



United States Department of State  
*Bureau for International Narcotics and Law  
Enforcement Affairs*

# **International Narcotics Control Strategy Report**

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**Volume I**

**Drug and Chemical  
Control**

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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

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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

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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 2009

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 2009 INCSR, published in March 2009, covers the year January 1 to December 31, 2008 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 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 2009 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, 2008, 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 support for programs to aid Venezuela’s democratic institutions is vital to the national interests of the United States. Moreover, a vital national interests’ waiver permits funding to Bolivia for programs critical to our vital national interests.

### **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

White House Press Release  
Office of the Press Secretary  
Washington, DC  
September 15, 2008

## Presidential Determination No. 2008-28

Pursuant to Section 706(1) of the Foreign Relations Authorization Act, FY03 (P.L. 107-228)(the FRAA), 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 (the 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 (Tab A) 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.

Under the leadership of President Karzai, the Government of Afghanistan has made some progress in combating narcotics. However, drug trafficking remains a serious threat to the future of Afghanistan, contributing to widespread public corruption, damaging legitimate economic growth, and fueling violence and insurgency.

A successful counternarcotics strategy in Afghanistan hinges on maintaining security, building public capacity, attaining local support, and actively pursuing our joint counter-narcotics strategy.

Poppy cultivation continues to be marked by the divide between the increasingly poppy-free northern provinces and the insurgency-dominated regions in the south. Through political will, and by using a mixture of incentives and disincentives, governors in key northern provinces, like Badakshan and Nangarhar, have significantly reduced poppy cultivation.

Inspired by the Nangarhar model, the newly appointed governor of the southern province of Helmand has taken bold steps to implement the first truly serious counternarcotics campaign in the province. It is clear that progress in Helmand Province will not come easily. Drug control efforts in this area of pronounced

poppy cultivation are thwarted by heavily entrenched Taliban centers of power; in 2007 Helmand Province cultivated more than half of Afghanistan's illegal poppy crop.

Difficult security conditions greatly impede counternarcotics operations, particularly in the south and southwest provinces, areas in which the insurgency and organized crime groups predominate and where over 85 percent of Afghan poppy is cultivated.

Drug-related corruption in Afghanistan—one of the most intransigent problems in the country—must be confronted, particularly at provincial and district government levels. Corruption and illegal drugs in Afghanistan threaten to undermine all aspects of the country's efforts to build a sustainable economic infrastructure and functioning democracy.

The United States enjoys close cooperation with Canada across a broad range of law enforcement issues. Both of our nations face a serious challenge from the two-way flow of drugs across our long border. While Canada is primarily a drug consuming country, it is also a significant producer of highly potent marijuana and has become the primary source country for MDMA (ecstasy) available in the United States. Additionally, Canada serves as a transit or diversion point for precursor chemicals and over-the-counter pharmaceuticals used to produce illicit synthetic drugs, most notably MDMA. While methamphetamine use has decreased in the United States due, in large part, to past efforts to reduce precursor chemical diversion by Canadian authorities, production of finished methamphetamine is increasing in Canada and could lead to greater supplies in the United States. Canada is pursuing a new National Anti-Drug Strategy that focuses on proven approaches to reduce drug use and deter drug trafficking. The U.S. and Canada continue to work productively in joint law enforcement operations that disrupt drug and currency smuggling operations along the border.

The growing expansion of drug trafficking in Central America poses serious challenges to the region's limited capability to combat both the narcotics trade and organized crime. We are particularly concerned about the increasing presence of drug trafficking organizations in Central America that are fleeing more robust counternarcotics regimes elsewhere, especially in Mexico and Colombia. Often unimpeded, traffickers easily use long Central American coastlines for illegal maritime drug shipments. Even though there have been noteworthy seizures, a high proportion of drugs transiting Central America are not detected or seized.

The March 2008 gun battle between drug organizations in Guatemala demonstrates that criminal organizations such as the Sinaloa cartel are trying to reinforce their trafficking strongholds in Central America. In 2008, Guatemala passed new anti-organized crime and extradition laws. While such actions are encouraging, Guatemala must work aggressively to implement these measures, just as neighboring countries must redouble their practical efforts to implement adopted reforms aimed at thwarting criminal activity.

The United States is encouraged by the commitment of the Regional Integration System to a regional response, such as sharing counternarcotics intelligence. Support for cohesive regional institution building and practical law enforcement enhancements in Central America are critical components to a successful regional counternarcotics strategy. We look forward to working with Guatemala and other Central American nations to support counter-drug programs and the rule of law under the new Merida Initiative.

The Government of Ecuador is committed to protecting its borders and territory against drug trafficking and other transnational crimes. The increased presence of Ecuadorian security forces in its counternarcotics efforts provided a more effective deterrent to drug production and trafficking. The identification of new trafficking trends and increased staffing and inspection at all air, land and sea ports are also helping to hinder drug trafficking. With a system for tracking vessels already in place, Ecuador is

expanding this capability and more effectively utilizing it as a tool for working with partner nations. The country's ability to identify the nationality of ships is of special concern as considerable cocaine destined for the U.S. has been detected on Ecuadorian-flagged vessels.

The countries of West Africa have emerged as key transit hubs for Andean cocaine trafficked through Venezuela and Brazil and destined for European markets. This trafficking is undermining many of the already fragile institutions of countries in the region. Narcotics traffickers have focused their illegal activities in Guinea-Bissau, but have recently extended their operations south to Guinea. The presence of Latin American drug traffickers and the large quantities of cocaine trafficked openly suggest that drug criminals may exercise the prerogatives of sovereign nation-states in these two countries. West Africa has long been a hub for illicit criminal networks. West African states lack resources to sufficiently counter efforts by drug trafficking organizations whose activity threatens the stability of these countries and the wellbeing of their people. International donors and organizations are working to assist governments in their counterdrug efforts. We support these efforts to preserve and protect stability and positive growth in this region.

Nigeria, a major transit country for illicit drugs destined for the United States, continues to make some progress on counter narcotics, and has cooperated effectively with the United States on drug-related money laundering cases. Since it began operations in 2005, the Nigerian Financial Intelligence Unit has investigated numerous suspicious transaction reports that have resulted in high profile convictions recorded by the Economic and Financial Crimes Commission (EFCC). In the past, we have commended the role of the EFCC in Nigeria's counter-drug and anti-money laundering effort. However, recent developments in Nigeria raise questions about whether the EFCC will remain an effective anti-corruption agency. We have expressed our concerns to numerous Nigerian government officials and have conveyed that we expect to see improved progress on anti-corruption from the EFCC under its new leadership. The U.S. Government has had extradition requests pending in Nigeria for years and is concerned that Nigeria's extradition practices and procedures remain obstacles to the effectiveness of this essential counternarcotics law enforcement tool. We are encouraged that Nigeria's use of U.S.-donated body scanners at its four major international airports has resulted in the arrest of numerous drug traffickers. Moreover, we fully support the National Drug Law Enforcement Agency's recent cooperation in regional search and seizure operations.

