafficking from land to sea; this trafficker vulnerability can be exploited to disrupt trafficking to the Gulf States and beyond. To date, ODRP has provided over $141 million in equipment and training to Coast Guards, Maritime Security Agency, Customs Preventive, and Frontier Corps to further enhance their ability to interdict illicit trafficking in the southern regions of Pakistan.

**The Road Ahead.** Despite a lack of robust political will and some problems with cooperation, the United States will continue to assist the GOP in its nation-wide efforts to eliminate poppy, build capacity to secure its borders, conduct investigations that dismantle drug trafficking organizations, increase convictions and asset forfeitures, detect diverted precursor chemicals, and reduce demand for illicit drugs through enhanced prevention, intervention, and treatment programs. Implementation of these strategies will require GOP perseverance to strictly enforce the poppy ban , develop an indigenous drug intelligence capability, improve the prosecution and resolution of court cases, encourage GOP interagency cooperation, promote more effective use of resources and training, and enhance regional cooperation and information sharing.

# Panama

## I. Summary

Panama is a major logistics and transshipment point for both legal and illegal products due to its geographic position and well-developed maritime and transportation infrastructure. In addition to rising drug trafficking through Panama by Colombian, Mexican, and other drug trafficking organizations, the presence of Colombian illegal armed groups in the Darien region of Panama is contributing to rising crime, violence, and gang presence throughout the country. The newly elected Martinelli Administration has continued Panama's history of strong cooperation with the U.S. on counternarcotics operations. United States Government (USG) support to Panama's counternarcotics efforts, including developing an effective community policing model to help control a growing gang problem, is crucial to help Panama stem its increasing security problems. Panama is a party to the 1988 UN Drug Convention.

## II. Status of Country

Due to its close proximity to Colombia and other drug producing countries, Panama receives a significant quantity of South American cocaine and heroin destined for the U.S. and other global markets. With increased counternarcotics efforts in Mexico, drug traffickers are increasing drug transshipment routes through Central America. Traffickers utilize Panama's coastline to move drugs, supplies, and other illicit products between land and water to evade law enforcement. Panama's infrastructure, including four major containerized seaports, the Pan-American Highway, and the rapidly growing Tocumen international airport facilitate drug movement. Smuggling of weapons and drugs continues to take place, particularly along the Pacific Coast of the Darien region near the Colombian border, the Azuero peninsula, the porous border with Costa Rica, and the sparsely populated Caribbean coastal areas. The flow of illicit drugs has contributed to increasing crime, drug abuse, and gang violence in Panama. Panama has traditionally been one of the safest countries in Central America, with lower crime rates than Costa Rica. However, in the last two years the security situation dramatically shifted in Panama. The murder rate climbed from 11.1 homicides per 100,000 persons in 2006 to a projected 23.2 per 100,000 in 2009. Panamanian authorities attribute the deteriorating security situation in large part to the increase in narcotics trafficking. Panama is not a significant producer of drugs or precursor chemicals. Limited amounts of cannabis are cultivated for local consumption.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Martinelli Administration cooperates extensively with the United States to fight crime and narcotics trafficking. Planning for the switch of criminal systems pursuant to the 2008 law reforming the criminal system from a written (inquisitorial) system to a largely oral (accusatorial) system continued throughout 2009. Implementation is not expected to begin until 2011. The 2008 merger of the National Air Service (SAN) and the National Maritime Service (SMN) into a unified "Coast Guard"-type service called the National Aero-Naval Service (SENAN) increased the Government of Panama's (GOP) maritime interdiction capacity, due in large measure to SENAN's strong leadership. The GOP also separated the frontier police from the PNP, creating SENAFRONT as an independent entity. Over the past year, SENAFRONT established itself as a relatively effective border security force and took steps to increase the GOP's presence in the remote border region of the Darien. For the third straight year, Panama carried out a successful table-top exercise (Panamax Alpha) to address asymmetrical threats to the Panama Canal.

**Accomplishments.** Panama reported seizing over 54 metric tons of drugs in 2009, including 52.4 metric tons of cocaine and 1.8 metric tons of marijuana, according to seizure data from the Panamanian Drug Prosecutors Office. The data includes cocaine captured by GOP forces, but does not include cocaine

interdicted by U.S. Coast Guard (USCG) assets in Panamanian waters or cocaine jettisoned by traffickers to avoid prosecution. Police also seized over $11 million in cash linked to drug trafficking, 90 kilograms of heroin, and made 1,157 narcotics-related arrests.

**Law Enforcement Efforts.** SENAN cooperates with USCG requests for ship registry data and provides officers to serve aboard U.S. maritime assets as "ship riders," which expanded the effectiveness of these assets. In addition to granting permission for U.S. maritime assets to operate in Panamanian territorial waters, SENAN provides excellent support for counternarcotics operations within its limited means, including patrolling and photographing suspect areas, and identifying suspect aircraft. The U.S. provided equipment and support to personnel for GOP vetted units. These units conduct sensitive investigations and operations related to counternarcotics, money laundering, human smuggling, and other transnational crimes. In 2009, the GOP continued to staff the U.S.-funded Guabala checkpoint on the Pan-American Highway. The Department of State Bureau for International Narcotics and Law Enforcement Affairs' (INL) Narcotics Affairs Section (NAS) and U.S. Customs and Border Protection (CBP) supported this effort by providing temporary duty U.S. Border Patrol Agents to conduct training and mentoring of Panamanian law enforcement personnel. The national police also deployed a NAS-supported mobile inspection unit that manned road blocks throughout the country, targeting the land-based movement of drugs.

**Corruption.** The GOP does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. Several government ministries have transparent, automated procedures to minimize opportunities for corruption (e.g., for registering a business, or preparing a shipment for export), but public corruption remains a concern. Despite the GOP's public stance against corruption, few cases have been adjudicated due largely to a lack of investigative capacity and a weak judicial system.

**Agreements and Treaties.** Panama is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotics Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. A mutual legal assistance treaty and an extradition treaty are in force between the U.S. and Panama, although the Constitution does not permit extradition of Panamanian nationals. In 2002, the U.S. Government (USG) and GOP concluded a comprehensive maritime interdiction agreement. Panama has bilateral agreements on counternarcotics with the United Kingdom, Colombia, Mexico, Cuba, and Peru. Panama is a party to the UN Convention against Transnational Organized Crime and its three protocols and to the UN Convention against Corruption. Panama is a member of the Organization of American States (OAS) and is a party to the Inter-American Convention on Mutual Assistance in Criminal Matters, the Inter-American Convention Against Corruption, the Inter-American Convention of Extradition, the Inter-American Convention against Terrorism, and the Inter-American Convention against the illicit manufacturing of and trafficking in firearms. Panama is an active participant in the U.S.-SICA (Integrated System for Central America) security dialogue.

**Cultivation and Production.** Limited cannabis cultivation, principally for domestic consumption, is grown in Panama, particularly in the Pearl Islands.

**Drug Flow/Transit.** Panama is a major logistics and transshipment point for both legal and illegal products due to its geographic position and well-developed maritime and transportation infrastructure. Drug traffickers move South American drugs along Panama's relatively unguarded Pacific and Atlantic coastlines via fishing vessels, cargo ships, and go-fast boats. According to the latest USG estimates, 91 percent of the cocaine directed towards the U.S. transits the Mexico/Central America corridor. Panama's coastlines and rivers are used by drug traffickers to store drugs, fuel, and supplies for go-fast boats. These boats carry drug shipments towards the U.S. Drugs are also moved by air, with aircraft utilizing hundreds of abandoned or unmonitored legal airstrips in Panama for refueling, pickups, and deliveries. In 2009, the GOP reported an increase in seizures on the Pan American Highway, indicating that traffickers are increasingly using ground transportation methods in conjunction with transporting narcotics by air and

sea. Panama has developed into a regional commercial air transportation hub, and drug couriers continue to use commercial air flights transiting or originating in Panama to move cocaine and heroin to the U.S. and Europe.

**Domestic Programs/Demand Reduction.** Public concern over Panama's growing drug consumption problem sparked increasing internal debate on the need to improve domestic drug prevention and awareness efforts. The U.S. partners with local actors to implement such programs as Drug Awareness and Resistance Education (DARE), Youth Crime Watch, Young People Building a Better World, and the Integral Prevention Education Program. As part of the Mérida Initiative, the U.S. Agency for International Development (USAID) also partners with the GOP, civil society, and the private sector to provide alternatives to narcotics use and gang membership to disadvantaged youth. This crime prevention and antigang program led to a proposal to develop a new government-wide working group to coordinate all GOP activities dealing with at-risk youth. This working group, expected to be formed in spring 2010, is intended to bring together approximately 45 at-risk youth programs spread among 20 GOP agencies and to facilitate assistance from donors, NGOs and corporations, including potential continuation funding from the USG.

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

**Policy Initiatives.** USG-supported programs focus on improving Panama's ability to intercept, investigate, and prosecute illegal drug trafficking and other transnational crimes; strengthening Panama's judicial system; improving Panama's border security; and promoting strict enforcement of existing laws. In 2009, NAS, Department of Homeland Security (DHS), Office of Defense Cooperation (ODC), and USCG provided resources for modernization and upkeep of SENAN, SENAFRONT, and PNP vessels and bases, and assisted SENAN with training personnel and maintaining key aircraft for interdiction efforts. Over the past year, the USG provided training, operational equipment and support to the multi-agency Tocumen Airport Drug Interdiction Law Enforcement Team. NAS coordinated training for the Drug Enforcement Administration (DEA) and U.S. Immigration Customs Enforcement (ICE) vetted units, as well as continued training for the quick response motorcycle team ("lynx" unit) in Tactical Law Enforcement procedures, internal affairs, Anti-Corruption investigations, and crowd control procedures.

In 2009, NAS and CBP continued support for operational evaluation teams of U.S. Border Patrol Agents who work in the border areas with SENAFRONT. NAS also continued support for a major law enforcement modernization project with the PNP to develop its police leadership and implement community-based policing procedures. The program aims to improve community policing tactics, expand existing crime analysis technology, and promote managerial change to allow greater autonomy and accountability. In 2009, this program exposed the PNP leadership to the concepts of Community Policing. Due to the program's success, the PNP has incorporated the training concepts into the curriculum of its three training academies. NAS continues to provide material and training support to increase the effectiveness of the GOP's counternarcotics effort.

**Bilateral Cooperation.** In 2009, the GOP continued to sustain joint counternarcotics efforts with U.S. entities, such as DEA and USCG, and worked to strengthen national law enforcement institutions with assistance from NAS. The DEA vetted unit continues to lead the region's vetted units in cocaine seizures. The NAS-funded ICE vetted unit doubled in size in 2009, and became a major asset for the PNP. This unit led several high-profile investigations and operations involving crimes with a nexus to the U.S. In 2009, Panama and the USG also coordinated to launch a Panamanian Trade Transparency Unit (TTU) in early 2010. The TTU will enhance information sharing for combating trade-based money laundering activities. Maritime cooperation improved in 2009. At U.S. urging, SENAN, SENFRONT, and the PNP formed a Joint Task Force (JTF) to increase the GOP's ability to leverage the entities' varied skills to combat drug trafficking when deployed to strategic locations in Panama. The JTF was created at the close of 2009, but plans are in process to establish a base of operations on Panama's Pacific Coast near the

border with Colombia to work in conjunction with U.S. maritime assets to deny use of Panama's Pacific littorals waters to traffickers. In 2009, the USG and Panama cooperated to execute 18 cases under the provisions of the maritime counternarcotics bilateral agreement, which resulted in the removal of over 7.5 metric tons of cocaine, arrest of 76 smugglers, and seizure of 12 vessels.

**The Road Ahead.** When considering the movement of narcotics from South America to the U.S., Panama is the "mouth of the funnel." Drug loads are found in large quantities, providing U.S. investment in counternarcotics efforts an immense "bang for the buck" effect against drug traffickers. Panama has a long tradition of close cooperation with the United States, as illustrated by Panama routinely reporting the highest cocaine seizure rates in Central America, but increased narcotics trafficking and associated violence is eroding public confidence in government institutions. Rising insecurity, increased narcotics-related crime, and the increased presence of Mexican and Colombian trafficking organizations threaten to undermine Panama's democratic institutions. The new Panamanian administration has allocated more resources to its security organizations, and has made some needed changes, such as increasing police salaries, but Panama's justice and security organs remain weak and susceptible to the corrupting influences of drug trafficking organizations. The U.S. encourages Panama to devote even more resources to the modernization of its security services and to continue with reform efforts that improve public sector accountability and transparency. The GOP is also encouraged to continue enhancing its efforts to prevent, detect, investigate, and prosecute financial crimes and money laundering. Panama's ability to safeguard its citizens, confront drug traffickers, and ensure that law enforcement efforts are anchored in democracy will be strengthened by its continued focus on law enforcement modernization, improved equipment, strategic planning, decentralization of decision making, and community-oriented policing philosophies.

# Paraguay

## I. Summary

The Government of Paraguay continued to make some progress against illegal narcotics trafficking in 2009. Paraguay's National Anti-Drug Secretariat (SENAD) increased its seizures of cocaine compared to 2008, however the culture of corruption and impunity remains a significant barrier in the battle against organized crime and drug trafficking. President Fernando Lugo has expressed a desire to reverse Paraguay's status as a major drug transit country and significant producer of marijuana. The Government of Paraguay implemented new money laundering legislation on July 20, which could be an important tool for law enforcement. Paraguay is a party to the 1988 UN Drug Convention.

## II. Status of Country

Cocaine, primarily from Bolivia, continues to be trafficked through Paraguay's porous borders to markets in Europe, Africa, and other Southern Cone countries. In addition, lax border controls and tax evasion have helped make Paraguay a transit country for ephedrine—the precursor chemical to MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) and methamphetamine—as well as other precursor chemicals to cocaine production. SENAD continued its drug interdiction activities despite limited financial and personnel resources and weak and corrupt government institutions that are often unable or unwilling to prosecute and convict growers or traffickers. Paraguay is currently the second-largest producer of marijuana in the hemisphere, largely due to extreme poverty, which is a driving force. Marijuana cultivators can earn up to 500 percent more than growing any licit crop. Domestic demand is quite low, and the majority of the marijuana is consumed in neighboring countries.

## III. Country Actions Against Drugs

**Policy Initiatives.** President Lugo's administration implemented new legislation regarding money laundering that will be an important tool for law enforcement agencies. On April 30, SENAD appointed new directors of operations and intelligence and appointed a new adjunct minister position to serve as a second in command in order to improve SENAD's response and effectiveness in its fight against drug trafficking. The new administration has yet to resurrect legislation that would grant SENAD autonomy and provide its officers with law enforcement authority. Seizures of cocaine increased under the new SENAD leadership, but much remains to be done.

**Law Enforcement Efforts.** In 2009, SENAD more than doubled its cocaine seizures compared to the previous year. Seizures of marijuana and destruction of marijuana crops did not exceed 2008 levels. SENAD seized 600 kilograms of cocaine, 84 metric tons of marijuana, 54 vehicles, 71firearms, multiple hydraulic presses for compressing marijuana, and made 243 arrests.

There were several high profile arrests in 2009. From the 2005 Operation Sapphire in which 2,000 kilograms of marijuana were seized, 16 suspects were sentenced on August 22, 2009 to prison terms ranging from six to 18 years. On September 5, 2009 SENAD arrested two members from the "Commando Vermelho" organization thanks to intelligence shared between SENAD and the Brazilian federal police. The two detainees, Ricardo Dos Santos Silva (AKA Tubarao) and Anderson Bonfim de Alencar (AKA Cabeza/Leco), are important players in narcotics and weapons smuggling to criminal organizations in Rio de Janeiro, Brazil. Mustafa Ahmad Abu Hamdan, a Lebanese citizen with suspected ties to Hezbollah, was captured on October 22, 2009 and deported to Brazil to be tried for international drug smuggling. SENAD also arrested Jarvis Ximenes Pavao, a major Brazilian drug trafficker, together with Carlos Antonio Caballero (AKA Capilho), a Brazilian "Primeiro Comando da Capital" gang member, on December 27, 2009 in an eastern province of Paraguay.

**Corruption.** Official corruption remains the principal barrier to reducing the production and distribution of illegal drugs. Senior police officials are routinely involved in organized crime activities or accept bribes. Within the judicial system, corruption is the greatest barrier to effective prosecution of drug traffickers and producers. The Lugo government has indicated that anticorruption efforts are a major priority for the administration. The U.S. Agency for International Development began the second phase of the Millennium Challenge Corporation anticorruption project in 2009 that targets corruption within the judicial system and Paraguayan National Police.

**Agreements and Treaties.** Paraguay is a party to the UN 1988 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 Government of Paraguay (GOP) is also a party to the UN Convention against Transnational Organized Crime and its protocols, the United Nations Convention against Corruption, the Inter-American Convention against Corruption and the Inter-American Convention against Terrorism. The GOP also signed the Organization of American States Inter-American Drug Abuse Control Commission (CICAD) Hemispheric Drug Strategy. Paraguay has law enforcement agreements with Brazil, Argentina, Chile, Venezuela and Colombia. The United States and Paraguay cooperate in extradition matters under a 2001 extradition treaty. The 1987 bilateral Letter of Agreement under which the United States provides counternarcotics assistance to Paraguay was extended in 2004 and followed by yearly amendments through 2009. Paraguay is also a signatory to the 1992 Inter-American Convention on Mutual Assistance in Criminal Matters.

In 2009, SENAD signed cooperation agreements with local and foreign institutions including the municipality of Ciudad del Este; the Brazilian Federal Police; and the Education Ministry that will enable collaboration and intelligence sharing with foreign institutions as well as provide training on drug prevention to various government institutions.

**Cultivation/Production.** Paraguay is the hemisphere's second-largest marijuana producer after Mexico. Production takes place primarily in the northeastern departments of Amambay, San Pedro, Canindeyú, and Concepcion, and multiple crops are harvested throughout the year. Due to the high demand and price of the crop, production continues to increase and spread to new areas of the country. There are approximately 4,500 hectares under production around the country according to SENAD officials, while the UN estimates that Paraguay has closer to 6,000 hectares under cultivation. In 2009, SENAD conducted a number of manual marijuana eradication operations in the departments of Canindeyú and Amambay, destroying 1,171 hectares of marijuana crops. SENAD seized 2,456 kilograms of marijuana seeds and 9,130 kilograms of hashish during eradication and interdiction operations.

**Drug Flow/Transit.** Paraguay remains a transit country for as much as 30 to 40 metric tons of cocaine produced in Bolivia, Peru, and Colombia. A small portion of the cocaine from these countries is destined for the United States; however, the bulk is transported to Brazil, Europe, Africa, and the Middle East. The majority of the marijuana grown in Paraguay is sold in neighboring countries including Brazil, Argentina, Chile, and Uruguay. Paraguay's porous and extensive borders, limited law enforcement coverage, and corrupt police and customs officials permit not only drug trafficking, but trafficking of weapons and contraband as well. In 2009, SENAD also seized 498 kilograms of acetone, 99 kilograms of lidocaine, and 9 kilograms of sulfuric acid used commonly as cocaine precursors. There were no ephedrine seizures in 2009, but ephedrine trafficking is a possible trend that bears watching. On November 2, there was a shipment of 500,000 pseudoephedrine tablets from Paraguay that was seized at the Guatemalan International Airport.

**Domestic Programs/Demand Reduction.** SENAD conducts formal workshops, informal sessions, public seminars, and distributes informational materials in order to reach thousands of students, teachers, and parents in its role as the principal coordinator under the "National Program against Drug Abuse." In 2009, SENAD sponsored 720 workshops reaching 21,417 students, parents and teachers in 106 different schools; and distributed 6,501 informational pamphlets, 50 banners and 175 DVDs to students, teachers

and counselors. Domestic demand for illegal drugs in Paraguay remains low in comparison to neighboring countries, but most believe it is increasing.

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

**Bilateral Cooperation.** The U.S. Mission in Paraguay works closely with the GOP to disrupt drug trafficking organizations and build stronger legal and regulatory measures to restrict drug trafficking, illegal contraband flows, and money laundering. The narcotics detection canine program continued to support seizure operations and was responsible for the direct seizure of 65 kilograms of cocaine. The USG funded the participation of SENAD, the Secretariat to Combat Money Laundering (SEPRELAD), and the Specialized Anti-Piracy Unit (UTE) agents at seminars on information sharing; illicit traffic of goods and trademark fraud; and money laundering. The USG has started a project to improve SENAD's physical headquarters in Asuncion. The Drug Enforcement Administration (DEA) continues to work with SENAD on improving its ability to develop criminal narcotics cases targeting major traffickers through technical assistance and training.

**The Road Ahead.** Phase II of the USG's Millennium Challenge Account Threshold Program was inaugurated in October and is aimed at decreasing the corruption that is pervasive throughout Paraguay's democratic institutions. SENAD continues to push the Paraguayan Congress to make necessary regulatory changes to provide SENAD with the law enforcement powers necessary to be an effective national narcotics police and to give it the autonomy to carry out its duties free of political interference. We encourage the GOP to continue to institute measures to address corruption and address the challenges that constrict its ability to actually prosecute and convict narcotics traffickers. The GOP is also concerned about cocaine crossing into Paraguay from Bolivia via land and air and needs to augment SENAD's presence on the Bolivian border. We encourage Paraguay to effectively implement the new anti-money laundering legislation and penal code; to pass and implement asset seizure and forfeiture legislation; and pass the new criminal procedure code that has been pending before Congress for two years.

# Peru

## I. Summary

Peru is the world's second largest coca cultivator and producer of cocaine and is a major importer of precursor chemicals used for cocaine production. The Government of Peru (GOP) is committed to full cooperation on counternarcotics matters and Peru is a party to the 1988 UN Drug Convention. Authorities eradicated 10,025 hectares of illicit coca cultivated in the Upper Huallaga Valley (UHV) during 2009. In September, the base of eradication operations moved south to Tingo Maria following a strategy to attack the dense coca cultivations in Huanuco Department. According to Peruvian authorities, the GOP seized 498 metric tons of precursor chemicals and 19.7 metric tons of cocaine and destroyed 2,519 cocaine labs.

Despite these efforts, the GOP does not devote sufficient resources to implementing its counternarcotics plan or for counternarcotics operation. Coca cultivation expanded in Peru, Peruvian authorities seized fewer drugs in 2009 than in 2008, and Peru's potential to manufacture and export cocaine increased in 2009. A number of Peruvian politicians and the Foreign Minister publicly called for the international community to help Peru fight narcotics trafficking. Peru is a party to the 1988 UN Drug Convention.

## II. Status of Country

Peru is a major cocaine producing country and is also a major importer of precursor chemicals used for cocaine production. In the UHV, coca growers at times engaged in violent acts to resist coca eradication in 2009, including attacking police and eradicators and threatening to kidnap or kill them. Despite violent incidents, the Government showed no signs of giving in to protestors' demands that eradication stop.

Remnants of the terrorist group Sendero Luminoso (Shining Path, or SL) are increasingly reliant on drug trafficking for funding and were active in 2009, as in previous years, in ambushing and killing police and military personnel in the UHV and in the Apurimac and Ene River Valley (VRAE). For instance, in September, SL shot down a Peruvian military helicopter, killing the pilot and copilot who had been sent on a rescue mission to evacuate wounded soldiers ambushed by SL while on patrol. Since 2006, 33 Peruvian National Police (PNP) officers and 2 CORAH (Control and Reduction of Coca in the Upper Huallaga) employees have been killed in SL attacks.

In May, the President of the Council of Ministers (PCM) presented the "Strategy for a Comprehensive Intervention- Plan VRAE" to the Congress, which was aimed at strengthening the State's presence in the VRAE and supporting development projects.

Peru had three ministers of interior in 2009 and the installation of each new minister resulted in other staffing changes at the ministry. These changes somewhat hampered the GOP's ability to efficiently prosecute a counternarcotics strategy in 2009.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The GOP's National Commission for Development and Life without Drugs (DEVIDA) continues to implement the 2007-2011 counternarcotics master plan but needs more resources in order to achieve the strategy's goals of prevention and rehabilitation, interdiction, and alternative development.

The Office of the Attorney General (Public Ministry) continued its efforts to strengthen its prosecutorial capacity by increasing staff and providing training to enhance counternarcotics investigative and procedural skills. The Public Ministry issued a regulation extending the competency of special counternarcotics prosecutors' offices to the whole judicial district (a judicial district is generally a political region or department). Special counternarcotics prosecutors will also conduct investigations

related to money laundering and chemical precursors when connected with drug trafficking. A temporary special counternarcotics prosecutor's office was established in Mazamari with funding through 2009.

The 2007 Criminal Procedures Code is being implemented progressively to replace the mixed-inquisitorial criminal procedure model. By the end of 2009, the new criminal code had been implemented in 11 judicial districts; the remaining 17 districts are scheduled to implement the new code in 2010.

The GOP enacted legislation increasing the reward to a million soles (approximately $344,827) and five hundred thousand soles (approximately $172,413) for information that leads to the capture of terrorist leaders and terrorists, respectively. Additionally, the GOP enacted legislation to eliminate sentence reductions for imprisoned terrorists. These are advances in the counternarcotics struggle because, in Peru, terrorists such as SL often are involved in drug trafficking.

In 2009 to combat the diversion of kerosene for cocaine manufacture, the GOP issued regulations prohibiting the commercialization of kerosene and established a program to replace the use of domestic kerosene with liquid petroleum gas. A specific regulation for the VRAE prohibited selling, packing, repacking, transport, storage, distribution, transformation, use, services, possession or other type of activity with kerosene; however implementation had a negligible effect on the flow of kerosene through the VRAE.

**Accomplishments.** The increase of Peru's counternarcotics police (DIRANDRO) personnel in source zones over the last five years has contributed to more effective and sustained eradication and interdiction operations. In 2009 DIRANDRO destroyed 2,519 cocaine-production laboratories, including 25 cocaine hydrochloride (HCl) and 2,494 base laboratories in the UHV and the VRAE; and destroyed 1,016 metric tons of dry and macerated coca leaf. The GOP disrupted the production and transshipment of cocaine through operations on land, sea, and air, seizing more than 10.4 metric tons of HCl and 9.3 metric tons of cocaine base, and 1.8 metric tons of marijuana in 2009. (Note: Seizure rates are inflated, as authorities occasionally cite gross weight of a seizure rather than the net weight of the cocaine—such as when the September 4.3 metric tons seizure of cocaine found in 80,000 cans of artichokes included the entire content of the cans, rather than just the cocaine which constituted perhaps half the gross weight.)

Despite these successes, traffickers continued to adapt to counternarcotics strategies and tactics, experimenting with new delivery and production methods. For example, after containers had been inspected, drug traffickers sometimes stashed duffel bags with 50 to 100 kilograms of drugs into them. Drug traffickers mixed cocaine into liquids, clothing, plastic items, coffee, guano, and spices, making it harder to detect. The amount of cocaine seized by Peruvian authorities in 2009 was less than the amount seized in 2008. Similarly, although eradication reduced the number of hectares of illicit coca cultivation by 10,025 in 2009, the number of hectares of coca under cultivation nationally increased by 14 percent in 2008 compared to 2007. In the area of the UHV where eradication was undertaken, however, cultivation decreased by almost 50 percent from 2007 to 2008.

In accordance with the GOP's drug strategy, DIRANDRO and the DEA continued Operation Chemical Choke, a program that since 2006 has interdicted precursor chemicals destined to cocaine production laboratories in the VRAE and UHV. In 2009, Operation Chemical Choke resulted in the seizure of over 17.2 metric tons of acetone, 8.2 metric tons of hydrochloric acid, and 22.3 metric tons of sulfuric acid and the arrest of several chemical traffickers.

**Law Enforcement Efforts.** GOP law enforcement efforts focus on domestic crime within its major cities and provinces as well as issues regarding cocalero and Sendero Luminoso activities, placing less of an emphasis on dismantling and disrupting major drug trafficking organizations. The Garcia administration gives high priority to achieving economic growth; relying heavily on USG counternarcotics assistance to maintain police academies and police bases, fund eradication efforts, provide aerial support, and fund operations and equipment for counternarcotics police. During the year the GOP did not devote significant funding resources to fight drug trafficking or investigate major trafficking organizations.

In 2009, the GOP continued efforts to expand the police presence east of the Andes. U.S.-supported police academies in Santa Lucia, Mazamari, and Ayacucho graduated 912 officers, including 76 women, with a minimum 3-year commitment to serve in counternarcotics units. In addition, 600 candidates graduated from PNP pre-academies that prepare students to become police recruits; of these, 154 were women and 22 were indigenous minorities. In 2009 1,916 DIRANDRO officers were operating in coca source zones east of the Andes, which is slightly below the number of counternarcotics police at the end of 2008. Three hundred and fifty one graduates will join them in January, 2010, resulting in a force of 2,267 counternarcotics police east of the Andes.

DIRANDRO conducted counternarcotics operations named "AMISTAD I" and "AMISTAD II" with police forces in Brazil, Colombia and Ecuador in past years. In 2009 DIRANDRO conducted drug investigations with Brazil resulting in the capture of a Brazilian drug kingpin. A DIRANDRO officer was later targeted by the organization and murdered as a result of the successful operation.

Peruvian authorities throughout the year arrested important SL terrorists, among them Felix Victoriano Ascencio Majia (aka "Mono") and Ignacio Lino Solano (aka "Gringo"), who were in charge of logistics for SL in the UHV.

**Maritime/Airport Interdiction Programs.** USG analysts conclude that most cocaine that leaves Peru does so by maritime means. The GOP needs to devote more resources to Peru's Coast Guard (DICAPI) and Navy to give them the capability to mount a credible interdiction force to combat maritime cocaine shipments. In 2010, with USG assistance, the GOP plans to construct a maritime intelligence center designed to improve intelligence, analysis, coordination, and ultimately, interdiction of suspect vessels in Peruvian waters.

During the year, Peruvian agencies involved in maritime and airport counternarcotics enforcement were responsible for seizures of 11.6 metric tons of cocaine. Of an estimated one million containers that pass through Peruvian ports each year, Customs (SUNAT) personnel intensively inspected an average of 427 per month in 2009, compared to 9,500 inspected per month in 2008. Interdiction efforts at Lima's international airport resulted in the seizure of 3.3 metric tons of cocaine HCl, and the detention of 232 internal carriers (mules), while nearly 9,000 passengers were submitted to body scan x-rays to detect illicit narcotics and money.

SUNAT continued to expand its counternarcotics capabilities in 2009, especially at the leading seaport of Callao and at Lima's international airport. SUNAT more than tripled the counternarcotics canine force from eight to 25 and acquired a money detection canine. These canines assisted in detecting 9 metric tons of cocaine seized. In addition, SUNAT added 10 new portable ion-scanners and a backscatter X-Ray van to its inventory of non-intrusive inspection equipment. In October, SUNAT deployed one body scanner at the border crossing facility in Tacna, and one at Cuzco international airport. These scanners immediately resulted in the detection and arrest of internal drug carriers.

SUNAT improved security at the port of Callao with the installation of a closed circuit camera system, and plans to do the same at Peru's second largest port, Paita, in 2010. SUNAT now uses container and cargo electronic manifests for the ports of Callao, Paita, Salaverry, and Chimbote, and at the international airport in Lima. This capability provides analysts information to better detect and seize drug shipments. By year's end, the District Attorney's office had purchased two ion-scans and three portable trace detectors and had rented a container scanner for counternarcotics operations in Peruvian ports. Peru's counternarcotics Dive Unit continued conducting underwater inspections of ship hulls, but to date has not found contraband.

**Corruption.** The GOP does not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of the proceeds from illegal drug transactions. However, drug trafficking generates vast proceeds in Peru, which are used to attempt to bribe officials to allow or to facilitate drug trafficking. For instance, on January 13, 2009, the police chief

of San Miguel was arrested for drug trafficking after a shootout with police officers outside the city of Ayacucho. Police found 59 packages of cocaine in the police chief's vehicle. In another incident, police captain Carlos Izaguirre and police officer Ernesto Ramos were arrested in Huamanga January 24, 2009, for allegedly reselling cocaine that had been confiscated in their jurisdiction in Ayacucho. Subsequently, Luis Henríquez Palacios, inspector general of the PNP, removed 120 police officers from duty in the VRAE; Henríquez told La República newspaper that 60 of these officers were suspected of using police weapons during their days off to seize cocaine from drug traffickers and resell it to competing traffickers, while 27 others were accused of corruption. The 120 officers were reportedly transferred to other posts pending investigation. Also, in January, 2009 a mid-level Customs official was arrested, along with employees of Lima Airport Partners and LAN-Chile Airlines, for drug trafficking. The case is pending trial.

The Comptroller General submitted a bill in 2008 modifying the Asset Forfeiture Law to include corruption of public officials as a predicate offense. The bill is pending in the Constitutional Committee. On January 14, a law was enacted modifying the criminal code to establish bribery of foreign public officials as a criminal offense. This is part of the GOP's commitment to prevent and combat corruption, including bribery in international trade and investment as set forth in Chapter 19 of the Free Trade Agreement between the U.S. and Peru. The Public Ministry, the judicial system and the National Police, are implementing new procedures to investigate internal corruption cases. The Ministry of Interior has announced a special telephone line to report cases of corruption.

**Agreements and Treaties.** Peru is a party to the 1961 UN Single Convention as amended by the 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; the 1988 UN Drug Convention; the Inter-American Convention on Mutual assistance in Criminal Matters; the Inter-American Convention Against Corruption; the UN Convention against Transnational Organized Crime and its three protocols; and the UN Convention against Corruption. The United States and Peru are parties to an extradition treaty that entered into force in 2003. Peruvian law requires individuals to serve sentences and any probationary period in Peru before being eligible for extradition. Among the 13 pending U.S. extradition and provisional arrests, seven are related to narcotics trafficking. Four subjects of extradition requests remain at large. Two Peruvians were extradited to the U.S. on drug and money laundering charges in 2009. In November 2009 Peru signed separate bilateral agreements with the Government of Mexico and the Government of Brazil to increase intelligence sharing and cooperation on counternarcotics matters.

**Cultivation and Production.** The official U.S. Government estimate for 2008 indicated that 41,000 hectares of coca were under cultivation in Peru, a 14 percent increase from the 36,000 hectares in 2007. (The USG estimate is at variance with United Nations Office of Drug Control (UNODC) estimate of 56,000 hectares of coca under cultivation in 2008 in Peru.) The 41,000 hectares would potentially produce 215 metric tons of pure cocaine, and 235 metric tons of export quality cocaine. Successful interdiction and eradication actions eliminated approximately 30 percent (46 metric tons avoided by eradication and 19.7 metric tons of HCl and cocaine base seized) of Peru's potential production of cocaine in 2009.

During 2009, the GOP continued eradication operations in the UHV, eliminating remaining coca in San Martin Department and commencing eradication in Huanuco Department. Throughout the year, coca growers and their leadership pressured the GOP to halt or limit eradication, but their disarray made the protests more a distraction than an effective impediment to counternarcotics efforts. Even a week-long strike and a journey to the capital in October by coca growers failed to get the government to halt eradication. Prime Minister Javier Velasquez Quequen refused to meet with coca growers and consider their demands. Day-to-day coordination among drug police, aviation components, and eradicators permitted eradication to continue at an optimum pace and CORAH counter measures reduced the incidence of attacks against eradicators and neutralized improvised explosive devices.

**Drug Flow/Transit.** Cocaine HCl continues as the principal illicit drug product in Peru, where traffickers use large production laboratories and storage areas to prepare and store it. Cocaine is transported from

coca production zones, primarily in the Upper Huallaga and Apurímac Valley regions, to Peru's coastal and border areas for further processing and distribution.

Cocaine is transported over land to neighboring countries, and to Europe, the Far East, Mexico, the Caribbean, and the United States via maritime conveyances and commercial air flights. Maritime smuggling is the primary method for transporting multi-ton loads of cocaine. Colombians and Mexicans operate drug transportation networks in Peru, shipping cocaine to Colombia, Mexico, and the Caribbean. U.S. law enforcement agencies and their host nation counterparts from Australia, Hong Kong, Japan, Malaysia and Thailand report that Peruvian cocaine trafficking and transportation organizations operate in the Far East.

In 2009, the PNP eradicated approximately 31.5 hectares of opium poppy and seized 77 kilograms of opium latex. The PNP reported instances of opium latex, intercepted at Lima's international airport, being couriered by "drug mules" and/or mailed to European destinations.

**Demand Reduction.** The GOP, through its drug policy entity DEVIDA, engages in various media campaigns to inform public opinion. NGOs do most of the work educating, researching, and providing information. Most local/public schools have drug awareness education in the large cities, but drug use prevention programs are lacking in the regional education system and at the university level. Drug abuse of marijuana, cocaine, amphetamines, and synthetic drugs (most notably Ecstasy) has been increasing in Peru in recent years. According to the Peruvian non-governmental organization (NGO) CEDRO, there are 200,000 drug addicts in Peru, of which 109,269 are marijuana users and 61,344 cocaine users.

The USG funds local NGOs in the development of 22 community counternarcotics coalitions (CAC) targeting poor, at risk communities in Lima, Pucallpa, Huanaco, Tingo Maria, Ayacucho, and Tocache. The CAC model is a formal organization of all sectors of a community working towards long-term, sustainable solutions and activities to reduce drug use. The CACs have proven effective in addressing community-specific drug demand issues especially among youth.

Public opinion is shifting about coca cultivation and the complicity of coca growers in drug trafficking, particularly when studies show that 93 percent of the coca leaf grown in Peru is illegal and destined for narcotics production. In Peru's major cities the public is most concerned about the impact of drug trafficking on and the effect of drug abuse among youth. Furthermore, there is a growing awareness of the damage that illicit drug cultivation and production causes to the environment. According to DEVIDA, Peru has lost 2.5 million hectares of land to deforestation in the last three decades; experienced erosion of 30 cubic meters annually per hectare of coca cultivated, and suffered the dumping of 118 million liters of precursor chemicals in forests and streams over the past five years.

**Alternative Development (AD) Program.** At the close of the eighth year of the AD program, more than 700 communities have renounced coca cultivation and continue to participate in the alternative development program. This total is slightly lower than reported in 2008 due to subsequent merging of some communities, and in a few instances due to communities dropping out of the program for various reasons. In 2009 over 27,000 family farmers received technical assistance on 35,232 hectares of licit crops (cacao, coffee, African palm oil, etc.). With many of these long term crops now entering their most productive years, the AD program has expanded business development activities to link AD producers to local and world markets at optimum prices. In 2009, sales from AD-assisted farmers reached over $16 million in San Martin, Huánuco, and Ucayali.

The success in the productive activities was possible because of Peru's emphasis on an integrated development approach. The program worked with 460 (of the 700) communities and tens of thousands of people in social capital strengthening. Perhaps the most visible and far-reaching social capital activity was the Selva Ganadora contest, in which 253 communities competed against one another in development-based themes, such as economic growth, environmental projects, and education and health projects. The

contest galvanized the communities to take responsibility for their own development and the outcome for many of the communities was a leap forward in their development goals.

In 2005, USAID reoriented the AD program to work directly in areas with established CORAH eradication programs. The initiative was confronted with threats from armed groups pressuring communities in the Tocache, San Martin area to refuse to sign up for the program. However, through persistence and strong USG-GOP collaboration, the communities of San Martin resisted this pressure. The latest coca monitoring report from the United Nations Office on Drugs and Crime (UNODC) presented further evidence that the San Martin region of Peru is a major success story—The report confirms that the region is essentially free of illicit coca after a multi-year program of programmed eradication combined with effective alternative development. This is now referred to as the "Miracle of San Martin," heralding the success of linking alternative development and eradication efforts, serving as a model for future efforts.

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

**Policy Initiatives.** U.S. assistance to Peru focuses on strengthening governance and creating opportunities for legal activities in isolated areas where drug traffickers and terrorists operate, using aggressive eradication, interdiction, and control of precursor chemicals; coupled with alternative development to reduce dependence on illicit coca cultivation. The USG also provides support for GOP efforts to improve its counter-terrorism efforts and publicize the links between drug production and common crime; so that Peruvians understand that drug trafficking degrades the quality of their lives, damages the environment, and threatens economic development.

**Bilateral Cooperation.** In 2009, the USG continued to work with the GOP on counternarcotics operations in the major drug source zones of the UHV and the VRAE. The PNP received USG assistance to increase police presence and improve police operational capabilities in these areas by supporting and renewing existing police bases and enhancing police training. Other U.S. government-provided training included maritime law enforcement and container inspection. With U.S. support, DIRANDRO commanders and field personnel received specialized counternarcotics courses and refresher courses in advanced airport drug interdiction and chemical field testing. The USCG provided mobile training to Peruvian officials in the areas of port security and container inspection. Law enforcement officials from other Andean countries also participated in the training courses, which contributes to regional cooperation in drug investigations and interdiction.

Peru's law enforcement organizations conducted joint operations with neighboring countries and Europe, and participated in drug enforcement strategy conferences to address drug trafficking along its borders, such as the former Operation Seis Fronteras—now renamed Operation Sin Fronteras to show that chemical and drug trafficking have no borders. This multilateral initiative is conducted at various stages during the year to combat the diversion of controlled chemicals to illicit markets where these chemicals are utilized. Peru hosted the Operation Sin Fronteras Phase XI evaluation conference in September 2009.

The Cooperating Nation Information Exchange System (CNIES) Agreement signed in 2005 between the USG and the GOP enables the USG and other cooperating nations to share intelligence concerning trafficking of drugs by air. CNIES has been implemented at Peruvian Air Force (FAP) locations in Lima, Pucallpa, and Iquitos.

Since 2005, the FAP Joint Anti-Drug C-26 Air Squadron has conducted counternarcotics reconnaissance and airlift east of the Andes. The C-26 Forward Looking INFRA-RED (FLIR) was used in 2009 to map suspected clandestine runways in Peru and update the status of known airstrips. The FAP C-26s provided critical overhead real time coverage for eradication workers, eradication police, and army personnel in the field. The planned 2010 installation in the C-26 of an electric optical camera will provide high quality imagery of coca fields to aid in planning eradication operations.

The Military Assistance and Advisory Group (MAAG) coordinated and conducted CNIES training for FAP personnel and shifted radar assets in response to intelligence indicating potential trafficking by air. FAP conducted joint training exercises with Brazil and Colombia.

**The Road Ahead.** The USG encourages the GOP to continue its efforts on core commitments to eradication, interdiction, and alternative development to reduce coca cultivation and cocaine production. The GOP's five-year counternarcotics plan reflects an emphasis on control and interdiction of precursor chemicals, drug seizures, reduction in coca cultivation, enforcement of money-laundering laws, demand reduction, and improvement of local economic conditions by introducing development alternatives to reduce dependency on coca cultivation, but needs more GOP funding. It is important for the GOP to devote significant resources of its own to fight drug trafficking and focus more efforts on dismantling and disrupting major trafficking organizations. Passing legislation regulating the disposition of seized assets of drug traffickers, and legislation regulating disposition of seized precursor chemicals is also key. Completion of long time ongoing negotiations on maritime operational procedures for boarding suspect vessels will greatly facilitate cooperation with the DICAPI to counter illicit maritime trafficking.

The GOP is encouraged to continue its efforts to expand counternarcotics police presence east of the Andes. To aid in this effort, the USG is partnering with the GOP to build a new police academy in 2010 in Huanuco, the current epicenter of eradication operations. This facility will provide additional police capacity to help reduce coca cultivation and increase interdiction in critical source zones. Successful conclusion of negotiations on maritime operational procedures for counternarcotics and migrant interdiction initiated in 2006 would be a positive step forward consistent with Peru's efforts on other counternarcotics fronts.

## V. Statistical Tables

| Coca | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net Cultivation* (ha) | TBD | 41,000 | 36,000 | 42,000 | 34,000 | 27,500 | 29,250 | 34,700 | 32,100 | 31,700 |
| Eradication (ha) | 10,025 | 10, 143 | 11,057 | 10,137 | 8,966 | 7,605 | 7,022 | 7,134 | 6,436 | 6,206 |
| Leaf: Potential Harvest ( MT)* | TBD | 43,500 | 67,645 | 50, 000 | 56,300 | 48,800 | 41,000 | 49,000 | 42,500 | 42,000 |
| HCI: Potential (MT)* | TBD | 215 | 210 | 245 | 240 | 230 | 245 | 280 | 255 | |
| **Seizures** | | | | | | | | | | |
| Coca Leaf (MT)** | 1,016 ** | 2,090** | 1,858** | 14.6 | 11.3 | 7.6 | 11.5 | 7.1 | 6.4 | 9.0 |
| Coca Paste (MT) | 9.3 | 11.7 | 7.5 | 5.1 | 4.5 | 6.4 | 4.3 | 10.4 | 6.2 | 1.6 |
| Cocaine (HCL) (MT) | 10.4 l | 16.2 | 7.9 | 14.1 | 11.7 | 7.3 | 3.5 | 4.1 | 2.9 | 2.8 |
| Combined HCL & Base (MT) | 19.7 | 27.9 | 15.4 | 19.2 | 16.2 | 13.7 | 7.8 | 14.5 | 7.1 | 4.4 |
| Arrest/Detentions | 12,185 | 10,383 | 11,197 | 7,633 | 11,260 | 10,149 | 10,608 | 13,158 | 13,343 | 2,836 |
| Total Labs Destroyed | 2519 | 1224 | 665*** | 724 | 1,126 | 821 | 964 | 238 | 72 | 97 |
| Cocaine HCI (labs) | 25 | 19 | 16 | 11 | 22 | 11 | 9 | 0 | 0 | 0 |
| Base (labs) | 2494 | 1205 | 649*** | 713 | 1,104 | 810 | 955 | 238 | 72 | 97 |

* Based on CNC estimates.

** In 2007 the basis of reporting coca leaf seizure was shifted from total for just "dry leaf" to dry leaf plus "macerated leaf."

*** Revised.

# Philippines

## I. Summary

The drug problem in the Philippines continues to pose a significant national threat, despite some reports of a possible decline in the supply and demand of illegal drugs in parts of the country. During the year, a widely publicized and controversial drug case involving prominent families highlighted drug use in the Philippines. President Arroyo appointed herself as the country's counternarcotics czar, casting it as an effort to protect the country's judicial system from corruption associated with drug trafficking. With the upcoming 2010 elections, there is fear that illicit narcotics funds may affect election results. Sophisticated foreign-based drug-trafficking operations remain the biggest challenge to Philippine law enforcement. Production of Methamphetamine is now primarily carried out via kitchen-type clandestine laboratories, rather than the large "mega-labs" previously seen. While marijuana remains the second choice of drugs users (behind Methamphetamine), Ecstasy users have increased in Manila, and usage has spread to other regions of the country where there are affluent families and tourists. The West African Drugs Syndicate (WADS) continues to infiltrate the Philippines with their operations. There is an increase in the recruitment of Overseas Filipino Workers (OFWs) to smuggle cocaine and heroin in and out the country.

Counternarcotics law enforcement remains a top priority of the Government of the Republic of the Philippines (GRP). The Philippine Drug Enforcement Agency (PDEA), Philippine National Police (PNP), National Bureau of Investigation (NBI), and the Bureau of Customs (BOC) actively pursue counternarcotics enforcement, although lack of resources continues to hinder operations. In 2009, the government succeeded in enforcing counternarcotics laws, including the dismantling of numerous clandestine mini-labs, assisting with the arrest of transnational drug traffickers in Malaysia, and arresting a member of an illegal drug syndicate who tried to smuggle methamphetamine to Guam.

Corruption poses a problem in Philippine law enforcement, due to low pay and lack of training. However, law enforcement leadership takes the issue seriously and is attempting to address the problem.

The Philippines is a party to the 1988 UN Drug Convention.

## II. Status of the Country:

Despite some reports of a possible decline in the supply and demand of illegal drugs in parts of the Philippines, illegal drugs continue to pose a significant national threat, and the government recognizes them as such. According to law enforcement officials and the Director of PDEA (Philippine Drug Enforcement Agency), the drug problem in the Philippines could be considered a national security threat. In January 2009, President Gloria Macapagal-Arroyo directed the Philippine law enforcement agencies to wage a "fiercer war" against drug lords.

The media highlighted drug use in the Philippines following the high-profile case of three drug-trafficking suspects from prominent families called the "Alabang Boys," which began in late 2008. The Alabang Boys case triggered national awareness of the Philippines' problems with illegal drugs and corruption. In response, the Government of the Republic of the Philippines (GRP), from the Office of the President to the local governments, made efforts to combat illegal drug distribution and trafficking and crack down illegal drug operations. The "Alabang Boys" incident brought to the surface long-simmering allegations of corruption in the Philippine law enforcement agencies, including the Philippine National Police, National Bureau of Investigation, Department of Justice, and Philippine Drug Enforcement Agency. It also underscored the difficulties the government faces in the successful prosecution of drug-related crimes. The case featured competing allegations among prosecutors, NBI, PNP, and PDEA of corruption; although the House later initiated an investigation, no charges were filed as a result of this investigation. The case is still pending in court, and the suspects are still incarcerated.

According to the PDEA Director General, the value of illegal drugs trafficked in the Philippines totals $6.4 to $8.4 billion annually. According to the most recent Department of Interior and Local Government Survey (2008), the top three regions most affected were Cebu (Region 7), (Northern Mindanao) (Region 10), and Metro Manila (the National Capital Region). PDEA has publicly expressed fears that illicit narcotics money could influence the 2010 elections, and has pledged to pursue any evidence of such influence in order to be able to carry out arrests.

Estimates of the number of drug users in the Philippines range from 6.7 million, cited on a 2004 survey, to 1.7 million according to an unofficial 2008 estimate by DDB. Based on those patients now in drug rehabilitation centers, most drug users abuse multiple drugs. Their average age of drug abusers is 28; 57 percent are single, and 34 percent are unemployed. Male drug users outnumber females by a ratio of 9:1. Drug trafficking, manufacturing, and cultivation are the three major threat sources of illicit drug activities in the Philippines.

Among these threats, drug trafficking is the most common and prevalent activity. Traffickers increasingly take advantage of the Philippines' long and porous maritime borders to use the country as a transit point for high-grade cocaine and heroin shipments, primarily from India and Pakistan. Transnational drug groups, particularly the West African Drugs Syndicate, also continue to recruit and use Overseas Filipino Workers (OFWs) as drug couriers to smuggle and transport illegal drugs to China, Malaysia, and Vietnam. Several Filipinos, mostly women, are jailed abroad for drug trafficking, and face severe prison sentences, including the death penalty in countries such as China. The media has reported on Filipino drug couriers arrested abroad, and the GRP has taken measures to combat this activity by coordinating efforts between Philippine law enforcement agencies and the Department of Foreign Affairs.

Methamphetamine hydrochloride, also known as crystal methamphetamine or "shabu," and marijuana, are the two major drugs that dominate the country's illegal drug market. In addition to crystal methamphetamine and marijuana, MDMA and ketamine are subjects of abuse in the Philippines. Intensified nationwide counternarcotics operations by Philippine law enforcement agencies have apparently contributed to a reduction in drug supply, inasmuch as drug prices have been erratic in areas of increased enforcement.

Crystal methamphetamine ranks first in availability and remains the primary drug of choice in the Philippines. Approximately 95 percent of arrested drug users are addicted to crystal methamphetamine. The 2009 UN World Drug Report states that "the Philippines ranks fifth in the world in terms of methamphetamine hydrochloride seizures in the last 10 years and has remained a significant source of high-potency crystalline methamphetamine used both domestically and exported to locations in East and Southeast Asia and Oceania." The price of methamphetamine in areas that reportedly have clandestine methamphetamine laboratories, particularly in southern Luzon, had been decreasing in the last quarter of 2009. For example, in Cebu City the street prices have decreased over the last few months. The street price of crystal methamphetamine in August 2009 was P9,000 per gram ($196), compared with P7,500 per gram ($163) in September and October. This may be due to recent law enforcement actions against drug traffickers in Luzon, which have prompted them to relocate to other areas such as Cebu, the Visayas, and Mindanao.

Wholesale quantities of crystal methamphetamine are smuggled into the country, and it continues to be manufactured clandestinely in the Philippines. Precursor chemicals are smuggled into the country from China, India, and Taiwan through international airports, seaports, the mails, as well as via large unpatrolled expanses of the Philippine coastline. There were nine known transnational criminal drug organizations operating in the country in 2009, compared with three in 2008. Chinese and Taiwanese chemists continue to establish clandestine laboratories in the Philippines for the manufacture of methamphetamine; these organizations remain the most influential foreign drug-trafficking groups in the Philippines, and control domestic methamphetamine production. These traffickers typically produce methamphetamine in relatively small-scale clandestine meth labs commonly referred to as "kitchen-type"

labs. "Kitchen" labs more easily avoid detection by law enforcement authorities, and in the event that they are discovered and destroyed, less equipment and chemicals are lost. These Chinese and Taiwanese chemists rent apartment units, condominiums, and houses in small villages and affluent residential villages in rural and metropolitan areas. The move away from large "mega-labs" likely resulted from their having been targeted in the past by law enforcement agencies. In addition to large organized criminal transnational organizations, DDB reported that there were 85 local drug-trafficking groups in 2009.

While ethnic Chinese criminal organizations continue to dominate the upper echelons of drug-trafficking organizations in the Philippines, in their conversations with Embassy counterparts, PDEA, NBI, and other law enforcement authorities have alleged that ethnic Muslim Filipinos are involved in street-level distribution operations. In addition, Philippine law enforcement officials have reported that some drug traffickers are affiliated with various insurgent groups for security and protection.

The Philippines is a likely source of methamphetamine for other countries in East Asia and Oceania such as Australia, Canada, Japan, and South Korea. In addition, the Philippines is a primary source of methamphetamine for Guam and Hawaii.

The Philippines produces, consumes, and likely exports marijuana, which is currently the second most-used drug in the country. Marijuana remains the "starter drug," and is also considered as an alternative drug choice when crystal methamphetamine is not available. Much of the cultivation of marijuana is in mountainous regions, often in remote government-owned areas inaccessible to vehicles.

Although Philippine law enforcement agencies have been persistent and active in targeting known marijuana production sites and interdicting marijuana shipments, the often-remote locations of production sites and a lack of government resources hampers enforcement efforts. In addition, Philippine National Police officers reported that the terrorist group New People's Army (NPA), a group of communist insurgents, controls and protects many marijuana plantation sites, particularly in the Cordilleras Autonomous Region of northern Luzon, and possibly in parts of Mindanao. Most of the marijuana produced in the Philippines is for local consumption, although some may be smuggled to other East Asian countries.

Methylenedioxy-methamphetamine (MDMA or Ecstasy) is gaining in popularity, but its use is still limited due to the high price and low availability. It is used in night clubs and bars in Metro Manila by young, affluent members of Philippine society, and its use has spread to other regions in the country where there are affluent families and tourists.

The demand for Ketamine in the Philippines is slowly increasing among affluent club-goers. Transnational drug groups utilize the country as a venue for the production of Ketamine powder for export to other areas in the region, including mainland China and Taiwan.

In November 2009, the DDB approved the inclusion of N-Benzylpiperozine (BZP) in the list of dangerous drugs.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009, President Arroyo appointed herself as the country's counternarcotics czar in the campaign against illegal drugs. She has also directed her Interior Secretary to ensure that all government officials are actively engaged in the counternarcotics drive. The Arroyo administration called on Philippine local chief executives to take an active role in combating illicit drug use, and warned them that they could face administrative and criminal charges if they are found to be negligent in their duties in the campaign against illegal drugs in their respective communities. To date, no local leaders have faced any repercussions from this directive

The administration of President Gloria Macapagal-Arroyo continues efforts to implement counternarcotics legislation, with PDEA as the lead counternarcotics agency. However, a dearth of

financial resources has hampered PDEA's efforts. In 2003, President Arroyo created the PNP's Anti-Illegal Drugs Special Operations Task Force (AIDSOTF), the National Bureau of Investigation's Anti-Illegal Drugs Task Force, and the Bureau of Customs' Anti-illegal Drugs Task Force to assist PDEA in the nation's drug enforcement effort. But PDEA remains a relatively small agency; of the 1,875 total personnel it is authorized, PDEA has only 500 agents at present, 120 of whom are still in training. Both PDEA and AIDSOTF are currently sharing narcotics investigations workload.

The Government of the Republic of the Philippines is implementing a counternarcotics master plan known as the National Anti-Drug Strategy. The Strategy is executed by the National Anti-Drug Program of Action and contains provisions for counternarcotics law enforcement, drug treatment and prevention, and internal cooperation in counternarcotics, all of which are objectives of the 1988 UN Drug Convention.

Drug distributors frequently recruit and exploit children as drug runners. The law protects children below 18 years old from prosecution; children often return to illegal drug activities after leaving youth rehabilitation centers.

PDEA has made a great effort to improve its public image and has implemented internal policing of its agent workforce. A 2009 Global Competitiveness Survey Report listed PDEA as one of the top 10 least corrupt agencies in the Philippines.

There is no effective restriction on the use of telephones or possession of cash in Philippine jails, allowing incarcerated drug traffickers to continue practicing their trade. To address the drug problem in jails and prisons, PDEA has worked in coordination with prison authorities to allow them to seize and gather evidence on prisoners who violate drug laws while incarcerated.

The prosecution of a typical narcotics case takes three to four years, on average. The slow judicial process not only demoralizes law enforcement personnel, but also enables drug dealers to continue their drug business between court dates. Cases against alleged criminals are sometimes dismissed, but can be reinstated. In a major success for 2009, the operator of a P900 million ($19.6 million) methamphetamine market and his common-law wife, who were arrested in 2006, were sentenced to life imprisonment. The Justice Secretary praised prosecutors for their persistence in the face of bribery attempts and threats. The DDB chair cited the conviction as a strong message "that the three pillars of enforcement, prosecution, and the judiciary are working together to hit drug peddlers full force."

In 2009, the Philippine Congress was working on a bill creating the Office of the Special Prosecutor for Dangerous Drugs (OSPDD) that will have exclusive jurisdiction over illegal drug cases. If approved as law, the OSPDD would be under the control and supervision of the PDEA. The intent of the OSPDD is to create a drug prosecution unit that would be expert on drug cases and independent of political influence.