The Government of India maintains a strong track record of regulating monitoring and curbing its licit opium production and distribution process. India has introduced robust, high-tech methods to control cultivation by licensed opium farmers. In this sense, India must continue to refine its control measures to guard against the continuing problem of diversion of licit opium crops, grown for the production of pharmaceutical products, to illegal markets. The U.S. continues to be concerned about illicit opium poppy production in certain areas of the country, such as West Bengal and the state of Uttaranchal along the India-China Border, previously thought to be free of such cultivation. Nevertheless, during the past year the country has destroyed substantial areas of illicit poppy cultivation. The Indian Government must also continue to investigate cases of large, criminal illicit poppy production and accordingly bring perpetrators to trial. The United States, along with other foreign governments and international organizations, has a good working relationship with India to interdict the flow of narcotics being smuggled across India's borders.

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.

George W. Bush

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## **Memorandum of Justification for Presidential Determination on Major Drug Transit or Illicit Drug Producing Countries for FY 2009**

### **Bolivia**

Bolivia failed demonstrably to make sufficient efforts during the last 12 months 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.

The Government of Bolivia (GOB) failed to take sufficient action against illicit coca cultivation, processing, and trafficking. Although the GOB attained minimum annual levels of coca eradication under the terms of our bilateral Letter of Agreement (LOA), Bolivia's policies and actions encouraged the illicit cultivation of coca, the result being a net 14% increase in the area under illicit coca cultivation. The Government of Bolivia realized an increase in the amount of cocaine interdicted, but this was in large measure the result of increased cocaine production stemming from officially sanctioned increases in coca cultivation.

The Government of Bolivia has failed to close illegal coca markets, facilitated the legalization of additional coca markets, and has not imposed effective controls on commerce in coca leaf. Both production and sale of coca leaf far exceed the demand for traditional use and excess coca leaf is readily diverted to the production of cocaine hydrochloride. President Morales supports an increase in 'licit' cultivation well beyond the 12,000 hectares currently allowed under Bolivian law to 20,000 hectares. This not only contravenes provisions of the UN Convention to which the GOB is a signatory, but the inevitable result will be yet greater production of 'licit' coca leaf and even greater diversion of leaf to the production of cocaine hydrochloride.

On September 11, 2008, the GOB declared the U.S. Ambassador to Bolivia persona non grata, reinforcing that Bolivia does not want to cooperate with the United States on counternarcotics. Additionally the Government of Bolivia recently forced the removal of USAID operators in the Chapare working on programs designed to provide an alternative to cocaine production. The Government of Bolivia also required the withdrawal of Drug Enforcement Administration agents from the Chapare. These actions are elements of the Government of Bolivia's emerging policy of restricting the scope of United States Government involvement in counternarcotics activities. They are having a profound, negative impact on the performance of previously effective bilateral programs and relationships.

Despite some successes in interdiction, and success in meeting minimum levels of eradication, the total effort of the Government of Bolivia falls well short of its obligations to the international community. The Government of Bolivia's official policy of permissiveness with respect to the cultivation of coca, as evidenced by its policy decision to increase the total area allotted to licit coca cultivation and to allow 43,000 coca growers to cultivate coca on un-policed personal plots known as "catos", not only contravenes its obligations under the UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, but also signals an official disregard to the injurious effects of coca cultivation and trafficking in cocaine hydrochloride on the health as well as the economic and political stability of its neighbors as well as the broader international community.

A determination as having failed demonstratively does not affect funding for humanitarian and counternarcotics programs. A vital national interest waiver permits funding for other programs critical to our foreign policy interests.

## **Memorandum of Justification for Presidential Determination on Major Drug Transit or Illicit Drug Producing Countries for FY 2009**

### **Burma**

Burma failed demonstrably to make sufficient efforts during the last 12 months to meet its obligations under international counter-narcotics agreements or to take the counternarcotics measures set forth in section 489(a)(1) of the Foreign Assistance Act of 1961, as amended.

Burma remains the largest source for methamphetamine tablets in Asia. The United Wa State Army, an ethnic minority organization seeking autonomy from Burma, is led by U.S. indicted criminals engaged in the manufacture and trafficking in narcotics. The Burmese Government does not consistently enforce Burma's anti-narcotics laws against the United Wa State Army. The United Wa State Army is in effect permitted to continue manufacturing of and trafficking in methamphetamine pills, which have a devastating impact on Burma's neighbors, especially Thailand.

Given the scale of the drug trade in Burma, corruption is a contributing factor. No action is taken against military and police units charged with border security and operating check points along major roads who are known to take bribes to pass drugs. It is probable that higher level officials of the military regime protect some traffickers. However, in June 2008, State Peace and Development Council member Lt General Ye Myint retired from his position as Chief of the Bureau of Special Operations Number 1 shortly after his son was arrested on drug trafficking charges.

Burma has not approved a U.S.-led Opium-Yield Survey since before 2005. However, Burmese officials expressed interest in 2006 and 2007, though they did not communicate their desire in time to conduct the survey. They have remained silent on the prospects of a survey this year. After a long period of declining opium production, Burma experienced an increase in production in 2007, underscoring the need to assess production trends during the current crop year. The Burmese continue to work with UNODC in conducting a yearly opium crop survey. Last year the Chinese conducted a survey and it is expected that a Chinese survey will occur during this year's planting season as well.

The Burmese junta's suspicions of non-governmental organizations (NGOs) deprive its people of better drug treatment. Few international NGOs are permitted to offer treatment in Burma, and the Burmese authorities themselves offer only minimal treatment and spend almost nothing on what they do provide. Despite the Burmese regime's failure to meet its obligations under international counternarcotics agreements and U.S. domestic counternarcotics requirements, there have been positive developments. Opium production in Burma is down more than 80 percent from its 1996 peak, in part as a result of Burmese Government efforts. Seizures of opium during the first six months of 2008 appeared to be on a trend to increase slightly from last year, but methamphetamine drug seizures are sharply down in 2008.

## **Memorandum of Justification for Presidential Determination on Major Drug Transit or Illicit Drug Producing Countries for FY 2009**

### **Venezuela**

Venezuela has failed demonstrably to make sufficient efforts to meet its obligations under international counternarcotics agreements and U.S. domestic counternarcotics requirements for the third straight year.

This determination comes as the result of the Government of Venezuela's failure to meet its international obligations and responsibilities to the international community by taking sufficient action against the rising drug trafficking problem within and through its borders. The Government of Venezuela has also failed to respond to specific U.S. Government requests for counternarcotics cooperation.

Although the Government of Venezuela indicated it has increased seizures and launched new initiatives to fight against drug trafficking, U.S. requests to take samples of seized narcotics have been refused. A small number of new initiatives, including the bombing of dirt airstrips near the border with Colombia, have been insufficient had little impact. There also continue to be a lack of significant inspections at ports of entry and exit, despite the completion in late 2006 of a cargo inspection facility in Puerto Cabello was completed in late 2006 with U.S. counter-narcotics assistance, but the Venezuelan government has since left the facility idle. The facility has since been seized by the State of Carabobo-controlled Port Authority. Venezuela has also not attempted meaningful prosecutions of traffickers or of corrupt officials.

Venezuela's importance as a transshipment point for drugs bound for the United States and Europe continues to increase, a situation both enabled and exploited by corrupt Venezuelan officials and a weak judicial system. In 2007, 17 percent of the documented cocaine flow from South America went through Venezuela – a five-fold increase from the 51 metric tons estimated to have flowed through Venezuela in 2002. The vast majority of cocaine going to the United States or Europe is trafficked by sea. However, an increasing proportion is being moved by non-commercial air through the Caribbean toward the United States. Documented air flow of cocaine flights from Venezuela went from 21 flights in 2002 to 219 flights in 2007. We are particularly concerned about the corrosive effect of unchecked cocaine trafficking through Venezuela to the countries of West Africa as part of the route to Europe.

The Venezuelan government has not renewed formal counternarcotics cooperation agreements with the U.S. Government, including signing a letter of agreement that would make funds available for cooperative programs to fight the flow of drugs to the United States.

Last, the expulsion of our Ambassador by the Government of Venezuela reflects the country's unwillingness to cooperate with the United States on counternarcotics.

The vital national interest certification will allow the U.S. Government to provide funds to support civil society programs and other beleaguered democratic institutions and to assist in small community development programs for the benefit of the Venezuelan people.

# **POLICY AND PROGRAM DEVELOPMENTS**



## Overview for 2008

International narcotics trafficking is a directly threatens the national security of the United States. Drugs sold on U.S. streets lead to overdose deaths and ruined lives, erode families, and foster criminality and violence. Trafficking organizations, looking to build their customer base, sometimes pay in drugs instead of cash, promoting drug abuse and its social consequences in source and transit countries in Latin America, the Caribbean, Africa, and Asia. Many of these same countries are besieged by narcotics criminals who corrupt and financially undermine legitimate law enforcement and government institutions. The environment is equally threatened, as drug producers hack down forests and dump toxic chemicals in fragile ecosystems.

The United States Government (USG) confronts the threat of international narcotics trafficking through a combination of law enforcement investigation, interdiction, diplomatic initiatives, targeted economic sanctions, financial programs and investigations, and institutional development initiatives focused on disrupting all segments of the illicit drug market, from the fields and clandestine laboratories where drugs are produced, through the transit zones, to our ports and borders. In 2008, U.S. federal law enforcement officials worked cooperatively with the police of partner nations to conduct international investigations that successfully apprehended, among others, Zhenli Ye Gon, Eduardo Arellano Felix, and Haji Juma Khan. Another international law enforcement operation involving the DEA, the Royal Thai Police, the Romanian Border Police, the Korps Politie Curacao of the Netherlands Antilles, and the Danish National Police Security Services led to the arrest of Victor Bout on charges of attempting to provide sophisticated weapons to the narco-terrorist organization the Fuerzas Armadas Revolucionarias de Colombia.<sup>1</sup>

The USG continued to provide partner nations with essential training assistance to strengthen their law enforcement and judicial systems and helped them improve their capacity to investigate, prosecute, and punish transnational criminal activity. Closer international cooperation among governments and financial institutions continues to close the loopholes that allow narcotrafficking organizations to legitimize their enormous profits through sophisticated money laundering schemes.

Much of our cooperation with partner nations occurred under bilateral arrangements for mutual legal assistance, extraditions, and training programs. Multilateral efforts also continued to be a key component of the overall U.S. counternarcotics strategy. Through multilateral organizations, the United States has the opportunity to encourage contributions from other donors so that we can

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<sup>1</sup> *The focus of this report is on the international aspects of drug trafficking, but we want also to acknowledge the hard work of law enforcement, drug prevention, and drug treatment professionals within the United States who work every day to reduce the demand for illicit drugs and to reduce the misery they bring to our own citizens. Federal, state, local, and tribal law enforcement agencies within the United States dedicate significant resources to confronting drug criminals. The United States has substantial public and private sector programs focused on drug prevention and treatment and has invested in cutting-edge medical and social research on how to decrease demand. We are proud of the results and have worked with the Organization of American States, the United Nations, and countries all over the world to share programs such as drug courts, early intervention, school and work-place drug testing coupled with counseling and other interventions, and medically sound treatment options that help addicted persons reclaim their lives. For more information about domestic drug control efforts, please see the National Drug Control Strategy of the White House Office of National Drug Control Policy, available on the ONDCP.GOV website.*

undertake counternarcotics assistance programs, jointly sharing costs and expertise. U.S. participation in multilateral programs also supports indigenous capabilities in regions where the United States is unable to operate bilaterally for political or logistical reasons. Counternarcotics assistance through international organizations promotes awareness that drug producing and transit countries inevitably become consuming nations; today it is clearly understood that drugs are not a U.S. problem, but a global challenge.

One example of working with partner donors is the Good Performers Initiative (GPI) in Afghanistan, a U.S.-UK-funded initiative launched in 2006 to reward provinces for successful counternarcotics performance. Based on the results of the UN Office on Drugs and Crime's annual Afghanistan Opium Cultivation Survey, this incentive program provides funds for development projects to provinces that were poppy-free or reduced their poppy cultivation by more than 10 percent from the previous year. In 2008, 29 of Afghanistan's 34 provinces qualified for over \$39 million in GPI development assistance projects. To date, the U.S. government has contributed over \$69 million to GPI and its predecessor the Good Performer's Fund, while the UK has provided approximately \$12 million. In Nangarhar province, for example, four micro-hydro projects that generate electricity for rural villages have been completed with these funds and 20 more are scheduled to be built in 2009.