As a result of the problems in prosecution highlighted during the course of the "Alabang Boys" case, the Philippine DOJ has reinstituted its Anti-Illegal Drug Task Force. This task force focuses solely on drug cases, in an effort to improve accountability and transparency during the prosecution process.

To improve the judicial process for drug offenses, the DDB continue to conduct series of joint seminar-workshops for law enforcement, prosecutors, and judges throughout the Philippines.

DDB established a toll-free telephone hotline in 2008 for citizens to report drug trafficking tips and complaints of alleged abuses by PDEA and other counternarcotics law enforcement agencies. The PNP's "Text 2920," created in 2007, continues to provide the PNP with text messages of illegal drug tips and complaints about illegal drug issues.

**Law Enforcement Efforts.** Counternarcotics law enforcement remains a top priority of the GRP. In general, Philippine law enforcement agencies such as PNP, PDEA, NBI, and BOC actively pursue counternarcotics enforcement operations. Although each agency is diligent in its efforts to carry out its

mission, counternarcotics efforts are hampered by a lack of interagency cooperation at higher levels. Severe budgetary constraints also restrict operations and training.

Continued U.S. government support in the areas of training, including attendance of law enforcement personnel at International Law Enforcement Academy and DEA/JIATF-West training events, has contributed to building professional capacity and helped make counternarcotics operations more efficient and effective. U.S. DEA assisted Philippine law enforcement agencies in a number of investigations, exchanging leads and information on illegal drug operations.

GRP law enforcement agencies continued to vigorously pursue transnational drug syndicates, such as ethnic Chinese methamphetamine traffickers and the WADS traffickers. This has included raids on clandestine laboratories, arrest of drug chemists, and international cooperation in the arrest of WADS members abroad.

PDEA reports that in 2009, authorities seized 931 kilograms of methamphetamine, valued at $152 million (at $163 per gram); 1,300 kilograms of processed marijuana leaves and buds, valued at $710,000; 6.3 million plants (including seedlings); valued at $22.3 million; 216 kilograms of cocaine; 2,090 tablets of Ecstasy valued at $54,340 (at $26 per tablet); and $408,135 worth of chemicals intended for narcotics processing. From January to December 2009, the Philippine authorities claimed to have conducted 8,452 counternarcotics operations, including the dismantling nine clandestine laboratories and three warehouses, eradication of 186 marijuana plantations and the arrest of 8,056 individuals for drug-related offenses. By comparison, in 2008 Philippine authorities seized $52.4 million in narcotics, dismantled six clandestine laboratories and four warehouses, eradicated 106 marijuana plantations, and arrested 6,589 individuals for drug-related offenses.

As an example, in July 2009, PNP conducted an undercover operation leading to the seizure of 20 kilograms of methamphetamine and the arrest of several Chinese traffickers. During the year, PDEA and PNP also raided several clandestine laboratories, resulting in the seizure of chemicals and laboratory equipment along with the arrest of ethnic Chinese chemists and traffickers. In addition, NBI cooperated with Malaysian police to conduct an undercover operation in Malaysia that led to the seizure of significant amounts of heroin and the arrest of eleven WADS members. This case also highlighted the use of Filipino Overseas Workers as drug couriers by the WADS.

On December 22, 2009, PDEA seized 100 kilograms of high-grade methamphetamine near Aurora province, east of Manila. According to PDEA, this methamphetamine was smuggled ashore by small boats.

In December 2009, Philippine authorities found 16 kilos of high-grade cocaine that was valued at 112 million pesos ($2.4 million) inside two reefer vans at a container yard at an old airport in Davao City, Mindanao. The reefer vans were shipped in from international ports. At this time, the source and the intended destination of the cocaine remain unknown. However, Philippine authorities are investigating to determine if there is any connection to a Philippine drug trafficking organization.

During December 2009, PDEA and PNP recovered over 200 kilograms of high-grade cocaine valued at 100 million pesos ($21.7 million) in eastern Samar, Visayas, that had apparently been dumped at sea recently. PDEA organized recovery operations and informed the public of the dangers and penalties of using/possessing cocaine. The recovery operations continue in an effort to prevent the spread of the cocaine into urban areas.

In December 2009 the PNP arrested a 41-year old male American national of Filipino heritage at Ninoy Aquino International Airport; the suspect was carrying 200 grams of methamphetamine worth more than a million pesos ($21,000). The drug trafficker is a member of illegal drug syndicates that supply methamphetamine to Guam and Hawaii. This case illustrates that the Philippines continues to be a source of methamphetamine for Guam.

In the area of international cooperation, PDEA took the lead in hosting the International Drug Enforcement Conference (IDEC) in Manila in September 2009. PDEA continues to develop international drug law enforcement partnerships.

Despite limited resources at its disposal, PDEA has instituted good recruitment and training programs to increase agency effectiveness, and developed stricter preoperational planning policies for drug enforcement operations (including PNP and NBI), in order to improve coordination and accountability among Philippine enforcement agencies. However, coordination problems have caused some negative reactions from other agencies, and PDEA and its counterparts are working on more effective coordination mechanisms. PDEA, a relatively young organization, remains too small to address the entire nation's problems with the trafficking and sale of illicit drugs. It currently relies on other agencies for seconded personnel assistance. However, PDEA has established stronger regulatory guidelines and practices, and if provided necessary resources, should continue to develop into an effective drug-enforcement agency and establish successful cooperation with other Philippine law enforcement agencies.

With the bulk of the nation's manpower and law enforcement personnel, the PNP continues to play a key role in combating illicit drugs. The PNP seeks to formalize its counternarcotics units (which are currently temporary task forces), in order to obtain regular appropriations for this activity and become more effective in carrying out its mission. The PNP's Anti Illegal Drugs Special Operations Task Force (AIDSOTF) has been an effective drug law enforcement unit and scored several successes during 2009.
In comparison with the PNP and PDEA, NBI has played a smaller role in drug enforcement, due to NBI's very limited manpower and multi-mission focus. However, its investigative and technical expertise is vital to the overall Philippine counternarcotics efforts, especially in more complex investigations.

**Corruption.** Corruption poses a problem in Philippine law enforcement, due primarily to low pay and lack of training. However, law enforcement leadership takes the issue seriously and is attempting to address the problem. In 2009 there were 131 PNP personnel who were dismissed from service and 151 PNP personnel who were criminally charged for not appearing as witnesses in court drug cases.

The courts have been making efforts in convicting law enforcement officers who are in violation of the Anti-Graft and Corrupt Practices Act. In 2009, the Court of Appeals upheld a lower court's conviction of two police officials who facilitated the release of two Hong Kong drug dealers in exchange for 650,000 pesos in 1999.

The GRP has criminalized public corruption in narcotics law enforcement through the Comprehensive Dangerous Drugs Act, which prohibits GRP officials from laundering proceeds of illegal drug actions.

As a matter of government policy, the Philippines 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 known senior official of the GRP engages in, encourages, or facilitates the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Several active and former politicians and officials have been implicated in drug trafficking and money laundering, but have yet to be formally charged.

**Agreements and Treaties.** The Philippines is a party to the 1988 UN Drug Convention, as well as to the 1971 UN Convention on Psychotropic Substances, the 1961 UN Single Convention on Narcotic Drugs, and the 1972 Protocol Amending the Single Convention. The Philippines is a party to the UN Convention against Transnational Organized Crime and its three protocols, and the UN Convention against Corruption. The U.S. and the GRP continue to cooperate in law enforcement matters through a bilateral extradition treaty and Mutual Legal Assistance Treaty. During 2009, the Philippines refused extradition of a Philippine citizen indicted in the U.S. for exporting cocaine to the United States, so that Philippine law

enforcement authorities could pursue their own investigation. PDEA has subsequently opened a criminal case against the individual.

**Cultivation/Production.** PDEA claimed that 152 marijuana plantation sites spread throughout mountainous areas in nine regions of the Philippines were eradicated in 2009. The eradication process is always carried out manually, rather than by aerial application of chemicals. Government agencies claim to have successfully uprooted 6.8 million plants and seedlings valued at 924 million pesos ($20 million) in 2009, compared with 4.8 million plants and seedlings in 2008.

**Drug Flow/Transit.** The Philippines remains a narcotics source and transshipment country. Illegal drugs and precursor chemicals enter and leave the country through seaports, economic zones, and airports. Overseas Filipino workers continued to be used in smuggling of methamphetamine, cocaine, and heroin. The Philippines comprises more than 7,000 islands and 36,200 kilometers of coastline; vast stretches of the Philippine coast are sparsely inhabited and unpatrolled. Privately operated seaports with limited Customs and law enforcement controls and an underfunded Coast Guard allow traffickers to use cargo ships (which off-load to smaller craft), shipping containers, fishing boats, and "go-fast" boats to transport multi-hundred kilogram quantities of methamphetamine and precursor chemicals. AFP and law enforcement marine interdiction efforts are hindered by a lack of intelligence sharing and insufficient fuel for patrol vessels. Maritime smuggling is prevalent in the tri-border region with Malaysia and Indonesia, and in northern Luzon. Commercial air carriers and express mail services remain the primary means of shipment of illegal drugs to Guam, Hawaii, and to the mainland U.S., with a typical shipment size of one to four kilograms.

**Domestic Programs/Demand Reduction.** As part of its demand reduction strategy, DDB continues to create sector-specific programs and activities to reach youth through an effective counternarcotics campaign. The PNP-AIDSOTF also continued the Drug Abuse Resistance Education (DARE) program, which promotes drug awareness nationwide and reached 17,000 students, 8,000 workers, and 47,000 village residents during 2009. PNP reported that community awareness of the drug problem resulted in information tips passed to PNP by local citizens.

In 2009 the Commission on Higher Education (CHED) began random drug testing of students and faculty members from approximately 1,726 higher education institutions nationwide. At the same time, the Department of Health and the Department of Education jointly conducted random drug testing on 87,000 students from 8,750 high schools and 2,000 colleges. The results of such drug testing cannot be used in criminal proceedings, or be grounds for disciplinary action or expulsion.

The Philippines has 57 residential and 4 nonresidential rehabilitation facilities. In 2009, there were 1,384 new admittances and 345 re-admittances to drug rehabilitation centers. There are 332 out-patients.

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

**Policy Initiatives.** The USG's main counternarcotics assistance goals in the Philippines are to:

- Work with local counterparts to provide an effective response to counter the still growing clandestine production of methamphetamine;
- Cooperate with local authorities to prevent the Philippines from becoming a source country for drug trafficking organizations targeting the United States market;
- Promote the development of PDEA as the focus for effective counternarcotics enforcement in the Philippines; and
- Provide ILEA, JIATF-West, and other drug-related training for law enforcement and military personnel.

**Bilateral Cooperation.** The U.S. assists Philippine counternarcotics efforts with training, intelligence gathering, and infrastructure development. In 2005, DEA and the Joint Inter-Agency Task Force-West (JIATF-W) began to develop a network of drug information fusion centers in the Philippines. The primary facility, the Interagency Counter Narcotics Operations Network (ICON) is located at PDEA Headquarters in Quezon City. There are three ICON outstations located at the headquarters of the Naval Forces Western Mindanao, Zamboanga del Sur (southwestern Mindanao); Coast Guard Station, General Santos City (south-central Mindanao); and at Poro Point, San Fernando, La Union (northwestern Luzon). The ICON facility at PDEA Headquarters is used to produce intelligence products and conduct intelligence training for PDEA agents. The outstations are also currently used as training sites. As PDEA development leads to manpower increases and improved coordination with other law enforcement agencies, the concept of interagency drug intelligence coordination may be realized.

**The Road Ahead.** The USG plans to continue work with the GRP to promote law-enforcement institution building and encourage anticorruption mechanisms via DEA and JIATF-West training programs, as well as ongoing programs funded by the Department of State (INL and S/CT, and USAID). Strengthening bilateral counternarcotics relationship serves the national interests of both the U.S. and the Philippines.

# Poland

## I. Summary

Poland has traditionally been a transit country for drug trafficking. As economic conditions improve, it is increasingly a more significant consumer of narcotics and producer of amphetamines. The Government of Poland has a comprehensive demand reduction program and integration into the European Union's Schengen zone appears to have improved law enforcement capabilities against narcotics trafficking. Poland is a party to the 1988 UN Drug Convention.

## II. Status of Country

In 2009, the Law on Combating Drug Addition was revised to include new types of recreational drugs. Compared to 2007, public expenditures on counternarcotics programs increased in 2008. Polish law enforcement agencies have succeeded in breaking up organized crime syndicates involved in drug trafficking, yet trafficking activities continue to become more sophisticated and global in nature. According to statistics provided by the Polish National Police (PNP), the number of drug-related crimes has not changed significantly as a result of Poland's accession to the European Union's Schengen zone. However, there have been improvements in information sharing via the EU's Schengen Information System. Police officials acknowledge that statistics probably do not reflect the full scale of narcotics transiting through Poland. Cooperation between USG officials and Polish law enforcement has been excellent and Poland's EU accession in 2004 made the GoP more earnest about enforcing narcotics policy.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Budget: The 2008 expenditures on the National Program for Counteracting Drug Addiction totaled approximately 149 million PLN ($50 million), compared with 136.5 million PLN (approx. $58 million) in 2007 This figure includes expenditures of the National Bureau for Drug Prevention, National AIDS Center, the Institute of Psychiatry and Neurology, Border Guards, the National Health Fund, provincial and municipal Governments, various training programs, and many other associated expenses. This figure excludes Police Headquarters and Central Management Board of Prison Service expenses. Some of the apparent increase in dollar terms can be ascribed to exchange rate fluctuations.

**Legislation.** On March 20, 2009 a revision of the Law on Combating Drug Addiction was adopted to include new types of recreational drugs (such as Benzylpiperazine, or BZP) to the list of prohibited substances. The Ministry of Health is currently implementing the fourth National Plan on HIV and AIDS for the years 2007-2011. The first National Plan was developed in 1995. In 2008, the Justice Ministry established a special inter-ministerial group to revise the 2005 Law on Combating Drug Addiction and to encourage alternative forms of punishment to incarceration for drug addicts or simple possession offenders. The Justice Ministry completed a resulting draft bill in July 2009, which is currently under inter-ministerial review. Although under current law, drug users can be required to attend specialized therapy and have their cases suspended or dropped if therapy succeeds, this option is rarely utilized. Polish law permits the use of informants, telephone taps, and controlled deliveries to fight international crime, and a witness protection program is in place. The maximum sentence for narcotics trafficking is 15 years. All forms of possession are punishable.

**Law Enforcement.** Administrative controls for programs like demand reduction and health care are largely decentralized, while law enforcement efforts remain centralized and hierarchical in nature. National Demand reduction programs are managed by the Health Ministry's National Bureau for Drug

Addiction (NBDA), while provincial and municipal governments will target local populations. In contrast, regional law enforcement offices are required to coordinate most activities with Warsaw, which hinders the development of investigations and evidence collection. Cooperation between regional law enforcement offices at times is also limited by the centralized structure. This centralization of power in Warsaw appears to have strengthened since the November 2007 election of Prime Minister Donald Tusk.

According to the Central Bureau of Investigation (CBS), Poland's December 2007 accession to the EU's Schengen zone has not led to a significant change in the number of drug-related crimes committed in Poland. While tighter border controls along the eastern border make it more difficult to traffic drugs from Eastern European countries such as Ukraine and Russia, it is easier to export narcotics to Western European countries. Anecdotal information indicates that Poland's role as a transit nation has remained constant or might even be on the rise. The PNP reports that it now has better access to information from the Schengen Information System. Poland works with Interpol and EUROPOL to combat the transnational narcotics trade. Poland also cooperates with several neighboring countries on counternarcotics programs, including Project Eagle, a Polish-Swedish project against trafficking of amphetamines. 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. Between January and September 2009, the CBS closed down 8 amphetamine labs, compared with 16 in 2008.

In 2008, 25,971 suspects were identified as being involved in drug-related crimes, including 2,923 underage suspects, and over 57,382 drug-related crimes were registered. In February 2009, the Warsaw based office of Drug Enforcement Administration completed a long-term investigation into a South America-based international cocaine trafficking organization. The investigation was conducted together with numerous domestic and foreign DEA offices and several host national counterparts, including the Polish Internal Security Agency (ABW). The investigation culminated with the seizure of approximately 1.2 tons of cocaine and the arrest of several high ranking members of South American and European drug trafficking organizations. In July 2009, CBS arrested in Warsaw five members of an organized criminal group responsible for bringing to Poland more than 8 kilograms of cocaine from Brazil. The net worth of the narcotics was 3 million PLN (about $1 million). In May 2009, CBS dismantled a nine-person organized group responsible for trafficking cocaine from South America to Poland, seizing 11 kilograms cocaine with a street value of 4 million PLN (about $1.3 million). In April 2009, CBS arrested three members of a criminal gang on charges of distributing 6 kilograms of cocaine from South Africa. In February 2009, as part of a two-year police investigation, CBS arrested 10 members of a narcotics gang in Poznan, Warsaw and Opole responsible for trafficking drugs to Sweden and Ireland. To date, a total of 45 people have been arrested. In September 2008, four tons of hashish worth 120 million PLN (approx. $51 Million) was seized in Germany, as the result of cooperation between the Polish Central Bureau of Investigation (CBS) and German and Dutch Police. On the basis of recent seizures, the Polish CBS assesses that it has managed to reduce the flow of narcotics from Pakistan to Western Europe.

**Corruption.** As a matter of policy, the Government of Poland 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.** Poland has fulfilled requirements to harmonize its laws with the EU's Drug Policy and closely cooperates with the EU Monitoring Center in Lisbon on Drugs. 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. Poland is a party to the UN Convention Against Corruption and the UN Convention against Transnational Organized Crime and its three protocols. Poland is also a member of the Dublin Group. An extradition treaty and a mutual legal assistance treaty are in force between the U.S. and Poland. All 27 EU member states, including Poland, have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between

the countries. The U.S. has ratified all of these protocols, including the protocol with Poland, and they will enter into force on February 1, 2010.

**Cultivation and Production.** 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 more attractive to some users than cheaper, large-scale production amphetamines from Belgium or the Netherlands.

**Drug Flow/Transit.** A significant percentage 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 Poland's small amphetamine labs remains low. Shipments of heroin, hashish, cocaine, and Ecstasy frequently transit the country, destined for Western Europe. Ecstasy prices in Poland in 2009 ranged from 12 to 20 PLN ($4 to $7) per pill, compared with 15 to 40 PLN (or $6.50 to $17) in 2008. Ecstasy can be bought wholesale for 6-8 PLN ($2 to $3). Opium originating from Afghanistan and Pakistan is also frequently shipped through Poland to Western Europe.

**Domestic Programs/Demand Reduction.** The NBDA has a comprehensive plan for reducing drug addiction and programs to discourage new users. The GoP estimates there are between 100,000 and 120,000 drug users in Poland. In 2008, 85 drug-free residential facilities (not including psychiatric hospitals) were in operation, including 33 facilities that accepted underage drug addicts. The facilities accommodated up to 2,900 patients. In 2007 (the last year for which statistics are available) 15,125 patients were treated in residential facilities, compared with 13,198 in 2006. Apart from residential facilities, there were 295 outpatient clinics that provided treatment to drug addicts, experimental users, and their family members. There were also 30 detoxification centers in operation. In 2009 there were 17 active substitution treatment programs offered in outpatient clinics and five programs in detention facilities; the total number of patients treated in those facilities was 1,583 (including 71 persons in detention facilities). Notwithstanding the extensive treatment programs, a gap exists between prison substitution programs and general programs which can lead to addict relapse. In 2008, the National Bureau for Drug Prevention co-financed the implementation of prevention programs for at-risk children and adolescents, focusing on recreational drug use. Programs like Monar, which targets discotheques and clubs, and Parasol, which focuses on commercial sex workers, are two of the seven demand reduction programs. The National Bureau for Drug Prevention also launched a "Watch Your Drink" program to combat date rape drugs like GHB, Ketamine, and rohypnol.

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

**Bilateral Cooperation.** Bilateral cooperation between U.S. and Polish counternarcotics agencies 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 turnover of senior- and managerial-level Polish police officials. Differences between the U.S. and Polish judicial systems continue to make cooperation and investigation of some leads problematic. Nonetheless, DEA and LEGAT assess that there is good cooperation at the working level. Cooperation has also been effective in cases where the USG has been able to supplement Polish resources and capabilities and to coordinate regional and intercontinental investigations. In 2009, the PNP cooperated with DEA in several narcotics investigations targeting criminal organizations that import controlled substances into and through Poland.

**The Road Ahead.** Given Poland's predominant role as a transit country, the USG will continue to promote regional cooperation and focus on providing training that promotes integrated interdiction efforts. Additionally, the USG will continue to advocate judicial reform measures that enable more efficient investigations and ensure more effective punishment for narcotics traffickers.

# Portugal

## I. Summary

Portugal once again saw a significant decline in cocaine seizures as shipments to Europe are increasingly being routed through African nations rather than northern Atlantic routes. As a result, seizures of cocaine decreased from 2.6 metric tons in the first six months of 2008 to 1.6 metric tons during the same period in 2009. Portugal also saw a drop in heroin and hashish seizures. Seizures of heroin decreased from 49 kilograms in 2008 to 39.2 kilograms in 2009. Hashish seizures decreased from 24.4 metric tons in the first half of 2008 to 16.7 metric tons in the first half of 2009. U.S.-Portugal cooperation on drugs has included joint investigations with the U.S. Drug Enforcement Administration (DEA) and on-going cooperation facilitated by USG liaison officers at the Maritime Analysis Operations Center for Narcotics (MAOC-N) in Lisbon. To continue with this cooperation, DEA will be opening an office in Lisbon in 2010. Portugal is party to the 1988 UN Drug Convention.

## II. Status of Country

Drug smugglers have used Portugal as a primary gateway to Europe in recent years; their task is made easier by open borders among the Schengen Agreement countries and by Portugal's long coastline. Since early 2007, Portuguese law enforcement entities have seen a significant drop in cocaine seizures and speculate that traffickers have moved to Western African nations and then use "swallower mules" to smuggle cocaine into Europe in smaller, harder to detect packages. Additionally, it is believed that traffickers are also increasingly using containers, which are harder for law enforcement officials to access. South America remains the primary source of cocaine arriving in Portugal, usually transited through Brazil and Venezuela. For hashish, the primary source country was Morocco, transshipped through Spain. Cocaine and heroin enter Portugal by commercial aircraft, 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 2009

**Policy Initiatives.** Portugal decriminalized drug use for casual consumers and addicts in 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 roadside sample is positive, drivers must then undergo a blood test at a health care 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 Directorate (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 reports to the Ministry of Defense while the remaining entities are units of the Ministry of the Interior. According to a 2009 semi-annual report prepared by the PJ, Portuguese law enforcement forces arrested 2,748 individuals for drug-related offenses in the first six months of 2009 as "traffickers/consumers." Of those arrested, 2,284 were Portuguese citizens; the foreign nationals arrested included citizens from Cape Verde (173), Guinea Bissau (71), Spain (38), Angola (35), and Brazil (32). The report indicates a decrease in the cocaine, hashish, and heroin seized in the first half of 2009 compared to the first half of 2008. Cocaine seizures fell from 2.6 metric tons to 1.6 metric tons in the first half of 2009. Also over the first six months of 2009,

compared to the same timeframe in 2008, hashish seizures fell from 24.4 metric tons to 16.7 metric tons. Heroin seized decreased from 49 kilograms to 39.2 kilograms in the first half of 2009. Ecstasy seizures in 2009 totaled 31.3 grams; 143 grams of amphetamine were seized. Additionally, PJ's first semester report on 2009 activities noted the seizure of over 1 million Euros in cash, plus the equivalent of over 8,000 Euros in foreign currency. The PJ also seized 15 vehicles, 16 boats, 80 weapons, and 1,516 cell phones.

On October 25, 2009, GNR seized 550 kilograms of cocaine on a yacht at Horta, located on the island of Faial in the Azores. The seizure was the largest ever of cocaine in the Azores.

**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.

**Agreements and Treaties.** Portugal 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. Portugal is 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. have been parties to an extradition treaty since 1908. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010.

**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. Some traffickers reportedly use high-speed boats in attempts to smuggle drugs into the country, and some 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/Demand Reduction.** Responsibility for coordinating Portugal's drug programs is with the Ministry of Health. 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 36 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 treatment for 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 them.

Portugal is implementing its National Drugs Strategy: 2005-2012, with an intermediary impact assessment that took place in 2008. Portugal's strategy builds on the EU's Drugs Strategy 2000-2004 and Action Plan on Drugs 2000-2004, focusing on reducing drug use, drug dependence and drug-related health, and social risks. This new strategic cycle created an innovative integrated drug demand reduction program, incorporating prevention, "harm reduction", treatment, and rehabilitation. The 2008 strategic Action Plan strategy included prevention programs in schools and within families, early intervention, treatment, "harm reduction", rehabilitation, and social reintegration measures. The internal evaluation for the 2008 Action Plan culminated with a report presented to the Ministry of Health in May 2009. This internal evaluation was run by a specialized subcommittee of the Interministerial Technical Committee,

heading the work of nine other specialized subcommittees in all areas of the Action Plan. Together, the ten specialized subcommittees gathered 36 institutions from the Central Public Administration, the National Council on Drugs, the Portuguese Economical and Social Council, Civil Districts and Local Administration, for a total of 88 representatives. These subcommittees also created the new Action Plan for 2009-2012.

Representatives from producers, marketers, and distributors, as well as Central Public Administration, collaborated on a proposal for a National Plan to Reduce Problems Linked to Alcohol Abuse.

Both proposals for the Action Plan for 2009-2012 and the National Plan to Reduce Problems Linked to Alcohol Abuse are waiting Ministry approval. Delay was due to the 2009 electoral cycle and change of Government.

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

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

In December 2008, DEA and PJ culminated a joint investigation with the seizure of 957 kilograms of cocaine, $745,200, three vehicles, and arrest of four members of the organization responsible for the cocaine shipment. This investigation was conducted with the additional cooperation of DEA San Juan, DEA Caracas, JIATF-South, and the Spanish National Police. The organization targeted in this investigation was responsible for multi-hundred kilogram quantities of cocaine being shipped into Portugal and distributed throughout Europe. The enforcement actions included the execution of an International Controlled Delivery that was possible due to the considerable coordination between the investigating agencies. This investigation is one example of the good working relationship that exists between DEA and Portuguese authorities.

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

To address changing drug trafficking patterns, DEA plans to open a DEA Country Office in Lisbon in mid-2010. This office will consist of one Country Attaché, one Special Agent, and one Administrative Support Specialist, with plans to add an Intelligence Research Specialist in the near future. This office will be able to conduct joint investigations with Portuguese authorities targeting large drug trafficking organizations that utilize Portugal as a point of entry for their European shipments.

As of October 2009, the Joint Inter Agency Task Force South (JIATF-S) has a permanent observer and liaison officer in the MAOC-N.

# Romania

## I. Summary

Romania is not a major source of illicit narcotics. However, Romania continues as a major transit country for narcotics and lies along the well-established Northern Balkan Route for opium, morphine base, and heroin moving from Afghanistan to Central and Western Europe. Synthetic drugs and precursor chemicals move eastward along this route towards Turkey and the Middle East (synthetic drugs like Captagon) and beyond back to Afghanistan (precursors), where the refining of opium into heroin and base increasingly occurs. Romania's counternarcotics agencies were re-organized in early 2009, resulting in the elimination of the national counternarcotics agency. Additionally, the global economic crisis made its mark on all Romanian government agencies, and resources for all remaining counternarcotics units were more scarce than usual. Despite these challenges, Romanian authorities continue to work closely with U.S. and regional counterparts for successful and effective international seizure operations. Drug use remained relatively constant, with some increase noted in the use of un-controlled pharmaceuticals by Romanian youth. The illicit traffic in pre-cursor chemicals, for use in heroin and synthetic drug production in countries further East increased in Romania. Romania is a party to the1988 UN Drug Convention.

## II. Status of Country

Romania lies along the Northern Balkan Route, and therefore is a transit country for narcotics. Heroin and opium move from Southwest Asia to Central and Western Europe. Romania also sits astride a developing branch for the transit of synthetic drugs, such as MDMA (Ecstasy), from Western and Northern Europe to the East. Some MDMA, temporarily stored in Romania, may be bound for the USA and Canada. Romanian authorities estimate that eighty percent of the drugs that enter Romania are destined for Western Europe. It is believed that heroin, MDMA and other drugs are stored in large quantities in Romania awaiting further transshipment. Romania is increasingly becoming a storage location for large amounts of heroin, smuggled from Afghanistan through Iran, Turkey, Bulgaria, and Romania via the Southern Balkan route, bound for Europe. A newly discovered branch of the Northern Route used by heroin drug trafficking organizations passes through Romania, Moldova, and Ukraine. A large amount of precursor chemicals transit Romania from Western European countries moving towards Turkey, and beyond to Afghanistan. While Romania is not a major source of production or cultivation of drugs, it may be a source of amphetamines. Use of Romania as a transshipment point for South American cocaine to Western Europe also appears to be increasing, as evidenced by a large seizure of cocaine from South America in early 2009. African-based hashish trafficking organizations may also be using Romania as a transshipment point.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Romania's counternarcotics agencies suffered a setback with the re-organization of the Ministry of Interior in 2009. The General Directorate for Countering Organized Crime and Anti-Drug (DGCCOA) as well as the National Anti-Drug Agency were demoted into services rather than independent agencies, with the result that there is no longer a national drug agency in Romania. Also, the change resulted in position cuts for qualified and trained narcotics officers. Along with these changes, as of May 1, 2009, the Romanian Border Police were no longer involved in narcotics investigations and drug seizures except for those which occur at a border crossing. Despite these organizational changes and the resultant lack of continuity among the counternarcotics forces, Romania continues to play an active role on the Anti-Drug task force of the Bucharest-based Southeast European Cooperative Initiatives Regional Center for Combating Trans-Border Crime (SECI Center), as well as the Southeast European Prosecutors Advisory Group (SEEPAG).

**Law Enforcement Efforts.** Romanian National Police reported that during the first nine months of 2009 they have seized 59.5 kilograms of heroin, just 18 grams of opium, 1,283.5 kilograms cocaine, 13,761 MDMA pills, approximately 27.3 kilograms of cannabis and minimal amounts of other drugs such as amphetamines, "magic mushrooms", and tablets. This is an increase of 310 percent over last years' seizures.

During the period of 2008 through September 2009, 713 persons were indicted for drug-related crimes, such as drug and precursor trafficking, possession, and consumption. 5,506 cases were opened in this period; of these 4,061 cases were suspended or dropped. 1,622 people were taken to trial in this period, including 38 minors. Total number of drug-related cases in 2008 numbered 3,103 and only 2,403 through September 2009.

Romanian authorities had significant international successes against drug trafficking organizations in 2009. Large quantities of cocaine are being shipped from South America to the Port of Constanta, Romania for further distribution throughout East and West Europe. A 1,204 kilograms cocaine seizure made at the Port of Constanta in January 2009, was the largest cocaine seizure in Romanian history. An international, multi-agency follow-up investigation led to the seizure of an additional 3.8 tons of cocaine in Brazil, from the same drug organization that was involved with the drugs seized in Constanta.

Law enforcement cooperation was continuing to expand and become more sophisticated with the assistance of foreign training programs such as those offered by the SECI Center. However, the global economic crisis had a significant negative impact on narcotics units already strained for resources. Romanian police had to stretch their resources and operations and occasionally suffered setbacks due to the lack of resources. Some officers were even forced to supplement their official budgets with their own personal money. Romanian police forces were able to secure some technical equipment, but lacked force protection equipment. Threats of pay cuts, and forced unpaid leave due to the economic crisis were having an impact on morale government-wide. Romanian authorities were concerned that their resources were out of line with their increasing responsibilities as an EU frontier country.

**Corruption.** Corruption remains a serious problem within the Romanian government, including within the judiciary and law enforcement branches. Convictions for many crimes, including drug-related crimes, were difficult to obtain, and as many as fifty percent of those convicted do not serve their full sentences. As a matter of government policy, however, 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. There is no evidence that senior Romanian officials engage in, encourage, or facilitate the illicit production or distribution of dangerous drugs or substances, or launder proceeds from illegal transactions.

**Agreements and Treaties.** Romania is party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, and the 1971 UN Convention on Psychotropic Substances. A new extradition treaty between the U.S. and Romania entered into force on May 8, 2009 replacing the 1925 treaty. The new treaty requires Romania to extradite its nationals to the U.S. The new agreement is in compliance with agreements previously signed between the EU and the United States as well as with a 2002 decision of the EU Council concerning arrest warrants and transfer procedures. The U.S.-Romanian Mutual Legal Assistance Treaty in Criminal Matters has been in force since 2001. The U.S. and Romania have a Customs Mutual Assistance Agreement in force. Both governments have also ratified and exchanged instruments regarding a Protocol to the MLAT. These instruments form the basis for a modern law enforcement regime and implement obligations under the U.S.-EU extradition and mutual legal assistance agreements. Romanian legislation on precursor substances is consistent with that of the European Union. Romania is 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 illegal narcotics; however there is a small amount of domestic amphetamine and cannabis production.

**Drug Flow/Transit.** Illicit narcotics from Afghanistan enter Romania along the northern Balkan Route: by land from Ukraine, Moldova and Bulgaria, and by sea through the Black Sea Port of Constanta. Once in Romania, the drugs move through to Hungary or Serbia for onward distribution in Western Europe, notably Germany, Austria, the Netherlands and Switzerland. The Balkan Route also runs transshipment of drugs and precursor chemicals eastward towards Turkey, the Middle East, and back to Afghanistan. Cocaine is moved primarily by sea, with some use of land and air routes.

**Domestic Programs.** Despite predictions to the contrary due to the economic crisis, illicit drug user rates remained relatively stable. On the other hand, the government was unable to devote any increased resources to prevention programs. Romanian authorities assessed that urban Romanian youth, mostly males aged 14-25, primarily used cannabis and injected heroin. Methamphetamine use has not yet taken hold in Romania. Authorities were concerned about a rise in use of un-controlled pharmaceuticals and household products as inhalants by youth as a cheap and easy replacement for illegal drugs.

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

**Bilateral Cooperation.** In 2009 Romania, and the region, continued to benefit from U.S. financial assistance to the SECI Center for Combating Trans-border Crime. The U.S. paid 1.2 million dollars, two years of annual dues and other assistance in 2007, to cover the period 2007-2008. An additional 1.3 million dollars was given in 2009. In addition to financial support, the U.S., which is a permanent observer country at the SECI Center, provides expertise and personnel to support the SECI Center's law enforcement efforts. A Supervisory Special Agent, and a Supervisory Intelligence Research Specialist from the DEA are posted at the SECI Center, as well as a U.S. Department of Justice Resident Legal Advisor and a Supervisory Special Agent (retired) FBI liaison. The DEA personnel assigned to SECI augment the DEA Athens, Greece Country Office, which has Romania within its area of responsibility. DEA personnel from the Athens, Greece Country Office and SECI assist in coordinating narcotics information sharing, maintain liaison with participating law enforcement agencies, and coordinate with Romanian narcotics police on case-related issues. The resident legal advisor provides advice and technical assistance on various aspects of the SECI Center's mandate, including enhancing cooperation to combat drug trafficking. Training of a number of senior Level Law Enforcement officers in 2009 was supported by DoD through the U.S. European Command.

**The Road Ahead.** The DEA increased their presence in Romania during 2009, with the permanent addition of the Supervisory Intelligence Analyst position at the SECI Center. Bilateral and multilateral cooperation and partnership continue to grow and result in joint successes in international drug trafficking investigations. The United States stands ready to assist Romania and the region in meeting the continuing challenge of drug trafficking. There are significant concerns however, that the recent restructuring of Romania's counternarcotics agencies and the economic crisis will continue to have a negative impact on the ability of the Romanian police to fight narcotics trafficking.

# Russia

## I. Summary

Russia is a major transit and destination country for heroin from Afghanistan. The UN Office on Drugs and Crime (UNODC) reports (October 2009) that Russia has become the largest single market for Afghan-origin heroin, consuming approximately 75,000-80,000 kilograms per year (about 11 percent of the annual production of Afghan opium). The Federal Drug Control Service (FSKN) estimates (March 2008) that 5.1 million Russians (3.6 percent of its population) take drugs on a regular basis. Russian officials estimate that 30,000-40,000 people die annually of drug overdoses and another 70,000 deaths are considered drug-related. Health experts estimate that nearly 65 percent of newly detected HIV cases can be attributed to injecting drug use and that among HIV-positive injecting drug users, about 85-90 percent are Hepatitis C positive.

Four federal agencies in Russia conduct investigations of drug trafficking: FSKN, the Ministry of the Interior (MVD), the Federal Security Bureau (FSB) and the Customs Service. According to the UNODC, Russian law enforcement agencies seize approximately 4 percent of the heroin reaching its territory. However, information on seizures by FSKN and MVD in 2009 was not available for this year's report. The Customs Service reported seizures in 2009 of 498.5 kilograms of heroin.

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 in any case not widely available. Russia is a party to the 1988 UN Drug Convention.

## II. Status of 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 available in Russia originate almost exclusively in Afghanistan, and some share is 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. Russia has called on the international community to recognize the production of heroin in Afghanistan as a threat to international peace and security.

## III. Country Actions Against Drugs In 2009

**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 an authorized staffing level of 40,000 employees, with branch offices in every region of Russia.

The FSKN has continued its efforts to implement effective monitoring of the chemical industry. Russia is a producer of several precursor chemicals including the amphetamine precursor benzyl methyl ketone (aka Phenyl-2-Propanone or P2P and the chemical Gamma-butyrolactone (GBL), a dangerous "Date-Rape" drug itself, and a precursor in the production of Gamma-hydroxybutyric acid (GHB), also used as a "date rape" drug. In Russia, the production and distribution of GBL is licensed, and controlled for its licit uses. 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. The last Acetic Anhydride (AA) producing factory in Russia (located in Dzerhinsk) closed in 2009, so this precursor for heroin is no longer available from Russian domestic sources.

The State Anti-Narcotics Committee was established by Presidential decree on October 19, 2007. The stated purpose of the governmental steering body is to develop proposals for the President on national counternarcotics 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 have been established at the regional level and are headed by the heads of regional administrations. A national counternarcotics strategy is under development and expected to be released shortly.

The FSKN has been given authority to station drug liaison officers in foreign states to facilitate information sharing and joint investigations. The FSKN also has recently posted a drug liaison at the Russian Embassy in Washington, D.C., to focus on cooperation with the United States, including assistance in combating the trafficking of heroin and "White China" from Afghanistan into Russia. The FSKN has said that its drug liaison officer in Kazakhstan will work with the Central Asian Regional Information and Coordination Centre (CARICC), which has been established by the UN Office on Drugs and Crime and is based in Almaty, Kazakhstan. CARICC serves 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. In addition to Russia, which joined in 2009, CARICC includes Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. CARICC became fully operational in early 2009, and held their official inauguration at their new building on December 9, 2009.

As part of the NATO-Russia Council's counternarcotics project, Russian trainers conducted training courses Central Asian counterparts at the Domodedovo training centre of the Ministry of the Interior in Moscow during 2009. These training courses assist Central Asian police entities in combating major heroin trafficking organizations.

**Law Enforcement Efforts.** FSKN officials have stated that they see synthetic drugs as the threat of the future as new users opt for drugs that they perceive to be safer and more stylish than heroin. According to reports, nearly 90 percent of synthetic drugs are imported into Russia from China, but there is some domestic production as well. Drug users may purchase ephedrine or medications that contain ephedrine, add water and potassium permanganate, and heat the mixture to create a solution whose active ingredient is methcathinone. The solution is then administered intravenously. Ephedrine and pseudoephedrine are also used to produce amphetamine. Authorities frequently report large seizures of pseudoephedrine in Russia's far eastern regions, but methamphetamine is rare. It appears that most pseudoephedrine seized in Russia is intended to produce other forms of amphetamine or methcathinone.

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.

The St. Petersburg police shut down an illegal drug lab in 2008. According to reports, an organized group of individuals were planning on producing 30 kilograms of methadone for inmates of the 3rd and 4th penitentiaries in Fornosovo (Leningrad Region). Four homes were searched, four people arrested, and an unknown quantity of drugs and chemicals were seized, along with forged identification papers and weapons. No laboratories were reported as being shut down for CY 2009.

Since the end of 2005, tri-methylfentanyl has spread through the western regions of the country. Soviet authorities first encountered 3-methylfentanyl in 1990 but seizures were rare until the end of 2005. According to MVD chemists, they encounter tri-methylfentanyl in two forms. First, it is used to spike highly diluted heroin to improve its narcotic effect. Second, tri-methylfentanyl is added to lactose or other inert substances to produce a mixture with the potency of a similar weight of heroin. The FSKN believes that tri-methylfentanyl is most often smuggled into the country from Belarus or Ukraine, but they admit that it may be synthesized in Russia as well. The FSKN also reports encountering tri-methylfentanyl mixed with methadone. 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. There is no information found in 2009 which would indicate this is a growing problem.

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 fairly easy to obtain 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 (especially Ecuador) provide a convenient pool of potential couriers. From January through November 2009, the Russian FTS made seizures of cocaine totaling 100 kilograms from cargo ships, only .005 kilogram exiting the country at the border, and 1.1 kilograms entering the country across a land border. The majority of ships in which cocaine is discovered have sailed from Ecuador.

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 seizures, totaling more than 30 kilograms of cocaine in 2008. These seizures involved Latvian, Ukrainian and Russian crewmembers aboard banana vessels smuggling multi-kilogram cocaine shipments from South America to the Russian port of St. Petersburg. For 2009, similar operations produced 96.2 kilograms of cocaine from maritime vessels. In addition in March 2009 the DEA office in Moscow requested the FSKN provide their latest information on the drug situation in the Russian Far East. Several factors noted by the DEA showed indications that drug smuggling activity in Russia's Far East would probably increase. On December 9, 2009, Victor Ivanov, FSKN Director, held a press conference in Svobodnyy (Amur Region) of Russia to announce that the Far East is facing an expansion of Afghan heroin and synthetic drugs from China and Europe. Director Ivanov stated that "...an analysis of the drug situation in the Far East shows considerable growth in the number of drug addicts...the number of opium addicts grew fivefold and the synthetic drug addicts nine fold."

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. In 2009, Russian Customs detained two subjects at a Moscow airport after they deplaned from the Dominican Republic. One had swallowed 101 capsules of cocaine, and the second swallowed 102 capsules of cocaine. Total weight was approximately 1.7 kilograms. In December 2009, the Russian Federal Security Service met with the DEA Moscow office and related that a group of Russian nationals now living in the Dominican Republic were arranging the smuggling of cocaine out of Ecuador to the D.R., then by plane directly to Moscow. The DEA and the FSB are renewing their focus in disrupting this narcotics smuggling route.

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. Presently, there are only 7-8 types of steroids which are illegal in Russia. Many criminal cases are made against those selling steroids based on the violation of not clearly marking what is being shipped (concealing the contents by marking them as something else).

Russia 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.

In June 2009, the Duma passed a law, the development of which was supported by a U.S. technical assistance program, on cooperating witnesses. Russian organized crime investigations, including those of drug trafficking rings, have typically fizzled out at the lowest level due to the inability to develop accomplice testimony, a problem the new law is meant to address.

**Corruption.** As a matter of government policy, 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.

Several criminal cases against drug law enforcement were made public in 2008 for drug corruption-related offenses, including the arrest for drug smuggling in St. Petersburg of a senior police officer. He and two other officers from St. Petersburg were convicted of "abuse of official powers" in 2009 and sentenced to 3 years and 6 months, 9 years, and 9 years, respectively. They were acquitted of organized crime charges. In September 2009, the Prosecutor's Office of St.Petersburg appealed to the Supreme Court of the Russian Federation for a re-trial of the case insisting on the convicts' involvement in organized crime.

The Deputy Head of the Leninskiy District (Vladivostok) Directorate of Internal Affairs was arrested in 2008 for selling three kilograms of heroin. In he was sentenced for "preparation for an especially grave crime—illegal distribution of narcotic substances committed by a group of persons in a preliminary conspiracy" to imprisonment for a term of 8 years and 3 months. Two other two co-conspirators, also police officers from the same department, were sentenced to 8 years and 3 months and 9 years, respectively.

The Investigative Committee of the General Procuracy stated in November 2008 that its investigation of the general in charge of the FSKN's Department of Operative Support has been completed and that he would stand trial for abuse of power, accepting and paying bribes, illegal wiretapping and money laundering. In October 2009, the defense claimed that the Prosecutor General's Office had returned the case to the Investigative Committee "for the removal of identified shortcomings." Neither the Prosecutor General nor the Investigative Committee has commented on this claim.

A number of serious crimes involving drug law enforcement personnel were reported in the media during 2009:

- A senior investigator of the FSKN Moscow office was sentenced to imprisonment for two years for soliciting a bribe from a person under criminal investigation.
- A criminal case was initiated against a senior operative of the FSKN Irkutsk Region on a charge of swindling on an especially large scale for allegedly taking a bribe to release a detainee from custody.
- An operative of the FSKN St. Petersburg office received a suspended sentence of two years for involvement in drug trafficking and possession of narcotics and psychotropic substances.

- An operative of the FSKN St. Petersburg office was sentenced to imprisonment for a term of five years for extorting money from the relatives of a person under investigation and for coercion to drug trafficking.
- A senior operative of the FSKN Krasnodar Territory office was sentenced to imprisonment for four years for threatening to fabricate a criminal prosecution against a person and for taking a bribe to drop the charges.
- A criminal case was initiated against an officer of the FSKN St.Petersburg office for drug trafficking and possession of over two kilograms of marijuana.
- A criminal case was initiated against a senior investigator of the FSKN Investigative Department on charges of fabricating a criminal prosecution of a business person and taking a bribe not to initiate criminal prosecution against that person.
- An investigator of FSKN Amur Region office was sentenced to imprisonment for a term of seven years and six months for taking a bribe to withdraw an attachment with regard to a suspect's property.
- An officer of FSKN Chelyabinsk Region office was sentenced to imprisonment for four years and six months for appropriation of material evidence in a number of criminal cases that he investigated.
- A criminal case was initiated against five officers of FSKN Moscow Western District office charged with robbery and exceeding official powers.
- A criminal case was initiated against two operatives of FSKN office for Primorskiy who have been charged with exceeding their official authority and drug trafficking.
- An investigator for especially important cases of the FSKN Moscow office was charged with swindling—taking a bribe from a suspect on a promise to re-qualify a criminal case in order to mitigate punishment.

**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.

**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 (FSKN estimates 1,000,000 hectares of "wild hemp"). Wild stands of the plant and large-scale outdoor cultivation are concentrated in the Caucasus and in the Republic of Tuva and the Amur River Basin in the Russian Far East. Russian authorities occasionally encounter indoor grows, which vary from a few plants in a city apartment to greenhouses in rural areas. The largest and most sophisticated indoor grows are typically discovered in and around Moscow and St. Petersburg. Marijuana, hashish, and hash oil can be found anywhere in Russia. Large amounts of cannabis

are frequently seized in the Altai Territory and Republic of Buryatia (Kazakh-Chinese-Mongolian Border), the Amur Region (Far East) and Maritime Territory (Pacific Coast).

Opium poppies are grown in Russia. In rural areas, small plots of poppy were formally grown to produce poppy straw, which was steeped in water to produce a tea used as a folk remedy. In Soviet times and the early 1990's, large amounts of poppy straw or confectionary poppy seeds were chemically treated to extract acetylated opium. This process required large amounts of raw material to produce relatively small amounts of low-purity opium. Use of this practice has declined as Afghan opiates became widely available (and abused) in Russia.

**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 UNODC estimates (October 2009) that 30 percent of Afghanistan's exported heroin is moved along this Northern Route, a total of 75-80 metric tons being consumed in Russia itself. 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.

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.

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, Uzbekistan, and Tajikistan) have participated in "Operation Canal." However, seizure statistics from this operation include narcotics and weapons seized in parts of the world not applicable to the identification of smuggling trends in Russia and the Central Asian countries. NOTE: Operation CANAL expanded its contributing members to include representation from countries such as Venezuela, Columbia S.A., Italy, Spain, Germany, China, et al. All statistics from these countries are included in the total statistics for each phase. Unfortunately, individual country reports are not available; therefore total seizure amounts (and predictive trends for Central Asia) are skewed by inclusion of activity from non-Central Asian countries.

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.

The Chu River Valley, which runs from Northern Kyrgyzstan into Kazakhstan, is the source of most of the foreign-grown cannabis brought into Russia. An estimated 140,000 hectares of cannabis, with a high THC content, is available free for anyone to harvest in the valley. No information has been received which would indicate a concerted effort is being made by either country, on a consistent basis, to destroy, or conduct operations geared specifically to the interdiction of marijuana.

**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. Authorities report that this effort is on track to achieve this objective, with an estimated 5.1 million abusers in 2008 versus an estimated 5.9 million in 2004-5.

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, for example, has 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. The peer-to-peer program encourages youth to discuss the impact of substance abuse and introduces life skills to avoid drug use. In 2009, Healthy Russia's program reached almost 15,000 youth with substance abuse and HIV prevention messages in Irkutsk and Sakhalin, and trained teachers to help institutionalize the program.

USAID partner Population Services International (PSI) reached over 10,000 youth under 18 years of age in two pilot sites in the Leningradsky and Orenburg regions with substance abuse prevention messages, constructive recreational activities, and individual and family therapy in 2008. Professionals from the drug control, substance abuse treatment and HIV/AIDS services participate in providing services for these youth at risk of drug abuse and HIV/AIDS.

A Human Rights Watch study (November 2007) concluded that the effectiveness of treatment offered at state drug treatment clinics in Russia "is so low as to be negligible" and constitutes a "violation of the right to health." A few new models of cognitive therapy which expand the breadth of substance abuse programs and rehabilitation are being implemented in treatment centers in St. Petersburg and Orenburg, 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, such as naltrexone which might be more acceptable to the GOR. This past year several study tours to the U.S. were arranged by USAID-partners such as Healthy Russia Foundation, the Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria (GBC, formerly Transatlantic Partners Against AIDS) bringing medical and substance abuse clinicians together to observe drug rehabilitation programs. With non-U.S. funds, the UN Office on Drugs and Crime (UNODC) supported a study tour to China (where Medically Assisted Therapy is practiced) for health experts of the Federal Service for Consumer Rights Protection and Human Well-being (Rospotrebnadzor), the Federal Drug Control Service and representatives of the Institute of Forensic and Social Psychology, all key participants in the debate on MAT.

USAID partners such as Healthy Russia Foundation and UNODC also provided technical assistance to help expand the spectrum of drug treatment services available (including out-patient services) and to integrate HIV prevention into substance abuse services. Additionally, in 2009, a number of high-level conferences and workshops were devoted to HIV/AIDS and substance abuse, particularly injecting drug use. USAID partner, GBC helped facilitate a Parliamentarian meeting in April 2009 on Harm Reduction, which resulted in the development of five working groups to further review the impact of such programs, costs and feasibility of such programs in Russia—the reports are due soon. Additionally, in October of 2009, UNAIDS assisted the Government of Russia in hosting the 3rd European Conference on HIV/AIDS, which provided an opportunity for the international community to express support for many aspects of HIV prevention and care programs, including methadone and other MAT programs in the region. While resistance to methadone continues at senior levels of the Ministry of Health and Social Development and the FSKN, information sharing at international conferences, such as those hosted in Russia, continue to play an important role in demonstrating how progress may be made in the future.

## 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 calling for direct assistance to the GOR in the area of counternarcotics and law enforcement. Three projects under the terms of the 2002 LOA 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, Novorossisyk and Sochi. 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 USCG conducts annual combined operations with the Russian Federal Security Service (Federal'naya Sluzhba Bezopasnosti, FSB) Border Guards under the auspices of the North Pacific Coast Guard Forum (NPCGF). NPCGF member nations include Canada, China, Japan, Russia, South Korea and the United States. Counternarcotics is one of the five NPCGF working groups and is expected to receive additional attention in the years ahead. The Russian FSB will conduct a combined training operation during the summer of 2010 that will have a counternarcotics focus. The USCG and the Japan Coast Guard are expected to deploy air and surface assets in support of this combined exercise.

**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 it's comprehensive, long-term national strategy against drug trafficking and use with multidisciplinary sustainable assistance projects that combine equipment and technical assistance. Recent meetings in 2009 involving visits to Moscow by President Obama, Secretary of State Hillary Clinton, and several high-level officials from the Drug Enforcement Administration have provided a more specific focus on increasing the level of cooperation between the U.S. Government and the Russian Federal Narcotics Service (FSKN). In addition, in 2009, the Working Group on Drug Trafficking was established within the framework of the United States—Russian Federation Bilateral Presidential Commission created by the decision of the Presidents of Russia and the United States on July 6, 2009. The Drug Trafficking Working Group, which had its first meeting in September 2009, promotes cooperation between the relevant authorities of the two countries, and identifies effective methods to combat illicit trafficking in narcotic drugs, psychotropic substances, and their precursors.

# Saudi Arabia

## I. Summary

The Kingdom of Saudi Arabia has no appreciable drug production and is not a significant transit country for drugs. The Saudi Arabian Government (SAG) places a high priority on combating narcotics abuse and trafficking. Since 1988, the SAG has imposed the death penalty for drug smuggling. Saudi Arabia's conservative cultural and religious norms discourage drug abuse. Nonetheless, drug abuse and trafficking are on the rise and are addressed as both social and law enforcement problems. This rise in trafficking and abuse has caused increased arrests and SAG policy responses, including a new drug education curriculum, ongoing expansion of drug treatment facilities, efforts at economic development and employment programs for Saudi youth, as well as efforts to better coordinate narcotics law enforcement with neighboring countries, specifically on the Saudi-Yemeni border. Saudi Arabia is a party to the 1988 UN Drug Convention. SAG officials actively seek and participate in United States Government (USG)-sponsored training programs and are receptive to enhanced official contacts with the Drug Enforcement Administration.

## II. Status of Country

The Kingdom of Saudi Arabia has no significant drug production. Due to its conservative religious values and 1988 UN Drug Convention obligations, the SAG places a high priority on fighting narcotics abuse and trafficking. Narcotics-related crimes are punished harshly. Narcotics' trafficking is a capital offense enforced against Saudis and foreigners alike. Approximately seven individuals were executed for narcotics related offenses in 2009 . The SAG maintains a network of overseas drug enforcement liaison offices and state-of-the-art detection and training programs to combat trafficking.

Despite the SAG's determined counternarcotics efforts, Saudi officials themselves report that drug abuse and trafficking have increased significantly, though the SAG does not provide complete public statistics on drug consumption, interdiction, or trafficking. In addition, most judicial proceedings in Saudi Arabia are closed, and many drug trafficking convictions likely go unreported. Anecdotal evidence suggests that this increase in drug use is significant, particularly amongst Saudi teenagers, mostly male. The combination of an affluent population, porous borders, large numbers of unemployed youth, and high profit margins from drug trafficking, attracts both drug traffickers and dealers, despite strict criminal punishments.

According to a report issued in August 2008 by Prince Nayef Arab University for Security Studies, the overwhelming majority of narcotics traffickers are non-Saudi. The study estimated that 74 percent of smugglers are Pakistani nationals, with others coming mainly from Syria, Lebanon, Palestine, Nigeria, Yemen, Turkey, Philippines, and Thailand. According to the study, the vast majority of drug traffickers entering Saudi Arabia (96 percent) arrive by air with counterfeit travel documents. The majority of drugs themselves are trafficked via the porous borders with Yemen, Iraq, and Jordan, as well as by sea via Saudi Arabia's two main port cities of Jeddah and Dammam.

A November 2008 study published by Imam Muhammed Bin Saud University revealed that 77.5 percent of those incarcerated for drug-related offenses are "socially rejected" upon release from prison. According to other sources in Saudi Arabia, drug users and traffickers are perceived very negatively in Saudi society, which discourages admission of drug problems and often leads to relapse in terms of usage and criminal activities. Reports in 2008 indicate that prison authorities and other government entities planned measures to aid former drug addicts post-incarceration, including specific programs to avoid relapse, such as incentives for companies to hire these individuals.

SAG efforts to treat drug abuse are aimed solely at Saudi nationals, while expatriate substance abusers are usually jailed and summarily deported. In addition, the cost of drug treatment facilities is often so high that many expatriate abusers, especially those in low-wage occupations, are unable to afford treatment. There are three facilities offering treatment: Al-Amal Mental Health and Narcotics Hospitals, in Riyadh, Jeddah, and Dammam, and one Al-Amal health clinic in Qassim Province offering free detox, rehabilitation, and aftercare to Saudi nationals. Each hospital has 200 beds and the Qassim clinic has 50 beds for male inpatients (Update). Al-Amal Hospital in Riyadh has a 6-bed ward for female inpatients (Update). The hospitals in Jeddah and Dammam treat women as outpatients. The head of the Al-Amal Hospital in Jeddah stated that 100 women were treated for drug abuse within the last year, although the hospital lacks a female ward. Health officials describe a noticeable increase in drug-addicted inpatients and outpatients throughout the country in 2009. Hospitals officials say that 13 new mental health and addiction hospitals will be built throughout the country over the next few years.

Saudi drug abuse patients come from all classes and regions; however, the majority of upper class addicts reportedly rely on private clinics in and outside of Saudi Arabia for treatment. Patients vary in age from lower teens to the elderly, but Ministry of Health (MOH) officials report that the overwhelming majority are young men in their twenties and thirties. Most female patients have a male relative who is also addicted to drugs. There is reportedly a 70 percent patient recidivism rate according to Dr. Esam al-Shoura, head of the addiction section at Al-Amal Psychiatric Complex, as reported by Saudi Gazette. Most patients participate in detox and rehabilitation treatment for 3-5 weeks. A 2007 program which was extended into 2008 provided select, motivated patients with 2-3 months of treatment and counseling. Hospital officials claim that 70-80 percent of patients are addicted to amphetamines or marijuana and the remaining patients are addicted to heroin, cocaine, and sedatives. MOH and hospital officials note that many newer patients have a dual diagnosis of addiction and psychiatric issues, possibly due to consumption of contaminated drugs, particularly Captagon.