International treaties are another key tool in the fight against international narcotics trafficking. Three mutually reinforcing UN conventions are particularly important:

- The Single Convention on Narcotic Drugs - 1961
- The Convention on Psychotropic Substances – 1971, and
- The United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances" (the "1988 UN Drug Convention")

The 1988 UN Drug Convention is nearly universally accepted and serves as one of the bases for this report (For a full explanation, see the chapter titled "Legislative Basis for the INCSR"). A list of the countries that are parties to the 1988 UN Drug Convention is included in this report (source: UNODC). In 2008, there were no additional parties to the 1988 UN Drug Convention. 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.

In addition to the UN conventions that are focused exclusively on drugs, newer international instruments, such as the United Nations Convention against Transnational Organized Crime and the United Nations Convention against Corruption, have helped in the fight against the international narcotics trade by making law enforcement cooperation, extraditions, border security, and tracking of illicit funds more efficient among the parties to the treaties.

While most countries are parties to the UN conventions, the ultimate success of international drug control efforts does not hinge completely on whether countries are parties to them. The vast majority of countries also have their own domestic laws and policies to support their obligations under the conventions. Success in international drug control depends on international political will to meet the commitments made when countries joined the UN conventions. Sustainable progress also requires sufficient capacities to enforce the rule of law and implementing the objectives of committed governments. To assist this process, the United States is committed to enhancing the capacity of partner governments to uphold their international commitments.

### Controlling Supply

Cocaine, amphetamine-type stimulants (ATS), marijuana and heroin are the internationally trafficked drugs that most threaten the United States and our international allies. The United States is a producer of two of these drugs, marijuana and ATS. The USG is committed to confronting the illicit cultivation and manufacture of these drugs. In 2007, the DEA-initiated Domestic Cannabis Eradication/Suppression Program was responsible for the eradication of 6,600,000 cultivated outdoor cannabis plants and 430,000 indoor plants. In 2008, California alone eradicated 5,250,000 plants. Pharmaceutical preparations containing ephedrine and pseudoephedrine are the primary chemicals necessary for methamphetamine production. The Combat Methamphetamine Epidemic Act (CMEA), passed in 2005, established regulations for the sale of such products in the United States and became effective at the national level for the first time in late 2006. In 2008, the Methamphetamine Production Prevention Act was passed allowing States to institute computerized log books of purchases of methamphetamine precursor preparations. According to the National Clandestine Laboratory Database, methamphetamine lab incidents reported by all law enforcement agencies nationwide declined from more than 17,000 in 2005 to 5,900 in 2007 (2007 is the last complete year for which there are statistics, preliminary 2008 statistics are discussed later in this chapter, but the number in 2008 is expected to remain well below 50% of the 2005 figure). This dramatic decline is due to increased enforcement, the controls authorized by the two recent methamphetamine acts, and public and private demand reduction efforts.

In addition to eradicating marijuana crops found within the United States as part of our drug control strategy, the USG has provided assistance to countries that have made a policy decision to eradicate illicit crops as part of their own comprehensive drug control strategies. Crops in the ground are one of the critical nodes of production. Coca and poppy crops require adequate growing conditions, ample land, and time to reach maturity, all of which make them vulnerable to detection and eradication.

Perhaps the most acute and crucial challenge of achieving sustainable development in territories where drug-cultivation takes place is the need to integrate otherwise marginalized regions into the economic and political mainstream of their country. The term that is most often used for this by the United States, the United Nations, and other international actors is “alternative development.” Alternative development goes far beyond crop substitution, the usual assumed meaning. In some situations, crop substitution is neither feasible nor desirable. In some areas, the same soil that supports illicit drug crop cultivation does not have adequate nutrients to support licit crops. Licit crops rarely produce the same income as drug crops, and in some cases, farmers will need inducement to pursue non-agricultural pursuits. Anecdotal evidence suggests that in 2008 economic and environmental inducements caused many farmers in Afghanistan to plant wheat instead of poppy. One factor that possibly influenced this shift was the rise in global food prices, making wheat a more viable economic alternative to poppy. Other powerful inducements could include access to credit, improved security, and the provision of government services such as the building of roads, schools, and health centers, and a reliable supplying of basic services like electricity and water, and the threat of losing an investment in illicit crops to eradication or asset forfeiture. These programs are vulnerable to disruption from crime, corruption and non-state actors, such as the FARC in Colombia or the Taliban in Afghanistan. Establishing them on the ground is a lengthy, sometimes frustrating process; however, if implemented correctly, alternative development is an effective policy. Without it, crop eradication alone will never amount to more than a temporary palliative, and will not achieve sustainable reduction of illicit narcotic crops. However, without security and government control of outlaw areas, neither program can succeed.

For synthetic drugs, such as ATS, physical eradication is impossible. Instead, the United States and our allies must create a legal regime of chemical controls and law enforcement efforts aimed at thwarting those who divert key chemicals, and destroying the laboratories needed to create ATS. As with our domestic enforcement efforts, our international programs focus on all the links in the supply-to-consumer chain: processing, distribution, and transportation, as well as the money trail left by this illegal trade.

### **Cocaine**

The rate of U.S. cocaine consumption has generally declined over the past decade. From 2002 to 2007, rates of past-year use among youths aged 12 to 17 declined significantly for cocaine as well as for illicit drugs overall (Source: SAMHSA, Office of Applied Studies, National Survey on Drug Use and Health). Despite the declines, cocaine continues to be a major domestic concern. Internationally, cocaine continues to pose considerable risk to societies in the Americas, and increasingly to fragile transit states in West Africa. The 2008 World Drug Report by the UN Office of Drugs and Crime noted, as it has in previous years, that the decline in cocaine consumption and demand in North America has been replaced by demand in Europe. The UN report is hopeful that demand in Europe is leveling off, but notes that, “the growth in markets which are either close to source (South America) or on emerging trafficking routes (Africa) indicate that further containment is still a challenge.”

Since all cocaine originates in the Andean countries of Colombia, Peru, and Bolivia, the U.S. Government provides assistance to help these countries develop and implement comprehensive strategies to reduce the growing of coca, processing coca into cocaine, abuse of cocaine within their borders, and illegal transport of cocaine to other countries.

Coca Eradication/Alternative Development: The 2008 Interagency Assessment of Cocaine Movement (IACM) estimates that between 500 and 700 metric tons (MT) of cocaine departed South America toward the United States in 2007, slightly less than the previous year’s estimate of 510 to 730 metric tons. We support efforts by these governments to eliminate illegal coca. Alternative development programs offer farmers opportunities to abandon illegal activities and join the legitimate economy, a key tool for countries seeking to free their agricultural sector from reliance on the drug trade. In the Andean countries, such programs play a vital role in providing funds and technical assistance to strengthen public and private institutions, expand rural infrastructure, improve natural resources management, introduce alternative legal crops, and develop local and international markets for these products.