Captagon, hashish, khat, and heroin are the most heavily consumed substances in order of prevalence. The wealthiest segments of society tend to consume the purest, highest potency drugs, while the majority of drug abusers consume more diluted forms. Captagon and other amphetamines are reportedly consumed mainly by students, drivers, and employees seeking prolonged energy. Khat is mainly consumed by Yemeni and Somali expatriates. Saudi officials say that heroin and cocaine are in greater demand in the two large Saudi cities of Jeddah and Dammam. Paint and glue inhalation and prescription drug abuse are also reported.

## III. Country Actions Against Drugs In 2009

**Policy Initiatives.** The lead agency in Saudi Arabia's drug interdiction efforts is the General Directorate for Drug Control (GDDC), under the Ministry of Interior, which has 19 overseas offices in countries representing a trafficking threat. The SAG has drug liaison offices in the following countries: Nigeria, Lebanon, Thailand, UAE, Pakistan and Egypt and several not listed. In addition, the SAG continues to play a leading role in efforts to enhance counternarcotics intelligence sharing among the six nations of the Gulf Cooperation Council. Sources indicate that a series of judicial reforms passed in 2004 and implemented within the last several years has led to a dramatic increase in inter-state cooperation, with greater coordination between various Gulf and Arab countries for drug interdiction and pursuing traffickers. Saudi Arabia also has narcotics related bilateral agreements with Egypt, Pakistan, Libya, Iran, Jordan, Turkey, and Syria. Security agreements signed with France, Italy and Poland also include cooperation on drug trafficking issues. Negotiations with other countries, including Russia, are still on-going. As a matter of policy, the government also continues to block internet sites deemed to promote drug abuse.

The General Directorate for Combating Narcotics coordinates SAG efforts across Ministries. The women's branch was established in 1988 and has approximately 40 female employees. The National

Committee for Combating Drugs (NCCD) directs a 12-step rehabilitation program for Saudi addicts in each of the Kingdom's 13 provinces. The program, which began 8 years ago, runs between 3 months to 2 years depending on the case. 1,250 former addicts have participated in the program, which includes performing the annual hajj or pilgrimage to Mecca. According to Abdelilah al-Sharif, advisor to the Committee, only 20 of the 1,250 who performed the hajj have relapsed to addiction.

2009 has seen a marked increased in research and publicity regarding the root causes of drug use and drug trafficking. Specifically, the SAG has stated that unemployment, most notably in the border regions of Saudi Arabia, has become a threat to the security of the country. As a result, the SAG has announced several new development projects in areas where recruitment for drug trafficking is high. In addition, there are plans to launch university expansions into these regions in 2009. Recognition that many traffickers come from the border areas has led SAG officials to increase cooperation and funding for border area law enforcement, particularly the Saudi-Yemeni border.

On April 16, 2009, Minister of Interior Prince Nayef called for a national research project to study drug abuse in Saudi Arabia, and to adopt effective methods to combat and treat addicts.

**Law Enforcement Efforts.** The year 2009 saw increased reporting on the efforts of Saudi Arabian border guard units, or Frontier Police. Counternarcotics units within the Frontier Police were reported to have played a significant role in drug-interdiction campaigns along the borders. In addition, Prince Nayef stated in April 2008 that in the course of the Kingdom's counternarcotics campaigns, "more that 400 policemen had lost their lives." Prince Nayef also noted the connection between drugs and terrorism, stating that most of the terror suspects held by police were under the influence of narcotics.

**Corruption.** As a matter of government policy, the SAG does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal transactions. There is no evidence of SAG officials' involvement in the production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances. Attempts to bribe prison officials for drug smuggling were reported this year, and anecdotal evidence suggests that drugs are widely used in Saudi prisons where certain guards are involved in selling and distribution.

**Agreements and Treaties.** Saudi Arabia 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. Saudi Arabia is also a party to the UN Convention against Transnational Organized Crime and its three Protocols. Saudi Arabia has signed, but not ratified, the UN Convention Against Corruption.

**Cultivation/Production.** Cultivation and production of narcotics in Saudi Arabia are minimal. According to academics and MOH officials, khat production appears to be localized to the rural areas of the southern Jizan Province; most khat is imported from Yemen. Due to the porous border with Yemen as well as the mountainous topography, there were increased reports this year of khat production within the Kingdom in this region.

**Drug Flow/Transit.** Saudi Arabia is not a major drug transshipment point. SAG officials say the strict control measures practiced by the country have led to more seizures by Saudi Customs and border officials. Drugs are smuggled in by various means, mainly over land borders. Some drugs are smuggled by couriers who come to the Kingdom to participate in the annual umra and hajj ceremonies and via the land borders. The SAG appears to have improved coordination with Yemen on their shared border, but reports this year indicate that the porous Iraq-Saudi border, along with increased trafficking through Iraq, has led to increased transit through the northern region of the Kingdom. In conjunction with antiterrorism efforts, the SAG has launched plans this year to reinforce law enforcement in the border region with Iraq, including using technology to better stem the flow of illicit activities.

Captagon and heroin are reportedly smuggled into the country from Eastern Europe, the Balkans, and Turkey via the northern border with Jordan. Hashish is mainly smuggled via the southeastern border with the United Arab Emirates. Khat is mainly smuggled via the southern border with Yemen.

**Domestic Programs/Demand Reduction.** In addition to widespread media campaigns against substance abuse, the SAG sponsors drug education programs directed at school-age children, health care providers, and mothers. Several new development projects have been announced to improve the economic livelihood of certain areas to sway young people away from the economic advantages of trafficking. Pressure on the Ministry of Education to take action has increased as evidence suggests a marked increase in Captagon usage in both high schools and universities.

On October 31, the newspaper, ASharq Al-Awsat, reported that the Ministries of Education and Higher Education will launch a joint awareness campaign in cooperation with the General Directorate to protect students from drugs, and to create an awareness of the dangers posed to the youth.

The SAG announced in 2008 that approximately 3 percent of drug addicts in Saudi Arabia are female. Several media articles pointed out an increase in drug treatment of females. The Committee for the Care of Female Inmates and their Families announced in October it would develop a more thorough and larger scale treatment program directed at women.

The Ministry of Civil Service began requiring applicants for certain civil service positions to take a drug test beginning in 2007. In addition, according to news reports, King Saud University is considering requiring drug tests for the university's students and teaching staff.

Executions of convicted traffickers by well-publicized public beheadings are believed by SAG officials to deter narcotics trafficking and abuse. The country's influential religious establishment actively preaches against the use of narcotics and SAG treatment facilities provide free services to Saudi addicts. Al-Hayat reported on July 6 2008 that 60 percent of Saudi prison inmates were charged with "drug use and trafficking," and that Saudi courts investigate at least 20 cases of drug use and trafficking daily.

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

**Bilateral Cooperation.** SAG officials actively seek and participate in United States Government (USG)-sponsored training programs and are receptive to enhanced official contacts with the Drug Enforcement Administration (DEA). The SAG maintains a Drug Liaison Office in Cairo, Egypt as part of the Saudi Arabian Embassy. The Saudi General Directorate of Drug Control in Cairo, Egypt works closely with the DEA in Cairo sharing information on international drug trafficking organizations.

**The Road Ahead.** The U.S. will continue to explore opportunities for additional bilateral training and cooperation with Saudi counternarcotics and demand reduction officials.

# Serbia

## 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 2009, Serbia took measures to improve its capacity to combat drug trafficking through new laws and law enforcement initiatives that tightened the regulations on narcotics, corruption, and organized crime, including legislation authorizing plea bargaining and the use of cooperating witnesses. Serbia's updated drug laws are adequate; however improved communication and strategic coordination among law enforcement and judicial bodies can considerably enhance the comprehensive law enforcement landscape. A small amount of smuggled narcotics remains in Serbia for domestic consumption. As Yugoslavia's successor state, the Republic of Serbia is party to the 1988UN Drug Convention.

## II. Status of Country

Serbia is primarily a transit country for the movement of narcotics. The number of seizures in the first part of 2009 seemed headed for a slight decrease in comparison with 2008, possibly due to law enforcement adapting to shifting trends of increased cocaine trafficking. Serbia's borders remain porous, but Serbia has increased border cooperation with many of its neighbors. Increased international law enforcement cooperation has led to some important arrests, but cooperation with Kosovo remains limited. Heroin is the most prevalent narcotic, transported from Central Asia along the Balkan Route. Marijuana is grown in, and transported from Albania. Serbian organized crime groups are increasingly smuggling cocaine from South America directly to Western Europe, although some comes to Serbia overland or through the postal system. The Serbian government estimates that relatively small amounts of narcotics, mostly heroin, remain in the country for domestic consumption.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Serbia's Parliament passed amendments to the Criminal Code and Criminal Procedure Code in August 2009 to enhance Serbian law enforcement's efforts to combat narcotics smuggling, organized crime, and corruption, including the use of plea bargaining and increased use of cooperating witnesses and special investigative techniques such as wiretapping. Parliament is considering draft versions of a new Customs Law and a new Customs Service Law to replace the current Customs Law. The new laws, if adopted, would bring Serbia's Customs Service into compliance with European Union standards, most importantly by giving the Customs Service law enforcement status and the ability to testify in court. The government also adopted a National Strategy for the Fight against Drugs in February 2009 and a National Action Plan to implement the Strategy in April 2009. The government created a minister-level coordinating body to fight organized crime in 2009 as well as established an Anti-Corruption Agency, which will investigate allegations of official corruption. The Agency will be operational in 2010.

**Law Enforcement Efforts.** A number of law enforcement agencies are responsible for combating drug-related crimes, including the Interior Ministry's Drug Smuggling Suppression Department, Border Police, and Drug Addiction Suppression Department; and the Finance Ministry's Customs Administration. While these agencies report generally good operational cooperation, there is no government-wide coordinating body that addresses counternarcotics trafficking law enforcement efforts. The Interior Ministry is currently going through a strategic planning process that could result in improved formal cooperation. The Commission for the Fight against Drugs, composed of the Ministries of Health, Education and Sport, Interior, Social Welfare, and Justice, meets to develop activities to implement the National Strategy for the Fight against Drugs, but there is no clear lead ministry.

Serbia's cooperation with police in other countries has been intensifying. Serbia hosts law enforcement liaison officers from Bulgaria, Romania, Croatia, Italy, Germany, the United Kingdom, and Australia. In March 2009, Serbia hosted a regional UN Office on Drugs and Crime conference on "Promoting the Rule of Law Human Security in South Eastern Europe," and in September 2009 the Ministries of Justice and Interior hosted a regional organized crime conference. Serbia also continued to participate in Southeastern Europe Cooperative Initiative (SECI) Regional Center for Combating Trans-border Crime activities, such as a September 2009 organized crime conference. In May 2009, Serbia and Croatia signed an agreement on police cooperation.

The Interior Ministry conducts joint investigations with Bosnia-Herzegovina, Montenegro, and Croatia and provides intelligence to other neighbors and Western European countries, which aids in seizures and arrests in those countries. Increasingly, Serbia is working with South American countries with U.S.assistance. In October 2009, Serbian law enforcement, working in conjunction with the U.S. Drug Enforcement Administration, contributed to the seizure of over 2 tons of cocaine in international waters near Uruguay. Serbian authorities arrested eight Serbian citizens in connection with the case, and they are in detention in Serbia awaiting trial.

Cooperation with the Republic of Kosovo remains an exception to this trend. The Serbian government does not recognize Kosovo as an independent country and therefore will not cooperate directly with representatives of Kosovo's government, permit them to attend conferences that Serbia hosts, or participate in multilateral events with Kosovo representatives. The Interior Ministry signed an agreement with the European Union Rule of Law Mission in Kosovo (EULEX) in September to cooperate on law enforcement issues, and the Customs Service cooperates informally with EULEX, but both forms of interaction need to increase significantly.

Serbia's Customs Administration Law Enforcement Directorate and all Interior Ministry agencies made a total of 3,634 seizures from January to September 2009. During this period, Serbia interdicted a total of 655.3 kilograms of drugs including 107.4 kilograms of heroin, 501.3 kilograms of marijuana, 9.9 kilograms of cocaine, 15.4 kilograms of hashish, 7.6 kilograms plus 202 tablets of Ecstasy, 91 tablets of LSD, 5.5 kilograms plus 204 tablets of amphetamines, and 8.2 kilograms plus 14,607 tablets of other illegal drugs. This is a decrease in quantity of drugs seized compared to the first part of 2008, but law enforcement officials note that total quantity of drugs seized is not indicative of success, since many seizures involve small quantities and other seizures yield unexpectedly high results. The Serbian Drug Smuggling Suppression Department believes an increase in seizures of cocaine and Ecstasy and a decrease in seizures of all other drugs is due to Serbian organized crime groups increasingly focusing on cocaine instead of heroin.

Serbian law enforcement agencies report that while most interdictions to date have been the result of good investigative work, the government is introducing equipment to aid in border inspections, such as the upcoming purchase of 10 mobile x-ray systems for the Customs Administration.

In October 2009, the government launched the nationwide "Operation Morava," targeting drug dealers. The government reported during the initial phase of the operation on October 31 that police temporarily detained 500 individuals throughout Serbia, with 100 taken into custody. It is anticipated that approximately 80 will be charged with narcotics-related offenses. The Interior Ministry reported seizing $1.05 million in counterfeit U.S. dollars, currency, weapons, luxury vehicles, stolen vehicles, several kilograms of illegal drugs, and other items.

Under Article 246 of the Criminal Code, Production, Distribution, and Possession of Narcotics, in the first nine months of 2009, police arrested and charged 3,592 individuals. Under Article 247, Facilitating the Consumption of Narcotics, police arrested and charged 155 individuals. In the first 11 months of 2009, 2,836 individuals were indicted under both articles. In 2008, 4,178 individuals were tried under Article 246, and 3,870 were convicted. More than half of the sentences were probation, fines, or community

service, and most prison sentences were three years or less. The majority of prosecutions (70 percent in 2008) were for possession, which carries more lenient sentences than for production or distribution (29 percent of cases in 2008).

**Corruption.** Corruption within Serbia's law enforcement agencies responsible for counternarcotics remains a problem, in large part due to low pay. The Customs Administration reported that there was no organized crime influence but that there were continued instances of officers accepting small bribes from drug dealers or users. The Customs Administration reported that it investigated and referred for prosecution 10 percent more officials suspected of corruption in 2009 than in 2008. The Drug Smuggling Suppression Department reported reduced corruption and noted that there were no police investigated for narcotics-related corruption in the first nine months of 2009.

No evidence exists that the Serbian government encourages the illicit production or distribution of narcotics or actively launders proceeds from illegal drug transactions. There is no evidence that any senior government official engages in, encourages, or facilitates the illicit production or distribution of drugs. The Republic of Serbia is a party to the 2003 UN Convention against Corruption.

**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 three protocols.. Serbia has cooperative agreements with Slovenia, Croatia, and Bosnia-Herzegovina on issues relating to cross-border narcotics trafficking. Serbia signed a trilateral agreement with Romania and Bulgaria for counternarcotics cooperation in 2008. The 1902 Extradition Treaty between the United States and the Kingdom of Serbia remains in force between the United States and Serbia. In 2009, the Parliament passed a law on international cooperation in criminal matters that permits the extradition of Serbian nationals if a binding international treaty exists.

**Drug Flow/Transit.** Serbia sits directly on the Balkan narcotics trafficking route. The UNODC estimates that over 80 tons of heroin travels along this route each year. Serbia's location and porous borders make it attractive for transit. There is no inspection of transit cargo entering on boats on the Danube and only inspection of container seals and documents for cargo destined for Serbia. Serbian officials report that large organized crime groups that currently smuggle heroin appear to be restructuring to smuggle cocaine.

Heroin grown and processed in Afghanistan is smuggled through Turkey, Bulgaria, Romania, and Kosovo into Serbia, and onward into Western Europe. Police reported an increase in the street price of heroin at the end of October, likely a reaction to recent large interdictions; it is too early to tell if this is a trend. An estimated 5 percent-10 percent of heroin stays in the country, but Serbia primarily serves as a transit point. Large amounts of marijuana flow from Albania through Montenegro and onward through Serbia to Western Europe. The Customs Administration reports greater flows of drugs from Montenegro and Kosovo this year. Some cocaine transits Serbia along the Balkan route. The Customs Administration reported a significant seizure of cocaine at a border crossing with Bulgaria, where it is more common to discover heroin; it is too early to tell if this represents a trend. The Drug Smuggling Suppression Department believes that Serbian organized crime groups are bypassing Serbia and smuggling cocaine directly from South America to Western Europe. Some of this cocaine comes overland to Serbia, and police have recently discovered that some is sent to Serbia through the postal system and commercial courier services. There is an increase in trafficking of synthetic drugs and precursors from Western Europe, either for the domestic market or transiting along a reverse Balkan Route to Turkey.

**Domestic Programs/Demand Reduction.** The government conducts an addiction prevention program in primary and secondary schools, "Drug Zero, Life One," which includes lectures for students, parents, and teachers and referrals for families who seek help, but the program is currently only offered in Belgrade and individual schools choose whether to participate. The government is expanding the program from

Belgrade to the cities of Nis and Novi Sad. The National Network for the Fight against Drugs, a network of counternarcotics NGOs, maintains a website with information about drug addiction and prevention.

According to the Public Health Service, there were 60,000 drug users in Serbia in 2008. According to a 2009 Public Health Service study, 15 percent of high school freshmen have tried narcotics. Serbia's only dedicated government-run drug and alcohol rehabilitation clinic treats about 1,100 patients per year. The clinic provides emergency services and inpatient and outpatient detoxification, using opiate receptor blockers or methadone; psychotherapy, and reintegration skills workshops are also used to treat patients. Public hospitals, including prison hospitals, run outpatient and inpatient drug rehabilitation programs, and the Health Ministry has a pilot project to provide methadone substitution in primary care clinics. The Serbian Orthodox Church also operates several drug rehabilitation centers. In May 2009, there were allegations of patient abuse at a center in Crna Reka in Serbia's Sandzak region. The Church dismissed the head of the center, and the district prosecutor requested an investigation of the center's two top officials on charges of abuse and torture.

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

**Bilateral Cooperation.** The Serbian Government works closely with the United States, the OSCE, and EU countries to reform and improve its law enforcement, judicial capacity, and border management. The United States has provided extensive technical assistance and equipment donations to the police, customs services, border police, and judiciary. Several USG agencies have programs that directly or indirectly support counternarcotics activities in Serbia, including the Department of Justice programs (funded by the Bureau of International Narcotics and Law Enforcement Affairs (INL) of the Department of State ) : International Criminal Investigative Training Assistance Program (ICITAP) and Overseas Prosecutorial Development, Assistance, and Training (OPDAT), Drug Enforcement Administration, Department of Homeland Security, Department of Defense and Department of the Treasury. The OPDAT program has been instrumental in supporting the Special Court for Organized Crime and War Crimes. The programs are aimed at professionalizing the police and customs services, building skills for new prosecution and investigation techniques provided for in new legislation, improving the ability of Serbia to investigate, prosecute and adjudicate corruption and organized crime, including money laundering and illicit trafficking, and increasing the ability of the judiciary to effectively address serious crime.

In 2009, INL-funded DOJ ICITAP assisted in the formation of Serbia's first undercover police unit by addressing personnel selection issues, training, and mentoring. The unit chief attended additional FBI undercover agent selection process training. In March, the Departments of State and Justice provided instruction in an OSCE undercover operations training course. An undercover officer successfully completed the unit's first undercover purchase of illegal narcotics in April 2009, leading to charges against two drug traffickers. In November, ICITAP and OPDAT held an international narcotics trafficking course for police and prosecutors. During 2009, members of the Serbian Border Police attended U.S. Coast Guard training on small boat operations as well as courses on small boat engineering and maintenance.

**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 would like to see Serbia increase its cooperation with Kosovo and EULEX. Serbia's own goals for the future are: continue progress on judicial and law enforcement reform, strengthen interagency coordination, and fully define the structure and activities of the Commission for the Fight against Drugs. Serbian demand reduction personnel believe that increased public awareness campaigns could decrease domestic demand for drugs.

# Sierra Leone

## I. Summary

Sierra Leone has taken steps to combat illicit trafficking of narcotic drugs and psychotropic substances and has mounted efforts against drug abuse. It has done this despite having limited enforcement capacity. Sierra Leone's treatment and rehabilitation programs are also limited. Corruption and a lack of resources seriously impede interdiction efforts. The 2008 seizure of over 700 kilograms of cocaine culminated in a criminal court case that ended this year in fifteen convictions, but many believe that this demonstration of Sierra Leone's willingness and capacity to pursue some traffickers has not been a deterrent to traffickers generally. Overall Sierra Leone made limited efforts to combat the drug flow in 2009, hampered by resource issues and limited operational sophistication. Sierra Leone-U.S. law enforcement coordination on the narcotics issue increased in 2009, culminating in expulsions of wanted narcotics traffickers into U.S. custody in April. This unprecedented level of cooperation has already set the tone for further collaboration and engagement in the future. Interagency coordination among Sierra Leone's law enforcement entities is a challenge, but the Joint Drug Interdiction Task Force (JDITF) created in 2008 is now a well-functioning group that spans agencies and interests. Sierra Leone is a party to the 1988 UN Drug Convention. Despite all its difficulties, Sierra Leone's effort against trafficking is still perhaps the most effective in West Africa.

## II. Status of Country

Sierra Leone is a transshipment point for illegal drugs, particularly cocaine from South America. Europe is usually the final destination, often via neighbors such as Guinea, though recent reports indicate that direct commercial flights from Freetown to London and Brussels are also vulnerable to trafficking. Lungi International Airport in Freetown is one focus for traffickers, though reports indicate that small, unmarked air strips throughout the country are also used by traffickers originating from South America, especially Venezuela. Narcotics primarily move overland or via sea to Guinea, with Konakridee near Port Loko as the usual port of exit. South American cocaine trafficking rings are increasingly active in Sierra Leone, relying somewhat on local partners with political and military connections.

Trafficking has also fueled increasing domestic drug consumption. Cannabis cultivation is on the rise in Sierra Leone. Law enforcement officials are concerned that narcotics rings are growing in size and influence. Major drug traffickers pay local accomplices in kind, and Freetown now has a "street price" of 40,000 Leones ($10) for a gram of cocaine. Diversion of precursor chemicals is not a problem.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The National Drug Control Act was passed in 2008 to bring Sierra Leone into conformity with international conventions and norms. The Act expands on the Pharmacy and Drugs Act (2001), which had major substantive drafting problems and inadequate punishment for narcotics abuse and trafficking. The 2008 Act established a National Drug Law Enforcement Agency (NDLEA) to serve as the focal point on policy issues and investigations. The new law also defined stricter penalties for all charges, has mutual legal assistance provisions, and authorized a budget appropriation to support prevention and control activities. While the new Act was a positive step for Sierra Leone, harmonizing Sierra's legislation with international standards, many authorities have noted that revisions are required to increase its effectiveness. The new law's provisions covering offenses by legal "persons", i.e., corporations and its provisions for complicit or insufficiently responsible commercial carriers have been identified as inadequate. In addition the sections on forfeiture and foreign assets are in need of improvement. The Act also fails to adequately address prevention measures and treatment options for

addicted drug abusers. The law will likely be revised in 2010, following the conclusion of the appeals process for individuals convicted under the Act in 2009.

The new NDLEA created by the Act has a limited budget and staff. Sixty officers have been seconded from the Sierra Leone Police (SLP) to the NDLEA, but the force lacks equipment and support to effectively perform its duties. The Agency has offices in five locations outside of Freetown, but they are not yet operational. The Agency intends to increase its efforts in the area of demand reduction and public awareness.

Government of Sierra Leone representatives participate in the Economic Community of West African States (ECOWAS) conferences and Mano River Union meetings, striving for better sub-regional cooperation. Law enforcement agencies cooperate with their counterparts in neighboring countries on specific cases and identifying new trends in drug trafficking.

**Law Enforcement Efforts.** Sierra Leone law enforcement agencies cooperated to combat narcotics trafficking through the Joint Drug Interdiction Task Force, which was established in 2008. The Task Force includes representatives from the SLP, Office of National Security (ONS), NDLEA, Republic of Sierra Leone Armed Forces, Immigration, Civil Aviation Authority, Anti-Corruption Commission, and the National Revenue Authority. The 2008 cocaine bust is counted as the Task Force's main success to date, and a significant one. The Task Force performed with distinction during this high profile incident, and has continued to expand and increase in sophistication in 2009. Thanks to significant training efforts supported by international partners, the Task Force consists of 60 enforcement officers, including surveillance and forensic specialists. The Task Force is now a pro-active unit which generates and shares intelligence, conducts large-scale operations, and responds quickly to emergent threats. It will continue to be the primary government body responsible for narcotics-related crime enforcement until the new National Drug Law Enforcement Agency becomes fully operational.

Drugs transit in and out of Sierra Leone by sea, but authorities have limited means to combat this. The Joint Maritime Wing, composed of military and police officials, conduct minimal patrols with two small vessels provided by the U.S. Coast Guard and a larger, Shanghai-class patrol boat donated by the Chinese Government. The under-budgeted expense for fuel and maintenance is an impediment to the Wing's effectiveness, as is the short-range nature of the patrol boats available to them. The Chinese-built boat, despite its longer range, has a shallow draft and is unsuitable for deep water operations.

The Government of Sierra Leone is working to improve the regularity and reliability of statistics maintained on arrest rates, prosecutions, and convictions. Data kept by the Sierra Leone Police ("SLP") between January and October, 2008, recorded seventeen seizures of cannabis and cocaine, netting approximately 10,602 kilograms of the former, and 743.5 kilograms of the latter. Twenty-one people were charged with various offenses surrounding the 2008 case, and 17 faced narcotics charges in the High Court. Fifteen individuals were ultimately convicted, with sentences ranging from three to five years. There were no narcotics-related extraditions to or from the United States in 2009.

**Corruption.** Sierra Leone does not, as a matter of government policy, 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, nor has any senior official been charged with engaging in, encouraging, or facilitating narcotics production or trafficking. However, Sierra Leone's judicial system is still undergoing a rebuilding process, and struggles with low conviction rates across a spectrum of crimes, including those that are narcotics-related. Even those violators who are convicted often pay a modest fine in lieu of serving prison time, though the new National Drug Control Act has stiffer penalties and requisite jail terms. The limited resources available to the judiciary remain a problem in controlling drug trafficking in Sierra Leone.

Corruption among law enforcement officials is also a problem in Sierra Leone due to the low levels of pay and general endemic poverty. Two SLP officers and one ONS officer were convicted for assisting traffickers in the July 2008 cocaine bust.

**Agreements and Treaties.** Sierra Leone 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. U.S.-Sierra Leone extradition relations are governed by the 1974 Extradition Act. Sierra Leone is a party to the UN Convention against Corruption. In March 2008, Sierra Leone ratified the African Union Convention on Preventing and Combating Corruption, five years after they became signatories. Though Sierra Leone signed the UN Convention against Transnational Organized Crime and its three Protocols in 2001, it has yet to ratify them.

The Government of Sierra Leone signed an agreement with the United States in June 2009 concerning cooperation to suppress illicit transnational maritime activity including without limitation "illicit traffic" as defined in Article 1(m) of the 1988 Convention. The Agreement established procedures for shipboarding of vessels flagged in Sierra Leone and embarking Sierra Leone law enforcement officials to conduct operations from U.S. vessels.

**Cultivation and Production.** Cannabis is widely cultivated and consumed locally, and is also transported to surrounding countries and to Europe. The Joint Drug Interdiction Task Force conducted multiple raids of cannabis farms, and noted that cultivation appears to be increasing; the government is concerned that cannabis production is crowding-out regular subsistence farming, and is a threat to food security. One "joint" costs approximately 1,000 Leones, (25 U.S. cents) on the streets of Freetown.

**Drug Flow/Transit.** Cocaine is the main drug that transits Sierra Leone. Cocaine comes from South America en route to Europe. Sierra Leone's unguarded and porous maritime border makes it highly vulnerable to traffickers moving shipments by sea. Narcotics are often held and repackaged in Sierra Leone for reshipment to Guinea, though some go directly to Europe via shipping containers or in air cargo. Individuals also carry small amounts on passenger aircraft, sometimes in their baggage or items with hidden compartments, and through body cavity concealment. In October, a Nigerian citizen was stopped with 12 balloons of cocaine in his stomach; authorities believe that this practice is increasing in Sierra Leone.

Improving security at Lungi Airport has been a priority for authorities and the international airlines that use it, and luggage is scanned for contraband. Individuals are also searched, and carry-on hand-luggage is also searched, resulting in most of the arrests at the airport to date. Still, officials assume that the drugs found are only a small portion of what slips through due to imperfect detection efforts and corruption.

**Domestic Programs.** The NDLEA, in conjunction with civil society, has conducted several public awareness campaigns about the dangers of drugs. This includes outreach to schools and over radio, and the publication of posters and pamphlets. The Agency has been increasing these efforts in 2009. Treatment programs are highly limited, with addicts receiving assistance at the country's one psychiatric hospital and a few private facilities run by NGOs. The 2008 law puts treatment and rehabilitation for offenders under the purview of the Minister of Justice and appointed treatment assessment panels. Treatment can be mandated in lieu of prosecution, or result in a sentence suspension, to be determined on a case-by-case basis. Funding for treatment and facilities will be provided by the Sierra Leone Fund for Prevention and Control of Drug Abuse, which will include funds from Parliament, moneys provided through mutual assistance agreements, voluntary payments, grants, or gifts, and investment income derived from the Fund. The Fund will also be used to support the Agency's overall efforts.

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

**Bilateral Cooperation.** The U.S. Government's counternarcotics and anticrime goals in Sierra Leone are to strengthen Sierra Leonean law enforcement capacity generally, improve interdiction capabilities, and

reduce Sierra Leone's role as a transit point for narcotics. In 2008, Sierra Leone became eligible for ILEA-U.S Law Enforcement Academy training, and officers have started attending courses. Narcotics-specific training, as well as related training, was prioritized in 2009; the JDITF and others benefited from several USG-sponsored events, including surveillance training and investigation techniques for transnational organized crime cases. The USG is also providing maritime related training, including maritime law enforcement training, to personnel in the Sierra Leone Maritime and Air Wing.

Sierra Leone further demonstrated its commitment to strengthening counternarcotics cooperation with the U.S. by granting permission to USCG Law Enforcement authorities to board two Sierra Leone flagged vessels in FY 2009. Occurring at separate times in FY 2009, both vessels were spotted in the Eastern Pacific Ocean by U.S. assets and were suspected of engaging in illicit activity. The USG made approaches via diplomatic channels to the Government of Sierra Leone for permission to stop, board, and search the vessels. First case took place in October 2008 and led to the removal of over 5,556 lbs of cocaine. The second case took place in December 2008 and led to the removal of over 11,770 lbs of cocaine. Both cases were excellent examples of the type of cooperation USG seeks to build with partner nations.

In April, 2009, Sierra Leone expelled three foreign nationals into U.S. custody. These individuals, who were prosecuted in Sierra Leone for their role in the 2008 cocaine bust, were removed to the United States to face charges there and assist with significant ongoing investigations. Though there is no overarching bilateral mutual legal assistance treaty between Sierra Leone and the U.S., eight months of negotiation and collaboration paved the way for a successful expulsion by the authorities in Sierra Leone. The expulsion sent a powerful message that Sierra Leone is an active and cooperative partner in the global war on drugs, using both their own domestic legal framework and their positive relationships with other nations to bring criminals to justice.

**The Road Ahead.** The April conviction of 15 traffickers, including 7 foreigners, strongly indicated that Sierra Leone is trying to stem the tide of organized crime that is infiltrating the sub-region. Ongoing efforts to train and mobilize the enforcement group, as well as willingness to collaborate with international partners, also demonstrate Sierra Leone's tough stance on drugs. However, having a will does not necessarily mean that there is a way—limited funding to effectively enforce the 2008 law remains a significant problem. Enhancing law enforcement's capacity to combat the drug trade through training and equipment and reducing corruption within the ranks require funds the Sierra Leonean government simply does not have. Enforcing strict controls over financial transactions, to prevent funds earned from the narcotics trade being used for further criminal activity, is also an unaffordable budget requirement for Sierra Leone. Strengthening law enforcement capabilities, enhancing security measures at the airport, and improving surveillance of the ports and waterways are important priorities that the government can ill-afford to ignore if it seeks to prevent Sierra Leone from becoming an even more attractive target for criminal organizations.

# Singapore

## I. Summary

The Government of Singapore (GOS) enforces stringent counternarcotics policies through strict laws—including the death penalty and corporal punishment—vigorous law enforcement, and active prevention programs. Singapore is not a producer of narcotics, but as a major regional financial and transportation center, it is an attractive target for money launderers and drug transshipment. Singapore is widely recognized as one of the least corrupt countries in the world. Corruption cases involving Singapore's counternarcotics and law enforcement agencies are rare, and their officers regularly attend U.S.-sponsored training programs as well as regional forums on drug control. Singapore is a party to the 1988 United Nations Drug Convention.

## II. Status of Country.

In 2008, there was no known production of illicit narcotics in Singapore. Singapore is one of the busiest transshipment ports in the world. The sheer volume of cargo passing through makes it likely that some illicit shipments of drugs and chemicals move undetected. With few exceptions, Singapore does not screen containerized shipments unless they enter its customs territory. Neither Singapore Customs nor the Immigration and Checkpoints Authority (ICA) keeps data on in-transit or transshipped cargo unless a Singapore consignee is involved in the shipment.

According to Government of Singapore (GOS) figures, authorities arrested 1,925 drug abusers in 2008, compared to 2,166 in 2007. Arrests of first-time offenders decreased to 508 in 2008 from 520 in 2007. In 2008 arrests of repeat drug offenders decreased to 1,417 as compared to 1,691 in 2007. Authorities arrested an additional 820 drug abusers in the first six months of 2009; 73 percent were repeat offenders and only 27 percent were first-time offenders. Synthetic drug abusers, including abusers of methamphetamine, MDMA-Ecstasy, Buprenophine hydrochloride, and Nimetazepam, comprised 51 percent of total drug abusers in 2008, a drop from 63 percent in 2007. However, the most significant increase was registered in the number of heroin abusers. During 2007 heroin offenders accounted for 31 percent of total drug abusers; in 2008, they accounted for 46 percent. Slight decreases were observed in the number of MDMA (Ecstasy), Ketamine, and Nimetazepam abusers in 2008, while Buprenorphine abusers significantly decreased from 38 percent of all drug abusers in 2007 to 19 percent in 2008.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Singapore continues to pursue a strategy of demand and supply reduction for drugs. The GOS has worked closely with numerous international groups dedicated to drug education, including the Partnership for a Drug-Free America. In addition to arresting drug traffickers, Singapore focuses on arresting and detaining drug abusers for treatment and rehabilitation, providing drug detoxification and rehabilitation, and offering vigorous drug education in its schools. Singapore citizens and permanent residents are subject to random drug tests. The Misuse of Drugs Act gives the Singapore Central Narcotics Bureau (CNB) the authority to commit drug abusers to rehabilitation centers for mandatory treatment and rehabilitation. Individuals testing positive for consumption of narcotics are held accountable for narcotics consumed abroad as well as in Singapore.

Singapore has continued efforts to curb abuse of synthetic drugs, among which Ketamine is the most prevalent. Anyone in possession of more than 113grams of Ketamine is presumed to be trafficking in the drug and can face maximum penalties of 20 years imprisonment and 15 strokes of the cane.

Repeat synthetic drug abusers are subject to long-term imprisonment. Those arrested for a third time are subject to up to seven years imprisonment and seven strokes of the cane, and up to 13 years imprisonment

and 12 strokes of the cane for subsequent offenses. Singapore's long-term imprisonment regime is a contributing factor in curbing the country's heroin use.

The Misuse of Drugs Act classifies Buprenorphine, the active ingredient in Subutex (used to maintain heroin abusers during treatment), as a Class A Controlled Drug. This means that, unless dispensed by a licensed physician or practitioner, the importation, distribution, possession, or consumption of Subutex is a felony offense.

**Law Enforcement Efforts.** In 2008, authorities executed 41 major operations and dismantled 25 drug syndicates. In the first six months of 2009, authorities launched 32 additional operations and dismantled 11 more drug syndicates. Most arrests occurred during sweeps of drug distribution groups that had been infiltrated by undercover Singapore narcotics officers.

CNB officers frequently perform undercover work, purchasing small, personal-use amounts of narcotics from generally low- and mid-level traffickers and drug abusers. These sweeps often produce additional arrests when subjects present at arrest scenes test positive for narcotics in their system.

A new trafficking trend observed in 2008 was the use of Singaporean females as couriers for West African drug trafficking groups. Several Singaporean women were arrested in Asia, Europe, and South America while attempting to receive or deliver drugs. The Government of Singapore has created public service announcements to warn women of West African men attempting to gain their trust and induce them to assist in drug trafficking activities.

Singapore's CNB seized the following quantities of narcotics in 2008: 44.2 kilograms of heroin; 3.3 kilograms of cannabis; 6,948 tablets of MDMA; 1.8 kilograms of crystal Methamphetamine; 1,130 tablets of tablet Methamphetamine; 13.5 kilograms of Ketamine; 37,181 Nimetazepam tablets; and 2,092 Buprenorphine tablets.

The CNB seized the following further quantities of narcotics in the first six months of 2009: 16.51 kilograms of heroin; 2.74 kilograms of cannabis; 6,534 tablets of MDMA; 1.47 kilograms of crystal methamphetamine; 496 tablets of tablet methamphetamine; 4.87 kilograms of Ketamine; 20.833 Nimetazepam tablets; and 874 Buprenorphine tablets.

**Corruption.** Singapore's Corrupt Practices Investigation Bureau (CPIB) investigates allegations of corruption at all levels of government. Neither the government nor any senior government officials are known to engage in, encourage, or facilitate the production or distribution of narcotics or other controlled substances or the laundering of proceeds from illegal drug transactions. The CNB is charged with enforcing Singapore's counternarcotics laws. Its officers and other elements of the Singapore Police Force are well-trained professional investigators.

**Agreements and Treaties.** Singapore 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. Singapore and the United States continue to cooperate in extradition matters under the 1931 U.S.-UK Extradition Treaty. Singapore and the United States signed a Drug Designation Agreement (DDA), a mutual assistance agreement limited to drug cases, in November 2000. Singapore has signed mutual legal assistance agreements with Hong Kong and ASEAN. The United States and Singapore have held discussions on a possible bilateral MLAT, most recently in December 2005, although there have been no formal negotiations since 2004. Singapore has ratified the UN Convention against Transnational Organized Crime but has not signed any of its protocols. Singapore has signed but not ratified the UN Convention against Corruption. Singapore's domestic legislation allows for mutual legal assistance cooperation with countries with which Singapore does not have a bilateral treaty.

**Cultivation/Production.** There was no known cultivation or production of narcotics in Singapore in 2009.

**Drug Flow/Transit.** Singapore is one of the busiest seaports in the world. Approximately 80 percent of the goods flowing through its port are in transit or are transshipped and do not enter Singapore's customs area. Similarly, the Port of Singapore is the second largest transshipment port in the world for cargo containers destined for the United States. According to Government of Singapore statistics, in 2008, 1.6 million gross tons (GT) of shipping passed through the maritime Port of Singapore. This represents an increase of 11 percent from the previous record of 1.5 million GT set in 2007. Given the extraordinary volume of cargo shipped through the port, it is highly likely that some of it contains illicit materials. In 2009 there were instances of drugs being shipped through Singapore to final destinations elsewhere in Asia.

Singapore does not require shipping lines to submit data on the declared contents of transshipment or transit cargo unless there is a Singapore consignee to the transaction. The lack of such information creates enforcement challenges. Singapore Customs authorities rely on intelligence to uncover and interdict illegal shipments. They reported no seizures of transit or transshipped cargoes involving illicit narcotics shipments in 2008 or during the first ten months of 2009. GOS officials have been reluctant to impose tighter reporting or inspection requirements at the port, citing concerns that inspections could interfere with the free flow of goods, thus jeopardizing Singapore's position as the region's primary transshipment port.

When Singapore scrutinizes goods, it does so primarily as part of an enhanced posture to combat terrorism and control the proliferation of weapons of mass destruction (WMD) and their precursors. In 2003 Singapore became the first Asian port to join the Container Security Initiative (CSI), under which U.S. Customs personnel work with Singapore Customs personnel to prescreen U.S.-bound maritime cargo. Singapore also participates in other counterterrorism-related programs, such as the Proliferation Security Initiative and the Megaports Initiative. Singapore implemented an expanded strategic goods control list effective January 2008. While these initiatives aim to prevent WMD from entering the United States, the increased scrutiny and information they generate could also aid drug interdiction efforts.

Singapore is a major regional aviation hub. In 2008, Changi International Airport handled 37.7 million passengers, a 3 percent increase over 2007 figures; in the first eight months of 2009, traffic amounted to 22.9 million passengers. The Changi Airfreight Center is one of the world's busiest and operates as a free trade zone where companies can move, consolidate, store, or repack cargo without need for documentation or payment of customs duties.

**Domestic Programs/Demand Reduction.** Singapore uses a combination of punishment and rehabilitation against first-time drug offenders. Rehabilitation of drug abusers typically occurs during incarceration. The government may detain addicts for rehabilitation for up to three years. Similarly, under Singapore's "three strikes" laws, third-time convicted drug offenders are subject to a minimum of five years imprisonment and three strokes of the cane. In an effort to discourage drug use during travel abroad, CNB officers may require urinalysis tests for Singapore citizens and permanent residents returning from outside the country. Those who test positive are treated as if they had consumed the illegal drug in Singapore. Depending on the quantity of drugs involved, convicted drug traffickers may be subject to the death penalty, regardless of nationality.

Adopting the theme, "Prevention: The Best Remedy," Singapore authorities organize sporting events, concerts, plays, and other activities to reach out to all segments of society on drug prevention. Drug treatment centers, halfway houses, and job placement programs exist to help addicts reintegrate into society.

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

**Bilateral Cooperation.** Singapore and the United States enjoy good law enforcement cooperation with respect to narcotics issues under the DDA. In 2008, approximately 12 GOS law enforcement officials

attended drug training courses at the International Law Enforcement Academy (ILEA) in Bangkok; during the first ten months of 2009, another five trainees attended ILEA Bangkok, and three high-ranking CNB officers attended the June 2009 International Drug Enforcement Conference in Cancun, Mexico.

Under the terms of the DDA, the GOS has cooperated with the United States and other countries in the forfeiture of drug-related proceeds discovered in Singapore banks, including the equitable sharing of such funds with the United States.

**The Road Ahead.** The United States will continue to work closely with Singapore authorities on all narcotics trafficking and related matters. Increased customs cooperation under CSI and other initiatives will help further strengthen law enforcement cooperation.

# Slovakia

## I. Summary

Slovakia is not a major exporter of drugs. Cannabis and synthetic drugs are mostly produced locally for the domestic market and are mostly distributed without the involvement of organized crime. Cocaine and heroin are however, imported by organized criminal groups. Synthetic drugs, including methamphetamine (pervitine), Ecstasy (MDMA), and MCPP are of the most concern to Slovak authorities, as they are popular among youth and can result in severe health and social problems for users. Slovak Police reported a fourfold increase in seizures of wet cannabis and significant increases in seizures of pervitine and heroin in calendar year 2008 as compared to 2007. Slovakia is a party to the 1988 United Nations (UN) Drug Convention.

## II. Status of Country

Cannabis is the most commonly abused narcotic in Slovakia; according to police estimates, eighty to ninety percent of the cannabis produced in Slovakia is cultivated by Vietnamese criminal groups. 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 experience with higher-THC varieties imported from Western Europe, has driven growth in this sector. However, Slovak production of cannabis now exceeds domestic demand, and police are seeing some exports to neighboring countries.

Interest in synthetic drugs, especially pervitine, has driven an increase in local processing and production, as well as in the trade of precursors including ephedrine and pharmaceuticals from which ephedrine can be extracted. Slovak authorities have determined that over the past 5 years, methamphetamine has become the second most abused narcotic, and attribute the rising interest to its low price, accessibility, and the greater effect it provides in comparison to more traditional stimulants such as cocaine. Ecstasy is imported from Hungary, Poland, and the Netherlands.

Officials report the market for heroin and cocaine is saturated. Supplies remain high while prices are historically low despite the seizure of nearly three times as much cocaine in 2007 as compared to 2006. Authorities believe heroin is usually imported from the Balkans by organized groups of ethnic-Albanian criminals, working in concert with ethnic-Turkish groups that move it from points of production. The same ethnic-Albanian groups largely control the trade in cocaine, which is usually of South American origin, and passes through the Caribbean or West Africa before reaching Slovakia. Pricier narcotics, including cocaine and heroin, remain modestly more prevalent in the wealthier west( e.g., in the Bratislava and Trnava regions). However, police believe that many heroin users are switching to pervitine, as it is cheaper and easier to obtain.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2008, the National Program for the Fight against Drugs 2005-2008 was evaluated and the National Drug Strategy 2009-2012 was developed for relevant ministries and regional authorities in accordance with the European Union Action plans.

**Law Enforcement Efforts.** The valid Penal Code and Code of Criminal Procedure became effective January 1, 2006. Sections 171 and 135 of the Penal Code set a maximum sentence 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. In calendar year 2008, Slovak authorities pursued 2,449 criminal cases involving illegal narcotics. Heroin—281 cases involving seizure

of 12.6 kilograms of powder, and 43 cases involving seizure of 11.69 ml of solution. Cannabis—1,198 cases involving seizure of 71.25 kilograms of dry herb, 32 cases involving seizure of 703 kilograms of wet herb, and 19 cases involving seizure of 50 g of hashish. Cocaine—31 cases involving seizure of 599.56 g of powder, and one case of 378.38 kilograms of solution. Methamphetamines—771 cases involving seizure of 1.5 kilograms of powder, and 34 cases involving seizure of 13.74 ml of solution. MDMA—53 cases involving seizure of 3,753 tablets, and 3 cases involving seizure of 31.88 g of powder. MCPP—3 cases involving seizure of 8 tablets, and 1 case involving seizure of 0.13 g of powder. Amphetamine—2 cases involving seizure of 38.57g of powder. Psilocin (mushrooms)—8 cases involving seizure of 47.78 g of mushrooms. Ephedrine—14cases involving seizure of 2,108 tablets. Pseudoephedrine—18 cases involving seizure of 1.1 kilograms of powder, and 3 cases involving seizure of 14 ml of solution. There were also several additional cases involving the seizure of small amounts of synthetic drugs and abused prescription drugs.

**Corruption.** As a matter of policy, 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. Corruption more generally, however, remains a concern in both the public and private spheres.

**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 Corruption and the UN Convention against Transnational Organized Crime and its three protocols. The U.S. and Slovakia have a Customs Mutual Assistance Agreement. Extradition between the United States and Slovakia is governed by the 1925 extradition treaty between the U.S. and Czechoslovakia and a 1935 supplementary treaty. As an EU member, Slovakia has signed bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. Both countries have ratified these agreements. The agreements will enter into force on February 1, 2010.

**Cultivation/Production.** Cannabis is increasingly cultivated in laboratory conditions as a “hydroponic crop.” Under such conditions, it is possible to cultivate and harvest multiple crops of cannabis with elevated tetrahydrocanabinol (THC) each year. Seeds are mainly imported from the Netherlands, although authorities report increasing cases of cannabis grown from locally produced, high-quality hybrids. Cannabis was mainly grown in family homes and rented commercial properties. Slovak authorities report that a small but increasing portion of the locally produced cannabis crop is exported.

Over the last 5 years, methamphetamine production and use has steadily increased in Slovakia. It is now the second most prevalent drug after cannabis. Slovak authorities believe the increase in production is driven by increasing domestic demand. Pervitine, produced from ephedrine and/or pseudoephedrine, is produced in special “laboratories,” which produce bulk amounts of a high quality, and in small “kitchen labs”. Although the “kitchen labs” produce a lower quality product less efficiently, authorities believe they were more popular with suppliers for their low start-up costs and ease of transport. Slovak-made pervitine was also found on the Hungarian, Austrian, and Czech markets. The precursor for its production, in a powder form, is more difficult to obtain in the Czech Republic now due to domestic Czech legislation controlling such substances. Precursors in the form of tablets were mainly imported from Hungary and Turkey. Locally available over the counter (OTC) medicines, as well as OTC imports from Hungary and Austria, were also used for the production of pervitine. Slovak authorities concluded that Paralenom Plus, Modafen, Nurofen Plus, Disophrol, Repetabs and Clarinase were the most commonly abused domestically available OTC inputs. As of January1, 2008, there were 8 OTC medicines containing ephedrine or pseudoephedrine available in the Slovak Republic. Slovak authorities report that producers and dealers of pervitine usually dealt in small quantities, and rarely appeared to be associated with organized criminal groups. In most cases, Ecstasy and pervitine were distributed concurrently by the same actors, mainly at discos or cultural events catering to young adults.

Slovak producers continue to develop and experiment with new types of psychotropic and narcotic substances of synthetic origin. "MCPP," a drug with similar effects to Ecstasy, has been produced and available in Slovakia since 2006. It is sold in the tablet form at a very low price to appeal to individuals with lower incomes, notably high school and university students. Hallucinogens, including LSD, magic mushrooms, and datura were consumed sporadically by youth and there was no organized market for these drugs. Hashish was mainly imported by tourists from Spain and Egypt.

**Drug Flow/Transit.** Foreign criminal groups with local contacts, especially ethnic-Albanian and Turkish groups, are thought to be responsible for most of the imports and transshipments of heroin (from Southwest Asia), and cocaine from South America and Africa. Slovak Customs officials believe that many narcotics once transshipped through Slovakia from Ukraine are now diverted north or south due to the intensely protected border. U.S. donations of training and equipment are partially credited for improvements in border security.

**Domestic Programs/Demand Reduction.** The National Drug Strategy 2009-2012, built on the results of its predecessor, the National Program for the Fight against Drugs (NPFD) 2004-2008, is primarily directed at activities to reduce drug demand, and to evaluate the supply and flow or drugs in the Slovak Republic. 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 preventing social pathologies related to drug use, training courses for peer activists, teacher training, and methodological assistance to school psychologists and educational counselors.

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

**Bilateral Cooperation.** The Regional Drug Enforcement Administration (DEA) Office in Vienna shares information with the Slovak Police Presidium on operational issues of mutual interest, and offered training for Slovak counterparts during the year. The U.S. Embassy helped facilitate the visit of a Slovak Parliamentarian and Ministry of Health officials to the United States to learn more about U.S. drug treatment and demand reduction programs.

**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 as appropriate.

# Slovenia

## I. Summary

Slovenia is not a major drug producer, but is a transit country for drugs moving to Western Europe. 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 attained full Schengen membership on December 21, 2007 and adheres to all Schengen border control requirements. 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, even though a branch of the "Northern Route" through Ukraine and Poland isalso popular. Cannabis was the leading confiscated drug in 2009, as it was in the previous two years, while seizures of Ecstasy increased significantly due to cooperation with Austrian officials on a major case. 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. Reflecting both the continued European trend toward cocaine use and multilateral cooperation to disrupt cocaine trafficking, the September arrest in Koper of 5 individuals and seizure of weapons, cash, and cocaine resulted from the combined efforts of Slovenian, Croatian, and Italian police. 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 temporarily unavailable due to an ongoing effort at the Ministry of Health to overhaul its statistical databases.

## III. Country Actions Against Drugs in 2009

**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 2005-2012 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 16,870 tablets of Ecstasy in the first 10 months of 2009 compared with 1772 in the first 10 months of 2008. In 2009 authorities seized slightly more than 168 kilograms of heroin, compared to 120 kilograms of heroin seized in 2008. In addition, police netted a little more than 1,865 kilograms of marijuana in 2009, compared to just over 245 kilograms of marijuana in 2008. Police also seized 7,020 cannabis plants in the first ten months of 2009, compared to 4,949 cannabis plants seized in 2008. Through mid-October police seized only 20 kilograms of cocaine, compared to over 169 kilograms seized in the same period in 2008. Police also seized approximately 9 kilograms of amphetamines and slightly more than 400 individual tablets of amphetamines in the first 10 months of 2008, compared to 0.75 kilograms of amphetamines and 1,000 individual tablets in 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 not common.

**Agreements and Treaties.** Slovenia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. The 1902 extradition treaty between the United States and 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. In April 2008, Slovenia acceded to the UN Convention against Corruption. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010.

**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.

**Domestic Programs/Demand Reduction.** Slovenians enjoy national health care provided by the government. Available 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. As a result, statistics for 2009 are unavailable as of the time of this report.

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

**Bilateral Cooperation.** Slovenian law enforcement authorities have been outstanding law enforcement partners in several ongoing U.S. investigations. The DEA office in Vienna has regional responsibility covering Slovenia and during 2009 the DEA and Criminal Police Directorate cooperated on a number of multi-lateral drug investigations.

**The Road Ahead.** The USG expects high-quality joint U.S.-Slovenian law enforcement investigation cooperation will continue into 2010.

# South Africa

## I. Summary

While South Africa has greater law enforcement capacity than most African nations to fight domestic and international drug trafficking, production, and abuse; it is facing a myriad of daunting law enforcement challenges, including serious problems with violent crime, especially in aggravated residence and small business robbery, carjacking, and sexual offenses. The country is an important transit area for cocaine (from South America) and heroin (from Afghanistan and East Asia) primarily destined for Southern African and European markets. South Africa is a large producer of cannabis. According to South Africa's Central Drug Authority, an estimated nine percent of the population uses cannabis. Some of South Africa's cannabis production also finds its way to Europe (primarily the UK). South Africa may also be the world's largest consumer of Mandrax, a variant of methaqualone, an amphetamine-type stimulant. Mandrax is a preferred drug of abuse in South Africa and is often used in combination with cannabis; it is smuggled, primarily from China, India and other sources. South Africa is a significant transit country for precursor chemicals. According to the Organized Crime Threat Analysis prepared by the South African Police Service (SAPS) Annual Report 2008-2009 most of the organized crime syndicates in South Africa are foreign-led—primarily Nigerian, followed by Pakistani and Indian syndicates. Chinese organized crime is also present. The Prevention of Organized Crime Act (POCA, 1988), particularly its asset forfeiture section, is a potentially useful tool for law enforcement. South Africa is a party to the 1988 United Nations (UN) Drug Convention.

## II. Status of Country

As the most prosperous and one of the most democratic countries on the continent, South Africa still attracts migrants from elsewhere in Africa, especially Zimbabwe, despite a rash of xenophobic attacks in 2008 in which 62 people were killed. The country's 1,800 mile coastline and 3,100 mile porous land border, coupled with South Africa's relative prosperity, have resulted in the increased use of its territory for the transshipment of contraband of all kinds, including narcotics. An overloaded criminal justice system, straining hard just to deal with "street crime," makes South Africa a tempting target for international organized crime groups of all types. South Africa has the most developed transportation, communications, and banking systems in Sub-Saharan Africa. The country's modern telecommunications systems (particularly cellular telephones); its direct air links with South America, Asia, and Europe; and its permeable land borders provide opportunities for regional and international trafficking in all forms. Sanctions busting practices, prevalent in the apartheid era, have continued under a different guise: instead of smuggling embargoed items, drugs and other illicit items are now smuggled into and out of South Africa. South Africa is both an importer and an exporter of drugs (marijuana produced on its own territory) and precursor chemicals.

Despite the progress it has made coping with organized crime, South Africa is the origin, transit point or terminus of many major drug smuggling routes. Many Nigerians live in South Africa, most of them illegally, and dominate the drug trade in the country. Cannabis is cultivated in South Africa, as well as imported from neighboring countries (Swaziland, Lesotho, Mozambique, Zimbabwe), and exported to neighboring countries (e.g., Namibia) and Europe (mainly Holland and the UK) as well as consumed in South Africa itself. Methamphetamine (locally known as "tik") is manufactured in South Africa for local consumption, and there has been an explosion in usage, especially in Cape Town and, more recently, in Pretoria. Both heroin and cocaine are imported into South Africa (from Asia and Latin America, respectively), and also exported to Europe, Australia, and even the U.S. and Canada. Cocaine from South America generally transits through Brazil, particularly Sao Paolo, and further moves through Angola and Namibia en route to South Africa. Regular 1-2 kilogram quantity seizures of cocaine at O.R Tambo

International Airport in Johannesburg also indicate that a large volume of cocaine moves directly from Brazil to South Africa. To curb this trafficking, especially as the 2010 World Cup approaches, South Africa needs increased international cooperation, assistance, and training in the effective use of international controlled deliveries.

South Africa ranks among the world's largest producers of cannabis. South Africa's most widely used drug is marijuana, followed by methaqualone (Mandrax), often used in combination with marijuana (locally called "white pipe"). Most cannabis exports go to Europe and the UK. In terms of use of narcotics, heroin is a particularly dangerous new trend among South Africans, who traditionally only used "dagga" (the local name for marijuana). The Medical Research Council reported in 2008 that heroin abuse is increasing in the provinces of Gauteng, Mpumalanga, and the Western Cape. According to press reports, heroin is widely abused in Pretoria. South Africa is becoming a larger producer of synthetic drugs, mainly Mandrax and methamphetamine, with precursor chemicals smuggled in and labs established domestically.

As in previous years, a number of clandestine narcotics laboratories were dismantled. In 2008, in the province of Kwa-Zulu Natal, SAPS (South Africa Police Service) introduced an initiative to root out clandestine laboratories through training and partnership with the local chemical industry. The South African Community Epidemiology Network on Drug Use (SACENDU) reported that although alcohol remains the dominant substance of abuse in South Africa, cannabis and Mandrax alone, or in combination, continue to be significant drugs of abuse. "Club drugs" and methamphetamine abuse are emerging as a major concern, especially in Cape Town and Pretoria where the increase in treatment demand for methamphetamine addiction treatment is dramatic.

Methamphetamine has emerged as the main substance of abuse among the young in Cape Town and in Pretoria. In Cape Town, two-thirds of drug abusers are reported to be using "tik" as a primary or secondary substance of abuse. The increase in treatment admissions for methamphetamine-related problems in Cape Town represented the fastest increase in admissions for a particular drug ever noted in the country, and of particular concern is the large number of adolescent users. This increased use of methamphetamine is "strongly linked to gang culture on the Cape Flats." According to the Medical Research Council (MRC), Cape Town has become the methamphetamine capital of South Africa, with 98 percent of patients seen across the provinces coming from this city. The MRC estimates that nowhere else in the world has tik grown as quickly as in the poorer colored communities of the Western Cape, surpassing mandrax as the drug of choice. Five years ago just 15 cases involving tik were reported in the Western Cape. By the end of 2008, this had increased to 2,628 cases with 91 percent of the users being "colored" (a South African usage for South Asian and mixed race individuals) males between the ages of 12 and 21. The increase in the use and addiction of tik is not only a social problem, but is having a larger impact on economic and security issues. According to the South African Police Services (SAPS), 60 percent of all crimes are related to substance abuse, and in the Western Cape that figure is closer to 80 percent largely as a result of tik. The perpetrators of these crimes are either under the influence of tik, or trying to secure money for their next fix. The Central Drug Authority estimates that the socio-economic costs of drug abuse are R20 billion ($2.73 billion) every year. The direct economic impact of tik can be found in a study released in July, 2008, by the Small Business Project in the Western Cape. The study found that more than half of small businesses in the region had experienced at least one incident of crime in the last year. Small businesses lose up to 20 percent of their turnover to crime. According to the government's crime statistics, in 2008-2009 robberies of business premises increased by 47.4 percent from the previous year. The Institute for Security Studies released a report in May 2007 which said that while colored gangs are believed to produce and control tik, the Chinese mafia is the main supplier of the production ingredients.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Combating the use of, production of, and trafficking of illicit narcotics remains an important component of the anticrime agenda of the South African Government (SAG). The U.S. co-sponsored a drug prevention best practices conference in Cape Town October 19-21 (what year?) as part of the Central Drug Authority's stepped up drug prevention awareness effort. The SAG tends to target its limited anticrime resources on serious, violent and domestic crime, but is making greater efforts to curb the substance abuse it acknowledges is at the root of much violent crime. South Africa still has one of the world's highest rates of murder and rape. According to the South African Police Service Annual Report for 2008/2009, the murder rate fell 3.4 percent and sexual offenses increased 12 percent ("Sexual Offenses" is a new category of crime statistics replacing the categories of rape and indecent assault, so the comparison with previous statistics is not fully valid.); however, aggravated robbery increased .8 percent, and robberies at residential premises increased by 27.3 percent. The porous borders are crossed daily by criminals trafficking in all sorts of contraband, including illicit drugs, stolen cars, illegal firearms, diamonds, precious metals, and human beings.

Following the April 22 2009 election of President Jacob Zuma, the Ministry of Safety and Security was renamed the Police Ministry, and Zuma insider Bheki Cele was appointed national Police Commissioner, ending a long interim period wherein the SAPS were run by an acting commissioner as former commissioner Selebi awaited trial on corruption charges. The Cabinet-level interagency "Justice Cluster" works to help coordinate the law enforcement and criminal justice system's responses to various challenges. Reconsideration is underway of decisions taken in 2003 to disband and integrate specialized police bureaus, such as the Narcotics Bureau and the Child Protections Units. The loss of specialized drug enforcement experience has impeded counternarcotics progress. Another blow was the 2008 elimination of the Directorate of Special Operations of the National Prosecuting Authority (popularly know as "The Scorpions"), an elite unit created to investigate fraud that later expanded into drug investigation. The successor to the Scorpions, known as the "Hawks," is still largely untested but has claimed credit for several important drug busts. The Central Drug Authority maintains and updates as necessary the "national drug master plan." Other SAG agencies involved in counternarcotics efforts include—in varying degrees—the Home Affairs Department, the Customs Service, and the Border Police (a part of SAPS). The Border Police have 55 land border posts, 10 air-border posts, and 9 sea-border posts. Intelligence organizations and the port and airport authorities also have a role in identifying and suppressing drug trafficking. The SAPS 2008/2009 Annual Report noted that an analysis of threats from organized crime groups over the past decade identified drug crimes as accounting for the largest proportion of the known threats. The report said that drug smuggling as an organized crime activity usually ties in with other aspects of organized crime, such as diamond smuggling, gold smuggling, abalone pirating, and vehicle hijacking. SAPS concluded that drugs such as Mandrax, cocaine, heroin, Ecstasy and tik, pose major threats to South Africa since they lead to violent crime such as murder, attempted murder, rape and assaults.

**Law Enforcement Efforts.** Drug-related crimes, according to the annual SAPS 2008/2009 Report, increased by a statistically insignificant 4 percent from the 2007/2008 report. There were 109,134 drug-related crimes in 2008. Additional enforcement successes were reported in the press. On January 29, 2009, 230 kilograms of cocaine were seized in Durban. On May 21, 2009 an individual was arrested at the Lebombo Border post with 187 kilograms of methaqualone. Subsequent investigation lead to the seizure of an additional 230 kilograms at a farm near Ladysmith, SA. On September 14, 2009, six metric tons of hashish and 116 kilograms of heroin were seized in Durban. On Dec. 4, 2009, A methamphetamine laboratory was raided in Johannesburg and 50 kilograms of methamphetamine were seized along with a large cache of precursor chemicals. SAPS' Airport Interdiction Unit makes weekly seizures of cocaine from South America and heroin from Pakistan at the Johannesburg and Cape Town Airports.

**Corruption.** Accusations of police corruption are frequent. Credible evidence of narcotics-related corruption among South African law enforcement officials has not, however, been brought to light. Some suspect that the reported quantities of seized drugs are lower than actual seizures, and that the difference finds its way back out on the street. Some amount of corruption among border control officials does appear to contribute to the permeability of South Africa's borders. As a matter of policy, however, the South African government 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. Likewise, no senior official of the federal government is known to engage in, encourage or facilitate such illicit production, or to launder proceeds of illegal drug transactions.

**Agreements and Treaties.** South Africa 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. South Africa is a party to the UN Convention against Corruption, and is also a party to the UN Convention against Transnational Organized Crime and its three protocols. The U.S. and South Africa have bilateral extradition and mutual legal assistance agreements in force. Both countries have also signed a Letter of Agreement on Anticrime and Counternarcotics Assistance which provides for U.S. training and commodity assistance to several South African law enforcement agencies. In 2000, the U.S. and South Africa signed a Customs Mutual Assistance Agreement.

**Cultivation/Production.** Cannabis, or "dagga", grows wild in Southern Africa and is a traditional crop in many rural areas of South Africa, particularly in the Eastern Cape and Kwa-Zulu Natal provinces. It also grows wild and is cultivated in neighboring Swaziland and Lesotho. It is possible to have three cannabis crops a year on the same piece of land in South Africa. Most South African cannabis is consumed domestically or in the region. Increasing amounts are, however, being seized in continental Europe and the UK. Some top-end estimates are that 20,000 to 30,000 hectares of arable land are used to grow cannabis, although most observers estimate the area dedicated to illicit cannabis to be about 1,500-2,000 hectares. Although the police force, with some success, sprays cannabis in South Africa, Swaziland, and Lesotho, illicit street prices never seem to rise—an indication of uninterrupted supply. Mandrax, amphetamine, and methamphetamine are also produced in South Africa for domestic consumption. Among South Africans, "dagga" and Mandrax are the traditional drugs of choice; in more recent years, there has been rising interest in domestically produced amphetamine-type stimulants (ATS) and imported heroin.

**Drug Flow/Transit.** Significant amounts of cocaine reach South Africa from South America. Cocaine is readily available on the local illicit market. Cocaine is mainly brought in by Nigerian syndicates, or people who work for them. South Africa, once a country of transshipment, has become a country with its own market. The consumption of cocaine, both powder and crystalline ("crack"), is on the increase. Heroin is smuggled into South Africa from Southeast and Southwest Asia, with some moving on to the U.S. and Europe. Most heroin trafficked into South Africa is intended for domestic consumption. Consumption of heroin among South African youth has increased with the advent of smokeable heroin. An additional risk in terms of intravenous drug abuse is HIV/AIDS, a major health issue in South Africa. South Africans also import "dagga" from Swaziland and Lesotho, considering it to be of higher quality than the domestic version. Abuse of methaqualone (Mandrax) and other ATS tablets is on the rise too, especially among urban youth. Even Ecstasy finds its way into townships. Diverted precursor chemicals, some produced locally and some imported into South Africa, are also a growing problem. Many drug liaison officers, as well as South African Police Service officers, believe that South Africa is becoming a place for traffickers to warehouse their stocks of various drugs before sending them on to other countries. They believe that criminals view South Africa as a "weak enforcement" option for such warehousing operations. Nigerian, Pakistani, Indian, Colombian, Venezuelan, and Chinese syndicates are all taking advantage of the fact that South Africa, in addition to "weak enforcement," has excellent financial, transportation, and communications facilities. Traffickers of Nigerian origin may be the most established

of organized crime groups operating in South Africa. Using South Africa as their base for world-wide operations, they are involved in virtually every aspect of drug trafficking.

South Africa remained among the world's major importers of pseudoephedrine and ephedrine in 2009, listing its annual legitimate requirement for both chemicals at 20,000 kilograms each; however, South Africa's imports of ephedrine and pseudoephedrine have declined each year for the past three years. The South African Police Service's Chemical Control Program is by far the most progressive in Africa, but the potential for diversion of ephedrine and pseudoephedrine remains an area of concern. South Africa participates in the UN-sponsored program Project Prism and is a member of the Project Prism Task Force, serving as the focal point for Africa. South Africa is actively involved in the law enforcement initiatives being developed pursuant to Project Prism to halt the diversion of precursors to illicit chemical trafficking and drug manufacturing organizations around the world.

Drug trafficking via South African airports and the crew of the national carrier South African Airways (SAA) remains a concern. The Airport Company of South Africa (ACSA), which runs all of the international airports in the country, recently revised contracting requirements for baggage handlers to deal with theft and smuggling issues. Equity Aviators, which uses temporary staff and subcontractors for its security screening processes has lost its ACSA permit. Baggage handling companies are now required to hire permanent staff in to order to receive an ACSA permit.

Two SAA crews were detained in the UK for drug smuggling in January and February 2009. SAA announced the creation of a task team in February 2009 to probe a second drug bust of crew members in London on suspicion of carrying five kilograms of cocaine. The measures introduced by SAA following the January incident included changing security systems , adding physical searches of bags, and using sniffer dogs airside. These and other measures will now be extended across all SAA flights. Poorly paid screening staff remains a concern.

**Domestic Programs/Demand Reduction.** South Africa has had a long history of Mandrax and "dagga" (cannabis) abuse; drug counselors have noted large increases in the number of patients seeking treatment for crack and heroin addiction. There are many people seeking treatment who are unable to register with any program, and those who manage to enter a rehabilitation program find that available services are constrained by lack of resources. Education of the general public about the dangers of drug addiction remains a high priority for the government. SAPS are continuing their visible crime deterrence policy by organizing visits and counternarcotics lectures in schools with assistance from the Department of Education and non government organizations (NGOs). The objective is to curb the influence of illegal drugs among children. The National Awareness Program, sponsored by the United Nations Office for Drugs and Crime (UNODC), the Department of Police and the Central Drug Authority, and originally launched in Cape Town in 2003, continues to present facts on drugs and their dangers to young people, students and others.

Certain successes have been achieved within the correctional system as well, mainly through the efforts of NGOs. In South African prisons, up to 70 percent of inmates are drug users (with an even higher percentage among incarcerated defendants awaiting trial), according to NGO contacts. Among the main rehabilitation program organizers is the South African National Council on Alcoholism and Drug Dependence (SANCA), NGO-KHULISA, the Center for Socio-Legal Studies and Creative Education with Youth at Risk, the President's Award for Youth Empowerment, and the National Institute for Crime Prevention and the Reintegration of Offenders (NICRO). "Peer" counselors, trained by KHULISA within the prison system, during a program previously assisted by State Department narcotics assistance (INL), continue to organize counternarcotics lectures and seminars for inmates. Some of the government-employed prison officials have also received basic training in this area.

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

**Policy Initiatives.** U.S. law enforcement officers from the Drug Enforcement Administration (DEA), Federal Bureau of Investigation (FBI), Department of Homeland Security /Immigration & Customs Enforcement (DHS/ICE, the Secret Service, and the State Department's Security Office and Bureau of International Narcotics and Law Enforcement (INL) successfully cooperate with their South African counterparts. The U.S. Coast Guard provided maritime training in 2009 to support South Africa's preparations for the 2010 World Cup. The U.S. also continues to urge the SAG to strengthen its legislation and its law enforcement system to be able to prosecute more sophisticated organized criminal activities, including drug trafficking. Some U.S. training has been provided to the national police, the metropolitan police forces of Johannesburg and Tshwane (Pretoria), the Special Investigating Unit (since disbanded), the Department of Home Affairs, the Customs and Revenue Service, and others. The U.S. through State INL sponsored a drug prevention best practices conference in Cape Town September 19-21, 2009.

**The Road Ahead.** Bilateral links between the United States and South African law enforcement communities are in the interest of both countries and even closer cooperation in the future is in both sides' interest.

# South Korea

## I. Summary

Narcotics production or abuse is not a major problem in the Republic of Korea (ROK). Reports continue to indicate, however, that an undetermined quantity of narcotics is smuggled through South Korea en route to the United States and other countries. South Korea has become a transshipment location for drug traffickers, anomalously, due to the country's reputation for not having a drug abuse problem. This, combined with the fact that the South Korean port of Busan is one of the region's largest ports, makes South Korea an attractive location for illegal transshipments coming from countries that are more likely to attract a contraband inspection upon arrival in the United States. Several large-scale diversions of dual-use precursor chemicals destined for Afghanistan were traced back to South Korea. The ROK is a party to the 1988 UN Drug Convention.

## II. Status of Country

Drugs available in the ROK include methamphetamine, heroin, cocaine, marijuana, and club drugs such as LSD and Ecstasy. Methamphetamine continues to be the most widely abused drug, while marijuana remains popular as well. Heroin and cocaine are only sporadically seen in the ROK. Club drugs such as Ecstasy and LSD continue to be popular among college students, and recent enforcement activities have caused some drug abusers to shift from methamphetamine to psychotropic substances. To discourage individuals from producing methamphetamine, the South Korean government controls the purchase of over-the-counter medicines containing ephedrine and pseudoephedrine, requiring customer registration for quantities greater than 720 mg (a three-day standard dose). At present, drug addiction appears limited to a relatively small-to-moderate portion of the Korean population, and a growing non-ethnic Korean population.

## III. Country Actions Against Drugs 2009

**Policy Initiatives.** In 2009, the Korean Food and Drug Administration (KFDA) continued to implement stronger precursor chemical controls under amended legislation approved in 2005. The KFDA continued its efforts to educate companies and train its regulatory investigators on the enhanced regulations and procedures for administering the precursor chemical program. In addition to existing regulatory oversight procedures to track and address diversion of narcotics and psychotropic substances from medical facilities, the ROK in 2008 strengthened the Ministry of Health, Welfare, and Family Affairs' (MHWA) role in the treatment, protection, and study of drug-addicts. MHWA now has three national rehabilitation treatment hospitals and 20 local district rehabilitation hospitals. In addition, the Korean Food and Drug Administration (KFDA) funds the Korean Association Against Drug Abuse (KAADA), a non-governmental organization dedicated to reducing drug-related risks and educating Koreans on the risks of drug abuse. In 2008, the ROK added benzylpiperazine to the list of narcotics and gamma butyrolactone (GBL) to the list of narcotic raw materials.

**Law Enforcement Efforts.** In the first six months of 2009, South Korean authorities arrested 3,806 individuals for narcotic violations, with most offenses being for methamphetamine and marijuana use. ROK authorities seized 9.1 kilograms of methamphetamine in the first half of 2009, an increase over the 7.1 kilograms seized in the first half of 2008. Ecstasy seizure figures were not available at the time of preparing this report. South Korean authorities seized 17.7 kilograms of marijuana, which is an increase from the 14.5 kilograms seized during the first half of 2008. South Koreans generally do not use heroin; in the first half of 2009, 356 grams of heroin were seized, but the heroin was most likely in transit to another destination. Cocaine is used only sporadically, with no indication of its use increasing.

**Corruption.** There have been no reports of corruption involving narcotics law enforcement in the ROK thus far in 2009. As a matter of government policy, the ROK does not encourage or facilitate illicit production or distribution of narcotic or psychotropic or other controlled substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** South Korea has extradition treaties with 23 countries and mutual legal assistance treaties in force with 18 countries, including the United States. South Korea 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. In 2008, South Korea became a party to the UN Convention against Corruption; it has signed, but has not yet ratified, the UN Convention on Transnational Organized Crime and its three protocols. Korean authorities exchange information with international counternarcotics agencies such as the United Nations Office on Drugs and Crime (UNODC) and the International Criminal Police Organization (INTERPOL), and have placed Korean National Police and/or Korea Customs Service attaches in Thailand, Japan, Hong Kong, China, and the United States.

**Cultivation/Production.** Legal marijuana and hemp growth is licensed by local Health Departments. The hemp is used to produce fiber for traditional hand-made ceremonial funeral clothing. Every year, each District Prosecutor's Office, in conjunction with local governments, conducts surveillance into suspected illicit marijuana growing areas during planting or harvesting time periods to limit possible illicit diversion. In the first half of 2009, authorities seized 1,200 plants, a slight increase from 1,050 plants seized in the first half of 2008. Authorities have cracked down on several indoor home-growing marijuana cases in the past few months, most of which involved seeds purchased from the Netherlands through the internet and grown inside apartments.

Opium poppy production is illegal in South Korea, although poppy continues to be grown in Kyonggi Province where farmers have traditionally used the harvested plants as a folk medicine to treat sick pigs and cows. Opium is not normally processed from these plants for human consumption. Korean authorities continue surveillance of opium poppy-growing areas. In the first half of 2009, 3,646 poppy plants were seized.

No methamphetamine laboratories were discovered in the ROK in the first six months of 2009. As a matter of reference, in 2007, there were only two clandestine laboratories discovered.

**Drug Flow/Transit.** Few narcotic drugs originate in South Korea. The export of narcotic substances is illegal under South Korean law and none are known to be exported. The ROK does export various precursor chemicals, however, including acetic anhydride, acetone, toluene, sulfuric acid, and others. Transshipment of narcotics and precursors through South Korea's ports remains a serious problem. ROK authorities recognize South Korea's vulnerability as a transshipment nexus and have undertaken greater efforts to educate shipping companies of the risk. ROK authorities' ability to directly intercept the suspected transshipment of narcotics and precursor chemicals has been limited by the fact that the vast majority of transiting shipping containers are never off-loaded and therefore do not pass through customs inspection. Nonetheless, the ROK continued its international cooperation efforts to monitor and investigate transshipment cases. Redoubled efforts by the Korea Customs Service (KCS) have resulted in increased seizures of methamphetamine and marijuana by arriving passengers and through postal services at South Korea's ports of entry. Most methamphetamine smuggled into South Korea comes from China. A majority of the LSD and Ecstasy used in South Korea has been identified as coming from North America or Europe. People living in metropolitan areas are known to use marijuana originating in South Africa and Nigeria, whereas those living in rural areas appear to obtain their marijuana from locally produced crops. ROK authorities also report increased instances of marijuana use among the foreign population in South Korea in recent years, a trend that is most likely the result of increased law enforcement efforts targeting this segment of the population.

**Domestic Programs/Demand Reduction.** The Ministry of Health and Welfare Affairs conducts programs to treat drug addicts at 24 hospitals nationwide. The treatment is free and patients can remain in the program for up to one year.

The primary NGO involved with drug treatment is the Korean Association Against Drug Abuse (KAADA), which is funded by both the government and private donations and has twelve branches throughout the country. Serving approximately 300 patients annually, KAADA provides education on the risks and dangers of drugs, as well as counseling, sports therapy and Narcotics Anonymous programs. Convicted drug users and traffickers may have their indictment/sentencing delayed or suspended in return for spending up to six months at one of the centers.

KAADA also runs television and radio ad campaigns to stop the spread of drug abuse among Korean youth. Beginning in 2009, the national curriculum for elementary to high school students has been expanded to include courses on health, of which one segment is devoted to counternarcotics education. KAADA provides former addicts and experts to speak to students about the dangers of drug use, and conducted 6,000 such outreach engagements last year. Among the biggest challenges to reducing drug use, according to KAADA, is the ease of buying drugs online, particularly those disguised as diet pills, which lure even unsuspecting consumers into beginning the cycle of drug addiction.

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

**Policy Initiatives and Programs.** The U.S. Embassy's Drug Enforcement Administration (DEA) Seoul Country Office and U.S. Immigration and Customs Enforcement (ICE) officials work closely with ROK narcotics law enforcement authorities. Both the DEA and ICE consider their working relationships to be excellent.

**Bilateral Cooperation.** The DEA Seoul Country Office has focused its efforts on international drug interdiction, seizures of funds and assets related to illicit narcotics trafficking (in collaboration with ICE), and efforts to limit the diversion of precursor chemicals in South Korea and in the Far East region. In addition to meeting with high-level officials from multiple agencies on a regular basis, the DEA Seoul Country Office collaborates with the ROK in international fora. For example, DEA played an important role in the success of the Anti-drug Liaison Officials' Meeting for International Cooperation (ADLOMICO), held in Busan in September 2009, which was attended by 175 representatives from 22 countries, the United Nations Office on Drugs and Crime (UNODC), ASEAN and INTERPOL. The objectives of the meeting were to promote international cooperation in the fight against drugs/precursors trafficking, and to exchange information on drug trends, trafficking routes, new tools and techniques to tackle global illicit drug problems. The DEA Seoul Country Office continues to share intelligence regarding the importation of precursor chemicals into South Korea from the United States and other Asian countries with the KFDA, KCS, the Korean Supreme Prosecutors' Office (KSPO), and the Korean National Intelligence Service (KNIS). DEA also works closely with the KSPO and KCS in their activities to monitor airport and drug transshipment methods and trends, including the use of international mail by drug traffickers. The USCG works with the Korean Coast Guard, mainly through the multilateral North Pacific Coast Guard Forum. Activities through this forum focus on the interdiction of maritime threats, including the smuggling of illegal drugs, in the North Pacific region.

**The Road Ahead.** ROK authorities have expressed concern that the popularity of South Korea as a transshipment nexus may lead to a greater volume of drugs entering Korean markets. Korean authorities fear increased accessibility and lower prices could stimulate domestic drug use in the future. South Korean authorities also indicate a growing concern about the importation of narcotics, psychotropic drugs, and illegal medicines purchased via the internet, predominately from web sites maintained in the United States. In response, Korean authorities established a Memorandum of Understanding with a number of Korean internet portal sites to allow the KNPA to track and intercept such purchases. The South Korean government is currently seeking further international cooperation to better navigate the

legal complexities surrounding the prosecution of transnational cyber crimes. The DEA Seoul Country Office will continue its extensive training, mentoring, and operational cooperation with ROK authorities.

# Spain

## I. Summary

Spain remains the primary transshipment point and an important market for cocaine imported into Europe from South and Central America. Spain continues to be the largest consumer of cocaine in the European Union (EU), with 3 percent of the Spanish population consuming it on a regular basis, although in 2009 the Spanish government maintained that domestic cocaine consumption is no longer on the increase. Spanish National Police, Civil Guard, and Customs Services, along with autonomous regional police forces, increased their law enforcement operational tempo during 2009. Across the board—for heroin, cocaine, hashish and Ecstasy—the amount of drugs seized by law enforcement officials in Spain is nevertheless expected to be lower in 2009. Spanish law enforcement officials attribute this to a combination of factors: increased maritime enforcement and port controls discouraged drug traffickers from sending their shipments to Spain, while Spain successfully dismantled drug cartels in Spain. At the end of September 2009, law enforcement officials had seized only a third as much heroin as was seized in 2008. Also as of the end of September, the Spanish security services had only seized half as much hashish and Ecstasy as in 2008 while cocaine seizures were at two-thirds of 2008 levels.

The Spanish government ranks drug trafficking as one of its most important law enforcement objectives and Spanish drug enforcement continues to maintain excellent relations with U.S. counterparts. The United States continues to expand the excellent bilateral and multilateral cooperation in law enforcement programs it has with Spain, as symbolized by ongoing joint operations throughout the year. Spain is a party to the 1988 UN Drug Convention.

## II. Status of Country

By most reports, 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. However, Spain disputed a November 2009 report by the European Monitoring Centre for Drugs and Drug Addiction that Spain is still the largest consumer of cocaine in the EU, arguing that the findings did not take into account the latest data on Spain's efforts to curb consumption. Spain is also a major source and transit location for drug proceeds returning to South and Central America. Colombia continues to be Spain's largest supplier of cocaine from Latin America.

Spain continues to face 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, although Security Forces in 2008 noticed efforts to transport it into Spain by boat. The Spanish National Police have 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. One interesting Ecstasy trafficking trend has been to transship small quantities to the U.S. through cities in Spain to foil U.S. Customs inspectors who are wary of packages mailed 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 Ministry of Health and Social Policy's National Drug Plan, known by its Spanish acronym of PNSD.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The PNSD provides overall guidance and strategic directives for Spain's national policy on drugs. In January 2009, Spain approved its new PNSD for 2009-2016, which aims to have citizens more involved in the fight against drugs, with the hope to prevent and/or lower consumption, delay the age for initial consumption (currently at age 20 for cocaine and heroin, and age 18 for hashish), and to guarantee assistance to drug addicts. On January 23, 2009, the Council of Ministers approved a plan for drug-trafficking related assets to be confiscated and used to finance programs and activities of the security forces in the fight against drugs, drug-prevention programs, provide help to drug-addicts, and facilitate their reintegration into society.

In June 2009, the Ministry of Health and Social Policy reported that domestic cocaine consumption continued to stabilize following a decline in 2007. Similarly, cannabis use reportedly stabilized. The Ministry pointed to these developments as evidence that its prevention-based policies are effective.

In July 2009, Spain hosted the International Narcotics Control Board (INCB), the independent and quasi-judicial monitoring body for the implementation of the UN's international drug control conventions. Spain held wide-ranging talks with the INCB, which in its annual report released in February, congratulated Spain on the decreased cocaine use by Spanish youths aged 14-18 years old.

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 has a mandate to enforce counternarcotics legislation at Spain's borders and in Spanish waters. Because of the economic crisis, the Spanish Customs Services' ships in the Cantabrian Sea area have reduced their activity to 15 days per month in order to cut fuel expenses. The U.S. DEA Madrid Country Office continued to work with Spanish authorities in several of the more significant seizures and arrests this past year.

Large-scale cocaine importation into 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. Spanish authorities recorded several large seizures of cocaine in 2009. For example, a speed boat in Ribeira (La Coruña) with 4,000 kilos of cocaine was stopped in January by the Spanish IRS (the drugs could have reached a market value of 120 million Euros). In February, a fishing boat with 5,000 kilos of cocaine on-board was seized 800 miles from the Canary Islands. In June, 900 kilos of cocaine were seized in Alicante and Murcia. In September authorities seized 1,500 kilos of cocaine and dismantled a laboratory in Ciudad Real.

Hashish trafficking is controlled by Moroccan, British, and Portuguese smugglers and, to some extent, nationals of Gibraltar and the Netherlands. All year long and across the country, Spanish authorities recorded large seizures of hashish in 2009. Security forces began the year with what would be their largest operation of 2009 when police in January seized 11,000 kilos of hashish in an underground parking lot in Seville. A slew of large-scale operations followed, including 7,000 kilos seized in February. In April, 2,100 kilos were seized in Ibiza while another 3,000 kilos were seized in a boat near Cádiz. In June security forces seized 13,750 kilos of hashish in five different operations around Spain.

Spanish law enforcement officials, concerned about the increasing quantity of heroin coming into Spain from Turkey, in July launched a joint operation with France which ended with the seizure in Madrid of 92 kilos of heroin, the largest amount seized so far this year.

In March, the Spanish National Police notched their largest seizure of "speed" in recent years, when they captured more than 35 kilos of amphetamine sulphate in a single raid in Zaragoza.

**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 CICO's guidance, law enforcement cooperation appears to function well. The Government of Spain neither encourages nor facilitates 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 continue to be isolated cases involving corrupt law enforcement officials who were caught facilitating drug trafficking. For example, in early 2009 authorities arrested nearly a dozen Civil Guard officers, including a Lieutenant Colonel, in the Barcelona area for ties to drug traffickers dating back to the mid-1990s. The officers are accused of tipping off thieves on drug shipments so that they could steal and re-sell the goods and divide the spoils. The case, with 27 defendants, went to trial in November 2009. In 2009, the National Police made a total of 252 arrests in 54 anticorruption operations.

**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 three protocols. 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. In addition, the two countries have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010. The U.S. and Spain 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 regarding clandestine cocaine conversion laboratories in Spain. In October, a cocaine laboratory was dismantled in Ciudad Real. The Ministry of Interior reported the lab was capable of processing more than 50 kilos of cocaine base into cocaine HCl per week, making it the largest laboratory dismantled in the last eight years. 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. In 2008 Spain was added to the list of nontraditional countries authorized to export narcotic raw materials (NRM) to the United States. This enabled 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 United States. Traditional exporters India and Turkey have 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, limited 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 extensive coastlines to transport drugs for consumption in Spain or distribution to other parts of Europe. The DEA reports that Colombian cocaine continues to be sent first to Africa and then smuggled northward into Spain. Spanish police note that the country's two principal international airports, Madrid's Barajas and Barcelona's El Prat, are increasingly entry points for much of the cocaine trafficked into and through Spain, and substantial numbers of body cavity smugglers continue arriving by air. Those two airports remain key transit points 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., due to strong bilateral collaboration. 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. In 2009 Spain expanded the use of SIVE by installing a fixed radar site in Ibiza, the first

among a series of SIVE sites planned for the Balearic Islands, which are increasingly used as new transport routes for hashish originating from Morocco and Algeria.

**Domestic Programs/Demand Reduction.** The national drug strategy identifies prevention as its principal priority and the government implemented an awareness campaign targeting Spanish youth and school children. The PNSD closely coordinates its demand reduction programs with the Spanish National Police, Civil Guard, Ministry of Health and Consumer Affairs, and Ministry of Public Administration. Spain's autonomous communities receive central government funding and provide drug addiction treatment programs, including methadone maintenance programs and needle exchanges. Prison rehabilitation programs also distribute methadone. As of early September, the government had contributed nearly 4 million Euros to assist private, nongovernmental organizations that carry out drug prevention and rehabilitation programs.

In July 2009, the Delegate of the Government for the National Drug Plan announced that beginning in the fourth quarter of 2009, "nine or 10" Spanish hospitals would begin to administer, on an experimental basis, a vaccine against cocaine addiction.

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

**Bilateral Cooperation.** The United States enjoys excellent bilateral and multilateral cooperation in law enforcement programs it has with Spain. Spain hosted two visits by the U.S. Secretary of Homeland Security in 2009 while the Ministers of Justice and Interior each visited Washington during separate visits. In anticipation of increased bilateral cooperation during Spain's assumption of the rotating EU Presidency during January-June 2010, a liaison officer from the Department of Homeland Security began a rotation at the Ministry of Interior. DEA worked very closely with its Spanish law enforcement counterparts during 2009, contributing to numerous successful joint investigations. The Coast Guard and JIATF-S in September hosted a delegation of senior Civil Guard officials for a visit to discuss best practices in counternarcotics programs and preparations are underway for a delegation of senior counternarcotics officials from CICO to visit JIATF-S, SouthCom, and the Drug Enforcement Administration in January 2010.

**Road Ahead.** As drug traffickers continue targeting Spain and both governments recognize the rewards of collaboration, the U.S. will continue close coordination with Spanish counternarcotics officials. Spain will continue to be a key player in the international fight against drug trafficking. The U.S. and Spain are natural partners in Latin America. Our expanding partnership will benefit Latin America in its counternarcotics efforts, as well as Spain and the U.S.

# Sri Lanka

## I. Summary

Sri Lanka has a relatively small-scale drug problem. The Government of Sri Lanka (GSL) remains committed to targeting drug traffickers and implementing nation-wide demand reduction programs. Since early 2005, the U.S. government has fostered a strengthened relationship with Sri Lanka on counternarcotics issues by offering training for the Sri Lanka Police. Sri Lanka is a party to the 1988 United Nations (UN) Drug Convention, ratifying key legislation domestically in October 2007.

## II. Status of Country

Sri Lanka is not a significant producer of narcotics or precursor chemicals and plays a minor role as a transshipment route for heroin from India. GSL officials work to raise internal awareness of and vigilance against efforts by drug traffickers attempting to use Sri Lanka as a transit point for illicit drug smuggling. Domestically, officials are addressing a modest upsurge in domestic consumption, consisting of heroin, cannabis, and to a lesser extent, Ecstasy.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The lead agency for counternarcotics efforts is the Police Narcotics Bureau (PNB), headquartered in the capital city of Colombo. The GSL remains committed to ongoing efforts to curb illicit drug use and trafficking. In the past year, the PNB recruited more officers, resulting in increased investigations and interdictions, and deployed field officers in strategic locations along the coastal belts where drug trafficking is active. The PNB also conducted in-service counternarcotics training for police outside of the conflict-affected north and east and drug awareness programs in schools on a regular basis. Over the past year, 22 drug prevention and enforcement officials from Sri Lanka participated in regional training opportunities.

**Accomplishments.** The PNB and Excise Department worked closely to target cannabis producers and dealers, resulting in several successful arrests. The PNB warmly welcomed and has been an active partner in taking full advantage of U.S.-sponsored training for criminal investigative techniques and management practices in the past.

Sri Lanka continued to work with the Colombo Plan Drug Advisory Program, a regional organization, South Asian Association for Regional Cooperation (SAARC), and the United Nations Office of Drugs and Crime (UNODC) on regional narcotics issues. The SAARC Drug Offense Monitoring Desk (SDOMD), located in Colombo within the PNB, continues to serve as a clearing house for SAARC countries to input, share, and review regional narcotics statistics. GSL officials maintain continuous contact with counterparts in India and Pakistan, origin countries for the majority of drugs in Sri Lanka.

**Law Enforcement Efforts.** The PNB continued to cooperate closely with the Sri Lankan Customs Service, the Department of Excise, and the Sri Lankan Police to curtail illicit drug supplies entering into and moving through the country. As a result of these efforts, over the last 12 months GSL officials arrested 4,346 persons on charges of using or dealing heroin and 8,540 persons on cannabis charges. This represents an enormous drop from last year's 9,825 and 33,848 arrests respectively, most likely a result of the GSL's single-minded effort to end the thirty-year war against the LTTE (Tamil Tigers). Police seized a total of 30 kilograms of heroin and 55,244 kilograms of cannabis during2009. There were arrests for narcotics offenses by the Police Narcotics Bureau, local police, Terrorism Investigation Division (TID), Criminal Investigation Division(CID), Customs, Excise Department, Forest Department, Prisons Department, and the Navy.

The PNB has one sub-unit at the Bandaranaike International Airport near Colombo, complete with operational personnel and a team of narcotics-detecting dogs. A Nepalese national was arrested at the airport in January attempting to smuggle 1 1/2 kilos of heroin from Thailand. In May a Pakistani man and three women were detected attempting to smuggle 284 packs of heroin concealed in condoms, which they had swallowed. In June, an Indian woman was detected attempting to smuggle in a large quantity of cocaine valued at Rs. 7 million.

**Corruption.** The GSL does not, as a matter of policy, encourage or facilitate the illicit production or distribution of any controlled substances or the laundering of proceeds from illegal drug transactions. A government commission established to investigate bribery and corruption charges against public officials that resumed operations in 2004 continued through 2009, although with little activity. There are unconfirmed reports of links between drug traffickers and individual corrupt officials. However, since late 2007, there have been no arrests of government officials on bribery or corruption charges related to drugs.

**Agreements and Treaties.** Sri Lanka is a party to the 1988 UN Drug Convention and the 1990 SAARC Convention on Narcotic Drugs and Psychotropic Substances. Over the past year, Parliament passed amendments to the Convention Against Illicit Trafficking of Narcotics and Psychotropic Substances Act (No. 1, of 2008), and the Treatment and Rehabilitation Act (No. 54 of 2007) to provide for compulsory treatment. Sri Lanka is also a party to the 1961 UN Single Convention, as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Sri Lanka is a party to the UN Convention against Transnational Organized Crime, and has signed, but not yet ratified, the Protocol on Trafficking in Persons and the Protocol on Migrant Smuggling. Sri Lanka is also a party to the UN Convention against Corruption. An extradition treaty is in force between the U.S. and Sri Lanka. The GSL also signed an agreement with the Russian Federation to cooperate more closely on extradition cases.

**Cultivation/Production.** Some cannabis is cultivated and consumed locally, but there is little indication that it is exported. The majority of cannabis cultivation occurs in the southeast jungles of Sri Lanka. PNB and Excise Department officials work together to locate and eradicate cannabis crops. One clandestine laboratory making synthetic drugs was raided in July 2008, but none since then.

**Drug Flow/Transit.** The military defeat of the LTTE in May, 2009, may have changed the dynamics of the drug trade in Asia. Since 1983, the LTTE was involved in bulk delivery of heroin and cannabis from producing areas in Asia to consuming countries. Mumbai was the key link in the LTTE drug trade. While Sri Lanka's coast remains highly vulnerable to transshipment of heroin moving from India, observers expect a dramatic reduction in drug-related activity in the region, with the defeat of the LTTE.

Police officials believe that the international airport is a major entry point for the transshipment of illegal narcotics through Sri Lanka. Police note that the Ecstasy found in Colombo social venues is believed to be imported from Thailand.

**Domestic Programs/Demand Reduction.** The Police Narcotics Bureau, the National Dangerous Drugs Control Board (NDDCB), and several non government organizations (NGOs) are carrying out awareness and education programs at schools and for special populations. The Sri Lanka Anti-Narcotics Association is working on minimizing risk factors leading to first-use of drugs, and is working on a platform of information technology for the empowerment of youth populations on employability and parenting. This information would be available though the internet, and would be particularly adapted to the needs of Sri Lankan ex-pat workers and their families. The Presidential Unit on Alcohol, Tobacco and Drugs advocates for enforcement tactics with a tilt towards absolute prohibition for the eradication of drugs. The NDDCB regularly conducted outreach among employee groups, school children and teachers, and community leaders.

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

**Policy Initiatives.** The United States Government (USG) remained committed to helping GSL officials develop increased capacity and cooperation for counternarcotics issues. The USG also continued its support of a regional counternarcotics program, including through the Colombo Plan, which conducts regional and country-specific training seminars, fostering communication and cooperation throughout Asia. The U.S. Coast Guard also provided training to Sri Lankan officers in the areas of International Crisis, Command and Control, as well as training in Seaport Security.

**Road Ahead.** The U.S. government will continue its commitment to aid the Sri Lankan police in its transition to community-focused policing techniques. This will be accomplished with additional training assistance. The U.S. also expects to continue its support of regional training programs, like Colombo Plan. The U.S. Drug Enforcement Administration (DEA) County Attaché based in New Delhi visited Colombo in November 2009 to coordinate counternarcotics trafficking activities with the local police and the Embassy. The DEA attaché also met with the Interagency Law Enforcement Working Group at the U.S. Embassy in Colombo.

# Suriname

## I. Summary

Suriname is a transit zone for South American cocaine en route to Europe, Africa and, to a lesser extent, the United States. Inadequate resources, limited law enforcement training, the absence of a law enforcement presence in the interior of the country, and lack of aircraft or sufficient numbers of patrol boats limit the capacity of the Government of Suriname (GOS) to adequately control its borders. In general, this enables traffickers to move drug shipments via land, water, and air with little resistance. The GOS most notably became the 2009-2010 vice chair of the Inter-American Drug Abuse Control Commission (CICAD). In 2009, the GOS undertook law enforcement and legal measures to prevent, investigate, prosecute, and punish narcotics trafficking and related corruption. The GOS conducted Operation Koetai, an unprecedented counternarcotics trafficking operation focused on the western border with Guyana that yielded cocaine seizures and arrests. The GOS also took measures to fight corruption by conducting a thorough investigation into police involvement into cocaine stolen from a police vault. Suriname is a party to the 1988 UN Drug Convention, but still has not implemented legislation regarding precursor chemical control provisions to bring itself into full conformity with the Convention.

## II. Status of Country

Cocaine from South America, primarily destined for Europe, Africa, and to a lesser extent, the United States, is transshipped through Suriname. The GOS ability to identify, apprehend, and prosecute narcotics traffickers is inhibited by its chronic lack of resources, limited law enforcement capabilities, inadequate legislation, drug-related corruption of the police and military, complicated and time-consuming bureaucracy, and overburdened and under-resourced courts. Long-standing allegations that a drugs-for-weapons trade takes place on Surinamese soil resurfaced in a Surinamese press article on the narcotics trade when the Guyanese Anti-Narcotics Division (CANU) was quoted as stating that one kilogram of cocaine trades for two Chinese AK-47s in Suriname. There is local production of marijuana, as well as marijuana smuggled into Suriname from Guyana.

The GOS has no legislation controlling precursor chemicals and no tracking system to monitor them. This leaves the GOS unable to detect the diversion of precursor chemicals for drug production. However, Suriname participated in a training seminar with Colombian counterparts and experts to learn how to identify precursor chemicals in 2008. Follow-up training, with Dutch technical support, is planned for 2010.

## III. Country Actions against Drugs in 2009

**Policy Initiatives.** The National Anti-Drug Council (NAR) and its Executive Office have made progress in the implementation of the National Drug Master Plan (2006-2010) that covers both supply and demand reduction and calls for new legislation to control precursor chemicals. The National Drug Master Plan is supported by both the Ministry of Health and the Ministry of Justice and Police. The GOS asked CICAD of the Organization of American States for technical assistance and training for drafting the precursor chemicals legislation, which was approved in 2009 and will commence in 2010. This is required by the 2006-2010 Master Plan. Draft legislation on terrorist financing, which is required for Suriname to join the Egmont Group (an informal group of Financial Intelligence Units (FIUs) designed to facilitate international cooperation) remains pending approval at the National Assembly. In 2009, the GOS expanded the Unusual Transactions Reporting Center (Ministry of Treasury/FIU) and created a Financial Investigation Team (FOT). The standing up of the fully staffed FOT should result in police investigations of suspicious transactions identified by the FIU.

In collaboration with CICAD and the European Union, the NAR is working to set up a Drug Treatment Court, which would specialize in hearing defendants charged with drug use and drug-related criminal offenses. The judge would have the authority to have addicts undergo mandatory rehabilitation rather than enter the regular prison system. In October, the Ministry of Justice and Police launched a two-day exchange workshop with Paramaribo's partner city (Ghent, Belgium) to engage in the planning. After visiting a Miami Drug Court, the Minister also began looking actively at possible subject matter expertise in the United States and the Western Hemisphere. The pilot program for the Drug Treatment Court is slated to begin in 2010 after the GOS amends the existing legal structure.

**Accomplishments.** Through October 30, the GOS seized 238.2 kilograms of cocaine, 158.5 kilograms of cannabis, 4,711.2 grams of hash, and 5.8 grams of heroin. This was an increase in seizures for these drug types compared to 2008 numbers. In 2009, no MDMA (3, 4-methylenedioxymethamphetamine, or Ecstasy) tablets were seized, in comparison to 785 tablets in 2008. As of October 30,454 people were arrested for drug-related offenses of which 323 cases were sent to the Office of the Attorney General for prosecution. As of November 5, 293 people had been prosecuted for drug-related offenses.

The GOS launched Operation Koetai in the second half of 2009, which focused on narcotics interdiction on Suriname's western border with Guyana. This operation has resulted in 94.1 kilograms of cocaine seized and eight arrests as of October 30. Narcotics traffickers who attempted to bypass Operation Koetai by landing their boats in the district of Saramacca were also apprehended, resulting in seven additional arrests and the seizure of 77.5 kilograms of cocaine. Operation Koetai forced an increase in the market price of cocaine from $3,500 to $7,000 per kilograms in the area.

**Law Enforcement Efforts.** The GOS crackdown against clandestine airstrips within Suriname caused drug trafficking organizations (DTOS) to move and change their landing strips further into the interior and changed trafficking tactics. In October, police arrested seven suspects at an illegal airstrip who were allegedly preparing for the landing of an aircraft carrying illicit drugs. The Johan Adolf Pengel International Airport (JAP) plans to introduce radar in 2010 to enhance their capability to track illegal flights.

During the year, the GOS installed a urine testing machine at the airport to identify suspected drug mules. Three Dutch-trained dogs were introduced for narcotics detection on flights to Amsterdam. This enhanced effort may have contributed to the downward trend in the number of drug mules arrested—from 99 in 2007, to 66 in 2008, to 49 in 2009. One Surinamese drug mule was arrested at the airport in the Netherlands after having swallowed 182 cocaine capsules, weighing nearly 2.2 kilograms. Drug mules who evaded detection in Suriname were subsequently arrested at the airport in Amsterdam where the policy is to inspect all passengers and baggage arriving from Suriname. Although the majority of the narcotics trafficking out of Suriname via the airport occurs mainly on the Netherlands-bound flights, drugs were also intercepted on U.S.-bound flights in Trinidad and Tobago, Jamaica, and the United States. For example, drugs were discovered on a U.S.-bound Surinam Airways flight by U.S. customs in Aruba. The use of foodstuffs to move narcotics out of Suriname through the JAP airport also continued, with cocaine discovered in chocolates, chili peppers, beer and cans of coconut milk among others.

While the bulk of the cocaine movement out of Suriname to Europe and Africa is via commercial sea cargo, at present, the GOS has no operating coast guard and has limited maritime capability to interdict drug traffickers at sea. The GOS purchased two new boats for maritime operations; one of which was delivered and became operational in 2009, but there is no GOS radar for tracking movements at sea.

Nationalities arrested in Suriname in 2009 for drug-related offenses included Filipinos, Spaniards, Dutch, Belgians, British, Brazilians, Ghanaians, Colombians, Venezuelans, and Nigerians. The Philippines Drug Council announced that Nigerian drug organizations were using Filipinos to traffic drugs out of Suriname in the summer of 2009.

**Corruption.** As a matter of policy, no senior GOS official, nor the GOS, encourages or facilitates illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs, and does not discourage the investigation or prosecution of such acts. Public corruption by military and police who were possibly influenced and infiltrated by narcotics traffickers is believed to have played some role in limiting the number of seizures made compared to the amount of illegal narcotics that is reportedly flowing through Suriname. Public corruption also appears to affect the prison system, where there are continued claims by non-governmental organizations of drug use and drug sales. Media reports and rumors of money laundering, drug trafficking, and associated criminal activity involving current and former government and military officials continue to circulate. There were 10 arrests of government officials in drug-related cases as of October 30, 2009. Several police officers were prosecuted for drug-related offenses. Public officials arrested for narcotics-related corruption are prosecuted under corruption laws; there is no specialized legislation for narcotics-related corruption.

The GOS demonstrated its willingness during the year to undertake law enforcement measures against public corruption. In the highest profile case of the year, 93 kilograms of cocaine went missing from the vault at the Arrest Team's headquarters. The Personnel Investigation Department (OPZ) suspended members of the Arrest Team, and is conducting an investigation of the case. The Ministry of Justice and Police formally requested United States assistance in investigating the disappearance of the drugs and re-establishing the integrity of the Suriname Police Force.

Also in 2009, members of the counternarcotics brigade arrested one of their colleagues in a drug raid. Investigation and disposition for the case is pending. Lastly, the OPZ completed the investigation of the 2008 killing by a police officer of another (off-duty) police officer, who was found with 51 kilograms of cocaine in his vehicle. The case was forwarded to the Attorney General's Office for prosecution.

**Agreements and Treaties.** Suriname is party to the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Suriname is also a party to the 1988 UN Drug Convention and has accordingly passed legislation that conforms to a majority of the Convention's articles, but it has failed to pass legislation complying with precursor chemical control provisions.

Suriname is a party to the UN Convention against Transnational Organized Crime and its protocols against Trafficking in Persons and Migrant Smuggling. Suriname is party to the Inter-American Convention against Corruption and Migrant Smuggling and the Inter-American Convention on Mutual Assistance in Criminal Matters but not the Optional Protocol thereto. Since 1976, the GOS has been sharing narcotics information with the Netherlands pursuant to a Mutual Legal Assistance Agreement. The two countries intensified their cooperation to fight drug trafficking with agreements between their police forces and their offices of the Attorney General. In August 1999, a comprehensive six-part, bilateral, maritime counternarcotics enforcement agreement was entered into with the U.S. The U.S.-Netherlands Extradition Treaty of 1904 is applicable to Suriname, but current Suriname law prohibits the extradition of its nationals. Suriname did, however, deport foreign national Revolutionary Armed Forces of Colombia (FARC) members to Colombia in 2008 and is cooperating with regional counterparts on ongoing drugs-for-arms network investigations. In 2009, the Council of Ministers approved the draft legislation for Suriname to join the CARICOM (Caribbean Community and Common Market) Arrest Warrant Treaty and forwarded it to the State Council for review. In May 2008, Suriname and Guyana signed the "Nieuw Nickerie Declaration," and agreed to cooperate on narcotics, money laundering, trafficking in persons and weapons. In May 2009, Suriname signed an e-Trace agreement with the United States. Suriname has also signed bilateral agreements to combat drug trafficking with neighboring countries Brazil, Venezuela, and Colombia. Brazil and Colombia have cooperated with Suriname on specific drug-related cases, and have sent high-level government official delegations this year.

**Cultivation and Production.** There is local cultivation of cannabis in Suriname but there is little data on the amount under cultivation or evidence that it is exported in significant quantities.

**Drug Flow/Transit.** Suriname's sparsely populated coastal region and isolated jungle interior, together with weak border controls and infrastructure, make narcotics detection and interdiction efforts difficult. USG analysis indicates that drug traffickers use very remote locations for delivery and temporary storage of narcotics. Cocaine shipments that enter Suriname via small aircraft land on clandestine airstrips that are cut into the dense jungle interior and/or sparsely populated coastal districts. The GOS has worked to combat this flow by monitoring the illegal cross-border traffic near the city of Nieuw Nickerie (on the border with Guyana) and by destroying several clandestine airstrips. European-produced MDMA is transported via commercial airline flights from the Netherlands to Suriname.

Cocaine and heroin from South America, primarily destined for Europe, are transshipped through Suriname via Guyana from Venezuela. Drugs exit Suriname via numerous means including commercial air flights, drug couriers, and concealed in small private planes. In 2009, Italian law enforcement dismantled a drug ring transshipping heroin and cocaine via Suriname and other South American countries to Italy. The majority of cocaine on commercial air flights is bound for Europe, but there have also been several cases of cocaine identified on U.S.-bound flights. The bulk of the cocaine movement out of Suriname to Europe and Africa is via commercial sea cargo and small fishing vessels also carry drugs out to sea and transfer them to large freight vessels in international waters.

**Domestic Programs/Demand Reduction.** During the year, the NAR conducted a number of activities surrounding the International Day Against Drugs, with a specific focus on youth and at-risk groups. In reaction to several cases of youth in performance groups being arrested for smuggling narcotics into the Netherlands when traveling for cultural performances, the NAR outreach specifically targeted youth in musical groups and brass bands. In 2010, the NAR plans to continue its efforts on raising drug awareness, creating self-help groups, and partnering with local stakeholders on youth and community outreach initiatives. The NAR, together with the Ministry of Health and the Ministry of Justice and Police, is also planning a 2010 pilot program for a Drug Treatment Court, which would hear defendants with drug-use related crimes. There is one government detoxification center which is free; other treatment centers are run by non-governmental organizations.

The Bureau of Alcohol and Drugs, a non-governmental entity which has a mandate from the Ministry of Health, reported in mid-2009 an increase in cocaine use in Suriname but based this on anecdotal evidence. A 2007 CICAD-funded household survey's results were published in February. The NAR will use the survey's data to formulate new demand reduction policies. The survey, which measured alcohol, cigarette, and drug use in the general public, showed that the drugs of choice are alcohol and cigarettes, and that less than one percent of respondents admitted to cocaine use in the month prior to the survey (except in the Districts of Commewijne and Marowijne, where the percentage was 1.3 percent).

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

**Policy Initiatives.** The United States' focus is on strengthening the GOS law enforcement and judicial institutions and their capabilities to detect, interdict, and prosecute narcotics trafficking activities.

Bilateral Cooperation. In 2009, the United States provided training and material support to several elements of the Korps Politie Suriname (KPS), Suriname's national police force. The Drug Enforcement Administration (DEA) also provided technical assistance to the KPS in narcotics and money laundering and investigations. In 2009, the USCG provided engineering and maintenance resident, training to the Suriname Navy. A Department of Defense Tactical Analysis Team (TAT) Chief became operational in Suriname in November 2008, providing additional technical support.

**The Road Ahead.** The United States encourages the GOS to continue its efforts to pursue major narcotics traffickers and to dismantle their organizations, and to build and strengthen its regional and international cooperation to date. The GOS could enhance its drug control efforts further by continuing to strengthen its focus on port security, specifically seaports, which are seen as the primary conduits for large shipments

of narcotics exiting Suriname. A concerted effort by the GOS to increase the number of police and military boats, and to create an operational coast guard, capable of patrolling the border rivers and coastal areas, would also likely enhance counternarcotics efforts. Similarly, in order to achieve greater results, the USG encourages the GOS to continue to engage in capacity-building measures of its counternarcotics-focused units as well as to monitor and protect its porous borders and vast interior with a radar detection system and adequate air support. To enhance its interdiction capabilities at the principal airport and border crossings, the GOS could invest in a passport scanning/electronic database system.

# Sweden

## I. Summary

Sweden is not a significant illicit drug producing country. However, police report that Sweden is increasingly becoming a transit country for illegal drugs to other Nordic countries and Eastern European states. The fight against illegal drugs is an important government priority and enjoys strong public support. There are an estimated 26,000 serious drug (viz., heroin, cocaine) users in Sweden, and the overall quantities of narcotics seized in 2009 did not change significantly from 2008. Amphetamine and cannabis remain the most popular illegal drugs and during the year, the influx of methamphetamine increased. Total heroin usage did not change from 2008, although the abuse of anabolic steroids continued to rise. The quantity of narcotics ordered over the internet increased in 2009. The number of high school aged boys and girls who claim to have tried drugs increased two percentage points, cannabis being the most common drug. To combat these trends, law enforcement and customs have been active in several domestic and international counternarcotics projects in the last year.

The majority of narcotics in Sweden originates in South America, West Africa, Eastern Europe, China, and Afghanistan and is smuggled via other EU countries. Khat usage remains restricted to specific immigrant communities. Limited residential cultivation of cannabis occurs, along with a limited number of small kitchen labs producing methamphetamine and anabolic steroids. Sweden is not believed to have any large scale narcotics laboratories. 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, 12 percent of the adult population (15-75 years old) has tried drugs at some point during their lives. According to the latest available figure, Sweden continues to have approximately 26,000 serious drug addicts (i.e. regular intravenous use and/or daily need for narcotics). Some 25 percent of serious drug users are women (in both 2008 and 2009). The most common drugs addicts use are amphetamines, heroine and cannabis.

The National Institute of Public Health notes an increase in drug-related deaths in 2009 from an average of 300 per year to approximately 350 in 2009. According to police reports, Sweden is both a destination and transit country for amphetamines. The seizure of methamphetamine has increased significantly in 2009 due to new methods of production. According to the Swedish Customs a new trend is that the drug is trafficked to Sweden from so called “BMK labs” in Lithuania.

The government-sponsored Organization for Information on Drugs and Alcohol (CAN) reports that the overall number of young people who have used drugs increased compared to that of 2008. The percentage of high school aged boys (15-16 years old) who claim to have been offered drugs increased to 21 percent in 2009, compared to 19 percent in 2008. Corresponding statistics for girls remained at 19 percent in 2009. High school aged boys who report having tried drugs increased two percentage points to nine percent; for high school aged girls, the increase was from five to seven percent. Approximately 80 percent of those who try drugs for the first time do so with cannabis. Amphetamine-type stimulants (ATS) are the next most commonly used drugs.

There are regional differences in drug use. The use of narcotics is predominately concentrated in urban areas, and the southern parts of the country, but vegetal narcotics are growing in rural areas. The police have observed a countrywide increase in the use of cocaine. 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. In 2000, one gram of cocaine cost the equivalent of $200, today the price is as low as $55-

$120 in Stockholm and $110-$140 in southern Sweden. Cocaine is mainly smuggled to Sweden through the major European ports, such as Rotterdam, and then by land or air. South American smugglers and dealers have long dominated the drug trade, however competition from other criminal groups, such as Serbians and Russians, has lead to a price decrease.

Cannabis is one of the most commonly used narcotics in Sweden. Some 80 percent of the cannabis in Sweden comes from Morocco, the remainder from the Middle East and Central Asia. Cannabis is becoming more common in Sweden; the plant has been adapted so as to now be cultivated in cooler climates. Cannabis users can be found all over Sweden in all socio- economic groups.

The use of khat is exclusive to immigrant communities such as Somalis and Ethiopians, who are continuing a practice of their birth countries. Khat is often smuggled into the country concealed in fruit and vegetable packages. In 2008, the police and customs hired more personnel with in-depth knowledge of khat to combat the influx. The project has resulted in increased seizures of khat and the project will continue during 2009. The Swedish Customs and the Police are also working to change the narcotics law to reduce the possession amount of khat that is legally punishable. Today possession of khat must reach 200 kilos to be considered a serious violation.

Last year's trend of an increase in the ordering of illicit drugs over the internet continued. Mephedrone, GBL, Methylon and Salvia are the drugs most commonly smuggled via parcels ordered over the Internet. Other Internet-ordered drugs confiscated by the Customs include heroin, steroids and illegal pharmaceuticals such as Tramadol. Ecstasy use has decreased significantly during 2009and been replaced by drugs with similar characteristics. Most packages with illicit drugs originate from the EU, usually smuggled in from China. Combating the Internet narcotics trade is a priority and Swedish law enforcement is coordinating closely with Interpol and Europol to develop methods to prevent teenagers from purchasing drugs online.