In Colombia, USG alternative development (AD) initiatives supported the cultivation of over 238,000 hectares of legal crops and completed 1,212 social and productive infrastructure projects in the last seven years. More than 291,000 families in 18 departments have benefited from these programs, and the USG has worked with Colombia’s private sector to create an additional 273,000 full-time equivalent jobs.

At the close of the sixth year of the Peru alternative development program, more than 756 communities have renounced coca cultivation and over 49,000 family farmers have received technical assistance on 61,000 hectares of licit crops (cacao, coffee, African palm oil, etc.). With many of these long term crops now entering their most productive years, the alternative development program has expanded business development activities to link AD producers to local and world markets at optimum prices. The direct link between AD and eradication is successfully reducing coca cultivation and is a model for further progress against illicit cultivation.

In 2008, the annual value of USAID-promoted exports reached almost \$35 million in Bolivia, assistance to farm communities and businesses helped generate 5,459 new jobs, new sales of AD products of nearly \$28 million, and approximately 717 kilometers of roads were improved and 16 bridges constructed. However, these cooperative efforts were overshadowed by the Government of Bolivia's (GOB) ousting of USAID from the Chapare region.

The government of Colombia dedicates significant resources to reduce coca growing and cocaine production; however, its large territory and ideal climate conditions make Colombia the source of roughly 60 percent of the cocaine produced in the region and around 90 percent of the cocaine destined for the United States, with Peru and Bolivia a distant second and third respectively.

In 2008, the Colombian National Police (CNP) Anti-Narcotics Directorate reported aerial spraying of over 130,000 hectares of coca and manually eradicating over 96,000 hectares despite entrenched armed resistance by the FARC, a drug-trafficking organization that is also a designated Foreign Terrorist Organization. If harvested and refined, this eradicated coca could have yielded hundreds of metric tons of cocaine worth billions of dollars on U.S. streets.

In 2008, Peru exceeded its eradication goals for the second year in a row by eradicating more than 10,000 hectares. This success was achieved despite the continued targeting of eradication teams by the Shining Path, a designated Foreign Terrorist Organization (FTO). The Shinning Path, which is reliant on drug trafficking for its funding, was reportedly responsible for attacks on police and military personnel in the Upper Huallaga Valley (UHV) and the Apurimac and Ene River Valleys and threatened eradication workers and other government authorities and alternative development teams. Coca growers in the UHV engaged in violent acts to resist eradication.

Bolivian President Evo Morales continued to promote his policy of “zero cocaine but not zero coca” and to push for legitimization of coca. His administration continues to pursue policies that would increase government-allowed coca cultivation from 12,000 to 20,000 hectares—a change that would violate current Bolivian law and contravene the 1988 UN Drug Convention, to which Bolivia is a party. On September 11, 2008, President Morales expelled the U.S. Ambassador to Bolivia. During 2008, President Morales also expelled the Drug Enforcement Administration (DEA) from Bolivia and the U.S. Agency for International Development from the coca growing Chapare region. Coupled with continued increases in coca cultivation, cocaine production, and the Government of Bolivia's (GOB) unwillingness to regulate “licit” coca markets, President Bush determined on September 15 that Bolivia had “failed demonstrably” in meeting its international counterdrug obligations. For greater detail see the memorandum of justification in this report.

Cocaine Seizures: Colombian authorities reported seizing over 223 metric tons of cocaine in 2008, an all-time record, and destroyed 301 cocaine HCl labs and 3,238 cocaine base labs. Peru reported seizing over 22 metric tons of cocaine. In Bolivia, USG-supported counternarcotics units reported seizing 26 metric tons of cocaine base and cocaine hydrochloride (HCl) and destroying 6,535 cocaine labs and maceration pits.

Collectively, the eradication of coca and seizures of cocaine within the Andean source countries prevented hundreds of metric tons of cocaine from reaching U.S. streets and deprived international drug syndicates of billions of dollars in profits.

Interdiction in the Cocaine Transit Zone: The cocaine transit zone drug flow is of double importance for the United States: it threatens our borders, and it leaves a trail of corruption and addiction in its wake that undermines the social framework of societies in Central America, Mexico and the Caribbean. Helping our neighbors' police transit zones has required a well-coordinated

effort among the governments of the transit zone countries and the USG. With high levels of post-seizure intelligence collection, and cooperation with allied nations, we now have more actionable intelligence within the transit zone.

The U.S. Joint Inter-Agency Task Force—South (JIATF-S), working closely with international partners from throughout the Caribbean Basin, has focused its and regional partners' intelligence gathering efforts to detect, monitor, and seize maritime drug shipments. The USG's bilateral agreements with Caribbean and Latin American countries have eased the burden on these countries by allowing the United States to conduct boardings and search for contraband on their behalf. They also allow the USG to gain jurisdiction over cases, removing the coercive pressure from large drug trafficking organizations on some foreign governments.

Mexican law enforcement reported seizing 19 metric tons (MT) of cocaine in 2008.

Venezuela reported seizures of over 54 metric tons of cocaine in 2008. However, the Government of Venezuela does not allow the USG to confirm its seizures, and these figures include seizures made by other countries in international waters that were subsequently returned to Venezuela, the country of origin. According to the U.S. government's Consolidated Counterdrug Database, 239 non-commercial cocaine flights departed Venezuela in 2008, some bound for Caribbean islands in route to major markets.

Dominican authorities seized approximately 2.4 metric tons of cocaine. There was a fifteen percent increase in drug smuggling flights to Haiti in 2008. While Haitian law enforcement units worked to improve their response to air smuggling of cocaine, the seizure and arrest results were limited.

West Africa has become a hub for cocaine trafficking from South America to Europe. Although according to the UNODC's 2008 *World Drug Report*, Africa accounts for less than 2 percent of global cocaine seizures, this number is expected to rise in future years. Seizures of cocaine in Africa reached 15 MT in 2006, but were below 1 MT between 1998 and 2002. Out of the total number of cocaine seizures made in Europe in 2007 (where the 'origin' had been identified), 22% were smuggled via Africa, up from 12% in 2006 and 5% in 2004. This onslaught is due to more effective interdiction along traditional trafficking routes, and the convenient location of West Africa between Andean cocaine suppliers and European consumers. It also reflects the vulnerability of West African countries to transnational organized crime.

### **Synthetic Drugs**

Amphetamine-Type Stimulants (ATS): Abuse and trafficking in highly-addictive amphetamine-type stimulants (ATS) remain among the more serious challenges in the drug-control arena. The 2008 edition of the UN Office of Drugs and Crime's World Drug Report notes that a stabilization in the ATS market over the past three years appears to have occurred in parallel with the implementation of precursor control programs and prevention programs. The report states that ATS abuse has decreased in the United States and increases in consumption have slowed in some other markets, such as Europe and Asia. Consumption, however, has increased in the Middle East and Africa.