The occurrence of athletic doping with such drugs as steroids continues to increase. According to a new study from the National Police Board the number of people using steroids on a regular basis is 10,000-12,000. The University Hospital Karolinska in Stockholm estimates the number of users is around 50,000. The seizure of steroids—both in powder form and pills—increased during 2009. The drugs are smuggled to Sweden as powder and are formed into pills in small drug pharmacies in the country.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives and Accomplishments.** The government's National Action Plan on Narcotics runs through 2010. Demand reduction and supply restriction figure prominently, and the plan includes provisions to increase treatment for prison inmates 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. A governmental investigative commission established to review current narcotics legislation presented its recommendations on December 31, 2008. The commission suggested Swedish authorities monitor the supply of drugs on the internet, and grant law enforcement authorities the right to purchase presently licit substances for analysis to speed up the classification process for the listing of a new illicit drug. The commission also suggested harsher penalties for doping crimes.

Sweden participates in a three-year, 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 participates in the EU Council of Ministers working group for overall narcotic drugs issues, the Horizontal Working Party on Drugs (HDG). HDG deals primarily with domestic issues, legal problems and the situation in

countries outside the EU. Sweden also participates in the Western Balkans and drug combating projects spearheaded by COSPOL, a counternarcotics EU task force led by national police commissioners.

In September the government classified seven substances similar to cannabis as narcotics, among them the popular internet drug "Spice." In May, Mephedrone was classified as a narcotic. Fighting drugs also remains a high priority area for Sweden's official development assistance. In 2008 Sweden allocated over $12.6 million for the UN Office of Drugs and Crime.

The Swedish EU Presidency, July-December 2009, has meant increased opportunities to cooperate with countries to combat narcotics. In the negotiations on the EU Framework Decision on Drugs, which was signed in 2004, Sweden was proactive and contributed to a provision to the effect that a more ambitious study of drug issues should be made. The import of this was that the European Commission will not only look at how Member States have implemented the framework decision, but also how the provisions are applied. The Commission presented its evaluation report in May 2009. The work of the Council on analyzing the report took place on November 2-3, 2009 when the drug coordinators of the Member States met in Stockholm.

**Law Enforcement Efforts.** In 2009, authorities did not uncover any major drug processing labs. Police reported 58,403 narcotics-related crimes from January to September 2009. This represents a three percent increase compared to the corresponding period of 2008 when 56,735 cases were reported. In 2008 a total of 78,200 narcotics related crimes were reported to the police. Approximately 21 percent of the arrests under the Narcotics Act in 2009 led to convictions, which on an average resulting in seven months in jail. The majority of the crimes involved consumption and possession. Two percent of all convictions are considered serious violations and the average punishment for a serious conviction is four years and eight months imprisonment.

In March 2009, the police made a large drug bust of 447 buyers of narcotics all over the country. The operation was aimed at clients of a 44 year old man selling Tramadol, a drug similar to morphine, via the internet. The 44 year old was sentenced to ten years in prison for drug-related crimes.

**Corruption.** There were no known cases of public corruption in connection with narcotics in Sweden during the year. Swedish law covers all forms of public corruption and stipulates maximum penalties of six years imprisonment for gross misconduct or taking bribes. Neither the government nor any senior government official is believed to engage in, encourage or facilitate the production or distribution of narcotics or other controlled substances, or the laundering of proceeds from illegal drug transactions.

**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 also a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. The Swedish Police have a cooperation agreement with the Russian Narcotics Control Authorities. The agreement is meant to facilitate counternarcotics efforts in the region through information sharing and bilateral law enforcement coordination. The United States and Sweden provide bilateral assistance in extradition matters under the 1963 and 1984 extradition treaties. In addition, the bilateral mutual legal assistance treaty between the United States and Sweden entered into force on June 1, 2009. More recently, all 27 EU member states, including Sweden have signed and ratified bilateral protocols with the U.S. that implement the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements, which will streamline the mutual legal assistance and extradition efforts between the countries. The U.S. has ratified all of these protocols, including the protocol with Sweden and they will enter into force on February 1, 2010.

Sweden has bilateral customs agreements with the United States, the United Kingdom, Germany, Spain, Norway, Hungary, Latvia, Slovakia, the Czech Republic, Iceland, Russia, Lithuania, France, Finland,

Estonia, Poland, Denmark and the Netherlands. Through the EU, Sweden also has agreements with other nations concerning mutual assistance in customs issues and counternarcotics efforts.

**Cultivation/Production.** No major illicit drug cultivation/production was detected during the year.

**Drug Flow/Transit.** Drugs mainly enter the country concealed in commercial goods, by air, ferry, and truck over the Oresund Bridge linking Sweden to Denmark. The effectiveness of customs checks at Stockholm's Arlanda airport is believed to have resulted in an upward trend of smuggling by truck and ferry. The increase in seizures is, according to Swedish Customs, a result of increased international information exchange between agencies. Most seized amphetamines originate in Poland, the Netherlands, and Baltic countries. Regular Baltic ferry routes serve Sweden; in the spring and summer months, amphetamines are trafficked into Sweden via maritime routes. Cannabis usually comes from Morocco and southern Europe; and khat from the Horn of Africa via Amsterdam and London.

Khat use is increasing and, according to the Swedish Customs, criminal networks smuggle khat to Sweden mainly from Kenya, Ethiopia and Yemen via Amsterdam, London and Copenhagen. In 2009 (January-July) Swedish customs seized 6.4 tons of khat, a significant increase compared to 2008. In 98 percent of the cases the seizures were made near to the Öresund Bridge between Sweden and Denmark. Somali men living as refugees in Sweden use the drug.

The influence of outlaw motorcycle gangs, such as Hells Angels and Bandidos, remains significant in Sweden. Such groups are regularly involved in the distribution of methamphetamine, heroin, and cocaine, which they acquire from Albanian, Serbian and Montenegrin traffickers. 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. In 2009, Swedish law enforcement did not seize any drugs intended for the U.S. market.

**Domestic Programs/Demand Reduction.** The National Institute of Public Health and municipal governments are responsible for organizing and providing compulsory drug education in schools. In 2009, the Public Health Institute updated its education program for students in cooperation with the municipalities and parental groups. Their aim is to increase instruction for children in "how to say no" to drugs. A new drug education program called "education in life" is integrated into the regular curriculum. Several NGO's are also delivering drug abuse prevention and public information programs.

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

**Bilateral Cooperation.** Swedish cooperation with U.S. Government law enforcement authorities on all issues, including narcotics, continues to be excellent.

**The Road Ahead.** The U.S. will pursue enhanced cooperation with Sweden and the EU on narcotics issues.

# Switzerland

## I. Summary

Switzerland is both a consumer market and transit route for illicit narcotics, but it is not a significant producer of illicit drugs. In 2008 (throughout this report, the latest official statistics available are for 2008) total reported drug arrests reached 47,590, up by 1.3 percent from the 46,957 cases recorded in 2007. Drug arrests peaked at just over 50,000 in 2004. Cocaine seizures dropped below the 2007 record year of 404 kilograms to 284 kilograms. Overall drug seizures declined with the exception of heroin, which more than doubled from 135 kilograms in 2007 to 285 kilograms. The number of drug dealers arrested increased this year by 14 percent from 2,809 to 3,202. They were mostly involved in selling cannabis, followed by cocaine and heroin. Drug smuggling-related arrests increased 42 percent from 183 to 260, lead by cannabis, and followed by cocaine and heroin. 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 prevention, therapy, "harm reduction", and law enforcement. The four pillar model has been widely supported by the Federal Council since 1994.

The politics of drug liberalization at the federal level changed, putting the brakes on the cannabis legalization movement that seemed to have gained momentum in recent years. A drug bill aimed at decriminalizing cannabis use for Swiss adults was rejected by voters in 2008; however, voters approved a permanent heroin maintenance (prescription) program for addicts based on medical need. Additionally, authorities in many Swiss cantons largely tolerate possession of marijuana in small quantities for personal consumption. 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 percent of the population uses a narcotic substance regularly. While reported arrests for heroin consumption increased, the use of other drugs remained more or less the same. However, the number of arrests for drug smuggling increased for marijuana, cocaine, heroin and hashish. Swiss statistics show that cocaine consumption decreased among youth and most cocaine consumers are males aged above 30. Young male drug addicts between 18-24 years are the largest users of amphetamines, LSD, marijuana and Ecstasy. Police are also concerned about the continuing trend by casual users to mix cannabis and other drugs. In 2007, a survey indicated that young people were consuming smaller amounts of cannabis than in the prior years. However, a UNICEF study published in October 2009 indicates Switzerland's rate of cannabis abuse still places it among the top countries for cannabis use. Both drug smuggling and trafficking related arrests increased, most notably drug smuggling with a 42 percent jump (from 183 to 260 arrests), while drug-related deaths decreased from 152 to 143. The Swiss Federal Police published a report on narcotics activities in 2008. It is available at: www.fedpol.admin.ch/fedpol/fr/home/dokumentation/zahlen_und_fakten.html

## III. Country Actions Against Drugs in 2009

**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 Office of the Attorney General of Switzerland. The Swiss Federal Office for Public Health believes that its heroin prescription program has a direct impact on the harm caused by 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 maintenance prescription program has many detractors. After concentrating on the heroin problem for the past ten years, the city of Zurich 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 has been implemented in Zurich, but it has not been supported by the Swiss Federal Office of Public Health. 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 for harmful impurities outside nightclubs without criminal liability. In September 2006, the city established an office, open daily, which provides the same services and is sponsored by the Swiss Federal Office of Public Health. 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: West African networks involved in cocaine trafficking; Albanian groups dealing in heroin and prostitution; and money laundering networks working from the former Soviet republics. Several cantonal authorities have banned convicted drug dealers residing 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, drug dealers 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). The Swiss Federal Police suspect that many criminals involved use trains to transport drugs to and from Switzerland, Holland and Spain.

The 44th annual meeting of the inter-department working group on Narcotics (GTIS) was organized on May 28, 2009, in Bern. Placed under the direction of the Federal Judicial Police (PJF) which is part of the Federal Police Office (Fedpol), this meeting was aimed at narcotics specialists working both at the federal and cantonal level. The main topic centered on handling hazardous chemicals during police operations against drug producers. Specialists from the Netherlands, pioneers in the fight against clandestine laboratories, were among the guests. Other participants included the Swiss Border Guards and the Swiss Institute of Therapeutic Products (Swissmedic).

Drug consumers were principally arrested for consuming marijuana (47.8 percent), cocaine (18.7 percent), heroin (13.7 percent), and hashish (9.8 percent). Males accounted for 86 percent of drug consumers, and 60 percent of consumers were Swiss nationals. Most of the arrests took place in Zurich, Bern and Vaud. Overall drug seizures declined for cocaine, marijuana, amphetamines, LSD, and Ecstasy, but more than doubled for heroin (from 135 kilograms to 285 kilograms).

Drug traffickers were arrested for smuggling marijuana (28.2 percent), cocaine (28 percent), heroin (19 percent), and hashish (8.6 percent). Males totaled 79 percent of traffickers, and 25 percent were Swiss nationals. Foreigners not living in Switzerland accounted for 53 percent of drug traffickers. The major cantons involved were Zurich, Geneva, and Valais.

Drug dealers were 88 percent males, 21 percent Swiss nationals and 51 percent of the foreigners involved live in Switzerland. The major cantons involved were Geneva, Zurich, St.Gallen, Vaud, and Bern.

To give a sense of drug abuse developments in Switzerland, some important drug-related enforcement operations are described below:

In late 2008, the Zurich police dismantled one of the largest ever cannabis trafficking organizations, including a large marijuana production site hidden in a crop field in the canton of Thurgau. Sixteen people were prosecuted, of which nine were Swiss, four Dutch, two Serbs and one Italian. It is estimated they sold seven tons of hashish and marijuana between 2004 and 2008. The case is still pending.

At year end 2008, the Geneva police arrested an American millionaire at the domicile of his eastern-European girlfriend. He was found with 750 grams of marijuana and more than 300,000 Swiss francs in cash. Police became aware of the case when investigators discovered some banknotes containing traces of cocaine on them. Suspecting money laundering activities, police officers traced the tainted cash back to the individual through a bank account in Geneva with more than 600,000 francs on deposit. They also located a luxury yacht which was used to carry cocaine between the Caribbean and the US. The court decision on his case is still pending.

In January 2009, the Lausanne police arrested two drug dealers operating in a nearby forest, and seized two kilos of heroin and several thousand francs. The court decision is still pending.

In February, a Lausanne court jailed two Nigerian asylum seekers working for a Togolese criminal group for smuggling cocaine and money laundering. Following a Europe-wide investigation known as “Inox” 35 people were arrested as part of the investigation, accused of smuggling 15 kilograms of cocaine from West Africa between 2005 and 2008. The Togo-based criminal group transported cocaine to Europe via the Brussels airport using couriers .The individual smugglers were then met by Nigerian gang members who distributed the drugs on their behalf throughout Europe, including Switzerland, collected the profits and passed them back to Togo. To obtain visas to enter Switzerland, dealers placed orders with Swiss companies at trade fairs in Germany and then requested commercial invitations to travel to Switzerland. Instead of transferring money back to Africa via a money transfer service or using other traditional transfer routes, drug funds were converted into hundreds of second-hand cars, which were bought from a Lebanese garage owner in the canton of Bern and shipped to Togo. The networks are organized, with sellers coming from various countries in West Africa to deal cocaine. While Nigerians are very active and often head the network, other people from Togo, Guinea and Guinea Bissau are also involved.

On February 7, Swiss customs arrested two Czechs ages 20 and 22 who were carrying 8 kilograms of marijuana in their vehicle in the canton of Aargau. They were traveling from Germany.

In early March, the counternarcotics unit of the Neuchatel cantonal police reported the dismantling of an African cocaine ring. This operation named “Sibien” led to the arrest of two Ivoirian asylum seekers and a French woman in September 2008. Only 100 grams of cocaine were seized but the tree convicts are suspected of selling more than 2 kilograms of cocaine in Neuchatel, Biel and Bern. An additional Nigerian suspect involved with this network was arrested in Spain in October 2008. 30 persons were also interrogated by police and judicial assistance requests were sent to Spain, Holland, Austria, Italy and Norway where some of the suspects had lived. Two Ivoirians and two Nigerians are in pretrial detention.

In March, the Lucerne police dismantled a Nigerian cocaine ring operating from Holland and France. Several drug smugglers, mostly African women, smuggled a total of 5 kilograms of cocaine, worth half a million francs.

In March, the Zurich police announced the arrest of 44 drug traffickers, including 31 Albanians (mostly illegals), 10 Serbs, and one Turk. All were using eight apartments located in the Zurich cantons, which were used for their selling operations, most notably for heroin and cocaine. The proceeds of the sale were later transferred to Albania. An Albanian with a permanent residency permit who managed all financial transactions acknowledged wiring more than one million francs to his country of origin. He was also caught with more than 340,000 francs in cash and weapons. In total, police officers seized 8.1 kilograms of heroin, 2.7 kilograms of cocaine and 14.3 kilograms of mixing ingredients. The seized cash included 514,375 francs, 12,000 Euros and 11,500 dollars.

On April 20, a 29-year old Turkish repeat offender appeared before the city criminal court of Basel for smuggling at least 40 kilograms of heroin and 7 kilograms of cocaine since 2005. He has been in pre-trial detention since his arrest October 2007.

In May, the Bern city police seized 1.5 kilograms of cocaine in a downtown shop, including a significant amount of cash, forty cell phones and eleven digital cameras. The police arrested thirteen persons of African origin. One person is still detained in pre-trial detention.

On June 17, the Zurich police raided an apartment and seized 1.7 kilograms of heroin, 100g of cocaine and cash. Two Macedonians aged 26-29, a 40-year old Serb, and a 41-year old man from Montenegro were subsequently arrested.

On June 26, Swiss customs arrested two drug smugglers from Bulgaria aged 24-29 on a train between Milano and Zurich. Both were carrying 8 kilograms of heroin worth 1 million francs. They were later handed over to the Tessin cantonal police.

In June 30, the Solothurn cantonal police raided two indoors production sites of marijuana located in business premises in the town of Grenchen. Police officers seized 500 plants, including 60 kilograms of cannabis and hashish, and several thousand francs. The owner of the premises, a 57 year old man, was placed in pretrial detention. Three other persons have been reported to the cantonal prosecutor.

On July 13, a Zurich district court handed severe sentences against seven Dominican drug smugglers. The 40-year old mastermind of the ring received the highest sentence, with 14 years in jail. He organized the import of 186 kilograms of cocaine from the Dominican Republic into the Zurich area since early 2007 by means of his own import company named Caribbean Import GmbH. His 36-year old deputy was sentenced to a 10-year prison sentence. Both will have to pay a fine of 50,000 francs. A 30-year old Dominican woman was sentenced to seven years in prison, while a 38-year old Zurich taxi driver and a 22-year old Turkish woman were sentenced to serve 3.5 years in prison. A 42-year old Greek was also sentenced to one year in prison for documentary fraud and money laundering.

On July 20, Swiss customs in Basel reported the arrest of a 38-year old woman from Bern attempting to smuggle 1.9 kilograms of cocaine. She was using a belt around her waist. The man controlling her, a Nigerian citizen, was later arrested in Zurich.

On August 18, the Neuchatel police reported the arrest of six asylum seekers originating from West Africa, who smuggled more than 2.5 kilograms of cocaine mainly in the northern Val-de-Travers region. A seventh, convict, principally active in the city of Neuchatel, is accused of having sold at least 1.25 kilograms. These arrests resulted from information from several drug addicts.

In August, Swiss customs stationed in Geneva arrested four African drug smugglers aged 29-46 in a Portuguese car. They had swallowed a total of 280 cocaine packets, totaling 5.4 kilograms of cocaine. Police believes these mules mainly come from Africa. They are paid between 500-1000 Euros to swallow the drug.

In September, the Lausanne police arrested 10 members of an Albanian drug smuggling ring and seized one kilograms of heroin, 49 kilograms of mixing ingredients, 55,000 francs in cash and a 9mm gun. After a joint investigation with the Basel police, it appears that the gang sold 5 kilograms of heroin in Lausanne over a seven month period, earning about 1.5 million francs. Part of the money was sent back to Kosovo and Albania. Lausanne police experts suspect that drug trafficking is moving into Geneva because cantonal penalties are weaker there. Many Lausanne-based drug addicts purchase their drug in Geneva.

In September, the Swiss Federal Court of Appeal confirmed an earlier sentence by the Bernese appeal court against a downtown hemp shop owner dubbed “the grandfather of the hemp movement”. The sentence is for 24 months in jail, in addition to a fine of 60,000 franc.

In September, the Swiss customs arrested a 40 year old Dutchman after they discovered 83.5 kilograms of khat hidden in his car. The quantity of khat seized in the Basel area in 2009 has tripled over one year, reaching over half a ton.

During the second quarter of the year, Swiss customs and policemen working at the Zurich airport reported seizing up to 120 kilograms of cocaine, 13 kilograms of hashish and 18,000 Meth-pills. Most of the drugs were hidden in luggage or backpacks. Among those under arrest, there were six women and 17 men, originating from 12 countries and aged between 20 and 70.

Over the first six months of the year, the Geneva counternarcotics unit seized 16 kilograms of heroin, 10 kilograms of cocaine, 46 kilograms of cannabis, 300,000 francs in cash, and arrested a total of 434 persons. One case involved a smuggling ring between Spain and Switzerland (40 kilograms of cannabis).

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. Excellent international air connections at Zurich and Geneva airports facilitate the movement of smugglers to other destinations as well as to Switzerland. Because of a lack of space in the overcrowded Geneva prison and few repatriation agreements, most foreign dealers are released after apprehension. The Geneva Drug Task Force reports that about 200 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. 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.

**Agreements and Treaties.** Switzerland and the United States cooperate in law enforcement matters through bilateral extradition and mutual legal assistance treaties. Unfortunately, the mutual legal assistance treaty is the oldest bilateral assistance agreement that the United States has in force and it does not contain many provisions found in treaties that are more modern. The process for executing mutual legal assistance requests is very slow in Switzerland and defendants/account holders are provided with copies of the U.S. requests for assistance early in the process thereby impacting U.S. law enforcement's ability to quickly and effectively pursue its investigation. 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 and recently ratified the UN Convention against Corruption in September 2009.

**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. Large scale illicit cultivation of high TNC content hemp has collapsed which has led to an increase in prices and reduced availability.

**Drug Flow/Transit.** Switzerland is both a transit country for drugs destined for other European countries and a destination for narcotics deliveries.

**Domestic Programs/Demand Reduction.** Switzerland focuses heavily on prevention and early intervention to prevent casual users from developing a drug addiction. Youth programs to discourage drug use cost $6 million annually according to the Swiss Federal Office of Public Health. Swiss authorities purchase on an annual basis 250 kilograms of heroin for use in maintenance of the 130,000 registered addicts through the Heroin-assisted treatment (HAT) program at the 23 heroin distribution centers. The heroin imported by the Swiss government costs SFr. 100-130 million each year, and originates from Tasmania, Turkey or France-all licit producers of opium products. The Swiss government is also treating 20,000 people with methadone replacement therapy.

Three-quarters of those enrolled in the HAT program were male. The number of slots available in "heroin treatment centers" increased from 1389 to 1429. With 1283 patients by December 2007, the heroin distribution program is currently running at 89 percent of capacity. A total of 130 drug addicts entered the program during 2007. The average participant is 39 year old and 76 percent are male (between the ages of 19 to 70). Average time in heroin treatment is 2.92 years. Of the 169 persons who terminated the heroin prescription program, 71 percent opted for the methadone-assisted programs, or an abstinence therapy.

Swiss authorities report that in many cases, patients' physical and mental health has improved, their housing situation has become considerably more stable, and they have gradually managed to find employment. Numerous participants have managed to reduce their debts. In most cases, contacts with addicts and the drug scene have decreased, according to the managers of these programs. Consumption of non-prescribed substances declined significantly in the course of treatment, Swiss authorities report.

The current average cost per patient-day at outpatient treatment centers came to 57 Swiss francs. The overall economic benefit–based on savings in criminal investigations and prison terms and on improvements in health–was calculated by Swiss authorities to be 104 Swiss francs. After deduction of costs, the net benefit is 47 Swiss francs per patient-day. Twenty percent of the costs were paid for by the cantons, while 80 percent was paid by the public health insurance.

In early 2005, Switzerland also 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.

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

**Policy Initiatives/Bilateral Cooperation.** 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 (CND) 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. Some of the enforcement results of the cooperation which began with the CND resolution are reported in this document.

**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 October 2009, the Financial Action Task Force ended its international monitoring of Switzerland and recognized the significant progress Switzerland made in strengthening the systems in place to combat money laundering. The U.S. urges Switzerland to use this strengthened system to become more proactive in seizing and forfeiting funds from narcotics money laundering. The U.S. also will monitor Switzerland's recent revisions to the Swiss narcotics law.

# Syria

## I. Summary

In 2009, the government of the Syrian Arab Republic (SARG) continued to publicize its efforts to interdict and punish drug smugglers, while downplaying domestic narcotics consumption. Syria remains primarily a transit country for narcotics en route to more affluent markets in Europe and the Persian Gulf. Continuing uncertainty about the direction of Lebanon and Iraq, porous borders, and endemic police corruption make Syria an attractive overland smuggling route in both directions between Europe/Turkey and the Persian Gulf. Domestic Syrian consumption of illicit drugs is not widespread, largely due to harsh penalties and cultural norms stigmatizing substance abuse. However, recent reports indicate an increasing prevalence of local prescription drug abuse, particularly in Aleppo. Syria continues to have a very cooperative counternarcotics relationship with Saudi Arabia and Jordan, but counternarcotics cooperation with Lebanon has diminished since Syrian forces withdrew from Lebanon in 2005. Syria is a party to the 1988 UN Drug Convention.

## II. Status of Country

Syria is not a major producer of narcotics or precursor chemicals. Due to political uncertainty in neighboring Lebanon and Iraq, Syria remains an increasingly important transit country for narcotics between Europe and the Persian Gulf. Syria is a trafficking route for hashish, heroin, and Captagon (fenethylline), a synthetic amphetamine-type stimulant. Captagon is not produced in Syria but is increasingly trafficked through Syria from Turkey and Lebanon to the Gulf States.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Syrian drug policy is based on Law No. 2 of 1993, which authorizes harsh punishment—including capital punishment—for those convicted of narcotics manufacturing, trafficking, or sales. The same law requires treatment at state-operated rehabilitation facilities for drug addicts who surrender to the police. Provided addicts have no other serious criminal offenses, and make a good-faith effort during treatment programs, Law No. 2 exempts them from punishment. Authorities admit that some drug dealers have exploited this aspect of the law to avoid incarceration. Some even used their time getting “treatment” to locate additional customers.

In 2002, Syria upgraded its Counternarcotics Unit from a branch to a directorate of the Ministry of Interior. The government also opened regional counternarcotics offices in Aleppo province (covering the Turkish border) and in Homs province (to monitor the Lebanese border) with eventual plans to open offices in the remaining provinces. Since 2002, five additional counternarcotics offices have opened in Damascus, Zabadani (near Damascus), Dar’a, Latakia, and Dayr Az Zawr. In 2005, Syrian officials implemented a 2002 draft decree providing financial incentives of up to several million Syrian pounds ($1 = 46 SYP) to anyone providing information about drug trafficking and/or illicit drug crop cultivation in Syria. A new police facility for the Syrian Anti-Narcotics Department was opened in Damascus during the early part of 2006. With the opening of the new facility came the arrival of new and updated equipment that enhanced Syria’s drug investigation capabilities. This facility also houses the country’s newest drug lab. In parallel, the (SARG) created the National Committee for Narcotic Affairs, which was tasked with setting up general drug-related polices and coordinating efforts with relevant local and international agencies to formulate prevention and treatment plans. The National Committee for Drug Affairs convened in June 2008 and recommended the establishment of a drug database, the funding of expanded awareness campaigns and treatment programs, and preparation of a national counternarcotics strategy (including rehabilitation). Headed by the Minister of Interior, the committee included representatives from a broad range of concerned Ministries, civic organizations and labor unions.

Syria also contributes to combating the spread and trafficking in narcotics through the Arab Bureau of Narcotic Affairs, which is affiliated with the Arab League. Through this organization, Syria exchanges narcotics trafficking information with other Arab countries.

**Law Enforcement Efforts.** The number of successful drug apprehensions during the period January-June 2009 stood at 2,480 cases and the number of persons standing trial on drug-related offenses was 3,826. During the same period, the Syrian government confiscated 822 kilograms of hashish, 26 kilograms of heroin, 9.7 million Captagon tablets, 321 kilograms of hashish oil, 196 liters of precursor materials and 61,138 assorted narcotic tablets. Minimal quantities of other narcotics were also confiscated. In a bid to combat narcotics smuggling and drug dealing, Syrian law enforcement personnel cracked down on drug dealers and continually reported their successful raids in the local media. For example, in April 2009, Syrian authorities in Hama dismantled a network of drug addicts and traffickers; Zabadani police officers apprehended 25 persons smuggling 10 kilograms of hashish, heroin, and cocaine; and security squads in Aleppo arrested a doctor and a nurse at a mental facility for selling licit drugs containing narcotic ingredients to addicts. In May, counternarcotics agents in Latakia apprehended a couple trafficking and dealing drugs which had entered Syria from Lebanon; and counternarcotics agents in Homs confiscated one million Captagon tablets from a Turkish national. In June, police in Hama dismantled and arrested a network of drug dealers and addicts. In July, a drug dealer was arrested in Homs with over 1 kilogram of narcotics in his possession. In September, the police apprehended a number of drug dealers in Homs attempting to smuggle 800 Captagon tablets, security forces confiscated 24,000 Captagon tablets at Damascus Airport destined for the Gulf Region, and authorities unveiled a network of 15 persons from Syria and Turkey smuggling narcotic tablets through Latakia and Tartus ports. The tablets were hidden in electrical appliances for reshipment through Yemen and Egypt to their final destination in Saudi Arabia. Nine pharmacies were closed in Dayr Az Zawr in 2009 due to the illegal sale of medicines. Multiple media reports continue to highlight the drug enforcement issues in Aleppo. In September 2009, Aleppo security forces cracked down on drug dealers and addicts—the second campaign of this type in the city in three months.

In 2009, the Syrian Minister of Interior announced that his Ministry would train officers and specialized staff to combat the trafficking of narcotics. The Minister claimed that Syria's national strategy to reduce demand for narcotics and stimulant drugs was a success, and he hailed the national committee for drugs affairs established to meet that goal. In January 2009, the Yemeni Ambassador to Syria handed over to the Syrian Minister of Industry a list of Syrian companies suspected of involvement in the trafficking of drugs to Yemen. The Ambassador told the Minister that these companies facilitate the smuggling of drugs hidden in goods exported to Yemen. The Ambassador demanded Syria take deterrent measures against them and blacklist them from doing business in Yemen. To date, neither side has indicated follow-up action on this issue.

**Corruption.** Corruption is a daily fact of life in Syria. Cultural acceptance of corruption, in addition to below-average compensation for police and customs officials, creates an environment ripe for smuggling. The Syrian government does not publish detailed information on corruption investigations. In January 2009, state-controlled newspapers reported on a customs scandal which took place two years ago at the Tal Abyad border crossing with Turkey. A car carrying 4,550 stimulant tablets in a secret compartment was allowed to cross the border without inspection. The car was later stopped by Turkish customs officers. The Syrian customs officer who allowed the car to proceed across the border was later acquitted in court, but the authorities are still investigating the matter and have started building a case against the former Director General of Tal Abyad Crossing, who is suspected of being involved in the drug smuggling operation. The Syrian government has an Investigations Administration (Internal Affairs Division) responsible for weeding out corrupt officers in the counternarcotics unit and the national police force. The Investigations Administration is independent of both the counternarcotics unit and the national police and reports directly to the Minister of Interior. The government of Syria does not officially

encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal transactions.

**Agreements and Treaties.** Syria 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. On April 8, 2009 Syria ratified the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling, but has not yet ratified the UN Convention against Corruption. Syria and the United States do not have a counternarcotics agreement, nor is there an extradition treaty between the two countries.

**Cultivation/Production.** Traditional drug cultivation and production remain at negligible levels in Syria. However, Syria does have a sizable, legitimate pharmaceutical industry that produces inexpensive prescription pain medication, among other drugs. Currently, the trafficking of prescription pain medicine is not legally categorized in Syria as the equivalent offense of trafficking in illicit drugs, despite the addictive nature of most prescription painkillers. Syrian law previously allowed the practice of "leasing" a licensed pharmacist's credentials. In this practice, investors would "lease" a pharmacist's credentials in order to open and operate a licensed pharmacy in Syria. A pharmacist received payment for allowing his/her name to appear on the business registration, but the pharmacist may have had nothing further to do with the operation of the pharmacy. Although the practice of "leasing" pharmacist's credentials is now illegal, it is still occurring in Syria. In an effort to combat this problem the SARG is now issuing identification badges to all pharmacists and requiring they be worn when working in a pharmacy.

Production of narcotics is a minor problem in Syria and incidents are rarely reported. In October 2009, the Criminal Security Branch in Aleppo received a tip on money counterfeiting which led to the discovery of a secret factory for the production of narcotics in one of Aleppo's more affluent neighborhoods. The products were seized and sent to Damascus for analysis. Of the eight people arrested, none had a prior criminal record.

**Drug Flow/Transit.** Syrian officials estimate that, since 2007, the overall flow of illegal narcotics transiting Syria and destined for other countries has increased. As mentioned above, one likely reason for this increased traffic is that the continuing political problems in Lebanon and Iraq have made Syria a more attractive overland smuggling route between Europe/Turkey and the Gulf. Transshipment of narcotics from Turkey continues to represent a major challenge to Syria's counternarcotics efforts, as the porous Turkish/Syrian border provides easy entry points for drug smuggling into Syria. Narcotics coming from Iraq are transported into Syria both directly and via Jordan. The SARG's reported seizure statistics suggest that Syria's counternarcotics efforts have either been more effective in 2009, or, more likely, the overall flow of narcotics has increased. Main shipment routes include the transit of hashish and heroin through Syria to Europe and other countries in the region; opium from Pakistan and Afghanistan transiting Syria to Turkey; and Captagon pills from Bulgaria transiting Turkey and then transiting Syria to Saudi Arabia and Iraq.

**Domestic Programs/Demand Reduction.** The Syrian government's counternarcotics strategy, which is coordinated by the Ministry of Interior, uses the media to educate the public on the dangers of drug use. Drug awareness training is a part of the national curriculum for schoolchildren. The Ministry also conducts awareness campaigns through university student unions and trade associations. The Syrian government regularly publishes accounts of successful law enforcement efforts to combat narcotics in the various government-controlled media outlets.

Counternarcotics campaigns were noticeably on the rise during 2008 and this trend continued in 2009, particularly with programs marking the International Day Against Drug Abuse and Illicit Trafficking. For example, a seminar was held in the Arabic Cultural Center in Damascus on this day to raise awareness against the dangers of drug use. The seminar, organized by the National Committee for Drug Affairs, included speeches by the Minister of Interior and representatives from the Union of Al Thawra Youth

Organization and the Ministry of Health. Another seminar was held in Aleppo by the Society Mobilization Team, a Syrian organization established with assistance from the United Nations Population Fund (UNFPA) that focuses on drug, environment and population issues. An officer from the Counternarcotics Directorate gave a presentation on various narcotics, production methods, and the effect of these narcotics on drug abusers. This speech was followed by two additional presentations, one from a sociology professor and another from a clergyman, both of whom warned against the use of drugs. Local official media outlets dedicated a full page to the International Day Against Drug Abuse and Illicit Trafficking, addressing the dangers of narcotics use, the steps taken by the Syrian government to combat drug use, and new drug-related legislation.

Due to the social stigma attached to drug use and stiff penalties under Syria's strict antitrafficking law, domestic consumption of illicit drugs remains relatively low. In 2009, an officer from the Counternarcotics office in Aleppo estimated the number of drug addicts in Syria at 3 per 10,000. Although there are no independent statistics available to verify the accuracy of this claim, anecdotal evidence suggests the SARG is significantly underestimating the prevalence of illicit drug use in Syria. Furthermore, the government's estimate likely does not include prescription drug abusers, as mentioned above. Unless the government increases the penalties for trading prescription medication, and raises public awareness of this problem, the number of drug users in Syria will likely grow.

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

**Policy Initiatives.** In discussions with Syrian officials, U.S. Drug Enforcement Administration (DEA) officials continue to stress the need for diligence in preventing narcotics and precursor chemicals from transiting Syrian territory and the necessity of terminating any involvement, active or passive, of individual Syrian officials in the drug trade.

**Bilateral Cooperation.** DEA officials based in Nicosia, Cyprus maintain an ongoing dialogue with Syrian authorities in the Counternarcotics Directorate.

**The Road Ahead.** The United States will continue to encourage the Syrian government to maintain its commitment to combating narcotics smuggling and production in the region; to strengthen anti-money laundering legislation; and to continue to encourage Syria to improve its counternarcotics cooperation with neighboring countries.

# Taiwan

## I. Summary

Taiwan authorities continued to make seizures of psychotropic drugs like Ketamine and MDMA (Ecstasy) in 2009, but there is no evidence to suggest that Taiwan is reverting to a transit/transshipment point for drugs bound for the U.S. Taiwan Customs and counternarcotics agencies work closely with their U.S. Drug Enforcement Administration (DEA) counterparts, guided by the Mutual Legal Assistance Agreement (MLAA) between the American Institute of Taiwan (AIT) and the Taipei Economic and Cultural Representative Office (TECRO) in the U.S. Taiwan Customs and counternarcotics agencies also work closely with their U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE) counterparts, guided by the Customs Mutual Assistance Agreement (CMAA) as signed by AIT and TECRO in 2001; and by the aforementioned MLAA.

Taiwan is not a member of the UN and therefore cannot be a party to the 1988 UN Drug Convention. Nevertheless, the Taiwan authorities have in place legislation consistent with the goals and objectives of this Convention.

## II. Status of Taiwan

Taiwan's role as a major transit/transshipment point for narcotics has diminished due to law enforcement efforts and the availability of alternate routes within the southern part of the People's Republic of China (PRC). Taiwan authorities continue to strengthen counternarcotics efforts with enhanced airport interdiction, thorough coast guard and customs inspections, surveillance, and other investigative methods. Some drugs, however, continue to transit Taiwan en route to Japan and the international market. The PRC, the Philippines, Thailand, and Burma remain the primary sources of drugs smuggled into Taiwan. In 2009, Taiwan law enforcement and customs agencies continued to seize drug shipments originating from Thailand and Burma and identified heroin shipments seized in Thailand which were destined for the Taiwan market.

## III. Actions Against Drugs in 2009

**Policy Initiatives.** Taiwan's Legislative Yuan (LY) failed to enact any new counternarcotics legislation in 2009 due to protracted infighting between the two major political blocs in the LY. Legislation that would permit the use of confidential sources of information and enable undercover operations was not enacted during 2009; however, a continued effort is being made to encourage the LY to implement such legislation.

**Law Enforcement Efforts.** In the absence of a single focused drug enforcement agency like the U.S. DEA, the Ministry of Justice continues to lead Taiwan's counternarcotics efforts with respect to manpower, budgetary, and legislative responsibilities. The Ministry of Justice Investigation Bureau (MJIB), the National Police Administration/Criminal Investigation Bureau (NPA/CIB), Coast Guard Administration, and Customs all contributed to counternarcotics efforts in 2009. MJIB, NPA/CIB, and the Coast Guard Administration continue to cooperate on joint investigations and freely share information with their DEA, CBP, and ICE counterparts. During 2009, Taiwan law enforcement authorities exchanged intelligence information with DEA, CBP, ICE, and other foreign law enforcement agencies within the Asia Region.

In 2007 Taiwan law enforcement authorities seized 137.7 kilograms of Heroin, 17.9 kilograms of MDMA, 22.3 kilograms of Marijuana, 124.3 kilograms of Amphetamines, and 412 kilograms of Ephedrine. In 2008 Taiwan law enforcement authorities seized 130.5 kilograms of Heroin, 0.9 kilograms

of MDMA, 13.2 kilograms of Marijuana, 28.4 kilograms of Amphetamines, and 66.4 kilograms of Ephedrine.

**Corruption.** There is no indication that the Taiwan authorities, as a matter of policy, either encourage or facilitate the illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, nor launder proceeds from illegal drug transactions. No cases of official involvement in narcotics trafficking or the laundering of proceeds from illicit drug transactions were reported in 2009.

**Agreements.** In 1992, AIT and its counterpart, TECRO, signed a Memorandum of Understanding on Counternarcotics Cooperation in Criminal Prosecutions. In 2001, AIT and TECRO signed a Customs Mutual Assistance Agreement (CMAA). In March 2002, the AIT-TECRO MLAA entered into force and remains the primary avenue for cooperation.

**Drug Flow/Transit.** Thailand and Burma remain the principal sources for heroin coming into Taiwan. The PRC, Philippines, and Malaysia are seen as transit points for methamphetamine and synthetic drugs, such as Ketamine and MDMA, destined for Taiwan. India has emerged as a source for diverted Ketamine which is smuggled into Taiwan and other international markets. Taiwan's domestic clandestine laboratories continue to provide a majority of the methamphetamine consumed in Taiwan. In 2009, Taiwan seized Ketamine coming from India, Europe, and the PRC and observed an increase in illicit domestic Ketamine production. Couriers arriving at Taiwan's international airports, as well as fishing boats and cargo containers at Taiwan seaports, remain the primary means of smuggling drugs into Taiwan.

Most of the drugs smuggled into Taiwan appear to be for local consumption; the remainder is intended for further distribution to international markets, especially Japan. In 2009, Taiwan has seen an increase in domestically-produced methamphetamine and a decrease in methamphetamine that was formerly imported from the PRC.

**Domestic Programs/Demand Reduction.** The Ministry of Education and the Taiwan National Health Administration continue to forge partnerships with various civic and religious groups to raise awareness about the dangers of drug use and educate the public about the availability of treatment programs.

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

**Policy Initiatives.** Working with the local authorities to prevent Taiwan from reverting to its earlier status as a major transit/transshipment point for U.S.-bound narcotics remains the primary goal of U.S. counternarcotics policy. Counternarcotics training and institution building have proven to be the cornerstones of this policy. In 2009, the DEA, along with its Office of International Training, sponsored a one week training seminar on Clandestine Laboratory Investigations which was attended by representatives of the MJIB, NPA/CIB, Taiwan Ministry of Finance Customs Authority, and the Taiwan Coast Guard Authority. Also in 2009, ICE and CBP provided a four day workshop on Bulk Cash Smuggling. The workshop was coordinated and hosted by the Taiwan Ministry of Customs and was attended by representatives from Taiwan Customs, MJIB, NPA/CIB, and the Taiwan Coast Guard Authority. This workshop enabled ICE and CBP to share best practices on the interdiction and investigation of bulk cash smuggling, fuel for all criminal activities. This workshop also provided ICE and CBP the opportunity to learn about Bulk Cash Smuggling laws, regulations, and processes in Taiwan.

Taiwan law enforcement and Customs agencies enjoy a close working relationship with the DEA, AIT's Regional Security Office, and CBP and ICE. Agents from MJIB, NPA/CIB, and the Coast Guard Administration all participated in joint investigations and shared intelligence with their DEA counterparts in 2009, resulting in several significant drug seizures and arrests in Taiwan and throughout the Pacific region. In addition, the Coast Guard Administration and Taiwan Customs shared information with their counterparts in ICE. The U.S. Coast Guard trained Taiwanese officers by presenting the Maritime Law Enforcement Boarding Officer Course in Taiwan.

**Road Ahead.** AIT, DEA , CBP, and ICE anticipate building upon, and enhancing, what is already an excellent working relationship with Taiwan's counternarcotics agencies. Taiwan counterparts continue to pursue an island-wide forensic clandestine laboratory response capability. In the coming year, the DEA is already planning a Basic Drug Investigations Workshop, a Chemical Control Seminar, and a Precursor Chemical and Clandestine Laboratory Seminar. This training will strengthen the investigative abilities of Taiwan's law enforcement agencies while, at the same time, promoting continued cooperation and information exchange in the counternarcotics effort. CBP, DEA, and ICE are also planning a joint seminar on drug interdiction/investigation and precursor chemical smuggling that will be provided to Taiwan Custom authorities. More intelligence exchange and jointly conducted investigations are anticipated for 2010. DEA will also continue to urge Taiwan law enforcement to provide the DEA Drug Signature program samples of drugs seized in Taiwan.

# Tajikistan

## I. Summary

Other than geographically limited and small-scale marijuana cultivation, Tajikistan is not a producer of illicit narcotics. It is a major transit country. Significant amounts of opium/heroin are trafficked north from the 1344-km Tajik-Afghan border along the established land-based routes and then onward through Central Asia to Russia. There is some evidence of trafficking in Afghan opiates to and through China, but the United Nations Office on Drugs and Crime (UNODC) in Dushanbe reports that the vast bulk of Afghan opiates transiting Tajikistan are consumed within the Russian Federation. The Tajik Drug Control Agency is operating an INL-funded Drug Liaison Office in Taloqan, northern Afghanistan, which has been instrumental in several significant drug seizures. Internally, Tajikistan's law enforcement and security services coordinate some investigative and enforcement activities with each other, but the coordination is inconsistent and of undetermined effectiveness.

The Government of Tajikistan implements counternarcotics activities. In the past, Tajikistan's seizures of Afghan opiates have exceeded all other Central Asian states combined. In the first nine months of 2009, Tajikistan's seizures remained high, compared to its Central Asian neighbors, but the amount decreased compared to the previous year's results. Tajik law enforcement makes arrests and seizures in mid- to low-level cases and Tajik cities are generally free of drug-related street crimes. The Tajik enforcement authorities, however, apparently are unwilling or unable to target and prosecute major traffickers. Tajikistan is a party to the 1988 United Nations Drug Convention.

## II. Status of the Country

Geography and economics make Tajikistan an attractive transit route for illegal narcotics. The Pyanj River, which becomes the Amu Darya after joining with the Vakhsh, forms most of Tajikistan's 1344 km border with Afghanistan. It is thinly guarded and difficult to patrol. Traffickers can easily cross the border at numerous points without inspection.

Tajikistan's legitimate economic opportunities are limited. The recent economic and financial crisis has hit Tajikistan hard. Before the crisis, about one million Tajiks worked outside Tajikistan, many in construction in Russia. Since the crisis, some have returned home and are largely jobless. Remittances have fallen 34 percent from 2008 levels.

Even in normal economic times, Tajikistan's economic growth possibilities are limited by aging infrastructure and power shortages and complicated by the fact that its major export routes transit neighboring Uzbekistan, an unfriendly and uncooperative neighbor. The U.S.-built bridge at Nijniy Pyanj provides a new route for trade through Afghanistan, but the level of legitimate commerce so far generated does not contribute significantly to Tajikistan's economy.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The government has made significant legal reforms, but for the most part these reforms are not directly related to narcotics trafficking. On December 3, Tajik President Emomali Rahmon signed into law a new Criminal Procedure Code. The new Criminal Procedure Code contains significant changes designed to improve the fairness, and effectiveness of the criminal justice system. It will transfer the power of issuing arrest, search and wiretapping warrants from prosecutors to the judiciary. If the President signs the law as expected, the Criminal Procedure Code will take effect April 1, 2010.

The first Tajik Ombudsman was appointed by President Rahmon in May 2009. The Ombudsman is charged with conducting an independent review of claims against government officials and agencies. The Ombudsman personally is a well regarded official who enjoys close contacts with the President. His ability to address systemic issues has not yet been tested. The institution will be comprised of political-economical, socioeconomic-cultural and administrative departments and will employ 17 specialists and 15 administrative staff. The Tajik Government provided the Ombudsman with a building in good condition and allocated about $80,000 for its 2009 operations.

President Rahmon established a National Legislative Center in March of 2009. The goal of the Center is to eliminate contradictions in laws, improve the quality of new laws, and bring Tajik legislation into compliance with international treaties signed by Tajikistan. President Rahmon appointed Mahmad Zabirovich Rahimov, Member of Parliament, as the Director of the National Legislative Center. During the Soviet era, Mr. Rahimov was the Head of the Department of Commercial Law at the National University. INL Dushanbe has developed a Justice Sector project to assist training lawyers who will work in the Center.

**Law Enforcement Efforts.** In the first nine months of this year, the DCA seized over 744 kilos of illicit drugs. The DCA participated in four joint operations with the Border Guards. These operations were successful in seizing 76 kilos of illicit narcotics, to include eleven kilos of heroin, twelve kilos of raw opium and 53 kilos of cannabis. The DCA instituted 110 criminal proceedings.

The Border Guards are the first line of defense against contraband trafficking along the Tajik-Afghan border. They seized 897 kilos of drugs during the first nine months of 2009, which is a 10.4 percent decrease over the same period of last year. They destroyed over a million wild hemp plants. In the first nine months of 2009, the border guards have registered 199 illegal border crossings, and have arrested 7 drug dealers, including leaders of large transnational drug groups. Also, the border guards detained 831 persons presenting fraudulent travel documents, and recovered 46 firearms, including 26 submachine guns, 13 carbines, 1 machine–gun, and more than 1600 rounds of ammunition.

**Corruption.** Corruption is endemic. Salaries of civil servants, including law enforcement officers, are abysmally low. Under these circumstances, many civil servants look to increase income by charging for services that should be free, or accepting or demanding money to overlook violations of the law. Although there are institutions to investigate corruption, there are no measures in place to change the conditions that give rise to corruption. Tajikistan does not, as a matter of official government policy, 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.

Over the first nine months of 2009, the State Financial Control and Anti Corruption Agency conducted 892 inspections at state-run economic entities and other federally funded organizations. Overall, 666 officials and managers have been implicated in wrongdoing, and disciplinary and administrative actions have been imposed upon them, including 28 dismissals. Additionally, inspections of the activities of 69 private companies revealed tax evasion cases, totaling more than 11.8 million Somoni.

**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.

**Cultivation/Production.** In a recent address to the donor community, DCA Head General Rustam Nazarov stated that small-scale marijuana cultivation was taking place in the Khatlon region of Tajikistan. However, this problem is insignificant when compared to the opiates flowing north from Afghanistan.

**Drug Flow/Transit.** The latest UNODC estimates indicate that about fifty tons of narcotics are smuggled into—and out of—Tajikistan each year. Domestic production is small, and domestic use is insignificant

compared to the transit volume. Most smuggled narcotics continue on through Central Asia and into Russia, where they are consumed.

The quantity of Afghan opiates crossing into Tajikistan, transiting through the mountainous Gorno-Badakhshan Autonomous Region (GBAO) and entering western China remains undetermined. DCA officials in Khorogh claim that the Mobile Patrols in the area are deterring large scale smuggling. Lack of verifiable intelligence and actual seizures in that region make it difficult to assess the extent of this problem. Reports from China do indicate growing drug problem in the Xinjiang Region.

The amount of precursor chemicals used in Afghan heroin production coming from both western China to Afghanistan and via rail from the Russian Federation is unknown. While the U.S. and other donors assist Tajik authorities in addressing both of these precursor routes, successful interdiction has been very minimal. Existing trade agreements allow sealed rail containers to move uninspected from Russia to Afghanistan. Since there had been no precursor seizures it is difficult to determine the exact extent of the problem, but drug refining and production in Afghanistan continue unabated indicating that the necessary chemicals are reaching criminals in Afghanistan by some route. The GBAO region is of particular concern due to the minimal police presence in the region and deficient customs inspections at the Kulma pass. DCA Mobile Interdiction Teams are not set up to inspect cargo trucks for mismarked/illegal cargo, particularly since narcotics sniffing dogs are not trained to detect precursor chemicals. Ultimately, Tajik customs officials are going to be the key to obtaining seizures of precursors.

**Domestic Programs/Demand Reduction.** The U.S. Embassy conducts drug demand reduction projects to complement other U.S. counternarcotics initiatives. The projects target high school students to promote a healthy and drug-free lifestyle and are popular and well received. In October 2009 the U.S. Embassy International Narcotics and Law Enforcement Office jointly with the Bodybuilding and Fitness Federation of Tajikistan organized the Body Building Championship dedicated to drug demand reduction and promoting a healthy lifestyle among young people in Tajikistan.

The Drug Control Agency continued to expand and develop initiatives to increase drug awareness, primarily among school children. In June 2009 the Drug Control Agency held drug demand reduction events in five summer camps in the Varzob district. The DCA also held similar events in all regions of the country.

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

**Bilateral Cooperation.** On May 5, 2009, the U.S. Embassy signed an Amendment to the Letter of Agreement on cooperation on narcotics control and law enforcement issues dated January 27, 2003. This amendment provides $9,426,000 in additional assistance for narcotics control, law enforcement, and justice sector reform. With this assistance, the International Narcotics and Law Enforcement program has provided more than $37 million in assistance to support Tajikistan's security, rule of law and counternarcotics efforts since 1992.

The U.S. Embassy INL Office in Dushanbe signed a co-financing agreement for $1,600,000 with the Asian Development Bank for the reconstruction of the Kulma and Kizil-Art border crossing posts. This reconstruction will provide better living and working conditions to the Border Guards, Customs Service and other agencies working at these posts. This is expected to lead to improved border control. This joint project funds the construction of better facilities than either the United States or the Bank could fund separately.

The bilateral relationship between the U.S. and Tajikistan in counternarcotics and law enforcement is sound but the U.S. government continues to press for more direct operational and investigative cooperation. Cooperation in justice sector reform is continuing and has led to progress in prosecutorial development and international law projects.

The International Narcotics and Law Enforcement Office in the U.S. Embassy in Tajikistan is headed by a full-time International Narcotics and Law Enforcement officer. In supporting the many programs directly implemented by INL, the U.S. Embassy funds the UNODC as an implementer in supporting the Drug Control Agency; the International Organization for Migration for implementation of Trafficking in Persons programs; the American Bar Association to implement rule of law programs; and local non-governmental organizations for implementation of justice programs. The INL section also implements programs directly.

The INL Office provides financial support to the Drug Control Agency Mobile Team in GBAO. The INL staff will provide technical advice and will monitor the implementation of the project. The goal of the project is to expand professional, technical and infrastructure capacity of the DCA to detect, investigate, interdict and report on the illegal movement of narcotics, including pre-cursor chemicals, in the GBAO region of Tajikistan.

Effective narcotics interdiction requires cross-border cooperation and information sharing. Since 2007, the Drug Control Agency implemented an INL–funded pilot project with the U.S. Drug Enforcement Administration (DEA) to create an office in the Taloqan, northern Afghanistan. The DEA Dushanbe Office is responsible for providing operational support in reference to monitoring/ supervising operational case development, and confidential source recruitment and management. UNODC, the implementing agency, provides support to the Taloqan office for administrative managements like payment of salaries, building operating expenses, provision of equipment, vehicle expenses, and provision of expert training in intelligence-led policing. INL staff will provide technical advice and will monitor the implementation of the project.

The U.S. Embassy's Border and Law Enforcement Working Group (BLEWG) coordinates all USG assistance on counternarcotics and border assistance. Donor countries and organizations coordinate assistance through the monthly meeting of the Border International Group (BIG). The U.S. is renovating the Ministry of Internal Affairs Academy, and an embedded U.S. advisor, a retired NYPD officer, provides information and assistance concerning curriculum development and teaching methodology.

The U.S. Embassy created the biweekly Development Assistance Working Group (DAWG), which addresses all aspects of USG assistance in Tajikistan not covered by the BLEWG. As a major implementer of USG assistance programs INL is a member of the DAWG.

**Road Ahead.** The U.S. Embassy INL Office works to improve the justice sector to ensure individuals who commit crimes are prosecuted and convicted in a manner consistent with international human rights standards; provide access to justice for the poor, underserved, and disadvantaged; support the development and unification of the defense bar; combat extremism in the legal training of religious leaders; improve the criminal code and its implementation; combat crimes of trafficking, money laundering and corruption; and strive to reduce illegal drug demand.

INL closely coordinates its programs within the Embassy, the Government of Tajikistan, and the international community including the European Union, the United Nations, and the Organization for Security and Cooperation in Europe. The long-term elements include building and renovating border posts along the Afghan border; installing communications and counternarcotics interdiction equipment; and improving the infrastructure, curricula, and methodology of the law enforcement training academies.

Program sustainability is an overarching concern and consideration. USG assistance in Tajikistan cannot be seen as open ended. However, it is unlikely that the Government of Tajikistan will take on the costs of sustaining follow-on to INL programs in the near future. Upcoming assistance projects proposals must be developed with this fact in mind.

# Tanzania

## I. Summary

Tanzania is located along drug trafficking routes linking Latin America, the Middle East, Asia, Africa, Europe, and, to a lesser extent, the United States. Drugs like cocaine, heroin, khat, and Mandrax, as well as raw opium pass through Tanzania's porous borders. In addition, the domestic production of cannabis is a significant problem, with active cultivation as well as wild growth in many regions. While domestic use of cannabis has plateaued, heroin and cocaine use continues to increase, particularly among the young, in affluent neighborhoods, and around tourist areas, like Zanzibar. While the Government of Tanzania is working to build the capacity of its law enforcement and health institutions to combat drug trafficking and abuse, the government is constrained by the lack of financial as well as human capital. Within the law enforcement sector, corruption continues to erode the efficacy of existing counternarcotics efforts. Tanzania is a party to the 1988 UN Drug Convention.

## II. Status of Country

Tanzania's porous borders are a problem. They offer numerous possible points of entry to drug traffickers through poorly controlled land borders and by way of a 1424-kilometer coastline. Drugs are believed to enter Tanzania by air, sea, roads, and rail. Major points of entry include airports in Dar es Salaam, Zanzibar and Kilimanjaro, seaports at Dar es Salaam and Zanzibar, and smaller ocean and lake ports like Tanga, Mtwara, Mwanza, and Bagamoyo. Traffickers reportedly conduct a significant amount of narcotics smuggling offshore via dhows and small boats that avoid ports. Tanzanians are sometimes used as "drug mules" by organized trafficking groups. During 2009, Tanzanians were arrested for drug trafficking elsewhere in East Africa.

Domestic use of narcotics appears to be on the rise, although cannabis use appears to have stabilized. Because cocaine and heroin are not as affordable as cannabis or khat, they are used in smaller quantities and primarily within affluent urban areas. However, the growth of the tourism industry, particularly on Zanzibar and near Arusha, as well as increasing affluence in Tanzania's larger cities and towns, have increased demand for these more expensive narcotics.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Efforts to amend the Anti-Drugs Control Commission Act of 1995, which were designed to strengthen the Drug Control Commission (DCC) and increase the penalty for drug trafficking, failed in 2007. Currently, magistrates typically impose fines on offenders. Prosecutors rarely seek prison sentences. The law stipulates that convicted drug traffickers be fined three times the market value of the drugs with which they are caught, but not less than Tsh 10 million (approximately $7700).

According to the DCC, the government drafted a national drug control policy during the year. This policy is currently under review by various government stakeholders.

In 2008, the DCC formed a task force, which includes representation from the DCC, Police Service, Customs, and Immigration. This body facilitates interagency collaboration on narcotics issues, operating at the national, regional, and district levels to maximize the benefits of collaboration between law enforcement agencies. Task force activities are funded from the DCC's $700,000 budget.

On Zanzibar, the proposed Illicit Drugs Bill was passed by the Zanzibar House of Representatives on October 23, 2009. This bill enhances the powers of police officers to search and seize narcotics, while also allowing for "controlled delivery" of narcotic shipments to persons suspected of involvement in transporting illegal narcotics. In addition, the bill provides for the formation of a narcotics secretariat and

a counternarcotics commission to coordinate counternarcotics efforts. The new bill is currently awaiting the Zanzibar president's signature.

**Law Enforcement Efforts.** Tanzania has three counternarcotics police teams, located in Dar es Salaam, Zanzibar, and Moshi. The Anti-Narcotics Unit (ANU) has roughly 150 officers nationwide, with 50 in the capital city. Law enforcement efforts are increasingly successful at arresting small-scale smugglers and "drug mules." This increase reflects the ANU's efforts to sensitize community members about drug issues and earn their confidence by demonstrating the government's commitment to combat drug trafficking. Narcotics interdictions generally result from tip-offs from informants. Further, law enforcement officials have successfully built international relationships which allow for information sharing regarding the movement of narcotics from one country to another. Officers from the National Park Service have broad powers to search and seize, WHICH IS helpful in suppressing marijuana cultivation

Law enforcement, however, has been less successful at apprehending "kingpins" of narcotics activities. There are suspicions that "kingpins" may be able to infiltrate investigations and elude capture. Low salaries for law enforcement personnel in some cases encourage corrupt behavior. However, the police have put in place a system of incentives to reward police for their efforts to arrest drug offenders, which they hope will help reduce corruption.