Methamphetamine production and distribution are undergoing significant changes in the United States. The number of reported methamphetamine laboratory seizures in the United States decreased each year from 2004 through 2007; however, preliminary 2008 data and reporting indicate that domestic methamphetamine production, while still well below its peak, is increasing

in some areas, and laboratory seizures for 2008 outpaced seizures in 2007. The pattern of decreased lab presence from 2004-2007 was probably due in part to increasingly effective domestic controls over the retail sale of licit pharmaceutical preparations containing ephedrine and pseudoephedrine, the primary chemicals necessary for methamphetamine. Regulations for the sale of such products in the United States became effective at the national level for the first time in late 2006 under the Combat Methamphetamine Epidemic Act (CMEA). To capitalize on these gains and prevent production from merely shifting ground, the U.S. Government enhanced the scale and pace of its law enforcement cooperation with the Government of Mexico to target the production and trafficking of methamphetamine. For its part, according to the National Drug Intelligence Center's 2009 National Drug Threat Assessment, ephedrine and pseudoephedrine import restrictions in Mexico contributed to a decrease in methamphetamine production in Mexico and reduced the flow of the drug from Mexico to the United States in 2007 and 2008. Methamphetamine shortages were reported in some drug markets in the Pacific, Southwest, and West Central Regions during much of 2007. In some drug markets, methamphetamine shortages continued through early 2008. In 2008, however, small-scale domestic methamphetamine production increased in many areas, and some Mexican drug trafficking organizations shifted their production operations from Mexico to the United States, particularly to California.

The United States is keenly aware that drug traffickers are adaptable, well-informed, and flexible. New precursor chemical transshipment routes may be emerging in Southeast Asia and Africa, and there is also ample evidence that organized criminal groups ship currently uncontrolled chemical analogues of ephedrine and pseudoephedrine for use in manufacturing illicit methamphetamine-type drugs. Some methamphetamine produced in Canada is distributed in U.S. drug markets and Canada is a source country for MDMA to U.S. markets as well as a transit or diversion point for precursor chemicals used to produce illicit synthetic drugs (notably MDMA, or ecstasy), according to the NDIC 2009 National Drug Threat Assessment.

The Netherlands remains an important producer of ecstasy as well, although the amount of this drug reaching the United States seems to have declined substantially in recent years, following new enforcement measures by the Dutch Government. Labs in Poland and elsewhere in Eastern Europe are major suppliers of amphetamines to the European market, with the United Kingdom and the Nordic countries among the heaviest European consumers of ATS.

Pharmaceutical Abuse, and the Internet: According to the National Drug Intelligence Center's December 2008 *National Drug Threat Assessment*, the number of Internet sites offering sales of controlled prescription drugs decreased in 2008, for the first time after several years of increase. It is not known what percentage of this abuse involves international sources. In the United States, The Ryan Haight Online Pharmacy Consumer Protection Act of 2008 was enacted in October 2008. The new federal law amends the Controlled Substances Act and prohibits the delivery, distribution, or dispensing of controlled prescription drugs over the Internet without a prescription written by a doctor who has conducted at least one in-person examination of the patient.

### **Cannabis (Marijuana)**

Cannabis production and marijuana consumption continue to appear in nearly every world region, including in the United States. Marijuana still remains the most widely used of all of the illicit drugs. According to the December 2008 "Monitoring the Future" study, marijuana use among 8<sup>th</sup>, 10<sup>th</sup>, and 12<sup>th</sup> graders, was not statistically different from the year before. However, since the peak years of the mid-1990s, annual use has fallen by over 40 percent among 8th graders, 30 percent among 10th graders, and nearly 20 percent among 12th graders. The prevalence rates for

marijuana use in the prior year now stand at 11 percent, 24 percent, and 32 percent for grades, 8, 10, and 12, respectively.

Drug organizations in Mexico produced more than 15,000 metric tons of marijuana in 2008, much of which was marketed to the more than 20 million users in the United States. Overall, Canada supplies a small proportion of the overall amount of marijuana consumed in the United States; however, large-scale cultivation of high potency marijuana is a thriving illicit industry in Canada. Other source countries for marijuana include Colombia, Jamaica, and possibly Nigeria. Production of marijuana within the United States may exceed that of foreign sources.

According to the U.S. Drug Enforcement Administration (DEA), marijuana potency has increased sharply. Of great concern is the high potency, indoor-grown cannabis produced on a large scale in Canada and the United States in laboratory conditions using specialized timers, ventilation, moveable lights on tracks, nutrients sprayed on exposed roots and special fertilizer that maximize THC levels. The result is a particularly powerful and dangerous drug.

### **Opium and Heroin**

Opium poppy, the source of heroin, is cultivated mainly in Afghanistan, Southeast Asia, and on a smaller scale in Colombia and Mexico. In contrast to coca, a perennial which takes at least a year to mature into usable leaf, opium poppy is an easily planted annual crop. Opium gum can take less than 6 months from planting to harvest.

In Afghanistan, a combination of factors led to a reduction in the cultivation and production of opium for the first time in several years. Among these factors were: including Afghan government and international donor programs that rewarded entire provinces for decreasing or eliminating opium cultivation; increased prices for other commodities such as wheat; decreased prices for opium; and bad weather. Nangarhar province alone shifted from having the second highest area of poppy cultivation in 2007 to achieving poppy free status in 2008. This was due in large part to the high-profile law enforcement and incentives campaign implemented by the provincial governor. Even with this limited progress, Afghanistan continues to be the source of more than 90% of the world's illicit opiates. This glut of narcotics has fueled increasing addiction rates in Afghanistan, Pakistan, and Iran. The narcotics trade thrives in the conditions created by insurgents and warlords, who exact a portion of the profits for protection of crops, labs, trucks, and drug markets. Exact figures for the black market economy are impossible to obtain, but the UN estimates that the Taliban and other anti-government forces have extorted \$50 million to \$70 million in protection payments from opium farmers and an additional \$200 to \$400 million of income in forced levies on the more-lucrative drug processing and trafficking in 2008.

Most of the heroin used in the United States comes from poppies grown in Colombia and Mexico, although both countries are minor producers in global terms. Mexico supplies most of the heroin found in the western United States while Colombia supplies most of the heroin east of the Mississippi. Long-standing joint eradication programs in both countries continue with our support. Colombian law enforcement reported eradicating 381 hectares of opium poppy in 2008. We estimate that poppy cultivation decreased 25 percent from 2006 to 2007 in directly comparable areas of Colombia. This led to a 27 percent drop in potential production of heroin and a 19 percent decrease in purity of Colombian heroin seized in the United States, according to the DEA. The Government of Mexico (GOM) reported eradicating 12,035 hectares of opium poppy.

### **Controlling Drug-Processing Chemicals**

Cocaine and heroin are manufactured with certain critical chemicals, some of which also have licit uses but are diverted by criminals. The most commonly used chemicals in the manufacture of these illegal drugs are potassium permanganate (for cocaine) and acetic anhydride (for heroin). Government controls strive to differentiate between licit commercial use for these chemicals and illicit diversion to criminals. Governments must have efficient legal and regulatory regimes to control such chemicals, without placing undue burdens on legitimate commerce. Extensive international law enforcement cooperation is also required to prevent their diversion from licit commercial channels, and to investigate, arrest and dismantle the illegal networks engaged in their procurement. This topic is addressed in greater detail in the Chemical Control Chapter of this report.

### **Drugs and the Environment**

Impact of Drug Cultivation and Processing: Illegal drug production usually takes place in remote areas far removed from the authority of central governments. Not surprisingly, drug criminals practice none of the environmental safeguards that are required for licit industry, and the toxic chemicals used to process raw organic materials into finished drugs are invariably dumped into sensitive ecosystems without regard for human health or the costs to the environment. Coca growers routinely slash and burn remote, virgin forestland in the Amazon to make way for their illegal crops; coca growers typically cut down up to 4 hectares of forest for every hectare of coca planted. Tropical rains quickly erode the thin topsoil of the fields, increasing soil runoff, and depleting soil nutrients. By destroying timber and other resources, illicit coca cultivation decreases biological diversity in one of the most sensitive ecological areas in the world. In Colombia and elsewhere, traffickers also destroy jungle forests to build clandestine landing strips and laboratories for processing raw coca and poppy into cocaine and heroin.

Illicit coca growers use large quantities of highly toxic herbicides and fertilizers on their crops. These chemicals qualify under the U.S. Environmental Protection Agency's highest classification for toxicity (Category I) and are legally restricted for sale within Colombia and the United States. Production of the drugs requires large quantities of dangerous solvents and chemicals. One kilogram of cocaine base requires the use of three liters of concentrated sulfuric acid, 10 kilograms of lime, 60 to 80 liters of kerosene, 200 grams of potassium permanganate, and one liter of concentrated ammonia. These toxic pesticides, fertilizers, and processing chemicals are then dumped into the nearest waterway or on the ground. They saturate the soil and contaminate waterways and poison water systems upon which local human and animal populations rely. In the United States, marijuana-processing operations take place in national parks, especially in California and Texas near the border with Mexico. These marijuana growing operations leave behind tons of garbage, biohazard refuse, and toxic waste. They also contribute to erosion as land is compacted and small streams and other water sources are diverted for irrigating the illegal marijuana fields.

Methamphetamine is also alarming in its environmental impact. For each pound of methamphetamine produced in clandestine methamphetamine laboratories, five to six pounds of toxic, hazardous waste are generated, posing immediate and long-term environmental health risks, not only to individual homes but to neighborhoods. Poisonous vapors produced during synthesis permeate the walls and carpets of houses and buildings, often making them uninhabitable. Cleaning up these sites in the United States and Mexico requires specialized training and costs thousands of dollars per site.

Impact of Spray Eradication: Colombia is currently the only country that conducts regular aerial spraying of coca, although countries throughout the world regularly spray other crops with herbicides. The only active ingredient in the herbicide used in the aerial eradication program is

glyphosate, which has been thoroughly tested in the United States, Colombia, and elsewhere. The U.S. Environmental Protection Agency (EPA) approved glyphosate for general use in 1974 and re-registered it in September 1993. EPA has approved its use on food croplands, forests, residential areas, and around aquatic areas. It is one of the most widely used herbicides in the world. Colombia's spray program represents a small fraction of total glyphosate use in the country. Biannual verification missions continue to show that aerial eradication causes no significant damage to the environment or human health. The eradication program follows strict environmental safeguards, monitored permanently by several Colombian government agencies, and adheres to all laws and regulations, including the Colombian Environmental Management Plan. In addition to the biannual verification missions, soil and water samples are taken before and after spray for analysis. The residues in these samples have never reached a level outside the established regulatory norms. The OAS, which published a study in 2005 positively assessing the chemicals and methodologies used in the aerial spray program, is currently conducting further investigations expected to be completed in early 2009 regarding spray drift and other issues.

### **Attacking Trafficking Organizations**

Law enforcement tactics have grown more sophisticated over the past two decades to counter the ever-evolving tactics used by trafficking networks to transport large volumes of drugs internationally. Rather than measuring progress purely by seizures and numbers of arrests, international law enforcement authorities have increasingly targeted resources against the highest levels of drug trafficking organizations. Increasingly, international law enforcement authorities are learning the art of conspiracy investigations, using mutual legal assistance mechanisms and other advanced investigative techniques to follow the evidence to higher and higher levels of leadership within the syndicates, and cooperating on extradition so that the kingpins have no place to hide. These sophisticated law enforcement and legal tools are endorsed as recommended practices within both the 1988 UN Drug Control Convention and the UN Convention against Transnational Organized Crime.

The drug trade depends upon reliable and efficient distribution systems to get its product to market. While most illicit distribution systems have short-term back-up channels to compensate for temporary law enforcement disruptions, a network under intense enforcement pressure cannot function for long. In cooperation with law enforcement officials in other nations, our goal is to disrupt and dismantle these organizations, to remove the leadership and the facilitators who launder money and provide the chemicals needed for the production of illicit drugs, and to destroy their networks. By capturing the leaders of trafficking organizations, we demonstrate both to the criminals and to the governments fighting them that even the most powerful drug syndicates are vulnerable to concerted action by international law enforcement authorities.

Mexican drug syndicates continue to oversee much of the drug trafficking into the United States, with a strong presence in most of the primary U.S. distribution centers. President Calderon's counternarcotics programs seek to address some of the most basic institutional issues that have traditionally confounded Mexico's success against the cartels. The Government of Mexico is using the military to reestablish sovereign authority and counter the cartels' firepower, moving to establish integrity within the ranks of the police, and giving law enforcement officials and judicial authorities the resources and the legal underpinning they need to succeed.

To help Mexico achieve these goals, the United States Congress appropriated \$465 million in June 2008 to provide inspection equipment to interdict trafficked drugs, arms, cash and persons; secure communications systems for law enforcement agencies; and technical advice and training to strengthen judicial institutions. Similarly, Congress has provided support to Central American

countries, including the continued implementation of the USG's anti-gang strategy, support for specialized vetted units and judicial reforms, and enhanced land and maritime drug interdiction.