While Tanzanian narcotics officials acknowledge their efforts are hampered by a lack of resources, such as modern patrol boats, they have used community outreach and interagency coordination to help mitigate the impact of such resource shortages. Nevertheless, while capability for land interdiction at established borders is reasonable, marine interdiction remains a problem. Furthermore, Tanzanian officers and police staff are not able to effectively implement profiling techniques to seize larger amounts of narcotics.

Formal cooperation between counternarcotics police in Kenya, Uganda, Burundi, Rwanda and Tanzania is well established. This cooperation has resulted in significant increases in effectiveness in each nation's narcotics control efforts. Tanzania also cooperates with countries from the Southern African Development Community, including Zambia and South Africa. Tanzanian officers attended various international training events held in Botswana, Japan, and Russia. During the year, the DCC coordinated training and encouraged working relationships between law enforcement in various neighboring countries. The DCC provided drug test kits to officials along the Malawian and Zambian borders with Tanzania to assist with the identification of illegal narcotics.

Between January and October 2009, police arrested approximately 4,000 individuals for drug possession, of which 112 arrests were related to heroin, 107 related to cocaine, 363 related to khat, and over 3,000 related to cannabis. Roughly 15 people were arrested for possession of Mandrax-methaqualone. To date in 2009, police seized over 45,000 kilograms of drugs. More than 70 percent of this total was cannabis. Police seized 32 metric tons of cannabis, eight kilograms of heroin, and 4 kilograms of cocaine. There were no convictions for drug trafficking in Zanzibar during the year; however, by June there were 123 cases pending in the Zanzibar High Court.

**Corruption.** The Government of Tanzania does not, as a matter of government policy, encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs; however, corruption continued to be a serious concern within the Tanzanian police force. It is widely believed that corrupt police officials at ports facilitate the transshipment of narcotics through Tanzania. There is no specific provision of the anticorruption laws regarding narcotics-related corruption cases.

Many believe that corruption in the courts often leads to case dismissals or light sentencing of convicted narcotics offenders. Some prosecutors have complained that they suspect many arrested suspects plead "not guilty" until the magistrate hearing the case can be bribed. Once confident of the magistrate's complicity, the suspects change their plea to guilty, thereby forgoing a lengthy trial process, and the magistrate issues a judgment of only a minor fine.

**Agreements and Treaties.** Tanzania 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. Tanzania is also a party to the UN Convention against Corruption, as well as the UN Convention against Transnational Organized Crime and its three protocols. The 1931 U.S.-U.K. Extradition Treaty is applicable to Tanzania.

**Cultivation and Production.** Traditional cultivation of cannabis takes place in remote parts of the country, mainly for domestic use. Although cannabis is produced in almost all regions, DCC and ANU officials identified the following regions as the primary production areas for cannabis: Morogoro, Iringa, Tabora, Mara, Arusha, Rukwa, Rumuva, and Tanga. During the year, production spread to Lindi and Mtwara due to increased demand from Mozambique. In conjunction with the seizure of 357 kilograms of cannabis in the Tarime district of the Mara region, police destroyed 50 acres of cannabis in 2009. In total, police destroyed seventy acres of cannabis during the year. No figures on total production exist. However, the DCC plans to conduct research to determine the extent of cannabis cultivation. Khat is also grown locally, primarily in Arusha and Tanga. However, most of the khat found in Tanzania is smuggled in from Kenya, where it is legal to produce.

**Drug Flow/Transit.** Due to its location, porous borders, and weakly controlled seaports and airports, Tanzania has become a transit country for narcotics moving in sub-Saharan Africa. Traffickers from landlocked countries of Southern Africa, including Zambia and Malawi, and island nations, like Comoros, use Tanzania for transit. Control at the ports, especially on Zanzibar, is difficult. Internal waterways, such as Lake Victoria, also provide convenient transit routes for drug smugglers. While controls at established ports of entry on the mainland are effective, traffickers often cross the border at points without established posts. There were reports of “rampant” drug smuggling from neighboring countries through uncontrolled areas near the Kasumulu and Tunduma border posts with Malawi and Zambia respectively. Traffickers using forged documents and various methods of concealment face poor controls and untrained and corrupt officials. Smugglers often travel via South Africa to obtain fraudulent documents which are used to hide travel to the Middle East and South America. In an effort to elude drug sniffing dogs, drugs are often concealed with local goods such as tea and coffee or swallowed by drug traffickers.

According to the Anti-Narcotics Unit, heroin entering Tanzania from Afghanistan, Iran, and Pakistan via Dubai and other locations, often by boat, is smuggled to China and Europe in small quantities. Cocaine enters Tanzania from Brazil, Colombia, Peru, Venezuela, and Curacao in transit to South Africa, Europe, Australia and North America. The port of Dar es Salaam is also a point of entry for Mandrax from India, Nepal, and Kenya headed toward South Africa. Tanzanians continue to be recruited as “drug mules” for trafficking.

In Zanzibar, enforcement officials said that local smugglers usually travel to Dubai where they are given drugs by contacts coming from Brazil. These smugglers then transport the drugs to China via Nairobi, returning with goods to sell on the local market.

While the traffickers are primarily from Tanzania, particularly the Tanga region, foreign nationals have also been arrested for drug trafficking in Tanzania. In August, a Kenyan woman was arrested with three kilograms of heroin en route to South Africa; and in Zanzibar, an Italian national is currently under investigation for possession of illegal narcotics.

**Domestic Programs/Demand Reduction.** Cannabis is the most commonly used narcotic. Although its use has not declined, it has begun to stabilize. Local use of Mandrax is limited. Since the introduction of powdered heroin in 2000, use of this drug has increased. Intravenous drug use is more common in Zanzibar than on the mainland. With direct flights connecting South America and Africa, cocaine use has also increased in recent years, particularly among youth and tourists.

Through community outreach activities, the police have been involved in efforts to educate the public about the dangers of narcotics. In 2009, DCC launched a drug awareness campaign, participating in state

sponsored trade fairs, national celebrations, and youth-centered events to create greater awareness about drug trafficking. In Zanzibar, narcotics officials worked with the Department of Substance Abuse Prevention and Rehabilitation of the Zanzibar Ministry of Health, conducting seminars for local leaders, media outlets, and the public on the importance of providing the police with information. On October 25, the Anti Narcotics Squad of Zanzibar aired a television program on narcotics as part of its media outreach program.

The DCC, under the Prime Minister's Office, oversees treatment and prevention activities, coordinating with NGOs and other medical facilities. It managed a small demand reduction program, which included training courses for nurses, counselors, and teachers in urban centers across the country. Limited government resources existed for specialized care for drug addiction and rehabilitation. Most treatment is provided at the local level by NGOs or at community health facilities. However, these organizations lack trained personnel to identify, assess, and assist drug addicts, particularly those in need of psycho-social interventions. Because resources are stretched so thin, quality of care is an issue and relapse is common among drug users. Although Tanzania has adopted the UNODC guidelines on treatment, these have not been disseminated to local NGOs.

During the year, DCC's Technical Working Group developed three manuals for service provision, including a guide for the management of drugs at primary health care centers, an outreach service guide, and a strategic framework for the prevention of HIV among IV drug users. The DCC received a grant from the UNODC and WHO to support training activities in Dar es Salaam and Zanzibar.

Any required in-patient care was typically provided by psychiatric hospitals. Drug addicts were often hesitant to seek in-patient treatment due to the stigma associated with psychiatric facilities. There are six psychiatric units in the country, 20 trained psychiatrists, and fewer than five psychologists.

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

**Bilateral Cooperation.** U.S. policy initiatives and programs for addressing narcotics problems in Tanzania are focused on training workshops and seminars for law enforcement officials. During the year, Tanzanian officers participated in a USG sponsored workshop on investigation techniques, held in Tanzania. The Department of State also sent officers from the Tanzania National Police to the International Law Enforcement Academy (ILEA) in Gaborone, Botswana for training.

**The Road Ahead.** According to police, fighting corruption will be a priority in 2010 in order to improve the efficacy of counternarcotics efforts. In addition, DCC will seek approval of the national drug control policy and step up cannabis eradication efforts by promoting alternative crop production. Finally, DCC hopes to establish a methadone treatment program in Tanzania as well as a national drug precursor monitoring program. U.S.-Tanzanian cooperation will continue, with a focus on improving Tanzania's capacity to enforce its counternarcotics laws.

# Thailand

## I. Summary

Thailand does not have significant levels of drug cultivation or production, but is a transshipment point and a net importer of drugs. The trade in, and use of illicit drugs remains a serious problem. The primary drugs of concern are amphetamine type stimulants (ATS), whose abuse is less widespread than a few years ago due to improved enforcement and public education, but ATS is still readily available across the country. "Club drugs" such as Ecstasy and cocaine are mainly used by some affluent Thai and foreign visitors.

Trafficking of illicit drugs through Thailand continues to pose an ongoing challenge to Thai law enforcement agencies. Drug smugglers have adjusted their routes in response to successful suppression efforts in certain targeted northern border areas in past years. Heroin and methamphetamine continue to move from Burma across Thailand's northern border for domestic consumption, as well as for export to regional and international markets. Additionally, traffickers move methamphetamine and some heroin from Burma through Laos and across the Mekong River into Thailand's northeastern border provinces.

Drug smugglers travel south through Laos into Cambodia where they enter Thailand across the Thai-Cambodian border. Drugs are also transported from Burma through Laos to Vietnam and Cambodia for regional export. Some opium and large quantities of marijuana are moved into and through Thailand from Laos, while smaller quantities are smuggled from Cambodia. Small amounts of marijuana are grown domestically as well. Marijuana and drugs in bulk quantity that are smuggled into southern Thailand are transported subsequently to Malaysia and other regional markets. Thailand is a party to the 1988 UN Drug Convention.

## II. Status of Country

There is no significant cultivation or production of opium, heroin, methamphetamine or other drugs in Thailand today, but various regional and international drug trafficking networks use Thailand as a transit point and sell drugs produced in Burma and elsewhere. Seizures of low-dosage methamphetamine tablets made from caffeine and methamphetamine—known locally as "yaa baa" or "crazy medicine"—remain far below the peak 2002 seizure total of 96 million tablets. As of late September 2009, the Thai Office of Narcotics Control Board (ONCB) reports that 14.4 million tablets of Yaa-baa were seized during the first eight months of the year. The ONCB reported that 20.5 million tablets were seized in 2008. "Ya-baa" remains Thailand's most-commonly abused illicit drug.

The emergence of crystal methamphetamine or "ice" production in the Shan State of Burma is an on-going serious concern to the Thai authorities, who believe that it poses a substantial threat owing to the drug's highly addictive properties. Its ready availability could lead to significantly increased domestic Thai consumption, with all the attendant social problems. Thailand has long been a net importer of opium. The small quantities of opium produced in Thailand cannot support even the modest continuing domestic needs of traditional opium-smoking ethnic tribal regions, still less any refining into heroin in commercial quantities. Small pockets of local opium cultivation do persist—shifting locations in response to periodic eradication campaigns by Thai authorities. Such planting is usually carried out by ethnic highland tribal peoples trying to supplement their meager incomes by selling locally, or to meet their own consumption needs.

The region's largest commercial-scale drug producer, the Burma-based United Wa State Army, publicly pledged to eliminate opium poppy cultivation by the end of 2005, and did appear to reduce poppy cultivation in the region they control. Opium cultivation was not entirely eliminated, and was accompanied by the emergence of very significant ATS pill production. In general, the long-term decline

in opium production over recent years, accomplished through improved law enforcement and crop reduction, has been offset by increasing production of methamphetamine tablet trafficking from Burma for sale in Thailand.

Thailand has a small domestic consumer market for Ecstasy and cocaine. Ecstasy arrives in Thailand from a variety of sources including Cambodia, Malaysia, Burma, Europe and Canada. The cocaine market in Thailand, like that for Ecstasy, is still primarily restricted to some affluent Thai and foreigners in large cities. Some of the cocaine that arrives in Thailand is for onward transit to other East Asian countries, such as China. While the cocaine market is still largely controlled by West African criminal organizations, South Americans have become involved in Thailand to a limited extent. They are more aggressively involved elsewhere in the region, and represent a new trend in international organized criminal activity.

Marijuana is sold and consumed widely in Thailand without much law enforcement attention, and a steady flow continues to transit Thailand. It is still used by some as a flavoring ingredient in curries and noodle soup. The use of Kratom (Mitragyna speciosa), a plant with addicting stimulant properties, found in southern Thai provinces, increased, as did marijuana use. In southern Thailand, the expanding use of Kratom is of concern to authorities, as chewing of the addictive leaf has become commonly accepted among many communities, which view it as an easy way to remain alert and ready for work. The ONCB reports that users also mix the Kratom plant leaves with cola drinks, cough syrup, or tranquilizers to form a narcotic-laced drink. Kratom is reportedly popular due to its low cost, difficulty of detection, and broad acceptance by village society.

Ketamine is used throughout Asia by people searching for a chemical “high” without the criminal penalties that pertain to other controlled substances. It is found in both liquid and powder forms. Most Ketamine used in Thailand is produced in India. A veterinary tranquilizer, it has hallucinogenic side effects and is sometimes used in the youthful party scene, because it is cheaper and considered less dangerous than Ecstasy.

Finally, there is significant abuse of inhalants, such as glue, that impoverished users turn to because they are readily available and cheap. Such inhalants are not usually controlled substances.

Treatment data reported by the Thai government and United Nations Office of Drugs and Crime indicates that “yaa baa” use remains widespread. Consumption rates and trafficking volumes of “yaa baa” remain less than before former Prime Minister Thaksin’s controversial drug war of 2003, with prices today about three times higher than what they were prior to the “drug war.” This is attributable to better interdiction than pertained formerly. Heroin and opium usage continued to decline in 2009 as well. Crystal methamphetamine, “ice” usage increased in 2009, continuing a trend since 2004, although usage remains relatively limited, perhaps as a result of the much higher cost of this drug in comparison to “yaa baa.”

Seizures of “ice” by Thai law enforcement agencies declined steadily between 2005 when 322 kilograms were seized and 2008 when 48 kilograms were seized. This trend has reversed in 2009, and ice seizures have risen again to approximately 89 kilograms seized in the first eight months of the year. “Ice” abuse in Thailand is mostly limited to entertainment districts in the larger cities. “Ice” is smoked in a fashion similar to crack cocaine and cost 3,000 baht ($88) per gram on the street. The “ice” that transits Thailand for regional markets usually goes to Malaysia, Indonesia, Singapore, the Philippines, Taiwan and Japan. In the past year, several Iranians have been arrested while attempting to smuggle “ice” into Bangkok’s Suvarnabhumi International Airport; Iranian smugglers also have been arrested in other neighboring Southeast Asian countries. It is not yet known if this trend reflects an attempt by Iranian smugglers to develop a new market within Southeast Asia, or if the “ice” was in transit to established markets in nearby locations such as Japan.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The uncertainties of the political situation in Thailand have not adversely affected the Thai Government's efforts to combat drugs. During 2008, the Royal Thai Government (RTG) launched a special operation entitled "Unity for Freedom from the Threat of Drugs," in an effort to reduce the numbers of drug traffickers and users by focusing on high-risk youth groups. Government officials, civic groups, local administrations, and interested private citizens were deployed to monitor the drug problem. Three general areas were monitored: Bangkok Metropolitan, the southern border provinces, and other border areas known to present special smuggling control problems. Some components of that program continued in 2009.

**Law Enforcement Efforts.** RTG efforts to interdict the trade and use of illicit drugs during 2008-09 included the following measures: a) stronger border control; b) using units of the civil service, police, and army to patrol, c) operation of check points to monitor high traffic areas; d) strengthening the counternarcotics educational capacities of local communities and schools through counternarcotics programs for youth; e) border Liaison Offices with Laos and Cambodia; f) using the new law on asset forfeiture and anti-money laundering against illicit drug traffickers; g) enhancing international assistance and operational cooperation; h) surveying the extent of cultivation and manual eradication of poppy cultivation areas; i) education and alternative livelihood support for northern hill-tribe villagers; and j) better statistical research and measurement of drug users, traffickers, and released prisoners. The Thai ONCB conducts year-round surveillance in upland areas of northern Thailand, where renewed opium poppy planting is most likely to occur. The Office coordinates at least one opium eradication campaign per year, carried out by Thai 3rd Army units that have become specialists in this activity. These campaigns are conducted with financial support from the U.S. Mission, through intelligence developed by the U.S. Drug Enforcement Agency's (DEA) Bangkok Country Office. The Thai Customs Department operates a suppression team at Suvarnabhumi Airport whose primary focus is narcotics suppression.

Thailand has no quiet, well-controlled borders, and the country's central location and vibrant economy make it a lodestone for narcotics. Thai counternarcotics air assets are insufficient to control the most narcotics-active land borders with Laos, Burma, and Cambodia, those areas being often remote and vegetation-covered. In recent years the Thai have stepped up efforts to coordinate with law enforcement entities in neighboring countries, even in times of border tension. The relationship with Laos has improved the most. Recent Thai efforts in border interdiction and law enforcement coordination include continued intense policing of the northern and northeast border areas. Improved cross-border operational communications along the Mekong River have been fostered by joint Lao-Thai river patrols, using U.S. Government-purchased small boats and other equipment. Lao and Thai border law enforcement authorities have more frequent contacts and meetings, as well as better communications tools than formerly, supporting operational cross-border communications. While still far from optimal, this is an order of magnitude better than the Mekong border situation only a decade ago.

Thai law enforcement authorities employ extensive field training and modern equipment to respond to the border trafficking threat. A wide assortment of counternarcotics tools, including confidential sources, undercover operations, controlled deliveries, and court-authorized wiretaps are used commonly in drug suppression and interdiction. Thai agencies also adjust their strategy and tactics to meet the changing threat from modern-day drug trafficking groups as the traffickers adapt and alter their own operations. When traffickers shifted their smuggling routes to Laos and Northeast Thailand, Thai authorities shifted enforcement capacity to those areas. A new USG-outfitted drug intelligence center in northeastern Thailand, constructed with the help of the Joint Interagency Task Force, JIATF-West, further bolsters counternarcotics coordinating and operational capabilities within the Royal Thai Police Narcotics Suppression Bureau network. Also with the assistance of JIATF-WEST the RTG has opened an Airport Interdiction Program facility in Chiang Mai which operates as a multi agency task force.

**Corruption.** As a matter of policy, the Thai Government does not permit, encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of drug proceeds, either by individuals or government agencies. No senior official of the Thai government is known to engage in, encourage, or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from drug transactions. However, as a matter of fact corruption is endemic in Thai society, even though in recent years it has graduated from a taboo topic to being frequently chronicled in press reports of high-profile court cases. Reports of official corruption are rarely drug-related, but drug-related corruption is very likely, given the volume and value of drugs consumed in and moving through Thailand.

**Agreements and Treaties.** Thailand is party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by its 1972 Protocol and the 1971 UN Convention on Psychotropic Substances. It has signed, but not ratified, the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its Protocols on Trafficking in Persons and Migrant Smuggling. Thailand is an active participant in the Colombo Plan and a participant in the AS EAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD) Organization. Thailand signed the ASEAN Treaty on Mutual Legal Assistance. The United States and Thailand have extradition and mutual legal assistance treaties in force and the Thai have been among the most cooperative USG partners in this area. During 2008, Thai authorities extradited two individuals to the United States on drug charges, but both were important as they were related to different high-priority targets of the Drug Enforcement Administration (DEA).

**Cultivation/Production.** There is no significant drug cultivation or production in Thailand. In every year since 1999, the annual United Nations survey has found that harvestable opium poppy cultivation in Thailand has been less than the 1,000 hectares (about 2,500 acres), which is the statutory definition for being a “major” source country for opium poppy cultivation. Today’s dwindling population of opium smokers in northern Thailand must now import their opium from neighboring countries. Small quantities of cannabis are cultivated in northeastern and southern Thailand for local consumption.

**Drug Flow/Transit.** Thailand is a transit country for heroin and methamphetamine entering the international marketplace, including the United States. Much of the heroin leaving Thailand is destined for regional consumption with small quantities transported and marketed in Taiwan, Australia, and other countries. Drugs are transported from Burma into northern Thailand via couriers, by small caravans along mountainous jungle trails. Heroin and methamphetamine also travel from Burma into Laos and across the Mekong River into Thailand, or are transshipped from Burma through Laos and into Cambodia. Drugs are transported directly to Bangkok and other distribution areas by motor vehicles. Some drugs continue southward to resort areas or to the southern provinces where they cross into Malaysia. Use of the Thai mail system also continues to be a common means for moving smaller units of drugs within and out of the country.

Burmese-based international drug trafficking organizations are believed to produce hundreds of millions of tablets of methamphetamine (“yaa baa”) each year. A substantial portion of this drug ends up in Thailand, where, despite recent enforcement successes, “yaa baa” remains the number one drug of abuse. Cocaine seizures in Thailand have decreased over the last few years: 18.7 kilograms were seized in 2007, 11.4 kilograms were seized in 2008, and only 4.6 kilograms have been seized in the first eight months of 2009. Most of the cocaine smuggled from South America into Thailand is used as a “club drug” by wealthy Thai abusers and foreigners, and is found most often in affluent private residences and entertainment places in Bangkok, as well as popular tourist destinations in the provinces. While the volume of cocaine seized is low, Thailand is part of the regional market for this drug. West African trafficking groups dominate cocaine smuggling into and out of Thailand.

Ecstasy trafficking is more common in Thailand, although high street prices limit the size of the market. Ecstasy typically is smuggled into Thailand via commercial air carriers from Europe; the drug also is

smuggled overland from Malaysia. Most Ketamine is believed to transit from neighboring countries, especially Malaysia and Singapore. It is also smuggled into Thailand across the Thai-Cambodian border.

Thailand-based enterprises continue to market steroids and other pharmaceuticals on a worldwide scale, much of which end up in markets where such products are illegal including the U.S. and Europe. During 2008, two Thai-based organizations that produced steroids in three countries, distributed them to multiple companies around the world and channeled or laundered much of their financial proceeds through Thailand were dismantled. The leaders of both organizations have either been extradited to the United States or are awaiting extradition.

Bangkok's Suvarnabhumi International Airport, which opened in 2006, is being used as a drug transit point for many types of drugs by a variety of drug smuggling organizations. During 2009, several Pakistani couriers were arrested transporting heroin. Additionally, several seizures of "ice" took place at the airport, including at least four cases involving Iranian couriers. Drug arrests occurred frequently at the airport during 2009.

**Domestic Programs/Demand Reduction.** Thailand carries out a comprehensive range of demand reduction programs, encompassing combinations of educational programs for the public and treatment for users. During the past four years, the Thai government has taken positive steps to substitute treatment programs for prison terms in instances where the user was apprehended in possession of quantities of drugs clearly intended only for personal use. A highly visible and effective drug awareness and demand reduction program known as "To Be Number One" continues under the patronage and active involvement of a senior member of the revered Royal Family. This and other drug education and awareness campaigns are conducted in cooperation with private organizations, NGOs, and public institutions, using radio, TV, and printed media.

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

**Bilateral Cooperation.** Thailand and the United States maintain an exemplary, long-standing partnership to combat drug trafficking and international crime. Thai-U.S. bilateral cooperation makes possible a broad range of investigations conducted jointly by Thai law enforcement agencies and DEA, as well as other U.S. law enforcement agencies. These programs build capacity in counternarcotics, as well as other law enforcement areas, and foster cooperation with third countries on a range of narcotics control and antitransnational crime activities.

The U.S. embassy's Transnational Crimes Affairs Section (TCAS, formerly known as the Narcotics Affairs Section), continues to add some regional responsibilities as funding allows. A new law enforcement capacity building program began in September 2008, with initial funding of one-half million U.S. dollars. The program, under a U.S. Department of Justice (ICITAP) Law Enforcement Policy Advisor, is housed in the TCAS Office in the Embassy. The program aims to improve Thai law enforcement competence and to instill broader respect for human rights in the law enforcement culture of the country. This entails institutional changes in the Royal Thai Police and other law enforcement agencies. A U.S. Department of Justice Resident Legal Advisor, likewise housed in TCAS, is working on complimentary changes in prosecutorial and judicial law, practices and procedures. TCAS also continues to assist the Royal Thai Police bilaterally to improve professional standards. The U.S. Department of Justice Attaché at Post also works closely with Thai authorities to facilitate extraditions and mutual legal assistance in narcotics and transnational crime matters.

The United States continues to provide capacity-building and operational support to Thailand under annual Letters of Agreement. Most visible among these activities is the continued operation of the jointly funded and managed Thai-U.S. International Law Enforcement Training Academy (ILEA) in Bangkok, which provides law enforcement operational and management skills training to government officials and police officers from 12 regional countries, plus Hong Kong. In addition to a full schedule of 2008-09

training programs for regional officials, ILEA also conducted a number of bilateral skills-building courses and seminars to benefit Thai law enforcement and government agencies. These programs included training by federal, state and local U.S. law enforcement professionals, purchases of non-lethal equipment and other commodities, and targeted 3rd-party funded training—all aimed at improving Thailand's capacity to combat the illicit drug trade and transnational and organized crime.

Thailand is one of 11 countries worldwide in which the DEA has established Sensitive Investigative Units (SIU). Thai SIU participants receive specialized training and undergo a rigorous vetting process in order to be selected for the program. This process assures a cadre of highly competent counterparts with whom DEA works closely to target drug trafficking organizations. Four SIU teams currently operate in Thailand, focused on the most important trafficking groups in the region.

**The Road Ahead.** The United States will continue supporting the Thai Government's efforts to interdict illicit drugs moving through Thailand and to the United States, as well as collaborating on a broad range of international crime control issues via material, legal, and technical support. The U.S. will continue working with Thai counterpart agencies to improve law enforcement skills, enhance police attitudes regarding human rights, build better criminal cases based on evidence, encourage the promulgation of laws and regulations more closely aligned with international standards, and develop more consistent adherence to rule of law principals as part of the fight against illicit drug trafficking and other transnational crime.

The U.S. will contribute to manual opium eradication programs and provide modest support to the alternative livelihood programs for upland populations that have been carried out in northern Thailand by Thai agencies under Royal patronage for three decades. The U.S. will contribute to justice sector reform at the request of Thai counterpart agencies, and use seconded U.S. Department of Justice personnel, American state and municipal law enforcement, as well as private sector organizations such as the American Bar Association to help achieve this goal. ILEA Bangkok will continue to offer a comprehensive program of regional law enforcement training and cooperation, and build Thai agency technical skills in order to enhance capacity to fight transnational crime and illicit drug trafficking.

# Togo

## I. Summary

Togo is not a significant producer of drugs; however it plays an increasingly important role in the regional transport of narcotics. During 2009 the drug trade (particularly in hard drugs like heroin and cocaine) continued to increase, and Togo is used more and more as a transit point for drugs moving towards Europe. Togo's capacity to address the transnational flow of drugs is undercut by its inability to control corruption and the country's extreme poverty, which are a result of a lack of resources, training, and long, porous borders. Togo is a party to the 1988 UN Drug Convention.

## II. Status of Country

Drug abuse by Togo's citizens is relatively rare, and there are few crimes resulting from drug use. There are three agencies responsible for drug law enforcement—the police, the gendarmerie, and customs. The only locally produced drug is cannabis, but it is grown in small quantities for individual consumption. Approximately one metric ton of cannabis is seized in Togo each year. Heroin and cocaine, while not produced in Togo, are also available. Heroin is smuggled from Afghanistan, while cocaine is transported from South America. Lome serves as a transit point for drugs on their way to Benin, Nigeria, Burkina Faso, Ghana, and Niger on overland routes and ultimately to Europe. In 2007, the Voice of America reported that approximately 60 percent of cocaine and heroin dealt in Europe pass in transit through West Africa; more recent estimates place that figure at 40 percent.

Togolese traffickers have developed distribution arrangements for drugs bound for Europe. According to police, most smugglers are long-term Lebanese residents or Nigerians, but police have also recently arrested a Colombian smuggling network in Lomé. There have also been reports stating that in addition to Colombian drug smuggling rings, Mexican rings are also involved in transporting drugs through West Africa en route to Europe.

The gendarmerie is also targeting the Togolese players. Togo's long and relatively porous borders permit narcotics traffickers easy access/egress. Current law enforcement activity in Togo suggests greater complicity of Government of Togo (GOT) entities in corruption to protect narcotics traffickers than was previously known. While in the past it was assumed that the largest quantities of drugs were trafficked through the Autonomous Port of Lome, it is now evident that the traffickers are using the Lomé international airport as well as remote airfields, and land borders for vehicular transport of narcotics.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Central Office Against Drugs and Money Laundering (OCRTIDB) is responsible for investigating and arresting all persons involved in drug-related crimes. The office has approximately forty-five police and gendarmerie officers assigned to conduct investigations and enforcement operations. Security agencies are supposed to report all drug-related matters to the Director of the Central Office of OCRTIDB. The Director of the Central Office, in turn, is directly responsible to the Minister of Security. The reality, however, is that the police and gendarmerie conduct their own investigations and enforcement operations, leading to poor accountability for seized contraband and money. The National Anti-Drug Committee (CNAD), which consists of representatives from various offices, including security, defense, commerce and finance, meets periodically to coordinate enforcement efforts. Togolese officials have reported that they have good working relations with Beninese authorities. This year the GOT created the Cellule Nationale de Traitement des Informations Financières (CENTIF) managed by the Ministry of Security to fight money laundering.

**Law Enforcement Efforts.** The number of drug-related arrests decreased in 2009. Only occasional spot checks are made of passengers at the airport. The Port of Lomé's cargo screening ability of 100 containers per day should aid the interdiction of drugs arriving by sea; however, many are skeptical of port authorities' willingness to use this tool aggressively. Arrests have been mainly at the land border crossings and in Lomé; the vast majority of trafficked drugs cross land borders. Arrests are sometimes made after a tip, but are most often made in the course of other routine law enforcement activities, such as traffic security or customs checks. The greatest obstacles that the GOT faces in apprehending drug traffickers are widespread official corruption, the government's lack of computer technology, communication and coordination problems, and mutual distrust among security agencies and interested ministries. While all agencies are required to report narcotics related crimes to the Central Office, in practice there is no effective reporting, record keeping, or cross-agency communication process. In 2009, the GOT, in cooperation with the USG, expelled two Colombian drug traffickers to the U.S. to face trial. The Drug Enforcement Administration (DEA) visited Togo in September to extend its appreciation for this cooperation in an award ceremony.

**Corruption.** The Anti-Corruption Commission made no drug-related arrests of government officials. Reports continue to circulate that unnamed officials in various GOT agencies can be bribed to allow illicit narcotics to transit to or through Togo, and a number of high government officials are believed to be actively involved in the drug trade. However, no officials have been arrested thus far, and it appears increasingly likely that Togo will miss a good opportunity to send a clear message to its public, its public officials, and to the drug trade organizations regarding its purported tough stance on narco-trafficking. As a matter of government policy, the GOT 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.

**Agreements and Treaties.** Togo is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and to the 1961 UN Single Convention, as amended by its 1972 Protocol. Togo is a party to the UN Corruption Convention and is also a party to the UN Convention against Transnational Organized Crime, and its protocol on Trafficking in Persons.

**Cultivation/Production.** The only drug cultivated in any significant quantity in Togo is cannabis, but even cannabis cultivation is limited. Cultivation is primarily for local demand, although some cross border distribution by small-scale dealers is suspected. Domestic use of cannabis has decreased from the previous year.

**Drug Flow/Transit.** There are sizable expatriate Nigerian and Lebanese populations involved in Togo's drug trade, and they arrange for drug transshipments from many places in the world, through Africa, and onward to final markets. Colombian drug trade organizations are also showing greater interest in Togo. Many observers of drug trafficking in West Africa believe that hard drugs like cocaine and heroin are "warehoused" in the region before being sent to final consumption markets, mostly in Europe.

**Domestic Programs/Demand Reduction.** The National Anti-Drug Committee has sponsored counternarcotics films and counternarcotics discussion groups. For the national counternarcotics day, June 26, the committee worked with civil society organizations to hold a week of counternarcotics activities, including awareness raising seminars, debates, a march against drugs, and, together with the OCRTIDB, a ceremony for the destruction of seized drugs In addition, the Minister of Security and Civil Protection conducted a counternarcotics conference in the second week of December last year, which included experts from the EU and UN. There are inadequate treatment arrangements in Togo, as few health officials are trained in drug treatment, and government-financed medical facilities are inadequate to the demand.

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

**Bilateral Cooperation.** The primary goal of U.S. counternarcotics policy in Togo is to help the GOT combat the international trafficking of drugs. The U.S. seeks to help the government improve its ability to investigate and prosecute Drug Trafficking Organizations, dismantling them if possible by targeting their leadership. In March, a drug enforcement delegation consisting of the Department of State, Department of Treasury, Department of Justice, and AFRICOM visited Togo to assess Togo's ability to fight drug trafficking and money laundering. The consequent report resulted in further USG plans to aid Togo. For example, the Department of Treasury provided funds for the training of CENTIF.

**The Road Ahead.** U.S. cooperation with Togolese counternarcotics officials continues. USG-funded narcotics assistance will be used in support of Togolese counternarcotics infrastructure improvements. With the support of the regional DEA representative based in Accra, the U.S. Embassy in Lome will continue to look for ways to provide counternarcotics trafficking training to Togolese law enforcement personnel. Togo's emerging willingness to confront the issue of illicit drugs is hampered by severe corruption problems among Togolese officials and the weak state of GOT finances, but results thus far show that progress is possible.

# Trinidad and Tobago

## I. Summary

Trinidad and Tobago is a transit country for illegal drugs from South America, principally from Colombia via Venezuela, to Europe and to a lesser extent the United States. The majority of narcotics are destined for other locations due to direct international flights to Europe and the ease of flow within the Caribbean and to Western Africa, and do not have a significant effect on the U.S. Trinidad and Tobago's petrochemical industry imports and exports chemicals that can be used for drug production and the Government of Trinidad and Tobago (GOTT) has instituted export controls to prevent their diversion. The GOTT continues to cooperate with the U.S. on counternarcotics issues and allocates significant resources of its own to the fight against illegal drugs through methods including the purchase of equipment to assist in border control. In 2009 the Government has increased regional patrols and solicited international assistance in combat the illegal drug trade. The GOTT is party to the 1988 UN Drug Convention.

## II. Status of Country

Trinidad and Tobago is located only seven miles off the coast of Venezuela at its closest point and is not only a convenient transshipment point for illicit drugs, primarily cocaine and marijuana, but also heroin. Increased law enforcement pressure in Colombia and Central America has led to greater amounts of illegal drugs transiting the Eastern Caribbean, but the narcotics transiting Trinidad and Tobago do not have a significant effect on the United States. Trinidad and Tobago has an advanced petrochemical sector that imports and exports chemicals easily diverted for the manufacturing of cocaine hydrochloride. In the past, precursor chemicals originating from Trinidad and Tobago have been found in illegal drug labs in Colombia. The GOTT tracks chemical shipments through Trinidad and Tobago, and has instituted export controls to prevent diversion to narcotics producers. The GOTT has yet to adopt court-authorized wiretap legislation to allow for the introduction of the contents of intercepted oral communication as evidence in court for specific crimes. The GOTT also lacks civil forfeiture legislation that would allow the government to seize funds and/or assets identified as proceeds of illegal activities and would allow the proceeds to be used to fund certain law enforcement activities.

Criminal gang activity is a major concern for GOTT officials and warrants the enactment of legislation authorizing prosecutors to charge any member of a criminal organization for illegal acts committed by another member if the act furthered or supported the criminal organization. The difficulty in advancing this legislative agenda stems, in part, from the GOTT's parliamentary process that requires a super-majority vote for matters that pertain to civil liberties. Other initiatives that would strengthen the counternarcotics/crime capabilities of the GOTT's law enforcement agencies include the establishment of a drug court to deal with drug offenses; strengthening border protection by automating inspection methods to include container scanning; providing additional training for officers to deal with counterfeit merchandise and copyright items and counterfeit money; establishing an internal affairs unit to combat internal fraud and bribery; and initiating more border patrols on the western side of the island.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009, the GOTT National Drug Council continued to implement counternarcotics policy initiatives, including elements of the country's counternarcotics master plan that address both supply and demand reduction. Acknowledging that Trinidad and Tobago is a significant drug transshipment location, the GOTT undertook initiatives to improve its capabilities against traffickers and to enhance regional cooperation. In August, the GOTT participated in the initial meeting for the Caribbean Basin Security Initiative and offered to assist the initiative by providing coordinated air and

maritime surveillance. The GOTT's Defense Force created an Operations Center which will coordinate with the Joint Interagency Task Force South (JIATF-S) to improve regional security. Additionally, GOTT is in the process of purchasing six patrol vessels and three offshore patrol vessels (OPV), as well as helicopters capable of landing on the OPVs to assist in drug interdiction and antismuggling operations. Legislation and rules enacted in October would give authorities greater ability to counternarcotics traffickers through new anti-money laundering provisions and by allowing authorities to pursue action against the proceeds of crime. The government also announced it is drafting an omnibus crime bill that would include strengthened counternarcotics provisions. In October, GOTT participated for the first time in the U.S. Southern Command (SOUTHCOM) initiative "Carib Venture," a multinational mission in the Southern Caribbean focused on stemming the flow of drugs in the region. Continued participation in multinational efforts would benefit GOTT's counternarcotics efforts.

**Accomplishments.** Joint operations with foreign law enforcement counterparts led to 94 drug trafficking arrests from January to September 2009, an increase of 43 suspects compared to the same period last year. Figures are incomplete due to a lack of reporting from all local law enforcement agencies, but the USG is assisting the GOTT with equipment and training to improve statistical reporting and case tracking. Based on local investigations and data collection, as of September 30, the GOTT had unofficially seized approximately 158 kilograms of cocaine, 11 grams of heroin and almost 2,092 kilograms of cannabis in various forms. The Trinidad and Tobago Coast Guard (TTCG), Organized Crime, Narcotics, Firearms Bureau (OCNFB), Counter Drug and Crime Task Force (CDCTF), Special Anti-Crime Unit of Trinidad and Tobago (SAUTT) and other specialized police/military units continued drug interdiction and eradication operations throughout 2009, conducting 32 exercises which resulted in the destruction of 51 fields and 211,420 marijuana plants—an increase of 42,720 plants destroyed from the previous year. The U.S. Drug Enforcement Administration (DEA) and U.S. Customs and Border Protection participated in several joint exercises resulting in the destruction of 25,050 seedlings and 98 kilograms of cured marijuana.

**Law Enforcement Efforts.** GOTT law enforcement agents continued to receive technical assistance and on-the-job mentoring from retired Scotland Yard officers who work alongside them and provide support for the CFATF which has its secretariat in Port of Spain. The GOTT is primarily focused on implementing recommendations from retired Canadian Major General Cameron Ross's 2009 Ross Report. Local press and law enforcement suggest that the recommendations include additional legislation on interception of communications, antigang laws, consolidation of law enforcement, and an amendment to the Defense Act to provide greater assistance to law enforcement efforts to name a few. GOTT continues to implement Department of Justice's International Criminal Investigative Training Assistance Program (ICITAP) suggestions on improving law enforcement.

Legislation that would grant arrest authority to the Special Anti-Crime Unit of Trinidad and Tobago (SAUTT) has not been passed as of October 2009. However, Trinidad and Tobago Police Service (TTPS) officers embedded within the agency are able to make arrests. The GOTT Incident Coordination Center continued to facilitate information sharing among law enforcement agencies and the CDCTF, and was active in developing and implementing counternarcotics operations and conducting financial investigations. To help combat the maritime smuggling threat, the GOTT has added two fast patrol vessels to the Customs and Excise Division Marine Interdiction Unit (MIU). The TTCG continues to upgrade its maritime resources, and has developed a formidable fleet of vessels to assist with border protection.

**Corruption.** Trinidad and Tobago is a party to the Inter-American Convention against Corruption and the UN Convention against Corruption. During 2009, there were no charges of drug-related corruption filed against GOTT senior officials, and the USG has no information indicating that any senior government officials encouraged or facilitated the illicit production or distribution of drugs or the laundering of drug money. The country actively fights against the production or distribution of illicit narcotics and in

October approved legislation establishing a Financial Intelligence Unit. The 1987 Prevention of Corruption Act and the 2000 Integrity in Public Life Act outline the ethical rules and responsibilities of government personnel. The Integrity in Public Life Act requires public officials to declare and explain the source of their assets and an Integrity Commission initiates investigations into allegations of corruption. In May, the Integrity Commission ceased functioning and has not yet resumed its activities. At the GOTT's request, the USG has assisted in the vetting of officials selected for training or entering elite law enforcement units.

**Agreements and Treaties.** Trinidad and Tobago is party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, the 1972 Protocol amending the Single Convention, and the 1971 UN Convention on Psychotropic Substances. Mutual legal assistance and extradition treaties with the U.S. entered into force in November 1999. The GOTT continued to comply with U.S. requests under the extradition and mutual legal assistance treaties. A bilateral maritime counternarcotics agreement between the USG and GOTT is also in force. The GOTT is also a party to the UN Convention against Transnational Organized Crime and its three Protocols. Trinidad and Tobago is a member of the Organization of American States' Inter-American Drug Abuse Commission (OAS/CICAD). In May 2009 the GOTT signed a policy agreement with the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) of the U.S. Justice Department to provide access and utilization of e-Trace services.

**Cultivation and Production.** Small amounts of cannabis are cultivated year-round in the forest and jungle areas of northern, eastern, and southern Trinidad and, to a lesser extent, in Tobago. The total amount of cultivation cannot accurately be determined because plants are grown in small lots in remote areas and are largely for domestic consumption.

**Drug Flow/Transit.** Illicit drugs arrive from the South American mainland, particularly Venezuela, on fishing boats, pleasure craft and commercial aircraft. Sizeable quantities of drugs also transit the country through commodities shipments from South America. Drugs are smuggled out on yachts, in air cargo, or by couriers, and during the year, GOTT law enforcement authorities noted an increase in drug swallowers transiting Trinidad from Jamaica carrying marijuana and cocaine to the U.S. and Europe. Cocaine has also been found on commercial airline flights from Tobago en route to North America and Europe. Drug seizures reported by U.S. law enforcement officials at their international airports link directly to Trinidad and Tobago.

**Domestic Programs/Demand Reduction.** Demand reduction programs are managed by government agencies such as the Ministry of Community Development, Culture and Gender Affairs; the National Drug Council in the Ministry of National Security; the Ministry of Education; and the Office of Social Services Delivery, often with assistance from NGOs. However, the GOTT does not maintain statistics on domestic consumption or numbers of drug users. The GOTT also funds the National Alcohol and Drug Abuse Prevention Program, which coordinates the activities of NGOs to reduce demand. GOTT demand reduction programs include job skills training programs for high-risk youth, and support for police youth clubs through its community-policing branch. In addition, the GOTT has a D.A.R.E. (Drug Abuse Resistance Education) program, a Military Led Academic Training Program (MILAT), and the Youth Program of Apprenticeship and Re-orientation Training (MYPART). The USG supports demand reduction efforts in Trinidad and Tobago through assistance to schools police youth clubs, soccer leagues, NGOs such as SERVOL (Service Volunteer for All), WAND (Women's Action for New Directions) and other public awareness campaigns.

## IV. U.S. Policy Initiatives

**Policy Initiatives.** U.S. efforts focus on reducing the flow of illegal drugs through Trinidad and Tobago to the United States by strengthening the GOTT's ability to detect and interdict drug shipments, bring traffickers and other criminals to trial, address money laundering, and counternarcotics-related corruption. The U.S. also seeks to strengthen the GOTT's administration of justice by providing training and

technical assistance to help streamline Trinidad and Tobago's judicial process, reduce court backlogs, and protect witnesses from intimidation and murder.

**Bilateral Cooperation.** In 2009, the USG provided training to policy makers and tactical law enforcement officials on crime scene investigation, command and control, witness protection, damage control, and combating terrorism. In 2009 the DEA and its local counterparts successfully closed 121 investigations, a significant increase from 42 investigations in 2008. The USCG provided resident training in the areas of engineering and maintenance, and leadership and management to the Trinidad and Tobago Coast Guard. The GOTT-funded U.S. Customs Advisory Team continues to provide technical assistance to Customs and Excise in tracking and intercepting marine vessels, including cargo container ships. The State Department's Bureau of International Narcotics and Law Enforcement Affairs and the DEA also provided equipment to assist GOTT law enforcement related to drug interdiction and seizure. In 2009, the maritime agreement was used to board and seize one Trinidad and Tobago flagged vessel transporting over 2,000 lbs of marijuana, which included the detention of four suspected smugglers.

**The Road Ahead.** Trinidad and Tobago could enhance its drug control efforts further by adopting more effective tools and capacity to combat crime and narcotics trafficking, such as wiretap and civil forfeiture legislation, gang crime laws and the establishment of a drug court. In addition, we encourage the GOTT to take steps to strengthen the control of its borders by automating inspection methods to include container scanning and by providing additional training for officers to deal with counterfeit merchandise and counterfeit currency.

# Turkey

## I. Summary

Turkey continues to be a major transit route for Southwest Asian opiates moving to Europe, and serves as a staging area for major drug traffickers and brokers. Turkish law enforcement organizations focus their efforts on stemming the traffic of drugs and intercepting precursor chemicals. The Department of Anti-Smuggling and Organized Crime of the Turkish National Police (TNP), Jandarma, and Coast Guard are all part of the Ministry of Interior and have significant counternarcotics responsibilities. The TNP has responsibility for law enforcement in Turkey's cities and towns. The Jandarma, a paramilitary police organization, is responsible for law enforcement in rural areas. TNP-developed intelligence frequently leads to rural areas where the Jandarma has jurisdiction. In these cases, the two agencies work together to conduct investigations and effect seizures. DEA's counterpart within Customs is the Directorate General of Customs Guards. The Ministry of Health is the competent authority for issues relating to importation of chemicals for legitimate use. The Ministry of Finance oversees the financial intelligence unit (known by its Turkish acronym as MASAK) which has responsibility for investigation of potential money laundering and terrorist financing activities.

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. There is no appreciable cultivation of illicit crops 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, which has been a success since its inception. Turkey is a party to the 1988 UN Drug Convention. Although Turkey is a major donor to the UNODC, it is still eligible for bilateral assistance and assistance for projects that are regional in nature, and the UN funds a variety of projects in Turkey each year. UNODC continues to sponsor training sessions at the Turkish International Academy against Drugs and Organized Crime (TADOC) in Ankara.

## II. Status of Country

Turkey is a transshipment point for Afghan opiates moving towards Europe and Russia. Information from investigations indicates that while heroin is being produced in Afghanistan at record levels, some processing of opium and morphine base from Afghanistan is occurring near the Turkish/Iranian border. Ethnic Kurds generally live in the areas where opiates enter Turkey from the east. Many major traffickers based in Turkey are ethnic Kurds or Iranians, and many of the same individuals and families have been involved in smuggling contraband for years. Large drug trafficking organizations and major traffickers based in Turkey are frequently involved in both heroin production and transportation. Several have also been involved in the production and/or smuggling of synthetic drugs.

Drug proceeds are often moved to (and through) Turkey via the informal sector. This is despite the fact that alternative remittance systems are illegal in Turkey and only banks and authorized money transfer companies are officially allowed to move money. In general, investigations of money exchange bureaus, jewelry stores, and other businesses in Turkey believed to be part of the underground banking system (hawala) are initiated only if the business is directly tied to an existing drug or other criminal investigation.

Turkish law enforcement agencies are strongly committed to disrupting drug trafficking. The Turkish National Police (TNP) remains as 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 huge, multi-ton shipments of heroin are smuggled through Turkey each year.

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 international treaty obligations. Under the current method of production, the poppy is not incised (scored); instead, the plant is allowed to mature and the opium flower and stalk is then harvested, and processed in a large sophisticated plant used to extract opium alkaloids, such as morphine. 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, and most recently Iran. The majority of the synthetic drug seizures have occurred as the drugs were being shipped through Turkey to countries in the Middle East.

## III. Country Actions Against Drugs in 2009

**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 National Police uses its International Academy against Drugs and Organized Crime (TADOC) to train officers on interdiction and investigation techniques in order to fight drug trafficking in and through Turkey.

**Accomplishments.** TADOC is a significant contributor to the training projects organized within multinational organizations and institutions such as the United States, the United Nations Office on Drugs and Crime (UNODC), the Organization for Security and Cooperation in Europe (OSCE), Economical Cooperation Organization (ECO), and Black Sea Economical Cooperation (BSEC), NATO-Russia Council (NRC). TADOC mobile teams perform the important function of traveling to deliver TADOC training courses where trainees are. It is important and often essential because most of the TADOC courses, particularly the practical ones, need to be implemented in an environment with which trainees are familiar. Since its establishment in 2000, TADOC has implemented 225 international courses with the participation of 3178 law enforcement personnel from 63 countries. By December 2009, 46 training programs have been realized with the participation of 762 law enforcement officers from 25 countries. 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. Attendees included officers from the countries of Azerbaijan, Guinea Bissau, Iran, Kazakhstan, and Pakistan. This year TADOC conducted training in several foreign countries. TADOC also trained over 2,500 Turkish officers in computer-based training centers throughout Turkey in 2009.

**Law Enforcement Efforts.** Turkey continues to serve as a transit point for large amounts of heroin being smuggled to Western Europe.

**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. Turkish law enforcement officials act quickly when faced with officers accused of involvement with drug traffickers. In 2009, a senior law enforcement officer faced accusations of involvement with narcotics traffickers and was suspended pending a judicial review. As in most countries, it is likely that some corruption is present among lower-level 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 for domestic consumption and has no impact on the United States. The Turkish Grain Board strictly and successfully controls licit opium poppy cultivation, with no apparent diversion into the illicit market.

**Drug Flow/Transit.** Turkey continues to be utilized as a major route and staging area for heroin destined to Europe. Turkish-based traffickers and brokers operate in conjunction with drug 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 generally smuggled overland from Afghanistan to Iran (sometimes via Pakistan) and then to Turkey. Turkey is the central hub for narcotics shipped en route to Western Europe along the Balkan Route Intelligence indicates that traffickers also use a more northerly route: through Georgia, Russia, and Ukraine. In addition to the northern route, traffickers are utilizing Roll-on, Roll-off (RORO) ferries to move TIR (long-haul, Customs-sealed) trucks from Turkey to Italy. From Italy, the TIRs are driven to other countries in Europe where the drugs—concealed in hidden compartments or within legitimate cargo—is delivered. Opiates and hashish are also smuggled to Turkey overland from Afghanistan via Turkmenistan, Azerbaijan, and Georgia. Turkish authorities report an increase in the amount of opium seized in Turkey that was identified as being destined for Europe. It is not unusual to seize small amounts of opium in conjunction with heroin shipments, particularly when Iranians are involved in the smuggling operation. However, the total amount of opium seized in Turkey remains relatively small when compared to heroin seizures. Some criminal elements in Turkey reportedly have interest 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 Turkey-Iran border. Turkish-based traffickers, of whom some 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 seized in Turkey are produced in Eastern Europe. However, a recent trend indicates that Turkey is increasingly being utilized as a transit country for Iranian-produced methamphetamine—destined for the Far East. Turkish law enforcement reports some indigenous synthetic drug production, primarily amphetamines such as Captagon (the brand name for fenethylline). Amphetamine production is a relatively new phenomenon in Turkey.

**Domestic Programs/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), have been established, which serve as regional and drug treatment centers. Due to a lack of funds, only a couple of the centers focus on drug prevention as well as treatment. The most recent clinic 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 does not conduct regular, periodic drug abuse surveys. Turkey became a full member of the European Monitoring Center for Drugs and Drug Addiction (EMCDDA) after the European Parliament ratified Turkey's participation in October 2006, following a successful EU twinning project. Turkey's national focal point for this effort is the Turkish Monitoring Center for Drugs and Drug Addiction, known as TUBIM. TUBIM is charged with collecting data on drug use and addiction in Turkey, reporting on new drugs found in Turkey, and for conducting demand reduction activities.

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

**Policy Initiatives.** Embassy Ankara wants to capitalize on Turkey's work as a regional leader in counternarcotics training and education. The Embassy plans to offer regional training opportunities at the TADOC center to provide additional investigative and prosecutorial tools to Turkish officials and their

international counterparts. Future plans include strengthening TNP's demand reduction programs, as well as interdiction trainings for Turkish law enforcement officers.

**Bilateral Cooperation.** DEA reports excellent cooperation with Turkish officials. Turkish counternarcotics forces are both professional and technically sophisticated.

**The Road Ahead.** The U.S. will continue to try to strengthen Turkey's ability to combat narcotics trafficking, money-laundering, and financial crimes.

# Turkmenistan

## I. Summary

Turkmenistan is a transshipment route for narcotics traffickers attempting to smuggle Afghan opiates to Turkish, Russian and European markets, by several different routes, including through Iran. Turkmenistan itself is not a major producer or source country for illegal drugs or precursor chemicals. It shares a rugged and remote 744-kilometer border with Afghanistan and a 992-kilometer boundary with Iran. Most illegal drug seizures occur along those borders.

Major developments during 2009 included the arrest and indictment of 20 physicians on the staff of a prison in Mary province for selling illegal narcotics to prisoners and the arrest of an alleged large-scale female drug trafficker, dubbed the "Drug Godmother," in Dashoguz. According to official statistics, Turkmen authorities seized a total of more than 1,009 kilograms of illegal narcotics in the first six months of 2009.

At a session of the State Security Council in June 2009, President Berdimuhamedov noted publicly that despite measures taken to control illicit drug trafficking, this "evil" had not been eliminated. He also emphasized the need to intensify efforts to combat drug trafficking and drug abuse at both the national and international levels. While Turkmenistan continues its limited cooperation on narcotics enforcement with international organizations and diplomatic missions, its law enforcement agencies are still hampered by a lack of resources, training and equipment. Although reliable statistics are unavailable, internal narcotics sales have reportedly dropped since President Berdimuhamedov stopped granting pardons to prisoners previously convicted of drug-related crimes. 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. The government directs the bulk of its law enforcement resources and manpower towards stopping this flow of drugs from Afghanistan, especially focusing on the share headed for Iran. Common methods of transporting illegal narcotics include concealment in trucks or passenger vehicles, deliveries by pedestrian carriers or animal transport, and in some cases, by concealment in the body cavities or stomachs of humans and animals. Turkmenistan's law enforcement efforts at the Turkmenistan-Uzbekistan border have been more focused on interdicting smuggled commercial goods than on narcotics, thus providing an opening for drug traffickers. Commercial truck traffic from Iran continues to be heavy (reportedly more than 60,000 vehicles per year), and Caspian Sea ferry traffic from Turkmenistan to Azerbaijan and Russia continues to be an opportune smuggling route. In January 2009, President Berdimuhamedov transferred Colonel Myrat Islamov, the head of the State Counter Narcotics Service (SCNS) to head the State Border Service. Thereafter, the SCNS was headed by Acting Chief Serdar Batyrov (formerly the Deputy SCNS Head), until July, when a Deputy Minister of National Security was put in charge.

The SCNS held a "drug burn" in June, an event that coincided with the UN International Day Against Drug Abuse and Illicit Trafficking, during which 1.2 tons of narcotics were destroyed.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** On May 2, President Berdimuhamedov signed into law a new Code of Criminal Procedure. The new code provides a right to bail for the accused prior to trial and also gives investigators the prerogative of deciding themselves, without authorization from prosecutors ,to initiate and to close

criminal investigations, and also whether and when to conduct searches. The previous Code required that investigators seek the permission of a committee with representatives from the Prosecutor General's Office, the Ministries of the Interior and of National Security, municipalities, or members of the "Council of Elders," complicating the investigation process.

On June 1, the Law on Combating Legalization of Proceeds from Crime (i.e. money laundering) and Terrorist Financing was passed, an important step in the development of a comprehensive anti-money laundering system in Turkmenistan. The Turkmen government earlier announced a National Program for Combating Illegal Drug Trafficking and Assistance to Drug and Psychotropic Substance Addicts for the period 2006 to 2010. Key elements of the program's agenda include increased regional cooperation to prevent drug and precursor trafficking, prevention of drug-related crimes committed by minors, enhanced application of technology-based border security, enhanced training for law enforcement agencies to combat organized crime, increased counter-terrorism efforts, and training in drug trafficking and money laundering. The National Program also provides for cooperation with the U.S., international organizations and with other countries through their diplomatic missions in Ashgabat.

**Law Enforcement Efforts.** The Turkmen government continues to give priority to counternarcotics law enforcement, and the government has paid special attention to improving the technical capacity of law enforcement agencies. Turkmenistan's drug seizure data for the first six months of 2009 is as follows: Heroin: 154 kilograms 367 grams; Opium: 562 kilograms 219 grams; Marijuana: 94 kilograms. 519.5 grams; Hashish: 156 kilograms 15 grams; Poppy straw: 42 kilograms. 160 grams; Total: 1009 kilograms. In June of 2009, SCNS reported that a narcotics ring led by Rakhatay Razzakova, dubbed the "Drug Godmother," was discovered and the perpetrators, mostly close relatives of Razzakova, were arrested and charged with large-scale heroin trafficking. Along with the criminal indictment, her property was confiscated and her admission of guilt and request for forgiveness were broadcast on state-run television.

**Corruption.** The government does not, as a matter of policy, encourage or facilitate the illicit production or distribution of narcotics or other controlled substances. Nevertheless, law enforcement officials' low salaries and broad general powers foster an environment in which corruption occurs. A general distrust of the police by the public, fueled by 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 occur frequently. Reports persist that senior government officials are directly linked to the drug trade. In May, twenty employees of the infirmary of the penitentiary in Mary province, including the director, two deputy directors, chief physician, physicians, practitioners and prison guards, were arrested for selling illegal narcotics to prisoners. All of the accused have been detained in Ashgabat at the Ministry of National Security's detention facility and are being refused visits by either attorneys or family members. Reportedly, an Iranian national who was serving a sentence in the penitentiary had been "hospitalized" at the facility for 18 months, an arrangement that allowed him to sell drugs to prisoners and hospital patients. High-level prison and hospital officials were reportedly aware of and involved in the arrangements. The operation and arrests were carried out by SCNS jointly with the Ministry of National Security. During a May session of the State Security Council, President Berdimuhamedov dismissed the Minister of Internal Affairs (MIA) Orazgeldi Amanyradov, and made reference to what he termed the lack of efficiency of the former Minister's work, as well as the "ongoing shortcomings and breaches of the law" in the work of the police force. He cited the Mary prison incident as an example of the Minister's failings. In early August, an Air Force commander was arrested in Tejen (near the Iranian border) in Ahal Province for attempting to smuggle seven kilograms of heroin across the border from Iran. The commander's wife was also arrested. The involvement of high-ranking military and Border Service officials in cross-border smuggling is reportedly rampant among their ranks.

**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 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 in Firearms.

Turkmenistan and the United States signed a letter of agreement for the provision of U.S. government counternarcotics assistance in September 2001. During the past year, the U.S. DEA has had discussions with SCNS regarding joint counternarcotics training programs, and SCNS has asked for specific assistance in training forensics laboratory chemists. In June 2007, the governments of Turkmenistan and Iran agreed to form a special joint committee to combat narcotics trafficking. The following 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, Turkmenistan joined Azerbaijan, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan in the establishment of a UN-led Central Asian Regional Information and Coordination Center. In September 2007, the presidents of Turkmenistan and Kazakhstan signed a joint communiqué acknowledging the need to further develop cooperation in counternarcotics efforts. The same month, the U.S. signed the second Amendment to the Letter of Agreement for additional funding of U.S. counternarcotics assistance.

**Cultivation/Production.** Turkmenistan is not a significant producer of illegal drugs, although small-scale opium and marijuana cultivation is believed to occur in remote mountain and desert areas. Each spring, the government conducts a limited aerial inspection of outlying areas in search of illegal poppy cultivation. Law enforcement officials eradicate any opium crops that are discovered. According to the State Counter-Narcotics Coordination Committee, law enforcement officials conduct Operation "Mak" ("poppy") twice a year to locate and destroy poppy fields. Reports on illegal poppy cultivation are occasionally published in the weekly newspaper "Adalat." One such report described an alleged purchase of cannabis seed from an unidentified person in March 2008 at a bazaar in Tejen. The accused then planted the seed in his own garden and produced 153 grams of marijuana, which he later sold for $100. Both perpetrators (buyer and seller) were sentenced to 11 and 10 years in prison, respectively. Similarly, a case was reported of a father and son accused of cultivating 1000 opium poppy plants in 2007 and then selling a portion of the dried poppy straw. The police searched his residence and reportedly seized three kilograms of poppy straw, after which he was sentenced to 14 years imprisonment. A third individual was arrested for cultivating more than 2500 poppy plants and was subsequently sentenced to five years in prison.

**Drug Flow/Transit.** Turkmenistan is a primary transit corridor for smuggling organizations seeking to transport opium and heroin to markets in Turkey, Russia and the whole of Europe, and for the shipment of precursor chemicals to Afghanistan. There are air, land and sea smuggling routes through Turkmenistan. The government's recent efforts to improve border crossing stations, which began in 2007, could lead to higher seizure rates, but traffickers could respond by developing alternate smuggling routes. Turkmenistan's two major border control agencies, the State Customs Service and the State Border Service, have received increased attention and funding for their drug enforcement duties.. Nevertheless, systemic deficits in necessary equipment, training, resource and facilities will take time to improve. Border crossing points with rudimentary inspection facilities for screening vehicle traffic and without reliable communication systems have been identified by the government and are being improved. Nevertheless, Turkmenistan is likely to continue to serve as a major transit route for illegal drugs and precursors.

**Domestic Programs/Demand Reduction.** Currently, the Ministry of Health operates seven drug treatment clinics, one in Ashgabat, one in Serdar City, and one in each of the five provincial administrative centers. Addicts can receive treatment at these clinics without revealing their identity and all clinic visits are kept confidential. Drug addiction is a prosecutable crime and persons convicted are subject to jail sentences, although judicial officials usually sentence addicts to treatment. It is still difficult to obtain any detailed statistical information about the number of drug addicts in Turkmenistan, but the President announced during an open presidential cabinet meeting that there are more than 30,000 drug

addicts in Turkmenistan. 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. In August 2008, a Drug Demand Reduction Program (DDRP), funded by the Department of State (INL), was launched by the Turkmenistan Red Crescent. It aims to increase the awareness of young people and adults of the harmful effects of narcotics. DDRP headquarters in Ashgabat has opened branches in Turkmenbashy and in each of the five provincial administrative centers. DDRP has been working closely with drug treatment clinic and public organizations. On the occasion of the International Day Against Drug Abuse and Illicit Trafficking in June, the DDRP conducted several public activities, including the distribution of brochures on the harmful effects of drug abuse, drawing contests for students and public discussions. The events aroused much public interest, as well as enthusiasm about discussing the issue openly in public for the first time on the streets of Ashgabat and other cities.

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

**Bilateral Cooperation.** In addition to the previously completed construction of new border crossing stations at Imamnazar (Afghan border) and Altin Asir (Iranian border), at a total cost of$4.2 million, the U.S. funded and oversaw the construction of another border crossing post at Ferap (Uzbek border). The total U.S. contribution to that project, which was completed in October, reached $5.5 million. In October 2008, 20 law enforcement officers graduated from the second round of INL-funded English Language Training Courses, after completing ten months of language instruction. Three of the graduates (one from the Customs Service and two from the State Migration Service) were selected for a week-long study tour in Great Britain, during which they held meetings and exchanged ideas with British NGOs, parliamentarians and Metropolitan Police officers on counternarcotics and international crime issues. In December 2008, a third round of U.S.-funded English classes began, with 32 students enrolled from eight law enforcement agencies. In February, INL sent three law enforcement officials from the Prosecutor General's office and the SCNS to the annual meeting of the American Academy of Forensic Science. Participants met with colleagues from DOJ, counterparts from other countries, including other Central Asian republics, and expanded their knowledge of forensics and recent innovations in the area of criminology. In March, two officials from the State Border Service and SCNS participated at an International Narcotics Detector Dog Conference in Almaty, Kazakhstan, organized by the Military Institute of Kazakhstan's State Committee for National Security. The Turkmen participants reported on their approach to narcotics detector dog use in Turkmenistan, , and learned about recent trends in the detector dog use in other countries. As a follow-up to the conference, in June, the same officials traveled to Graz, Austria for a narcotics detector dog competition and familiarization visit to the Austrian Narcotics Detector Dog Center. Three training seminars, on the "History of the U.S. Drug Enforcement Agency (DEA)," "Interview and Interrogation," and "Drug Identification" (on the use of INL-donated drug testers) were organized and presented during the year by a visiting DEA Special Agents.

**The Road Ahead.** Staying engaged with all of Turkmenistan's counternarcotics enforcement agencies is necessary to encourage a successful partnership against narcotics trafficking. Bilateral cooperation is expected to continue, and the U.S. government plans to expand counternarcotics law enforcement agency training in Turkmenistan. As both Turkmenistan and U.S. officials identify areas for improved counternarcotics efforts, the United States will attempt to provide an appropriate, integrated and coordinated response to Turkmen training and equipment needs. The U.S. government will also encourage the government of Turkmenistan to institute long-term demand reduction efforts and improve Turkmen capacity for more efficient supply reduction through interdiction training, law enforcement institution building, the promotion of regional cooperation, and an exchange of drug-related intelligence.

# United Arab Emirates

## I. Summary

Although not a narcotics-producing country, the United Arab Emirates (UAE) is a transshipment point for traffickers moving illegal drugs from major drug production and transit countries, including Afghanistan, Pakistan, and Iran. Frequent reports of seizures of illegal drugs in the UAE over the past few years underscore this conclusion. Most seizures have been of hashish and heroin. There are several factors that contribute to making the UAE a transit point, including its proximity to major drug cultivation regions in Afghanistan, and a long (700 kilometer)coastline. High volumes of shipping render UAE ports vulnerable to exploitation by narcotics traffickers. There are numerous reports that drugs leave Iran and Pakistan by vessel and move to the UAE, among other destinations, in the Gulf. Though currently designated as a transit country, drug seizures in the last two years indicate that the UAE may be transitioning from being a transit country to being a staging point for Afghan heroin and hashish.

In 2009, the UAE continued to advance its national drug strategy focusing on intensifying security at the country's air and sea ports and patrols along the coastline, reducing demand for illegal drugs through educational campaigns, enforcing harsh penalties for trafficking, and rehabilitating drug addicts. In October 2006, the U.S. Drug Enforcement Administration established a country office in the UAE to enhance cooperation with UAE law enforcement authorities. In 2007, the UAE was re-elected as the Asian regional representative to the Commission on Narcotic Drugs (CND). The UAE's term will end in 2011. The UAE is a party to the 1988 UN Drug Convention.

## II. Status of Country

A major regional financial center and hub for commercial shipping and trade, the UAE is a transshipment point for illegal narcotics from Afghanistan, to Europe, to Africa, and less significantly, to the United States, as well as a key location for narcotics money laundering by international drug traffickers—including possibly from South America. Western Europe is the principal market for transiting drugs, and Africa is becoming an increasingly prominent market. Factors that contribute to the role of the UAE as a transshipment point are the emergence of Dubai and Sharjah as regional centers in the transportation of passengers and cargo, a porous land border with Oman, an easily accessible commercial banking system, and the fact that a number of ports in the UAE have free trade zones where transshipped cargo is not usually subjected to the same inspection as goods that enter the country. Though currently designated as a transit country, drug seizures in the last two years indicate that the UAE may be transitioning from a transit country to a staging point for Afghan heroin and hashish. Regional drug trafficking organizations are increasingly using the UAE to stockpile drugs for future sale and re-shipment rather than simply as a transit point. Afghan drug trafficking organizations may also be using the UAE as a logistics hub for vehicles and other goods vital to the operations of the organization. Foreign drug brokers also are believed to come to the UAE to meet with regional supply organizations to negotiate international drug and pre-cursor chemical transactions that will take place outside of the UAE.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The UAE continued to advance its national drug strategy focusing on intensifying security at the country's air and sea ports and patrols along the coastline, reducing demand for illegal drugs through educational campaigns, enforcing harsh penalties for trafficking, and rehabilitating drug addicts. On March 29, 2007, Dubai Police and the United Nations Office on Drug and Crime (UNODC) signed a $1.2 million project, fully funded by the Dubai Police, to combat drug abuse and drug trafficking in the UAE and in the region. The project will conclude in late 2009. The project agreement has four elements: Dubai Police will play a leading role in reversing increased drug trafficking and drug abuse

among young people in the UAE and other states of the region. UNODC helps upgrade the Dubai Police Training Centre into a center of excellence for the region-wide transfer of knowledge and the training of law enforcement staff to ensure they have the skills needed to cope with an increased influx of narcotic drugs. UNODC assists Dubai and the UAE as a whole to develop a coordinated national action plan on drug demand reduction. UNODC helps develop and implement national drug abuse and HIV/AIDS prevention modules for schools and universities to address young people in a way that suits the culture of the Gulf region. In September of 2005, the UN established a sub-office on Drugs and Crime in Dubai. The UAE government funded the estimated $3 million cost of the office and contributed an additional $50,000 to the UN counternarcotics program. In October 2008, the UN and UAE Ministry of Interior signed an agreement to open another semi-regional office in Abu Dhabi, which is expected to start functioning by 2010.

In 2009, Dubai Police established a new counternarcotics unit to combat narcotics trafficking beyond the UAE's borders by working with overseas drug law enforcement units to break up international drug rings. The new unit will be better staffed and have more independence than its predecessor, which was part of the Criminal Investigation Department. On September 1, 2009, the Dubai Public Prosecution established four new and specialized prosecution offices, including one section dedicated to investigating narcotic drugs crimes, which will eventually handle prosecution and arraignment processes in crimes involving the use of narcotic drugs and mind-altering substances. Another office was established for the Public Funds Prosecution section, which will focus on crimes of embezzlement, mismanagement of public funds, bribery and money laundering.

**Law Enforcement Efforts.** According to the UN Office on Drugs and Crime World Drug Report 2009 the smuggling of amphetamines and heroin through UAE has continued to grow. This finding is confirmed by drug seizure statistics released by the Anti-Narcotics Unit of Dubai Police. In the first five months of 2009, the total quantity of seized drugs increased by 41 per cent, from 94 kilograms in the first five months of 2008 to 133 kilograms in the first five months of 2009. According to Dubai Police, during the first nine months of 2009 there were 544 narcotic drug cases, involving 852 individuals, up from 488 narcotic cases, involving 623 individuals during the same period of 2008. Similarly, the nine-month figures for drugs seized in 2009 increased to 203 kilograms from 148 kilograms seized during the same period in 2008. From beginning of 2008 until mid-2009, UAE law enforcement seized 1,273 kilograms hashish, 542 kilograms heroin, and 49 kilograms opium. The increase in the number of narcotic cases charged by the police was due to the increase in the enforcement efficiency. Around 95 per cent of the seized drugs in these cases were brought into UAE to be trafficked in the local market, while 5 per cent used Dubai as transit point. Arrestees included Iranians, Pakistanis, Africans, Europeans, Arabs, and some UAE nationals.

A 1995 law stipulates capital punishment as the penalty for drug trafficking. Sentences usually are commuted to long-term imprisonment. In January 2009, the Dubai Court of First Instance sentenced two Pakistani visitors to 25 years in jail for attempting to smuggle 22 kilograms of heroin into the UAE. In February 2009, the Federal Supreme Court in Abu Dhabi sentenced a drug trafficker 15 years in jail, fining him Dirhams 50,000 ($13,613) and imposing subsequent deportation, and the Fujairah Court of Appeal sentenced another trafficker to 14 years in jail. In March 2009, an Asian marijuana trafficker was sentenced to life term imprisonment by the Ras Al Khaimah Criminal Court.

UAE authorities also cooperate with other countries to stop narcotics trafficking. In June 2007, the UAE Ambassador to Pakistan announced that the UAE had established a drug liaison office in Islamabad and was in the process of establishing a second in Karachi. In March 2009, Dubai Police and Germany's Federal Police signed an agreement to combat organized crime, including the flow of narcotic drugs and related money laundering. At the signature ceremony, Germany's Federal Criminal Police Chief, Jorg Ziercke said that a heroin shipment from Afghanistan coming through Dubai en route to Germany was interdicted through cooperation of Afghanistan, Dubai and Germany.

**Corruption.** The Government of the UAE as a matter of policy does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances or the laundering of proceeds from drug transactions. Senior officials are not known to engage in or facilitate illicit production of these drugs or the laundering of proceeds from drug transactions. There is no evidence that corruption -including narcotics related corruption—of public officials is a systemic problem.

**Agreements and Treaties.** The UAE is party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol and the 1988 UN Convention on Psychotropic Substances. The UAE ratified the UN Convention against Transnational Organized Crime on May 7, 2007. The UAE is a party to the UN Convention against Corruption.

**Cultivation/Production.** There is no evidence of any major drug cultivation and/or production in the UAE. Published records show that there were two cases of "planting" drugs in the Emirate of Ras Al-Khaimah in 2004, with a total of three people arrested. There have been no similar cases since.

**Drug Flow/Transit.** High volumes of shipping and investment development opportunities render the UAE vulnerable to exploitation by narcotics traffickers and narcotics money laundering. The UAE, Dubai in particular, is a major regional transportation, financial, and shipping hub. Narcotics smuggled from South and Southwest Asia passes through Dubai and then on to Europe and Africa and, to a significantly lesser degree, the United States. Hashish, heroin, and opium shipments, originating in Afghanistan, Pakistan, and Iran, are smuggled in cargo containers, via small vessels and powerboats, and/or sent overland via Oman. According to published figures, Iranians, Pakistanis, Afghans, Africans, Europeans and third-country Arabs made up the largest number of non-UAE nationals arrested in drug cases in 2009.

Recognizing the need for increased monitoring at its commercial ports, airports, and borders, the UAE is making an effort to tighten inspections of cargo containers as well as passengers transiting the UAE. In December 2004, the Emirate of Dubai signed the Container Security Initiative (CSI) with the United States. CSI inspectors arrived in Dubai in 2005, and are inspecting containers destined for the United States. UAE customs officials randomly search containers and follow-up leads on suspicious cargo.

**Domestic Programs/Demand Reduction.** In 2003, the UAE's Federal Supreme Court ruled that authorities needed evidence that drug use occurred in the UAE before they could prosecute users. A positive blood test is considered evidence of consumption, but not evidence of where the consumption took place. The majority of UAE drug users take their first doses abroad, primarily because of peer pressure at home. Statistics reveal that 75 percent of drug users in the UAE use hashish, 13 percent use heroin, while six percent use morphine. The report illustrates a clear relationship between drug abuse and level of education: 75 percent of arrested drug users in 2002 were high school graduates, but only two percent were university graduates. While the data is a few years old, trends reported are still reflective of current societal patterns.

The focus of the UAE's domestic program is to reduce demand through public awareness campaigns directed at young people. The UAE has also established rehabilitation centers and several awareness programs, including issuing postage stamps to highlight the hazards of drugs. Every year, the Ministry of Interior holds a high-profile "Drug Awareness Week" with exhibits prominently set up in all of the local shopping malls to coincide with International Anti-Narcotics Day on June 26. On the occasion of the International Anti-Narcotics Day of 2009, Dubai Customs launched an awareness campaign on the serious dangers of drugs abuse and its negative consequences on health, the national economy and local and international communities. Dubai Customs has also distributed leaflets among passengers coming through Dubai terminals to raise their awareness of the issue. The UAE also launched several awareness campaigns in 2009, which included the following themes: "Yes to Sports, No to Drugs", that were promoted in shopping malls, media, booklets, and lectures. UAE efforts also included religious counternarcotics campaigns promoted by Muslim preachers. In 2009, Dubai Police in cooperation with

the United Nations issued a drug awareness electronic book, which includes instructions, and films showing the danger of narcotics to health. In June 2009, Ras Al Khaimah Police opened a permanent drug exhibition, considered the first of its kind in the UAE, aimed at promoting better drug awareness for students.

In April 2008, the Abu Dhabi based National Rehabilitation Center (NRC) announced that some 600 drug addicts have been rehabilitated over the past six years. UAE officials believe that adherence to Muslim religious morals and severe prison sentences imposed on individuals convicted of drug offenses effectively deter narcotics abuse. The UAE has established an extensive treatment and rehabilitation program for its citizens. There is one rehabilitation center in Abu Dhabi, two in Dubai, and one each in Ajman and Sharjah for those identified as addicts. In accordance with federal law, UAE nationals who are addicted can present themselves to the police or a rehabilitation center and be exempted from criminal prosecution. Those nationals who do not turn themselves in to local authorities are referred to the legal system for prosecution. Third-country nationals or "guest workers" (who make up approximately 80 percent of the population) generally receive prison sentences upon conviction of narcotics offenses and are deported upon completing their sentences. Most UAE nationals arrested on drug charges are placed in one of the UAE's drug treatment programs. They undergo a two-year drug rehabilitation program, which includes family counseling/therapy. In July 2009, the Director of Enforcement in Al Ain stated that 60 per cent of addicts who receive treatment under supervision of Al Ain Anti-Narcotic Department recover from addiction. In Dubai, 236 Emirati drug addicts were undergoing treatment during the first five months of 2009, under the supervision of the Dubai General Department of Anti-Narcotics.

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

**Bilateral Cooperation.** The DEA Administrator visited the UAE in July 2005 to enhance counternarcotics cooperation with the UAE. During the visit, the UAE agreed to, establish a DEA presence in the UAE to work closely with UAE authorities. The first DEA Country Office was formally established in October 2006 in Dubai and is also responsible for Oman. DEA officials will now be able to work more closely with UAE authorities to combat drug smuggling.

**The Road Ahead.** The United States and the UAE will continue to work together to discourage narcotics trafficking and to protect citizens from the scourge of drug abuse. The DEA Country Office looks forward to expanding cooperation on narcotics investigations with UAE authorities.

# Uganda

## I. Summary

Drug trafficking in Uganda is increasing. Lack of proper reporting, police corruption and lack of adequate police/enforcement structures make counternarcotics efforts and accurate intelligence gathering on narcotics difficult. Government of Uganda (GOU) authorities have detected and confiscated heroin and cannabis transiting through Entebbe International Airport and along the border with Kenya. The only drug believed to be produced in Uganda is cannabis. The GOU's Anti-Narcotics Unit (ANU) has total personnel strength of around 136, but estimates it needs at least 300 additional officers. Uganda has only two counternarcotics sniffer dogs, both working at Entebbe International Airport. Poorly trained officers, inadequate equipment, and corruption are likely the primary causes for the growing narcotics transshipment in Uganda. Uganda is a party to the 1988 UN Drug Convention.

## II. Status of Country

Drug production and trafficking within Uganda is not significant in comparison with other primary drug countries. However, reports of illegal trafficking and use are on the rise. Due to porous borders, corruption, and inadequate equipment and training for Ugandan Police and law enforcement entities at Entebbe International Airport, traffickers are increasingly using Uganda as a transit route to Europe. Drug production in Uganda is believed limited to the cultivation of cannabis. Local authorities believe cannabis production increased during the last calendar year due to increased regional demand combined with a lack of more profitable crops.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Comprehensive national drug legislation, introduced in 2008 but currently tabled in Parliament, would lay the foundation for the establishment of a national coordinating body for drug control, treatment and rehabilitation of abusers, regional and international cooperation, and stiffer punishment for traffickers. It would also provide authority for confiscation and forfeiture of assets. Without this legislation, drug traffickers will continue to operate in Uganda with little threat of detection, arrest, or conviction.

**Law Enforcement Efforts.** Accurate accounting of regular law enforcement efforts is difficult due to limited capacity in national crime reporting and corruption within the police and the justice system. From 2008 to present, the ANU seized 5 kilograms of heroin, up from 1.4 kilograms in 2008, but down from 18 kilograms in 2006. This seizure led to four arrests and convictions. The unit reported 482 individuals arrested for possession of cannabis, and ten arrested for possession of cannabis seeds. Fifteen acres of cannabis plants were uprooted with nine related arrests. The ANU also reported one kilogram of cocaine seized with one arrest. The ANU stated that it doubts any of the reported arrests were of major traffickers, and expects that they were either small-time dealers, personal users, or couriers. The capacity of the GOU to combat illicit drugs is made more difficult by corruption and severe resource constraints. Specifically, while the ANU has experienced an increase in total personnel to 136 from 80 in 2008 (a return to their 2007 staffing level), it estimates a need for 300 additional officers. The ANU has only two trained drug-sniffing dogs whose ability to detect drugs has decreased due to lack of in-service refresher training. There is no x-ray machine available at the airport to assist the ANU in detecting drugs that might have been ingested. The ANU has no reliable drug test kits to determine if suspected drugs are in fact prohibited substances.

**Corruption.** Corruption at all levels is a pressing concern in Uganda. In 2007 and 2008, Uganda failed to meet the basic anticorruption benchmarks needed to qualify for foreign assistance funding from the U.S.

Millennium Challenge Corporation. Within Uganda, the Inspectorate General of Government, the Auditor General and the Director of Public Prosecutions, as well as the Ugandan Police Criminal Investigative Division and the Ministry of Ethics and Integrity handle most issues of corruption, but have also been plagued by charges of corruption within their own ranks. As a matter of government policy, 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.** The GOU 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 its 1972 Protocol. The GOU is also a party to the UN Convention against Transnational Organized Crime and its protocol against illegal manufacturing and trafficking in firearms, as well as the UN Convention against Corruption.

**Cultivation/Production.** The ANU does not have accurate data regarding the actual spread of illicit drug cultivation in Uganda. Available reporting suggests established domestic cannabis cultivation in eastern Uganda, particularly in the districts of Busia, Mayuge, Bugiri, Iganga, Mukono, and Kayunga. Commercial cultivation of cannabis is also spreading northward and to other districts throughout the country. In total, 15 acres of cannabis plants were reported destroyed between 2008 and 2009.

**Drug Flow/Transit.** Trans-shipment of illicit drugs through Uganda is the most prevalent aspect of the illicit drug trade in Uganda. Most couriers travel by air via Entebbe International Airport smuggling drugs from Pakistan, Afghanistan, Iran, and India. Unofficial reports suggest that South American drugs bound for Europe are possibly routed through Uganda due to Uganda's weak border controls and high levels of corruption. Ugandan cannabis is primarily trafficked regionally to Kenya, Sudan, and the Democratic Republic of Congo.

**Demand Reduction.** The GOU does not have an organized campaign to sensitize the public to the dangers of drug abuse, nor does it have organized programs for the treatment and rehabilitation of users. Interactions between the GOU and the United Nations Office on Drugs and Crime have been limited to information exchange, arrangements for training, and conference participation.

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

**Bilateral Cooperation.** The U.S. has assisted Uganda's counternarcotics efforts with numerous law enforcement training courses and general investigative skills training. The U.S. is also assisting by establishing a crime/forensics laboratory and supporting a community policing project at the National Police Training Academy. The Ugandan Police Force (UPF) is a willing partner in the fight against narcotics trafficking. However, UPF officers (particularly in the ANU along with border and airport enforcement officers) are in dire need of assistance to curb the illegal drug trade.

**The Road Ahead.** The U.S. Government continues to engage with the GOU on a variety of law-enforcement issues with the objective of improving Uganda's capacity to enforce its laws and investigate crime. The bottom line, however, is that whatever the level of commitment by the UPF to fight drug trafficking within Uganda, they currently lack the training and equipment needed to be an effective partner.

# Ukraine

## I. Summary

Combating illegal narcotics remains a national priority for Ukraine. Ukraine's counternarcotics legislation is well developed, and the GOU is committed to keeping it current with the evolving threats. The Ukrainian Government attaches great importance to prevention of narcotic addiction, but efforts in this area oftentimes prove to be under-funded. Coordination between law enforcement agencies responsible for counternarcotics occurs, but continues to be plagued by regulatory and jurisdictional constraints. Official statistics show a slight decrease in the number of drug-related crimes and registered addicts in 2009. Ukraine is a party to the 1988 UN Drug Convention, and it follows the provisions of the Convention in its counternarcotics legislation.

## 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 move through Russia, the Caucasus and Turkey, pass through Ukraine, and go on to Western Europe. But, as frequently occurs in transit countries, drug addiction appears to be growing in Ukraine itself. Analysts seem to be unanimous in the opinion that Ukraine is increasingly being viewed by drug traffickers as both a transit country and a drug market in its own right.

Meanwhile, domestic drug abuse continues to be focused on drugs made from locally grown 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 rapidly increasing in Ukraine over the past few years. Most of the major drugs consumed in Ukraine are either produced in Ukraine or supplied from Russia and Moldova (poppy straw, hemp, opium) as well as Poland, Hungary and the Netherlands (amphetamines, methamphetamines, and MDMA, also known as "Ecstasy").

According to official statistics, the drug-addiction level in Ukraine is approximately 35 addicts per 10,000 inhabitants. An interesting sign, however, is a drop in the number of registered drug addicts this year from 178,043 (September 2008) to 165,045 (September 2009), approximately a 7.3 percent decrease. This drop in registered drug addicts, the first in many years, could be ascribed to positive interventions of the government, international organizations and local NGOs. However, many experts continue to believe that the number of unregistered drug addicts may in fact be at least twice as large as the number reported as registered, given the social stigma attached with formal registration as an addict.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** Ukraine has well-developed counternarcotics legislation consistent with international standards. In 2009, 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 frankly acknowledges the growing scale of drug abuse in Ukraine and the lack of adequate prevention education and public awareness campaigns, community prevention efforts, and treatment and rehabilitation facilities.

The Program consists of two stages, the first of which occurred in 2003-2005, and the second of which is being implemented in the 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 into the causes of drug addiction; and setting up an interagency lab to research new synthetic drugs appearing on the domestic market 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 ($37.5 million). However, the GOU has not been able to ensure full allocation of these resources. For example, due to tight budget funding, the GOU has not provided support 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 national legislative act called “Law on Narcotic Drugs, Psychotropic Substances and Precursors” was updated in 2008, and the Cabinet of Ministers approved a set of new regulations in 2009 to improve the handling of controlled drugs and precursors. The law also provides for better storage and disposal of seized narcotics. The Narcotics Control Committee established in 2003 in the Ministry of Health continues to monitor the licit production and use of controlled substances by licensed companies and organizations to avoid diversion to illicit uses.

In the last two years the GOU has amended its legislation to make illegal the non-prescribed use of strong opiate analogs, like Tramadol. Over the last few years Ukraine experienced significant problems with uncontrolled production and use of Tramadol. The new legislation allowed a much more effective law-enforcement response to this problem. As a result, Tramadol abuse has been reduced sharply. Approximately 10 times fewer Tramadol pills were seized in the first nine months of this year (217,286) than last year (2,020,000). In addition, 707,443 pills of other illegally disseminated dangerous drugs and strong medications were seized. These numbers testify to the fact that abuse of prescription drugs and dangerous substances remains significant, especially among young people.

**Accomplishments.** The National Drug Observatory continues to monitor the drug situation in the country. The Observatory was established at the Ministry of Health in 2006 with the assistance of the EU-funded BUMAD Program. It helps collect, analyze and disseminate data on drugs at the national level as well as share and improve comparability of these data at the regional level through the harmonization of key epidemiological and drug supply indicators.

**Law Enforcement Efforts.** The responsibility for counternarcotics enforcement in Ukraine is shared by the Ministry of Interior (MOI), with its primarily 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) interdict drugs along the border and at ports of entry.

In 2009 (January through September), the Ukrainian Ministry of Interior’s (MOI) police force seized approximately 7.9 tons of various drugs, including 4.15 tons of poppy straw, 3.5 tons of marijuana, 31.4 kilos of opium, 7.52 kilos of heroin, and 0.72 kilos of cocaine. The MOI has also seized 235 tons of precursors and destroyed 283,900 sq. meters of illegally-grown poppy and 983,300 square meters of cannabis.

In the same period of 2009, the Security Service seized 1.2 kilos of heroin, 4.2 kilos of cocaine, 1.2 kilos of methadone, 14.6 kilos of methamphetamine, 3.5 kilos of amphetamine and over 19 kilos of other stimulant substances.

The Ukrainian police investigated 45,276 narcotic crimes in 2009 (as of September), 6.7 percent fewer than last year. It is unclear whether declining numbers of cases and seizures mean less trafficking or less efficient police work.

At the same time the number of controlled buys and deliveries has increased by several percent. The Ukrainian police have also uncovered 256 international narcotic trafficking routes and disrupted 40 organized crime trafficking rings in the first 9 months of 2009 (a 23-percent and 25-percent increase in comparison to the previous year, respectively). This might indicate that Ukrainian law enforcement is paying increasing attention to organized criminal aspects of narcotics trafficking, and is utilizing informants, operational analysis, controlled buys and deliveries, and information from their overseas counterparts to disrupt illegal narcotic activities.

In 2009 the MOI created a separate division within its General Investigations Department that focuses specifically on criminal investigations related to narcotics, psychotropic substances and precursors.

The MOI and SBU continued to build cooperative relationships with international counterpart agencies in Western Europe, Eurasia and America. As an example, in April 2009, a coordinated action of SBU and German narcotic control authorities prevented the trafficking of 10 tons of potassium permanganate, which is used in the production of cocaine.

**Corruption.** The GOU openly acknowledges that corruption remains a major problem in society, due to the existence of a bribe-tolerant mentality and the lack of law-enforcement capabilities to investigate and prosecute corruption. The government has committed itself to strengthening its capabilities to investigate and prosecute corruption by adopting international and European standards for creating a specialized law-enforcement body to investigate sensitive corruption cases. However, the pace of anticorruption reform remains slow and the number of successful prosecutions of corruption cases (including those related to narcotics) is extremely low. Thirty-two government employees were prosecuted for corruption by Ukrainian prosecution authorities in the first 9 months of 2009. Several law-enforcement officers were arrested for similar activities. Only one government employee was sentenced in the first half of 2009. 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 the 1971 UN Convention on Psychotropic Substances. The U.S.-Ukraine Mutual Legal Assistance Treaty came into force in February 2001. Ukraine has ratified the UN Convention against Corruption, with the reservation that the ratification enters into force on April 1, 2010, together with two new national laws on corruption. Ukraine is a party to the UN Convention against Transnational Organized Crime and its three protocols. The U.S. and Ukraine signed a Memorandum of Understanding on Law Enforcement Assistance in December 2002. It provided for State Department-funded (INL) assistance to Ukraine to help the GOU bring its law-enforcement institutions, including those involved in the effort against narcotic drugs, up to European and international standards, with the goal of facilitating Ukraine's accession to Euro-Atlantic institutions such as the European Union. It has been amended regularly since 2002 to add funding and establish justice-sector and law-enforcement projects as agreed by Ukraine and the U.S.

The General Prosecutor Office processed 32 international legal assistance requests in narcotic cases and submitted 30 requests to prosecution authorities in other countries in 2009.

**Cultivation/Production.** Opium poppy is grown predominantly in western, southwestern, and northern Ukraine, while hemp cultivation is concentrated in the eastern and southern parts of the country. Poppy and cannabis are controlled plants and can be grown only by licensed farms. The Government approves cultivation quotas every year. In 2009 the approved quotas included 14,000 hectares of poppy and 1,100 hectares of cannabis. Despite the prohibition of unauthorized cultivation, many cases of illegal cultivation in small quantities by private households are discovered.

**Drug Flow/Transit.** Ukraine is predominantly a destination country for poppy straw, hemp and methamphetamines, and a transit country for heroin. Heroin is trafficked from Central Asia (primarily Afghanistan) and comes into 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 and permits traffickers to move larger quantities of narcotics. Nonetheless, the number of air couriers has lately increased significantly. Through September 2009, 68 couriers were detained in the international airport of Ukraine's capital city (15 times as many as in 2008).

Lately, experts have noted an increase in heroin traffic from Turkey into Ukraine by sea, or into Russia and then into Ukraine across its South-Eastern border, and further by land across Ukraine's western border into Western Europe. Experts believe that traditional Balkan drug traffic routes have become saturated and criminals are looking for new trafficking channels. Drug traffic from Asia is increasingly controlled by well-organized international criminal groups of Afghan, Pakistani, and Tajik origin that use citizens of the former Soviet republics as drug couriers.

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 medical prescription drugs from Moldova is growing. Criminal groups of mixed origin (Ukrainians, Polish, Belarusians and Russians) 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 is lower than that of heroin and cocaine 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.** In the last five years, the number of registered drug addicts in Ukraine has increased by approximately 32 percent, up from 124,805 in 2004 to 165,045 in 2009. There are roughly 35 addicts per 10,000 citizens. Various experts, however, estimate that the total number of drug addicts in Ukraine may range from 300,000 to 500,000. Traditionally, the southern and eastern regions of Ukraine rate the highest in terms of drug addiction (on average 70 addicts per 10,000 individuals). Drug-related deaths over the last few years have averaged 1,000 per year, according to Ukrainian health authorities.

Marijuana and hashish are 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 ($5–$8 per 1-ml dose) 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. 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. The legal medical needs of Ukraine for this drug are estimated to be 4 million pills per year, while the Ukrainian pharmaceutical industry produced by various estimates 25 times that quantity. The GOU responded to this abuse in 1988 by listing Tramadol as a controlled narcotic drug, and has tightened control over its production and distribution, which have now been made subject to licensing. Tramadol has become a prescription drug, and sales of Tramadol pills are subject to stricter supervision by the government.

Ukraine's drug problem today is increasingly affected by a rapidly growing HIV/AIDS epidemic, in which intravenous 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 substitution maintenance treatment programs with 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. Starting in June 2008, the Ministry of Health began a methadone substitution program that is available to approximately 2,000 individuals, half of whom are HIV positive. It is expected that the methadone therapy will cover up to 20,000 addicts in 111 clinics countrywide by 2013.

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

**Bilateral Cooperation.** U.S. narcotics policy objectives include helping Ukraine bring its law-enforcement and justice-sector institutions up to European and internationally accepted norms and standards, and facilitating Ukraine's integration into Euro-Atlantic institutions. This will in turn assist Ukrainian authorities to build law-enforcement capacity and develop effective counternarcotics programs in interdiction (particularly of hard drugs transiting the country), investigation, and demand reduction. It will also help Ukraine counter 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 advanced drug investigation techniques. The DEA has established a good working relationship with both the MOI and SBU, and the training programs have helped deepen these relationships. The Department of State, through a variety of projects, is also assisting the MOI build capacity while simultaneously strengthening the capability of the Ukrainian State Border Guard Service (SBGS) to control Ukraine's borders. State Department-funded projects include helping the SBGS develop Risk and Criminal Analysis capabilities that are compliant with European Union norms in order to target and suppress threats, including narcotics trafficking, more accurately along its approximately 7,000 km long border. In addition, the USG has provided a wide range of equipment to the SBGS and State Customs Service, including video and electronic border-monitoring systems, which should enhance these services' ability to detect narcotics smuggling. Finally the State Department is supporting GUAM (an international organization comprising Georgia, Ukraine, Azerbaijan, and Moldova), particularly through a virtual law enforcement center which will facilitate counternarcotics information-sharing among member states' law enforcement bodies.

**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 remain challenges 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. Crime syndicates from around the world try to exploit the illicit narcotics market and use the UK as a major transshipping route. 2008 was the final year of the UK's 10-year drug strategy. The strategy tried to address both the supply and demand aspects of illegal drug use. An assessment of the program determined that it was successful in meeting its goals. The Government launched a new 10-year strategy last year, called "Drugs: Protecting Families and Communities' 2008-2018". The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. The UK is a party to the 1988 UN Drug Convention.

## II. Status of Country

Government data for 2008 suggested that 25-35 tons of heroin and 35-45 tons of cocaine enter the UK each year. Virtually all parts of the UK, including many rural areas, confront the problem of drug addiction at least to some degree. 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. Home Office figures for England and Wales, compiled as part of the 2008/09 British Crime Survey (BCS), indicated a decline in drug use between 2007/08 and 2008/09. Overall use of any illicit drug by 16-59 year olds has also shown a decrease from 11.1 per cent in 1996 to 10.1 percent in 2008/09, due in part to successive declines in the use of cannabis between 2003/04 and 2007/08.

Illegal drugs in the UK are classified by their level of harm, and are sanctioned accordingly. Class A drugs include cocaine, Ecstasy, LSD, magic mushrooms, heroin and diverted medical methadone and methamphetamine. Amphetamines can be either Class A or B, depending on whether they are injected or swallowed. In January 2009 cannabis was re-classified from Class C to Class B. Class C drugs include tranquillizers, anabolic steroids, and Ketamine.)

The 2008/2009 BCS showed that there has been an increase in the use of Class A drugs-highly dangerous drugs such as cocaine and heroin-among 16 to 59 year olds between 1996 (2.7 percent) and 2008/2009 (3.7 percent). On the other hand, in recent years, the cannabis market in the UK, which used to be the largest in Europe, has seen a clear downward trend. In England and Wales cannabis use fell from a prevalence rate of 10.9 percent among the population aged 16-59 in 2002/03 to 7.4 percent in 2007/08. Annual prevalence of cannabis use among people aged 16-24 fell from 28.2 percent in 1998 to 17.9 percent in 2007/08. The reported increase in Class A drug usage since 1996 results from an increase in cocaine powder use, partly offset by a decrease over the same period in the use of LSD.

In contrast to the BCS survey data, reporting a general decline in drug usage, but a shift towards more dangerous drugs, police recorded that drug offenses increased by six percent in 2008/09 compared with 2007/08. This increase appears to be related more to changes in police practice than to any underlying change in actual drug abuse. Increases in recent years have been largely attributable to increases in the recording of possession of cannabis offenses, which account for 69 percent of all recorded drug offenses. Possession of cannabis offenses recorded by the police has risen by 90 percent since 2004/2005. The increases coincided with rises in the number of formal warnings for possession of cannabis issued by the police. Historically, drugs have been linked to about 80 percent of all organized crime in London, and to about 60 percent of crime overall.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** 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. The new UK drug strategy for 2008-2018 consists of four aspects: protecting communities through tackling drug supply, drug-related crime and antisocial behavior; preventing harm to children, young people and families affected by drug misuse; delivering new approaches to drug treatment and social re-integration; public information campaigns, communications and community engagement.

In another important policy change, under the Misuse of Drugs Act cannabis was reclassified from a Class C to a Class B drug with effect from January 2009 due to potential long-term risks to health, and recent increases in the market share of high TNC-content cannabis. The penalties for repeated offenses of cannabis possession have also been strengthened. Cannabis remains the drug most likely to be used by 16-24 year olds.

Controversy surrounded the November 2009 dismissal by the Home Secretary of the head of the Advisory Council on the Misuse of Drugs, an independent body charged with advising the Government on drug policy. The advisor had publicly argued against the reclassification of cannabis in 2008 and in 2009 also criticized the Government's approach to Ecstasy as overzealous. The Home Secretary argued that the advisor had crossed the line of scientific advocacy and embarked on a political campaign against the Government's drug policy. The advisor and many of his supporters argued that he had been fired because his views were not in line with Government policy.

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 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. In 2007, the ACMD was asked to examine new evidence on cannabis as well. As noted above the Government decided to upgrade cannabis to a Class "B" drug against the ACMD's recommendation that the existing classification as a Class "C" drug should be maintained.

Annual departmental expenditures under the overall drug strategy increased four percent between 2007/08 and 2008/09 (from $1.565million (GBP 941million) to $1.570million (GBP 945 million)). The largest share in this increase will be allocated to spending on prisons and community sentences.

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.** Average cocaine purity in police seizures fell from 32 percent in 2007 to 23 percent in the first quarter of 2009, and the purity of cocaine seized by the customs declined from 67 percent in 2007 to 56 percent in the first quarter of 2009. These statistics suggest that cocaine reaching the UK has been falling in purity and then is being cut further after importation. Cocaine was the most commonly seized Class A drug in the UK during 2008/09 followed by heroin. Seizures in the UK are normally made with both cocaine and heroin in mixed caches. The total number of seizures in the UK doubled between 2004 and 2008/2009. Class B and C dangerous drugs seizures also rose significantly from 2007/2008 to 2008/2009 while Class A seizures decreased by one percent for the same period.

There were 242,907 drug offenses recorded in England and Wales in 2008/2009, a five percent increase from the 230,500 offenses recorded in 2007/2008.

The UK gives 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.

**Corruption.** The 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.** 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. The UK 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 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, and the exchange of instruments of ratification occurred in May 2007. In addition, the U.S. and the U.K. have concluded, pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements, protocols to the bilateral extradition and mutual legal assistance treaties, which will enter into force on February 1, 2010.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 April 2008, the U.S. Coast Guard (USCG) and the Royal Navy signed a memorandum of understanding to cooperate on issues of maritime domain awareness. In 2005, the UK signed an updated USCG 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 2008, USCG LEDETs deployed on British ships seized 5,192 pounds of cocaine. In 2009, LEDETs aboard British ships removed over 12,400 pounds of cocaine. The deployment of Royal Navy assets to the Caribbean, and particularly in the drug transit zone, remains vital to ensuring continued success.

**Cultivation/Production.** Between mid-2004 and January 2007, over 2000 cannabis factories were discovered in the UK, predominantly run by Vietnamese criminals. Over 70 more were discovered in Scotland. Cannabis cultivated overseas was imported into the UK from Europe both in bulk by serious organized criminals, sometimes in mixed loads alongside Class A drugs. Crack cocaine was rarely imported, but was produced in the UK from cocaine powder.

Almost all of the Ecstasy consumed in the UK was manufactured in the Netherlands or Belgium; but tablet making sites have been found in the north of England. Most illicit amphetamines were imported from continental Europe, but some were manufactured in the UK in limited amounts. Authorities destroyed crops and clandestine manufacturing/growing facilities as they were detected.

United States authorities have expressed concern about a growing incidence of production of a "date rape" drug called "GBL". While the UK government made the "date rape" drug GHB illegal in 2003, GBL, a close chemical equivalent of GHB, remained uncontrolled. In August 2009, UK Home Secretary Alan Johnson announced that the UK intended to classify both GBL and BZP (Benzodiazepine), another "party drug" as Class C soon. As part of this review the UK also intends to ban synthetic cannabionoids, which are chemicals that are sprayed on herbal smoking products. Often referred to by its street name, "SPICE" has become readily available in the UK.

**Drug Flow/Transit.** The illicit drug market in the UK (cannabis, cocaine powder, heroin, crack, Ecstasy and amphetamines) was worth around five billion pounds ($8.3 billion) in 2008/09. Crack and heroin accounted for the largest expenditure share, 28 per cent and 23 per cent respectively

Currently, trafficking in heroin and cocaine poses a significant challenge to the UK. There is clear evidence of large-scale serious organized criminal involvement and the Home Office estimates that the harm caused by Class A drugs is around £13 billion a year. This harm figure is arrived at by including the profits from sales, the value of the crimes addicts commit to fund their habits, the damage caused to family life and communities, and the costs to addicts' health. The UK continues to be one of the most lucrative markets in the world for traffickers in Class A drugs and was targeted by a wide range of criminals. Drug trafficking, especially in Class A drugs, posed the single greatest organized crime problem for the UK. London, Birmingham, and Liverpool were known to be significant centers for the distribution of all types of drugs.

Approximately 90 percent of heroin in the UK comes from Afghanistan. The primary heroin trafficking route to the UK is overland from Afghanistan to Europe, 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 through Turkey and on to the major markets in continental Europe, eventually reaching the Netherlands. Once in the Netherlands the heroin is trafficked on to the United Kingdom. In 2007, for example, most of the heroin seized in France had come through Turkey and the Netherlands and was on the way to the UK (50 percent) or to Spain (15 percent). United Kingdom-based criminal groups with ties to Turkey handle a significant amount of the heroin eventually imported into the UK, although criminals in the Netherlands and Belgium also channel heroin to the UK using their connections in Turkey. Traffickers with ties to Pakistan also play a significant part; most of the heroin they traffic to the UK, 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 arrived directly from Pakistan.

While traffickers with connections to Turkey continued to dominate the supply of heroin to the UK, an increasing amount of heroin is coming through West Africa, the Middle East and Southern Asia. Criminals with connections to the Caribbean were involved in the supply and distribution of heroin as well as cocaine. Some of the heroin found in the UK continues to be smuggled through ports in the southeast of the UK, although some came through major UK airports with service to Turkey, Northern Cyprus, and Pakistan.

Cocaine imports are estimated at 35-45 tons a year and emanate chiefly from Colombia. An estimated 65-70 percent of the cocaine in the UK market was believed to be produced in Colombia, with increasing amounts transiting through West Africa before entering the UK. The Royal Navy deployed a warship off Cape Verde in June 2009 with an embarked USCG LEDET to train and operate with a Cape Verde LEDET to improve their capacity to counternarcotics trafficking through the region. Average cocaine purity increased from mid-2003 to early 2005 and average street prices fell from 2000-2007 by 30-40 percent. However, over the past two years there has been a marked decrease in the purity of cocaine seized. Distributors, apparently suffering from enhanced enforcement pressure, have increased the amount of cutting agents they add to cocaine.

Supplies of both cocaine and crack cocaine reached the UK market in a variety of ways. The main method of moving cocaine from South America to Europe was in bulk maritime shipments on merchant vessels and yachts from Colombian and Venezuelan ports to the Iberian Peninsula, and then on to the UK. Importation of small quantities was becoming more frequent and may indicate a trend towards 'little and often' importations. Around 75 percent of cocaine was 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 organized this smuggling. There was increasing evidence that a significant amount of the cocaine smuggled into the UK came through West Africa. Britain is a charter member of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon, which aims to bolster EU capacity to counter this new route from Latin America, especially Venezuela by way of West Africa.

The Caribbean, chiefly Jamaica, was a major transshipment point for cocaine from Colombia coming to the UK. Cocaine came by both airfreight and by couriers, usually women, who attempted to conceal internally (i.e., through swallowing in protective bags) up to 0.5 kilograms at a time. Cocaine purity in Scotland was half that of England and Wales (17 percent), suggesting that the cocaine available on the streets of this part of the UK originated in England and was then re-cut. In Northern Ireland cocaine was even less pure (12 percent). Cocaine related deaths occurred in Northern Ireland for the first time in 2007.

Average cocaine purity in police seizures fell from 32 percent in 2007 to 23 percent in the first quarter of 2009 while the purity of cocaine seized by the customs declined from 67 percent in 2007 to 56 percent in the first quarter of 2009. To compensate for shortages in the cocaine supply, traffickers are using chemicals (such as phenacetin), bulking agents, and effect-enhancing adulterants to cut cocaine and crack. Almost a third of police seizures now have purity levels of less than 9 percent, and in some small-scale seizures at the retail level, purity levels were as low as 4-5 percent in the first quarter of 2009. The Serious Organized Crime Agency (SOCA) seized some 15 metric tons of such cutting agents over the last year, which is more than the amount of cocaine seizures reported by the UK to UNODC. Cocaine wholesale prices rose over the same period from some 30,000 GBP ($50,000) per kilogram in 2007 to 45,000 GBP ($75,000) per kilogram in the first quarter of 2009 according to data collected by SOCA in the UK. It would seem that UK enforcement is having a quite significant impact on cocaine criminals.

Data from the mid-1990s to 2007 shows a strong increase in cocaine use in England and Wales, but more recent data for 2008 suggest a stabilization or even a small decline. The UNODC estimates the United Kingdom to have about one million cocaine abusers. The UK thus continues to be—in absolute numbers—Europe's largest cocaine market, with its second highest cocaine use prevalence rate, after Spain.

Synthetic drugs continued to originate from Western and Central Europe; amphetamines, Ecstasy, and LSD were again mainly traced to sources in Belgium, the Netherlands, and Poland, with some supplies originating in the UK. The makers rely heavily on precursor chemicals made in China. In a newly identified transit trend, khat (a plant whose fresh leaves and tops are chewed or, less frequently, dried and consumed as tea, as a euphoric stimulant) was being imported to the UK from East African nations and Yemen. Khat is not controlled in the UK, but its stimulant component, cathinone, is a Schedule I controlled substance in the United States. Estimates for 2006 put khat importation levels to the UK at approximately 120 tons per month. Several areas in the U.S. are increasingly seeing khat, and DEA and DHS (ICE) have identified several links between U.S. khat seizures and the UK. Hashish continues to come to the UK primarily from Morocco. On a positive note, the UK intercepts the most amphetamine in Europe. Since 1998, the UK has seized more than 17.8 metric tons. The annual prevalence rate of 1 percent for amphetamine use in 2007/08 in England and Wales is one third of the level one decade ago, but in Scotland annual rates of amphetamine use increased from 0.5 percent in 2000 to 2.2 percent in 2006.

**Domestic Programs/Demand Reduction.** The Home Office estimates that there are 332,000 problem drug users in England, with the drug market in the UK worth around five billion pounds ($8.3 billion) in 2008/09. The UK government's demand-reduction efforts focus on school and other community-based programs to educate young people and to prevent them from ever starting to use drugs. In a related approach to drug education, "FRANK", a call-in help-line, which offers advice to anyone who may be affected by drugs, has received over two million calls and averaged over 500,000 hits per year on its website.

The UK now has drug education programs in all schools, supported by a certificate program for teachers. "Positive Futures," a sports-based program started in 2000 specifically to target socially vulnerable young people, which has served over 80,000 young people since its inception with 108 projects continues to operate in many regions throughout the country. In 2006, the program was handed over to the national

charity "Crime Concern". The charity hopes to use the heightened interest in sports generated by London's hosting of the 2012 Olympics to promote its counternarcotics agenda.

The UK has rapidly expanded treatment services and has met its target of doubling the number of drug users in treatment two years early; current figures show that over 210,000 people are now receiving treatment (out of an estimated 330,000 problem drug abusers

According to the National Treatment Agency (NTA) there were approximately 10,000 registered drug treatment workers as of 2008. The NTA estimates the average waiting time for treatment at under one week for the first intervention. This represents a 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 1506 in 2005 to 4107 in 2006. This figure was an all-time high, but may reflect new statistical ways of tabulating deaths that were introduced in 2006; other indications of drug abuse suggest a gradual downward trend, though with some shift towards "harder" drugs.

Crime and Disorder Reduction Partnerships (CDRPs) were set up under the Crime and Disorder Act 1998 and are, in most cases, coterminous with local government units throughout the UK. CDRPs are composed of representatives from police, health, probation and other local agencies and are charged with developing strategies for reducing crime in the area where they are located.

As the UK prepares to host the Olympic Games in 2012 and the Glasgow Commonwealth Games in 2014, there will be increasing international focus on its antidoping policies and programs. The Government has designated a strategy to work with key agencies, including the International Anti-Doping Organization, to respond to doping allegations.

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

**The Road Ahead.** The United States continues its close cooperation with the UK on all counternarcotics fronts. The UK provides Royal Navy warships and auxiliary vessels 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 posed by methamphetamine and its capacity for "domestic production." Under the auspices of the new MOU signed between DEA and ICE, ICE Attaché London has begun to develop investigative coordination protocols and operational initiatives with several UK law enforcement counterparts in the area of narcotics smuggling with a nexus to the U.S.

SOCA continues to send a representative to the quarterly Consolidated Counterdrug Database (CCDB) conference. SOCA contributes a great deal to the CCDB by assisting U.S. counternarcotics agencies in reviewing the details surrounding drug-related events reviewed and validated each quarter. This cooperation is vital to facilitate U.S. interagency efforts towards effectively tracking all illegal drug movement in the Western Hemisphere and cocaine movement worldwide.

# Uruguay

## I. Summary

While Uruguay is not a major narcotics producing or transit country, foreign traffickers are active there as well as in neighboring Argentina and Brazil. Uruguay continues to experience increasing local consumption of the highly addictive and inexpensive cocaine base product known locally as "pasta base." In June 2009, the Government of Uruguay released a National Plan Against Drug Trafficking and Money Laundering, which aims to better coordinate the counternarcotics efforts of the varied agencies involved in fighting organized crime. Uruguay is a party to the 1988 UN Drug Convention.

## II. Status of Country

Though not a major narcotics producing or transit country, Uruguay is nonetheless exploited by international drug traffickers including from Mexico, Eastern Europe, Colombia, and Bolivia for transit and logistics operations. Uruguay's porous borders and limited capability to inspect airport and port cargo makes it an attractive transit point for contraband. In 2009, Uruguay saw its largest seizure ever (over two metric tons of cocaine), as well as the first seizure of a chemical precursor, lidocaine, which is used to dilute cocaine. The most frequently seized drug in Uruguay is marijuana, though officials are concerned about the growing popularity of cocaine paste. Local demand for cocaine base continued to increase in 2009, as did the incidence of crime related to this drug, according to the National Anti-Drug Secretariat. Use of cocaine base inside prisons has led to insecurity and severe health problems in prisons. Individual drug use is not viewed as a criminal offense and Uruguay's rehabilitation centers are strained with increasing numbers of addicts seeking assistance. Significant efforts to reduce drug use and assist addicts continued during 2009.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The Government of Uruguay (GOU) made significant strides in establishing a counternarcotics policy in 2009. The newly developed, four-year National Plan Against Drug Trafficking and Money Laundering outlined the coordination of state resources and participants and created a governing body made up of undersecretaries from the agencies working in those areas. In January, special courts that had been established in 2008 for organized crime began operating. The courts have jurisdiction over drug trafficking, money laundering, corruption, and banking fraud, as well as trafficking in persons. Two judges and two federal prosecutors now cover all cases related to organized crime, which allows them to specialize and to better identify related activity. Examples include a money laundering case that was also found to have a trafficking in persons' component, and a cooperative investigation between the public prosecutor's office and the national police against two people who had been in prison for money laundering since September 2008 and were found to have been running a trafficking ring that involved sending Uruguayan women to Spain for forced prostitution.

New legislation passed in 2009 allows the sale or use of seized assets before the conclusion of criminal cases that can sometimes take years. Demand reduction efforts also advanced and have reflected the changing abuse patterns and side effects of both petty and violent crime that come with cocaine base use. Uruguay is an active member of the Organization of American States Inter-American Drug Abuse Control Commission (CICAD), the Southern Cone Working Group of the International Conference for Drug Control, and other international organizations fighting narcotics, corruption, and crime. In 2009, the Financial Unit continued consolidating its work, significantly increasing its inspections to focus on financial agents, particularly those operating in free trade zones, and developing at least six major cases that stemmed from suspicious activity reports.

**Accomplishments.** In 2009, the GOU seized over two metric tons of cocaine in both national and international counternarcotics operations. The GOU also seized 174 kilograms of cocaine base, which was almost double the 2008 level; and 547 kilograms of marijuana, down from 963 kilograms in 2008. Uruguay's interdiction numbers are low in the context of its neighbors and reflect lower narcotics consumption and trafficking in Uruguay as well as the GOU's proactive and aggressive efforts to contain these problems.

The seizure of over two metric tons of cocaine in October, as part of an international operation led by the Drug Enforcement Administration (DEA), was a historic seizure for Uruguay and the region. After receiving intelligence from the DEA and its Argentine counterparts, the Uruguayan Coast Guard was able to identify and detain a yacht transporting the cocaine. One Croatian national was arrested in Uruguay and three others were arrested in Eastern Europe. The investigation is ongoing. The operation is an example of successful information sharing and international cooperation, in this case with Uruguayan, Argentine, and Serbian officials under DEA guidance and investigation. Nationally, the successful operation, which included the Uruguayan Coast Guard, the counternarcotics police and the organized crime courts, is evidence of improved interagency cooperation.

The GOU made 1,185 drug-related arrests leading to 483 convictions. These numbers are a slight decrease from 2008 in both overall arrests and convictions.

**Law Enforcement Efforts.** The GOU is highly conscious of the rising counternarcotics threat and has made consistent efforts to improve its response capacity. Efforts to coordinate interagency strategies and the implementation of improved practices have paid off in terms of increased seizures. The Uruguayan counternarcotics police lead the interagency coordination due to their demonstrated, long-term effectiveness. They continued to improve their operations and intelligence unit by upgrading investigative techniques. Port of Montevideo controls are steadily improving, and in March customs officials began working with a team of special operations police who patrol the ports. This team liaises with the counternarcotics police and has full access to the port area and flexibility to investigate suspicious activity. In 2009, the military began integrating a new radar system with the civilian system to gain better control of airspace in the north, in an effort to better control the northern borders and the clandestine airstrips.

**Corruption.** As a matter of policy, no senior GOU official, nor the GOU, encourages or facilitates the production, processing, or shipment of narcotic and psychotropic drugs or other controlled substances, and does not discourage the investigation or prosecution of such acts. Uruguay has taken legislative and law enforcement measures to prevent and punish public corruption as related to narcotics production, processing, and shipment. Corruption cases are now in the jurisdiction of the organized crime courts. The GOU Transparency Law of 1998 criminalizes various abuses of power by government authorities and requires high-ranking officials to comply with financial disclosure regulations. Public officials who do not act on knowledge of a drug-related crime may be charged with a "crime of omission" under the Citizen Security Law. There were no corruption cases in 2009. Of the 25 customs brokers arrested for bribery in 2008, only three will be prosecuted. The prosecutors lacked sufficient evidence to take the others arrested to trial.

**Agreements and Treaties.** Uruguay is a party to the 1988 UN Drug Convention; the 1971 UN Convention on Psychotropic Substances; the 1961 UN Single Convention, as amended by the 1972 Protocol; the Inter-American Convention Against Corruption; the Inter-American Convention Against Terrorism; the Inter-American Convention Against Trafficking in Illegal Firearms; the UN Convention Against Transnational Organized Crime and its three Protocols; and the UN Convention against Corruption. It is also a member of the OAS Inter-American Drug Abuse Control Commission (CICAD) and in 2009 Uruguay held the presidency for the CICAD Money Laundering Experts Group. The USG and Uruguay are parties to an extradition treaty that entered into force in 1984, a Mutual Legal Assistance Treaty (MLAT) that entered into force in 1994, and a Letter of Agreement through which the USG funds

counternarcotics and law enforcement programs. Uruguay has also signed drug-related bilateral agreements with Brazil, Argentina, Paraguay, Bolivia, Chile, Mexico, Panama, Peru, Venezuela and Romania. Uruguay is a member of the regional financial action task force Grupo de Accion Financiera de Sudamerica (GAFISUD).

**Cultivation/Production.** Neither USG nor Uruguayan agencies have evidence of significant cultivation of illicit drugs in Uruguay, nor were there cases of marijuana cultivation this year. Production of cocaine is also rare, and unlike previous years, no processing labs were seized in 2009.

**Drug Flow/Transit.** Limited law enforcement presence along the borders, in the ports, and in the northern Uruguayan airspace make Uruguay vulnerable to drug trafficking by private vehicle, bus, small private airplanes, trucks, commercial aircraft flights, and containerized cargo. Colombian and Bolivian traffickers have smuggled cocaine into Uruguay by flying directly into remote regions from Bolivia, using make-shift airstrips located on foreign-owned residential farms. This practice currently continues and is being targeted by implementing radar systems in northern Uruguay. From Uruguay, narcotics are generally transported to Brazil for domestic consumption there or transshipped onward to Europe.

**Domestic Programs (Demand Reduction).** Uruguay's demand reduction efforts focus on prevention programs, rehabilitation, and treatment. In 2009, the National Drug Rehabilitation Center continued to train health care professionals and sponsored teacher training, public outreach, and other programs in community centers and clubs. This year Uruguay produced a new counternarcotics education program for adolescents that is taught in schools across the country. The interagency treatment and prevention program "Portal Amarillo" continued to serve as a primary outlet for addicts seeking help. It features drug rehabilitation clinics and a hotline, as well as services for both in-patient and out-patient drug users in northern Montevideo and in the Department of Maldonado. In a specialized program targeting prison populations, prison personnel and inmates were trained to develop, plan, and perform activities to reduce drug abuse. Uruguay continues to develop methods to track trends in drug use. In 2009, Uruguay completed a survey of drug use in youth populations, including secondary schools and prisons, and in 2010 they will undertake a survey of drug use in the general population. Those findings will allow them to better shape demand reduction programs.

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

**Bilateral Cooperation.** U.S. strategy is to prevent Uruguay from becoming a major destination for narcotics transit or processing. Although DEA does not have an office in Uruguay, the regional DEA office has provided support and guidance to Uruguayan authorities in both general operations and specific investigations. The regional Department of Homeland Security (DHS) office also provided training and support to officials in border areas and ports. USG assistance to the GOU in 2009 included support for demand reduction programs and narcotics interdiction operations, including provision of equipment and assistance with police training. USG programs also provided training in maritime law enforcement leadership, port security including container inspection, and border security training to the Uruguayan Navy, Coast Guard, and Marines. As part of the State Partnership Program, the Connecticut Air National Guard is providing technical assistance to the Uruguayan Air Force on radar integration, maintenance, operations and training.

**The Road Ahead.** With its National Plan Against Drug Trafficking and Money Laundering and the new legislation on organized crime courts and asset forfeiture, Uruguay has set the foundation for undertaking solid counternarcotics work. The counternarcotics police's improving investigative capacity and international cooperation are further steps towards making Uruguay less attractive to drug traffickers. Regardless, Uruguay could enhance its drug control efforts further by investing more resources to update counternarcotics police equipment and enhancing its capability to provide specialized police training. The USG also encourages Uruguay to continue interagency and international cooperation in its counternarcotics efforts. In addition, we urge Uruguay to increase its counternarcotics efforts in the

northern region to more effectively target drug traffickers. Uruguay has several dedicated demand reduction programs and we encourage the GOU to continue reaching out to youth and at-risk groups to stop abuse before it starts.

# Uzbekistan

## I. Summary

Uzbekistan is a geographically strategic crossroads between South Asia and Europe. It is primarily a transit country for opiates originating in Afghanistan, with an estimated 95 tons of Afghan opiates passing through Central Asia each year. Well-established trade routes facilitate the transit of these narcotics to Russia and Europe. Although the vast majority of these drugs will never reach U.S. soil, local drug trafficking ultimately affects the security of the United States by threatening the security of U.S. friends and allies. Throughout Central Asia, there are strong connections between narco-trafficking and terrorism. Extremist groups often use the profits of the drug trade to undermine, destabilize, and corrupt government institutions. 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 help. Uzbekistan is slowly reengaging the international community, including the United States Government (USG), after a period of comparative isolation. In a major step towards more effective bilateral cooperation with the U.S., the GOU accredited a "Counternarcotics Affairs Office" (CAO) staffed by the U.S. Drug Enforcement Administration (DEA). However, greater efforts are needed to stem the flow of narcotics through Uzbek territory. Law enforcement officers seized approximately 1,820 kilograms of illegal narcotics in the first six months of 2009, with opiates accounting for almost 84 percent of seizures. Uzbekistan is a party to the 1988 UN Drug Convention.

## II. Status of Country

As with many countries, illegal narcotics create serious social, health, and law enforcement problems in Uzbekistan. Dealing with these problems requires consistent and sustained efforts by the GOU and its international partners; the development of an integrated and comprehensive counternarcotics strategy will facilitate these efforts. On the positive side, counternarcotics issues have been attracting the attention of some high-level Uzbek officials, as press coverage raised the profile of the narcotics issue. Although there seems to be the political will to deal with local drug problems, implementation of programs is slow and bureaucratic. Uzbek law enforcement officers seem eager to work with their international counterparts, but they are not free to act without heavy political oversight. The GOU is showing signs of greater openness to bilateral and multilateral cooperation. However, without direct and regular access to Uzbek law enforcement components by Uzbekistan's international partners, efforts to develop a counternarcotics strategy will suffer, and pursuit of joint investigations will be difficult at best. The newly reopened Counternarcotics Affairs Office seeks broad-based cooperation with all Uzbek law enforcement agencies, with a special focus on building Uzbek capacity to investigate and prosecute drug crimes.

There is no significant drug production in Uzbekistan, but several transshipment routes for opium, heroin, and hashish originate in Afghanistan and cross Uzbekistan for destinations in Russia and Europe. Seizures for the first half of 2009 increased by approximately seven percent compared to the same time period in 2008, according to official statistics. (Seizures in 2008 had increased by 54 percent in comparison with 2007.) Precursor chemicals have, in the past, traveled the same transshipment routes in reverse on their way to laboratories in Afghanistan and Pakistan.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The accreditation of the Counternarcotics Affairs Office is just one signal of Uzbekistan's increasing willingness to cooperate with international partners in its efforts to combat illegal narcotics. In 2009, Uzbekistan took important steps towards improving its counternarcotics capacity and law enforcement institutions by participating in international programs and taking advantage of training opportunities. Uzbek Customs officials developed a local canine (K-9) training center with assistance

from the State Department Bureau of International Narcotics and Law Enforcement Affairs (INL). In March 2009, Uzbek Customs officers participated in an INL-sponsored K-9 conference in Kazakhstan. Such training offers long-term benefits not only to Uzbekistan, but to the entire region—Uzbek officials have already begun to share their newly developed expertise with customs officials of neighboring countries. The Government of Uzbekistan also cooperates with neighboring countries through its participation in the Central Asia Regional Information and Coordination Center (CARICC), and the Border Management Assistance Program-Central Asia Border Security Initiative (BOMCA-CABSI) sponsored by the European Union (EU) and the United Nations Development Program (UNDP). The UNODC continues to implement projects focusing on improvements in law enforcement, precursor chemical control, border security, and drug demand reduction. UNODC has reported that cooperation with Uzbek law enforcement agencies is steadily improving.

Uzbekistan continues to work toward the goals of the 1988 UN Drug Convention on combating illicit cultivation and production. The annual "Black Poppy" eradication campaign has virtually eliminated illicit poppy cultivation within the borders of Uzbekistan. In addition, the GOU has created counternarcotics task forces at airports and border checkpoints. However, efforts to achieve convention goals are still hampered by the lack of effective laws, programs, money, appropriate international agreements, and coordination among law enforcement agencies. For want of capacity to manage a sophisticated investigation into drug kingpins, the GOU focuses its law enforcement efforts almost exclusively on drug seizures and arrests of minor drug traffickers. The CAO hopes to work with the GOU to expand its capacity for conducting investigations and prosecuting crimes, providing comprehensive mentor support, training, and enhanced investigation intelligence.

**Law Enforcement Efforts.** Preliminary statistics provided by the GOU show that in the first half of 2009, Uzbek law enforcement seized a total of 1,820 kilograms of illicit drugs, a seven percent increase from the same period last year. Opium poppy straw accounted for 35 percent of the total, heroin for 28 percent, opium for 20 percent, cannabis for 15 percent, and hashish for about one percent. For the first six months of 2008 authorities reported 5,737 narcotics-related criminal cases, including 176 arrests for drug smuggling and 3,219 for drug distribution. During the first six months of 2009, Uzbekistan reported 4,712 criminal cases pertaining to narcotics, including 174 arrests for drug smuggling and 2,350 for drug distribution

Four agencies with separate jurisdictions have counternarcotics responsibilities: the Ministry of Internal Affairs (MVD), the National Security Service (NSS), the State Customs Committee and the Office of the Prosecutor General. (The Ministry of Defense also plays a role in general border security.) The MVD concentrates on domestic crime, the NSS (which 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). The CAO intends to encourage broad-based cooperation among all of these law enforcement agencies. Despite the straight-forward delineation of responsibilities, a lack of intelligence sharing and 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 practice, its role is purely administrative; it synchronizes the statistics of the various agencies, but has no control over budget or policy decisions. However, the National Center for Drug Control readily shares data with the U.S. Government and other international entities. The NSS plays a pivotal role in the operations of all GOU agencies.

According to National Center reports, most smuggling incidents involve one to two individuals. Large, sophisticated "priority targets" are few, but there are many small, independent smuggling organizations operating between Afghanistan, Tajikistan, and Uzbekistan. Poor border controls allow drug traffickers to cross between the countries with relative ease. Resource and legal constraints have limited the GOU's

ability to investigate these cases, and 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 to the independent observer administratively difficult to obtain. Uzbekistan has relied heavily on international assistance from UNODC, the U.S., the UK, the EU, and others to supplement its own thinly-funded programs.

**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. The scale of drug profits contributes to corruption throughout Central Asia. One of the principal obstacles to a sustained counternarcotics strategy is the presence of numerous corrupt officials throughout the counternarcotics system. Salaries of law enforcement officers are generally very low, and there are anecdotal accounts of customs and border officials supplementing their incomes by accepting bribes to ignore narcotics shipments. It is likely that some government officials are involved with narcotics trafficking organizations. Conspiracy laws in Uzbekistan are ineffective, and corruption cases usually target low or mid-level officers. However, the GOU is implementing anticorruption programs with the assistance of the international community. In one example, the Ministry of Internal Affairs (MVD) recently introduced an automated phone system which allows callers to anonymously report crimes; the recorded information that callers provide cannot be deleted by law enforcement officers or any other internal employees. With this program, the MVD aims to reduce corruption by making it more difficult for GOU employees to conceal crimes.

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.

**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 ad its protocol against trafficking in persons. In July 2008 Uzbekistan ratified the UN Convention Against Corruption, a development which should help long-term efforts to increase transparency. Uzbekistan has signed the Central Asian Counternarcotics Memorandum of Understanding with the UNODC. In 2006, Uzbekistan 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, but is the only member country that has not yet ratified the CARICC agreement. 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.

**Cultivation and Production.** Uzbekistan continues to work toward the goals of the 1988 UN Drug Convention on combating illicit cultivation and production within its borders. The annual "Operation Black Poppy" is one of the GOU's counternarcotics success stories, having 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. However, the operation is hampered by such basic problems as an aging helicopter fleet and lack of fuel for the helicopters. Officials have reported in the past that two of their three helicopters were grounded due to these problems.

**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 due to insufficient border control measures. 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 an INL-funded UNODC project will focus on improving the control regime at the river port. Containers crossing the border from Uzbekistan to Afghanistan are generally not searched, and Uzbeks have requested scanning equipment to help ensure that contraband, including precursor chemicals, does not reach Afghanistan. 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 Fergana Valley, Samarkand and Syrdarya.

**Domestic Programs.** According to the National Drug Control Center, at the beginning of 2009, there were 21,089 registered drug addicts in Uzbekistan, of which approximately 69 percent were heroin users. This represents a slight decrease from the number of registered drug addicts at the beginning of 2008. In contrast with the official statistics, the Ministry of Internal Affairs estimates there are 35,000 drug addicts in Uzbekistan. However, observers in the international community believe the official number of registered addicts is believed to reflect only 10-15 percent of the actual drug addicts in Uzbekistan; the actual number is probably over 200,000. Hospitals with drug dependency recovery programs are inadequate to meet the increasing need for detoxification and treatment, although the government is making an effort to open new treatment facilities. 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 strove to create increased drug abuse awareness among school children, and additional INL funds have already been allocated for the second phase of this drug demand reduction project. A USAID drug demand reduction project is on-going, although only one USAID-funded youth center remains operational in Uzbekistan. This center has provided outreach and education to over 1,000 young people aged 15-25 since December 2008.

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

**Bilateral Cooperation.** Building a strong counternarcotics strategy requires regional and international partners, funding, viable training, and a long-term commitment. A legal framework for bilateral cooperation between Uzbekistan and the United States already exists under the 2001 U.S.-Uzbekistan Narcotics Control and Law Enforcement Agreement and its amendments. These agreements provide for U.S. assistance to Uzbekistan to enhance the capability of Uzbek law enforcement agencies in their efforts to fight narcotics trafficking and organized crime. This assistance is most often provided in the form of technical assistance, training, and limited equipment donations. The new Counternarcotics Affairs Office (CAO) is in the process of assessing the current counternarcotics strategy, with the goal of developing a sound and comprehensive program that will foster bilateral relations and augment (but not duplicate) existing programs. In March of 2007, DEA was forced to temporarily suspend its operations in Uzbekistan when visas for DEA personnel were not renewed. However, in June 2009 the GOU accredited the CAO, which is staffed by DEA. A full-time Counternarcotics Liaison arrived in Uzbekistan in October 2009. The CAO will focus its efforts on strengthening Uzbek institutions and building the operational and investigative capacity of Uzbek law enforcement agencies. In particular, the CAO hopes to assist the GOU in establishing a centralized law enforcement database that would assist those agencies in their investigations and allow them to operate more effectively. The CAO will also encourage

Uzbekistan to work more closely with its neighbors, including Afghanistan, to develop investigative intelligence targeting international drug, precursor, and money-laundering organizations.

The State Department Bureau of International Narcotics and Law Enforcement Affairs (INL), with support from the Department of Justice Criminal Investigative Training Assistance Program (ICITAP), continues to support the GOU in its efforts to improve its forensics laboratories. This successful project, which aims to bring Uzbekistan's forensic laboratories up to international standards, has included equipment donation, visits to U.S. laboratories, and visits to a conference for forensic scientists, prosecutors and judges. INL has also provided much-needed basic equipment to border guards in the crucial Surkhandarya Province.

The State Department's Bureau of Export and Related Border Security (EXBS) increased its activities in Uzbekistan in 2009 as cooperation with the GOU improved. In April 2009, Uzbek officials from Customs and the Ministry for Foreign Economic Relations, Investment and Trade attended a course on International Export Control Policy at the University of Georgia Export Control Academy. The Customs and Border Protection agency of the Department of Homeland Security also conducted a successful joint International Rail Interdiction Training/International Border Interdiction Training with Uzbek Customs officials and Border Guards at the Termez border crossing in April. The Department of Energy International Nonproliferation Export Control Program (INECP) successfully conducted Commodity Identification Training (CIT) at the Uzbek Customs Academy in May. Uzbek officials participated in the Defense Threat Reduction Agency-North Atlantic Treaty Organization (DTRA-NATO) Advanced Training Course on Nonproliferation in October. The USG is also providing funding to repair and upgrade the Termez river port.

**The Road Ahead.** The U.S and Uzbekistan will seek to work together to control the flow of narcotics moving out of Afghanistan.

# Venezuela

## I. Summary

Venezuela is a major drug-transit country; flows of drugs to the United States, Europe and West Africa via Venezuela increased sharply in 2009. Venezuela continues to suffer from high levels of corruption and a weak judicial system. Inconsistent international counternarcotics cooperation and an increase in trafficking patterns through Venezuela enable a growing illicit drug transshipment industry. Venezuela has not signed the addendum to the 1978 U.S.-Government of Venezuela (GOV) Bilateral Counternarcotics Memorandum of Understanding (MOU) that was negotiated in 2005. Nevertheless, Venezuela continues some minimal bilateral counternarcotics cooperation with the United States. The decision by the United States and the GOV to exchange ambassadors in July 2009, following the September 2008 expulsion of the U.S. Ambassador from Venezuela, presents an opportunity to improve bilateral cooperation on counternarcotics and other issues that have been hindered by continuing tensions in the bilateral relationship. The President determined in 2009, as in 2008, 2007, 2006, and 2005, that Venezuela failed demonstrably to adhere to its obligations under international counternarcotics agreements. Venezuela is a party to the 1988 UN Drug Convention.

## II. Status of Country

A permissive and corrupt environment in Venezuela, coupled with increased drug interdiction efforts in the Caribbean, Central America and Mexico, has made Venezuela one of the preferred routes for trafficking illicit narcotics out of South America. While the majority of narcotics transiting Venezuela move directly to the United States and Europe, a growing portion also flows through western Africa and then onwards to Europe. The trafficking of drugs has increased the level of corruption, crime, and violence in Venezuela.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** In 2009, the GOV initiated a new effort to combat the money laundering of drug proceeds by having its National Counternarcotics Office (ONA) conduct three training programs in money laundering awareness and investigative techniques for GOV law enforcement and intelligence agencies. Representatives from GOV tax, intelligence, and law enforcement agencies attended training seminars in Venezuela hosted by Spain and the Netherlands.

In September 2009, the GOV hosted the 19th Heads of National Drug Law Enforcement Agencies (HONLEA) for Latin America, organized by the United Nations (UN). Key topics included container security at shipping ports and the transit of narcotics from Latin America to Africa.

The GOV national counternarcotics strategy for “2008-2013,” which was slated to go into effect in January 2008, was renamed to “2009-2013,” but has still not been publicly released.

At least six of the ten radar systems purchased in 2007 from China to scan Venezuelan airspace for illegal drug transshipments have been installed.

Since the reduction of bilateral counternarcotics cooperation in 2005, the GOV has maintained limited counternarcotics cooperation with the United States. This cooperation has mainly involved informal information exchanges with remaining U.S. Drug Enforcement Administration (DEA) representatives in Caracas, coordination of fugitive deportations from Venezuela to the United States and Colombia, and maritime interdiction with the U.S. Coast Guard. Venezuela’s Minister of Interior announced in July 2009 that police receiving training abroad without the Ministry’s approval would be banned from law enforcement and that foreign law enforcement experts giving talks in Venezuela without authorization

would face arrest. This announcement has discouraged most professional law enforcement from participating in U.S. government-sponsored programs.

In 2005, the GOV stated that a renewal of bilateral counternarcotics cooperation depended on both parties signing an addendum to the 1978 U.S.-GOV Bilateral Counternarcotics Memorandum of Understanding. While the United States did not agree that the addendum was essential to ensuring appropriate counternarcotics cooperation, the United States reached agreement with GOV officials on a mutually acceptable version in December 2005. Despite repeated assurances from senior GOV authorities and agreement on two signing dates, Venezuelan President Hugo Chavez has not yet authorized the signing of the addendum to the MOU. The senior GOV officials who negotiated the addendum have since left their positions, and their successors have publicly stated that the GOV will neither sign a bilateral agreement nor cooperate with the United States on counternarcotics.

In March 2009, the GOV allowed representatives from the U.S. Government Accountability Office (GAO) to meet with the Venezuelan Attorney General. The Attorney General asked for reciprocity in access for Venezuelan government representatives to conduct a similar visit to the United States. However, the GOV did not respond to a diplomatic note from the United States offering to facilitate such a visit.

Throughout 2009, the GOV's Vice President and Minister of Interior both routinely accused DEA of running an international drug smuggling ring. President Chavez repeated the erroneous claim and also suggested that the U.S. military was involved. President Chavez also asserted that the United States permitted drug smuggling to "pacify" its population.

The lack of greater counternarcotics cooperation reflects the general chilling of bilateral relations over the past few years. Given the GOV's refusal to expand cooperation, the President determined in 2009, as in 2008, 2007, 2006, and 2005, that Venezuela failed demonstrably to adhere to its obligations under international counternarcotics agreements.

The GOV did renew counternarcotics cooperation agreements with the United Kingdom in 2009.

**Law Enforcement Efforts.** According to the ONA, seizures of all illicit drugs within Venezuela increased from 40 metric tons in 2008 to 60.2 metric tons in 2009. This is still far below the 2005 peak of 152 metric tons when the United States and GOV cooperated fully in counternarcotics activities. In total, the GOV reported seizing 81 kilograms of heroin, 32.3 metric tons of marijuana, 27.7 metric tons of cocaine and 90 kilograms of bazuco and crack cocaine last year. The GOV does not permit the USG to confirm its seizures nor are other countries permitted to verify the destruction of seized illicit drugs. Moreover, these figures include seizures made by other countries in international waters which were subsequently returned to Venezuela, due to the seized vessel having Venezuelan registry.

Seizures of drugs transiting from Venezuela to other countries, including to the United States and the United Kingdom, rose steadily in 2009. The increase in third country seizures, including some multi-ton seizures, transpired despite the GOV's limited counternarcotics cooperation.

Venezuelan counternarcotics commandos successfully raided more than 15 high capacity drug processing labs along the border with Colombia in 2009. Seizures of more than one metric tons of cocaine, destined for shipment via containers, were made in the ports of Puerto Cabello and La Guaira.

Venezuela cooperated with the U.S. Coast Guard in three maritime interdiction cases involving Venezuelan flagged vessels in 2009, two of the cases yielding over two metric tons of cocaine. In one of the cases, Venezuela waived jurisdiction to allow the U.S. Coast Guard to retain custody of one Colombian crewmember for U.S. prosecution.

The lack of effective criminal prosecutions, politicization of investigations, and corruption undermine public confidence in the judicial system. Seizures and arrests are usually limited to low-level actors.

Walid Makled, Venezuela's largest drug trafficker, remains a fugitive since the November 2008 raid on his farm.

**Corruption.** Public corruption continued to be an issue in Venezuela during 2009. There are regular press reports about Venezuelan security forces facilitating or being directly involved in drug trafficking, particularly the special counternarcotics units of the National Guard and the Federal Investigative Police. Even when seizures occur, the drugs are reportedly not always turned over intact for disposal, and the chain of custody for seized cocaine from prosecution to destruction is often incomplete.

**Agreements and Treaties.** Venezuela 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. Venezuela and the United States are parties to a Mutual Legal Assistance Treaty that entered into force in March 2004. Venezuela is 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. Venezuela is also a party to the Inter-American Convention Against Terrorism, the Inter American Convention Against Corruption, and the Inter-American Convention on Mutual Assistance in Criminal Matters and is an active member of the Inter-American Drug Abuse Control Commission (CICAD).

The GOV has also signed a number of bilateral agreements with the United States, including a Customs Mutual Assistance Agreement and a 1991 Ship-Boarding Agreement updated in 1997 that authorizes the United States to board suspect Venezuelan-flagged vessels on the high seas. The continued unimpeded use of the ship boarding agreement remains important to Venezuela's cooperation with the USG in counternarcotics matters.

While a 1978 U.S.-GOV bilateral Memorandum of Understanding concerning counternarcotics cooperation was signed, an addendum to extend the agreement has remained unsigned since 2005.

**Extradition and Mutual Legal Assistance.** The United States and Venezuela are parties to an extradition treaty that entered into force in 1923; however the treaty has limited application as the 1999 Venezuelan Constitution bars the extradition of its own nationals. Venezuelan authorities continue to selectively deport non-Venezuelan criminals to the United States or a third country. There have been cases where individuals deported from Venezuela to a third country have been successfully extradited from that third country to the United States. Although no formal extradition request had been made, the GOV, in coordination with the U.S. Embassy in Caracas, deported two fugitives sought by DEA directly to the U.S. in 2009.

**Cultivation/Production.** Some limited coca cultivation occurs along Venezuela's border with Colombia, but the levels are historically insignificant. No reliable cultivation data was released in 2009 by the GOV. Operation Sierra, an eradication effort along the western frontier with Colombia, included elements of the ONA and Venezuela's Bolivarian Armed Forces (FAB). The results of the eradication programs have not been released.

**Drug Flow/Transit.** The majority of illicit drugs transiting Venezuela are destined for the United States, Europe, and West Africa. Drug traffickers now routinely exploit a variety of routes and methods to move what the United States estimates to be hundreds of metric tons of illegal drugs on the Pan-American Highway, the Mata and Orinoco Rivers, the Guajira Peninsula, and dozens of clandestine airstrips. Illicit narcotics destined for the United States from Venezuela are shipped through the Dominican Republic, Haiti, Central America, Mexico, and other Caribbean countries. Narcotics destined for Europe are shipped directly to several countries in Europe, particularly to Spain, or are shipped through the eastern coastal waters and rivers of Venezuela, Guyana and the Caribbean to West Africa, notably Guinea and Guinea Bissau. Venezuelan traffickers have been arrested in The Netherlands, Spain, Ghana, the Dominican Republic, Mexico, Grenada, Dominica, St. Lucia and other countries. In November 2009, the remains of a

commercial 727 jet aircraft that departed Venezuela were discovered in the desert of Mali after allegedly delivering several tons of cocaine.

Traffickers continue to use private and commercial aircraft and maritime cargo containers, fishing vessels, and go-fast boats to move the narcotics to principal markets in the United States and Europe. According to the Joint Interagency Task Force-South (JIATF-S), the amount of cocaine moving through Venezuela by private aircraft and maritime means increased from 54 metric tons in 2004 to approximately 143 metric tons in 2009, representing about 60 percent of the total volume of transshipments. Illegal armed groups in Colombia, including two U.S.-designated Foreign Terrorist Organizations (FTOs), the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), are linked to the most aggressive and successful drug trafficking organizations moving narcotics through Venezuela. The FARC and ELN are reported to have established the wherewithal in Venezuela to facilitate trafficking activities, to rest, and to evade Colombian security forces. Reportedly, some elements of Venezuela's security forces directly assist these FTOs.

In an effort to combat the transit of narcotics through Venezuela, the GOV launched Operation Centinela (Sentinel) in 2009. This umbrella operation coordinated resources of Operation Boquete (Pothole) V-2009, designed to disable clandestine landing strips used for drug trafficking, and Operation Sierra, intended to destroy illicit coca and poppy cultivation in Venezuela. ONA reported that a total of approximately 40 airstrips were disabled, and also reported the seizure of four suspect aircraft in the state of Apure.

**Demand Reduction.** ONA continued the Planting Values for Life program, a comprehensive drug prevention initiative. By October 2009, more than 30,000 people had been trained as community drug advisors and 70 members of the business community had been trained for workplace programs to complement this program.

Since 2005, Venezuelan law has required that companies with more than 200 workers donate one percent of their profits to the ONA. ONA is then responsible for dispensing funds to demand reduction programs carried out by ONA-approved NGOs or to run their own programs. This represents a departure from how the program functioned under ONA's predecessor organization (the National Commission Against Illegal Drug Use, or CONACUID), when companies made donations directly to CONACUID-approved NGOs, instead of to CONACUID.

ONA has been slow to certify NGOs involved in demand reduction, thereby hindering implementation of the 2005 law. Several NGOs, such as the Alliance for a Drug Free Venezuela, also claim to have been denied ONA certification for being linked to opposition political parties, while those NGOs receiving assistance from the United States have found it particularly difficult to receive ONA certification. Implementation has also been hindered by legal challenges to the requirement that funds be donated directly to ONA. Companies have postponed making donations, either to ONA or to NGOs, until the statutory requirement is clarified. Many NGOs have closed due to a lack of funding.

The GOV does not track statistics on drug abuse and treatment, with the exception of a 2005 ONA survey, which suggested that drug abuse among Venezuelan youth was decreasing. However, the accuracy of that survey is uncertain, and various NGOs report that drug abuse may be on the rise.

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

**Bilateral Cooperation.** Cooperation with the GOV is restricted to the interdiction of vessels on the high seas and informal exchanges of information between DEA and ONA.

In 2007, the GOV said it would end the judicial sector's participation in several U.S.-funded United Nations Office of Drugs and Crime (UNODC) programs, and indicated to the UNODC that the GOV would not participate in any programs receiving U.S. funds. However, in 2009, the GOV attended a

judicial sector training seminar on money laundering developed with the technical support of UNODC. No further cooperation with the GOV was reported during 2009. While the United States continues to reach out to traditional counternarcotics contacts in the GOV, increasing support has been given to non-traditional partners, including NGOs involved in demand reduction and regional and municipal government anticrime and counternarcotics programs.

In November 2009, ONA informed U.S. officials of its intent to activate the U.S.-funded Container Inspection Facility (CIF) at Puerto Cabello. Completed in late 2006, the CIF was intended to provide a venue and equipment (forklifts, tools, and safety equipment) for Venezuelan authorities to unload and examine containers in a safe and protected environment. Embassy representatives attempted to assess the facility in April 2009 but were refused entry. However, they were alerted that USG-provided computers, forklift equipment, and other materials worth more than approximately $18,000 were missing from the locked facility.

A number of private Venezuelan companies are still enrolled in a private sector antismuggling endeavor called the Business Alliance for Secure Commerce (BASC) program. This program seeks to deter smuggling, including narcotics, in commercial cargo shipments by enhancing private sector security programs.

The GOV continues to cooperate with the United States to permit the boarding of Venezuelan-flagged vessels on the high seas that are suspected to be engaged in narcotics trafficking, although delays in response to requests for verification of nationality have sometimes resulted in lost opportunities. In cases of cooperation, the GOV asks to retain jurisdiction and does not share information on the final disposition of seizures made by the U.S. Coast Guard on Venezuelan-flagged vessels or the corresponding legal cases.

**The Road Ahead.** The United States is prepared to deepen cooperation with Venezuela to help counter the increasing flow of illegal drugs through that country. Cooperation could be improved if the GOV signed the outstanding bilateral counternarcotics MOU addendum, which would free up funds for joint counternarcotics projects. Illicit trafficking from Venezuela could be curbed if the GOV made operational the Container Inspection Facility (CIF) at Puerto Cabello. Bilateral cooperation could also be improved by returning a Venezuelan liaison officer to JIATF-South in Key West, Florida. These steps would increase the exchange of actionable intelligence, help to dismantle organized criminal networks, and aid in the prosecution of criminals engaged in trafficking. In addition, the GOV is encouraged to agree to an International Shipping and Port Security visit by the U.S. Coast Guard to conduct an assessment of its major seaports. The last assessment was conducted in 2004, but the GOV has denied repeated attempts by the U.S. to discuss port security.

# Vietnam

## I. Summary

The Government of Vietnam (GVN) continued to make progress in its counternarcotics efforts during 2009. Specific actions included: sustained efforts of counternarcotics law enforcement authorities to pursue drug traffickers; increased attention to interagency coordination; continued cooperation with the United Nations Office on Drugs and Crime (UNODC); increased attention to both drug treatment and harm reduction; continued public awareness activities; and additional bilateral cooperation on HIV/AIDS. Operational cooperation with the U.S. Drug Enforcement Administration's (DEA) Hanoi Country Office has improved, but further progress is still needed in order to achieve significant results. Vietnam is a party to the 1988 UN Drug Convention.

## II. Status of Country

Trafficked drugs included heroin, opium, cannabis and Amphetamine Type Stimulants ATS (methamphetamine and ecstasy). Police also reported the emergence of crystal methamphetamine (ice) on local markets. Various types of ATS manufactured in Cambodia, China, Lao PDR, Burma and Thailand were smuggled into Vietnam for local consumption. No specific data for 2009 is available on the total amount of illicit drug crop cultivation; however, estimates suggest that opium poppy cultivation remains sharply reduced from an estimated 12,900 ha in 1993, when the GVN began opium poppy eradication. Cultivation in Vietnam probably accounts for only about one percent of the total cultivation in Southeast Asia, according to law enforcement estimates. Official UNODC statistical tables no longer list Vietnam separately with major drug production countries in drug production analyses. Small amounts of cannabis are reportedly grown in remote regions of southern Vietnam. Prior to 2008, DEA had no evidence of any Vietnamese-produced narcotics reaching the United States nor was Vietnam a source or transit country for precursors. However, more recent information indicates that precursor chemicals and Ecstasy are beginning to be shipped from Vietnam into Canada for eventual distribution in the United States. The dual use chemical, Safrole, (sassafras oil from which ecstasy can be produced) is not produced in Vietnam, but it is imported into Vietnam for re-export under controls to third countries. The potential for diversion of sassafras oil into clandestine ecstasy production remains an area of concern. In 2009, the GVN continued to view other Golden Triangle countries, primarily Burma and Laos, as the source for most of the heroin supplied to Vietnam. GVN authorities are particularly concerned about rising ATS-Amphetamine-type Stimulants use among urban youth. The Standing Office on Drug Control (SODC) reports an increase in ATS seizures. The GVN has also expressed concern about increased amount of drugs being smuggled into Vietnam and the number of foreign criminals involved in drug cases. During 2009, the GVN continued enforcement and awareness programs that it hopes will enable Vietnam to avoid a youth synthetic drug epidemic. Resource constraints in all aspects of narcotics programs are pervasive, and GVN counternarcotics officials note that, as a developing country, Vietnam will continue to face resource constraints for the foreseeable future, despite annual budget increases for counternarcotics efforts.

## III. Country Actions Against Drugs in 2009

**Policy Initiatives.** The structure of the GVN's counternarcotics efforts is built around the National Committee on AIDS, Drugs and Prostitution Control (NCADP), which includes 18 GVN ministries and Communist Party affiliated organizations as members. In addition, the Ministry of Public Security (MPS), as NCADP's standing member, has a specialized unit to combat and suppress drug crimes, and the Standing Office for Drug Control (SODC) under the MPS is responsible for assisting the Minister of Public Security, as the Vice Chairman of NCADP, in advising the Government on development and

multi-sector coordination of drug control policies. The SODC also maintains an information unit for collecting and maintaining data on drug trafficking and other drug-related crimes. At the end of 2009, the SODC office underwent a restructuring and its purview had been expanded to include the issues of human trafficking and crime. In June 2008, the National Assembly passed a revised Law on Amendment and Supplement to the Law on Drugs Prevention and Control, which delineates in more detail the responsibilities of law-enforcement authorities, including police, border army, maritime police, and customs, in preventing drug use and controlling drug supply. The law also stipulates that HIV harm reduction activities to be consistent with the HIV/AIDS Law of 2006. The new law came into effect in January 2009, with implementation ongoing throughout the year. In June 2009, Vietnam amended Penal Code article 199 to decriminalize the use of drugs and to bring Vietnamese law in line with a more health care centered approach to drug use. Previously, a conviction for simple drug use, as opposed to drug selling or trafficking, would have resulted in a prison sentence of two to five years, now drug users face administrative punishments such as fines or placement into a drug rehabilitation center.

The Government placed the counter-narcotics issue high on its agenda, and has established a National Drug Control Target Program that aims to improve Vietnam's legal system and policies, build drug control capacity, and streamline and reform interagency drug control coordination. The Program also seeks to increase the involvement of civil society in drug control and promote international cooperation. Although the SODC declined to share specific budgetary numbers, it did report the three main sources for counter-narcotic activity continue to be national and local- level government funding and INGO funding.

The GVN continues to emphasize drug awareness and prevention and views education and demand reduction as integral parts of its effort to comply fully with the 1988 UN Drug Convention. During 2009, many provinces and cities continued to implement their own drug awareness and prevention programs, as well as demand reduction and drug treatment. The GVN continued to rely heavily on counternarcotics propaganda, culminating in the annual drug awareness month in June 2009. Officially sponsored activities cover every aspect of society, from schools to unions to civic organizations and government offices. In 2009, the GVN continued its ongoing effort to de-stigmatize drug addicts in order to increase their odds of successful treatment, and to help control the spread of HIV/AIDS.

**Law Enforcement Efforts.** MPS reported a crackdown on 312 drug storage sites in 2009. There were 14,237 drug cases, 866 more than the previous year, with 21,086 people arrested for involvement in drug smuggling. The GVN has expressed a growing concern about the rise in the number of foreign national involved in drug smuggling in Vietnam. As of September 2009, 60 cases involved foreign nationals, including individuals from Thailand, Taiwan, China and Laos. In four major international drug smuggling cases this year, police arrested 28 suspects, including 17 of African origins.

SODC reports that as of September 2009, total seizures included 280 kg of heroin, 60 kg of opium, 500 kg of cannabis, 700,000 ATS tablets, 1 kg of ketamine, and 800,000 tablets and 8,000 ampoules of addictive pharmaceuticals. Drug laws remain very tough in Vietnam, with a mandatory death penalty for possession or trafficking of 600 grams or more of heroin, or 20 kg of opium gum or cannabis resin. According to media reports in 2009, of the 58 individuals sentenced with the death penalty in Vietnam, 14 of them were for drug trafficking. Drug crimes were often connected to money laundering and other crimes such as robbery, homicide, firearms trafficking, counterfeit trafficking and human trafficking. Foreign law enforcement sources do not believe that major trafficking groups have moved into Vietnam; however, Vietnamese law enforcement authorities have raised the issue of West African crime syndicates establishing a presence in Vietnam. U.S. law enforcement officials report that West African criminal organizations are utilizing Vietnam as an operational center to coordinate the trafficking of Southeast and Southwest Asia heroin. Additional information revealed that West African criminal organizations in Pakistan are also recruiting couriers, many of whom are Vietnamese nationals, to traffic heroin from Pakistan to Vietnam and to China through Vietnam.

Foreign law enforcement representatives in Vietnam state that operational cooperation on counternarcotics cases is limited largely due to legal prohibitions and policy restrictions that largely preclude Vietnam's drug enforcement authorities from sharing information and supporting bilateral investigations with foreign police agencies. However, there is some operational cooperation on a case-by-case basis. While changes in Vietnamese law are necessary to provide a legal and procedural basis for more comprehensive, systematic cooperation with foreign law enforcement agencies, U.S. law enforcement agencies noted that agency-to-agency agreements have made cooperation on individual cases easier. During 2009, cooperation between GVN law enforcement authorities and the DEA remained consistent with the experience in 2008, with counternarcotics police sharing only basic investigative information on a case-by-case basis.

**Corruption.** As a matter of GVN policy, Vietnam 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. No information known to U.S. law enforcement agencies specifically links any senior GVN official with engaging in, encouraging or facilitating the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. Nevertheless, a certain level of corruption is consistent with the fairly large-scale movement of narcotics into and out of Vietnam and is likely occurring both among lower-level enforcement personnel and higher-level officials. The GVN demonstrated a willingness to prosecute some corrupt officials on narcotics related offenses, although most of the targets were relatively low-level.

**Agreements/Treaties.** Vietnam 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. Vietnam has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime.

Vietnam ratified the UN Corruption Convention on June 20, 2009. Vietnam issued a statement saying it would not be held to item 2, Article 66 of this convention. This item stipulates that if disputes on the explanation and application of the convention cannot be solved by negotiation or arbitrators, members have the right to bring the case to the international private law court. Vietnam also stated to it would not adhere to some optional regulations, such as criminalizing illegal money-making acts, corruption in the private sector, the use of special investigative techniques, which Vietnamese laws do not cover. In addition, Vietnam does not consider this convention as a direct legal foundation for the extradition of corruption-related criminals; extradition must be based on Vietnamese laws.

In February 2004, the United States signed a Letter of Agreement (LOA) with the Government of Vietnam on Counternarcotics Cooperation to facilitate U.S. Government funded counternarcotics programs in Vietnam. On November 16, 2006, DEA and MPS signed a non-binding Memorandum of Understanding (MOU) to facilitate cooperation, including information sharing, coordinated operations, and capacity building. DEA and MPS anticipate extending the MOU for three more years.

**Cultivation/Production.** During the 2008-2009, authorities nationwide detected and destroyed 45 hectares of poppy plants, primarily in the border provinces of Son La, Lao Cai, Yen Bai, Lai Chau, Lang Son, Gia Lai, Dak Lak, Ha Giang and Dong Nai, and 1 hectare of marijuana. No specific data for 2009 is available on the total amount of illicit drug crop cultivation; however, estimates suggest that opium poppy cultivation remains sharply reduced from an estimated 12,900 ha in 1993, when the GVN began opium poppy eradication. According to the MPS, some marijuana growers were beginning to use hydroponic equipment to cultivate the drug in hidden locations, such as basements. There have been some recent confirmed reports that ATS and heroin have been produced in Vietnam. Local ATS production relies on ATS powder brought from outside the country, which is then processed into pills. GVN law enforcement forces have seized some ATS-related equipment (i.e., pill presses). As part of its efforts to comply fully with the 1988 UN Drug Convention, the GVN continued to eradicate poppies when found and to implement crop substitution. There were, however, some reports of drug refining and trafficking in heroin among hill tribes along the border with Laos.

The SODC reported that in 2009 teams were sent to provinces to visit import enterprises of controlled chemicals that may be used for drug production and determined most of the organizations visited did not have strict enough control systems in place to prohibit these imports from being diverted and used for illegal drug production.

**Drug Flow/Transit.** U.S. and foreign law enforcement sources along with the UN Office on Drugs and Crime (UNODC) believe that significant amounts of drugs are transiting Vietnam. Drugs, especially heroin and opium, enter Vietnam from the Golden Triangle via Laos and Cambodia by land, sea and air, making their way to Hanoi or Ho Chi Minh City, either for local consumption or transshipment to other countries such as Australia, Japan, China, Taiwan and Malaysia. An increasing two-way drug trafficking between Vietnam and China was noted; narcotic drugs and ATS from China to Vietnam, while heroin from the northwest border area was smuggled inside Vietnam before transporting to China. Traffickers in major drug cases reported to police investigators that heroin was trafficked to China to supply drugs for local consumption. Heroin was also trafficked from Cambodia to Vietnam. Law enforcement detected Taiwanese traffickers and overseas Vietnamese in Australia smuggling drugs into Vietnam before transporting them to Australia, Hong Kong and Taiwan. Drug trafficking by air was conducted through Ho Chi Minh City's Tan Son Nhat airport.

The Vietnam Marine Police reports that only a small portion of Vietnam's drug cases involve trafficking by sea. However the quantity of drugs transported in a single sea-trafficking case is typically larger than those coming by land or air. Most of the cases seen by the Vietnam Marine Police involve drugs intended for transshipment; rarely are shipments intended for distribution in Vietnam. International traffickers have been using temporary import forms at Vietnamese seaports to use the country as a go-between for international drug smuggling. The Marine Police report that drugs are coming mainly from Afghanistan and Pakistan for onward transport to China and Australia.

The ATS flow into the country during 2009 continued to be serious and not limited to border areas. ATS can now be found throughout the country, especially in places frequented by young people. ATS, such as amphetamine, ecstasy, and especially "ice" methamphetamine (crystal methamphetamine), and other drugs such as diazepam and ketamine continue to worry the government and rank with heroin and cannabis as the most popular drugs in Vietnam. Such drugs are most popular in Hanoi, Ho Chi Minh City and other major cities. During 2009, numerous cases involving ATS trafficking and consumption were reported in the media.

Drug traffickers have become more sophisticated in recent years and today transport drugs by air, land, sea, and post; employ modern hi-tech communication equipment; change mobile phone sim cards; and enlist drug users, pregnant women, children, and HIV-infected people as couriers and retailers. U.S. and foreign law enforcement sources estimate that 85 percent of drug traffickers were former convicts, HIV-infected and drug addicts. 70 percent of traffickers are between18 and 35 years of age and as many as 25 percent of traffickers are female. Traffickers engaged in violence, and in many instances fought back against law enforcement.

**Domestic Programs/Demand Reduction.** Several ministries undertake demand reduction activities, which include the distribution of hundreds of thousands of counternarcotics leaflets and videos, and organized counternarcotics painting contests for children. The Ministry of Education and Training (MOET) carries out awareness activities in schools. Counternarcotics material is available in all schools and MOET sponsors various workshops and campaigns at all school levels. The UNODC assesses GVN drug awareness efforts favorably in preventing abuse, but considers these efforts to have minimal impact on the existing addict and HIV/AIDS population.

Stigma and discrimination against injecting drug users (IDU) in Vietnam – exacerbated by historical campaigns characterizing drug use as a "social evil" – have made it difficult to obtain accurate IDU population size estimates and to expand access to needed services. The Ministry of Labor, Invalids and

Social Affairs (MOLISA) reports 180,000 officially "registered" IDU nationally, while SODC reports 146,731 officially registered drug users at of the middle of December 2009, a decrease of 26,872 individuals from 2008. The actual size of this population is estimated by U.S. and international organizations to be many times higher. In addition, using even the most conservative estimates of population size, coverage of basic prevention services remains low, though it has consistently improved overtime. According to a recent report from MOLISA, an estimated 35,000 injecting drug users are being detained in 100 government-run rehabilitation centers, with HIV infection rates estimated at over 60 percent in some facilities.

Vietnam strives to integrate addiction treatment and vocational training to facilitate the rehabilitation of drug addicts. MOLISA reports that approximately 54,000 drug users received treatment, more than 10,000 received vocational training, and approximately 6,000 received basic education. SODC reports that 36 provinces and cities have organized detoxification and rehabilitation for more than 40,000 drug addicts and provided vocational training for more than 4,000 drug addicts and facilitated 150 jobs. These efforts include tax and other economic incentives for businesses that hire recovered addicts. Despite these efforts, only a small percentage of recovered addicts find regular employment.

HIV/AIDS is a serious and growing problem in Vietnam and distinctive because the behaviors of injecting drug users drive transmission. Ministry of Health reports 243,000 HIV cases in the country, a figure considered accurate by both the UNAIDS and the USG. More than 40 percent of known HIV cases are injecting drug users, with many additional infections resulting from transmission to the sexual partners and children of these individuals. The Vietnamese National Strategy for HIV Prevention and Control presents a comprehensive response to HIV, including condom promotion, clean needle and syringe programs, voluntary counseling and testing and HIV/AIDS treatment and care.

Vietnam was designated the 15th focus country under the President's Emergency Plan for AIDS Relief (PEPFAR) in 2004. The USG FY09 funding, $88.5 million, is distributed through PEPFAR agencies such as USAID, HHS/CDC, and the U.S. Department of Defense. The majority of USG support targets seven provinces (Hanoi, Hai Phong, Quang Ninh, Ho Chi Minh City, Can Tho, An Giang and Nghe An), where the epidemic is most severe; however, PEPFAR also supports HIV counseling and testing and community outreach for drug users and sex workers in 30 additional provinces. U.S.-led innovations, such as the provision of medication-assisted therapy (including treatment with methadone) are highly regarded by the government and the international community. The USG currently supports the Vietnam government’s pilot medication-assisted therapy program at six sites in two provinces. The program will then expand coverage to additional provinces with the highest prevalence of addiction.

The Methadone Maintenance Therapy (MMT) program for IDU is currently operational in three sites in HCMC and three sites in Hai Phong, with plans to expand the program to Hanoi by the end of the calendar year 2009. The concentration of HIV infection in IDU populations in Vietnam has spurred the PEPFAR program to focus HIV prevention, care, and treatment efforts in these key urban settings and along drug transport corridors to prevent the continued spread of HIV.

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

**Policy Initiatives.** United States policy objectives in counternarcotics cooperation in Vietnam are aimed at improving bilateral cooperation in counternarcotics enforcement and assisting Vietnam to expand the capacity of its counternarcotics law enforcement agencies. The DEA Hanoi Country Office pursues direct cooperation with the Counternarcotics Department of MPS on counternarcotics cases and engages in some capacity-building efforts through funding GVN participation at international events and conferences, as well as conducting some basic training activities. Between April and June, DEA sponsored training for 50 officers from the MPS, Vietnam Marine Police, and MPS Riverine Police Units in the Hai Phong Port area and in the Southern Mekong Delta area of Tien Giang Province. The training, which was funded and carried out by the Joint Interagency Task Force West (JIATF-W), covered tactical

training, emergency medical training, and small craft maintenance and technical training. DEA also carried out a seminar in Ho Chi Minh City in September, training approximately 30 Vietnamese Police officers on drug smuggling techniques and interdiction skills. Additionally, DEA and JIATF-W are working with MPS on an infrastructure support project involving the construction of a joint training facility in Vinh, Vietnam. The International Law Enforcement Academy in Bangkok, in cooperation with the Thai Government, provides law enforcement training to Vietnamese officers each year on a range of counternarcotics related courses, training approximately 6 Vietnamese students per course, with a total of approximately 100 Vietnamese officers trained per year. The USG also provided port security and vulnerability assessment and container inspection training to Vietnam.

**The Road Ahead.** The GVN is aware of the threat of drugs and Vietnam's increasing domestic drug problem. However, there is a guarded approach to foreign law enforcement assistance including in the counternarcotics arena. During 2009, as in previous years, the GVN made progress with on-going and new initiatives aimed at the law enforcement and social problems that stem from the illegal drug trade. The GVN continued to show a willingness to take unilateral action against drugs and drug trafficking, and requested assistance from foreign law enforcement organizations, albeit on a case-by-case basis. Vietnam still faces many internal problems that make fighting drugs a challenge, including a lack of resources, corruption, and a need for increased capacity amongst its law enforcement entities. With the 2006-2010 National Plan of Action on Drug control ending in 2010, Vietnam will be developing its next five-year strategy in early 2010. This plan will determine the counter-narcotics priority for the government for the next five years as well as any resource allocation for this effort.

While USG-GVN operational cooperation is on the rise, such cooperation will remain limited until Vietnam develops of a legal framework to allow involvement of foreign law enforcement officers in law enforcement investigations on Vietnamese soil, or the signing of a bilateral agreement between the United States and Vietnam to create a mechanism for joint investigations and development of drug cases. The November 2006 Memorandum of Understanding between DEA and the MPS is a first step in this direction, but this non-binding understanding directly addresses law enforcement cooperation on a case-by-case basis and only at the central government level.

# Zambia

## I. Summary

Zambia is not a major producer or exporter of illegal drugs, nor is Zambia a significant transit route for drug trafficking. Cannabis is the only illicit drug that is locally cultivated, primarily by small-holder farmers. It is consumed locally and exported regionally and to Europe. Zambia's Drug Enforcement Commission (DEC) reported a large increase in the number of cannabis seizures in the first nine months of 2009 and, for the first time in the past four years, reported seizures of cannabis plants and seeds. Seizures of other drugs were minimal. The DEC works closely with other Zambian law enforcement and health agencies and has a record of good cooperation with the U.S. Government. As is true of the Zambian government generally, the DEC is hampered by a lack of resources and capacity. Zambia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Based on narcotic seizures and rehabilitation program participation, cannabis is the most commonly consumed drug in Zambia. Consumption of more expensive drugs remains relatively low because their cost is beyond the means of the majority of Zambian citizens. Other drugs that are abused in Zambia include heroin, cocaine, and kyat. According to the DEC, pharmaceuticals such as diazepam, morphine, and phenobarbital are also occasionally used for recreational purposes.

Apart from small-scale cultivation of cannabis, Zambia is not a source of illegal drugs. Subsistence farmers grow cannabis from the cannabis sativa plant. Most of this production is exported regionally, although some cannabis is also transported by air to European countries, including the Netherlands and the United Kingdom. There are no reports or indications of synthetic drug production in Zambia.

Although Zambia is not an important route for drug shipments or a source of precursor chemicals, it has been a transit point for minor amounts of cocaine, raw opium, and heroin. Zambia is also a transit route for small amounts of ephedrine, which is used to manufacture methamphetamine drugs, which are destined for the Democratic Republic of Congo (DRC) and Angola. Locally consumed cocaine is imported from DRC and Angola, whereas khat and heroin are imported from Tanzania. The DEC reports that cocaine transshipping from Angola has increased in 2009.

The DEC has reported an increase of all drugs, including ephedrine, coming into the country to be "warehoused" in advance of the 2010 Soccer World Cup to be held in South Africa, but its information appears to be primarily anecdotal, and it has not reported a commensurate increase in drug seizures.

## III. Country Actions Against Drugs During 2009

**Policy Initiatives.** In addition to cannabis eradication, DEC programs focus on outreach and education, officer training, drug demand reduction, and money-laundering investigations. Zambia also monitors transshipment points and shares information on drug control efforts with its neighbors through Joint Permanent Commissions on defense and security.

In 2008 the DEC began expanding its presence in rural areas. It currently has 519 officers in offices in all nine provinces, with the intention of deploying counternarcotics officers and establishing DEC branches in all 72 districts. In addition to interdiction and eradication activities, the provincial and district offices conduct outreach to primary and secondary schools and education campaigns to farmers on crop substitution and the dangers of cultivating cannabis.

In collaboration with public health institutions, the DEC provides counseling and rehabilitation programs to treat and prevent drug abuse. Although an increasing number of Zambians are participating in these

programs, drug treatment and rehabilitation remains a small part of the DEC's activities. The Commission has not conducted a nationwide survey to ascertain the extent of narcotics abuse . Trained DEC officers from the National Education Campaign Division (NECD) provide counseling, and treatment and admission is managed by health professionals, hospitals and clinics throughout the country. Zambia currently has no dedicated drug treatment and rehabilitation facilities. In 2006, the government provided land seized from a cannabis grower to the DEC to construct a rehabilitation center, but has not yet provided the funding for construction.

As is the case for most Zambian Government agencies, the DEC's efforts are hampered by a lack of funds for training and equipment.

**Law Enforcement Efforts.** The DEC leads Zambia's efforts to meet the goals and objectives of the 1988 UN Drug Convention. Almost all of the DEC's interdiction effort is related to cannabis. Between January and September 2009, the DEC arrested and prosecuted 2,283 people for various illicit drug offenses resulting in 806 convictions.

Through September 2009, the DEC seized over 33 metric tons of cannabis, compared with 32 metric tons in calendar year 2008. Three metric tons of cannabis plants and 33 kilograms of cannabis seed were also seized during this period. The DEC attributes the increase to a refocus of its manpower to interdiction efforts and to a program to reward citizens who inform the DEC of drug cultivation and sales activities. In the same 2009 time period, the DEC reported seizures of 295 kilograms of khat and de minimus amounts of cocaine, heroin and Ecstasy.

Law enforcement officers are also authorized to confiscate licit drugs that are transported in large quantities without adequate permits. These include diazepam (valium), diphenylhydramine (benadryl), bromazepam, lidocaine, and lorazepam. Some medical practitioners have complained that these enforcement efforts are restricting the availability of pharmaceuticals for legitimate medical purposes.

**Corruption.** The Zambian Government is focused on strengthening its lead anticorruption agency, the Anti-Corruption Commission, and in October 2009 disbanded the Task Force on Corruption, which had been formed to prosecute cases of corruption by high-level officials. Although the DEC has played a role in the anticorruption campaign, these efforts have had no direct impact on narcotics control. No evidence has emerged to suggest that current government officials are involved in the production or trafficking of drugs, although several members of parliament, including the government chief whip, have previously been implicated in allegations of drug trafficking. The Zambian Government does not encourage drug trafficking or the laundering of the proceeds of drug trafficking as a matter of government policy.

**Agreements and Treaties.** Zambia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol. Regional agreements include the Southern African Development Cooperation (SADC) protocol on combating illicit drug trafficking and the Southern African Regional Police Chiefs Cooperation. Zambia is also a party to the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. A 1931 extradition treaty between the United States and the UK governs extraditions from Zambia.

**Cultivation and Production.** Cannabis is the only illicit drug that is locally cultivated. It is used domestically and is exported regionally and to Europe.

**Drug Flow/Transit.** Some heroin enters Zambia from Tanzania, and some South American cocaine enters Zambia from Angola and the DRC. The DEC reported an increase in cocaine from Angola in the first nine months of 2009.

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

**Bilateral Cooperation.** The U.S. Government provides training assistance to Zambian law enforcement agencies, including the DEC. In 2009, the U.S. government continued to sponsor law enforcement officers, including officers who are active in narcotics control, at the International Law Enforcement Academies in Gaborone, Botswana and Roswell, New Mexico.

**The Road Ahead.** The USG will continue to seek opportunities to assist Zambian drug control efforts, and to work together with Zambian authorities on drug cases affecting both countries.