This appropriation will complement existing and planned initiatives of U.S. domestic law enforcement agencies engaged with counterparts in each participating country. On December 3, 2008, a Letter of Agreement (LOA) was signed with the Government of Mexico obligating \$197 million of the funding for counternarcotics programs. On December 19, the Governments of the United States and Mexico met to coordinate the implementation of the Mérida Initiative through a cabinet-level High Level Group, which underscored the urgency and importance of the Initiative. A working level inter-agency implementation meeting was held February 3 in Mexico City with the aim of accelerating the roll out of the 39 projects for Mexico under the Initiative. In addition, LOAs were signed with Honduras on January 9, El Salvador on January 12, Guatemala on February 5 and Belize on February 9.

### **Extradition**

There are few legal sanctions that international criminals fear as much as extradition to the United States, where they can no longer use bribes and intimidation to manipulate the local judicial process. Governments willing to risk domestic political repercussions to extradite drug kingpins to the United States are finding that public acceptance of this measure has steadily increased.

Mexican authorities extradited 95 persons to the United States in 2008. Colombia has an outstanding record of extradition of drug criminals to the United States, and the numbers have increased even more in recent years. The Government of Colombia extradited a record 208 defendants in 2008. Since President Uribe assumed office in 2002, 789 individuals have been extradited.

### **Institutional Reform**

Fighting Corruption: Among all criminal enterprises, the drug trade is best positioned to spread corruption and undermine the integrity and effectiveness of legitimate governments. Drugs generate illegal revenues on a scale without historical precedent. No commodity is so widely available, so cheap to produce, and as easily renewable as illegal drugs. A kilogram of cocaine can be sold in the United States for more than 15 times its value in Colombia, a return that dwarfs regular commodities and distorts the licit economy.

No government is completely safe from the threat of drug-related corruption, but fragile democracies in post-conflict situations are particularly vulnerable. The weakening of government institutions through bribery and intimidation ultimately poses just as great a danger to democratic governments as the challenge of armed insurgents. Drug syndicates seek to subvert governments in order to guarantee themselves a secure operating environment. Unchecked, the drug cartels have the wherewithal to buy their way into power. By keeping a focus on fighting corruption, we can help avoid the threat of a drug lord-controlled state.

Improving Criminal Justice Systems: A pivotal element of USG international drug control policy is to help strengthen enforcement, judicial, and financial institutions worldwide. Strong institutions limit the opportunities for infiltration and corruption by the drug trade. Corruption within a criminal justice system has an enormously detrimental impact; law enforcement agencies in drug source and transit countries may arrest influential drug criminals only to see them released following a questionable or inexplicable decision by a single judge, or a prosecutor may obtain an arrest warrant but be unable to find police who will execute it. Efforts by governments to enact

basic reforms involving transparency, efficiency, and better pay for police and judges helps to build societies based on the rule of law.

Strengthening Border Security: Drug trafficking organizations must move their products across international borders. A key element in stopping the flow of narcotics is to help countries strengthen their border controls. Through training and technical assistance we improve the capability of countries to control the movement of people and goods across their borders. Effective border security can disrupt narcotics smuggling operations, forcing traffickers to adjust their methods and making them vulnerable to further detection and law enforcement action.

### **Money Laundering and Financial Crimes**

The illegal drug trade is fundamentally an illicit business. It enters the legitimate commercial world through its dependence on raw materials, processing chemicals, transportation networks, and its need to launder profits through legitimate commercial and financial channels. We continue our efforts to block the drug business in all these areas, in particular focusing on the financial end to prevent drug proceeds from being legitimized and then diverted to fund insurgencies and terrorism, or to fund actions that undermine the institutions of government. Governments have the potential, by working together, to make it difficult for drug profits to enter the legitimate international financial system. Money laundering and financial crimes are of such importance to international narcotics control efforts that they are reviewed in volume two of this report.

### **Next Steps**

Drug trafficking organizations are ever evolving as they seek to grow, manufacture, and move their products to market and then launder their profits in new ways. In recent years we have seen the introduction of internet sales for distribution, semi-submersible vessels for moving large shipments internationally, and trafficking branching off into new routes that are more difficult to detect. The USG and the international community have responded with national legislation, international agreements, and cooperative law enforcement actions. The USG remains committed to working with our international partners to confront every aspect of narcotics production, trafficking, and abuse.

## Demand Reduction

Recognizing the threat posed by illicit drugs, the National Security Presidential Directive on International Drug Control Policy (NSPD-25) requests that the Secretary of State “expand U.S. international demand reduction assistance and information sharing programs in key source and transit countries”. Demand reduction has evolved as a key foreign policy tool for addressing interconnected threats of drugs, crime, and terrorism, and more recently, is 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. view of 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 for effective policy formation for a clear framework for a coordinated, balanced approach to drug prevention and treatment, including sharing critical information to promote and preserve the stability of societies 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 improving 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 at 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 need local solutions, INL assists foreign partners to generate 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 activity has been conducted in Brazil, Colombia, Guatemala, El Salvador, Mexico, and Peru. Other completed and on-going INL-funded demand reduction projects for Fiscal Year 2008 included:

- Demand Reduction Seminar: “*What Works to Reduce Drug Use?*” Held in Budapest, Hungary on January 23-24, 2008. Reviewed several 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 were encouraged to facilitate collaboration and exchange ideas with the goals of preventing and reducing drug use.

- U.S.-Mexico 7<sup>th</sup> Binational Drug Demand Reduction Seminar: “*Unifying Efforts toward Best Practices*” July 23-25, 2008. The goal of the seminar centered on strategies, programs, and policies aimed at reducing the demand for illicit drugs and promoting best practices for prevention, intervention, and treatment
- UNODC Global: “*Best Practice*” *Drug Treatment Symposium*”, Dec. 16-18, 2008, in Vienna, Austria, to discuss and share with participants from across the world, the efficacy and effectiveness of science-based treatment practices to assist professionals, administrators, therapists, and other participants to identify and treat substance abuse disorders.
- Colombo Plan: The USG and the Colombo Plan Drug Advisory Program (DAP) will establish a training arm for treatment experts to prepare the process of professional certification of addiction professionals in Asia.
- Afghanistan: This initiative includes training of women in counseling techniques, family therapy, and support for group networks. It includes creation of five substance abuse treatment programs to address women’s drug abuse treatment needs.
- El Salvador: Enhancements to corrections and community-based treatment programs to address the overlapping challenges of male and female drug abuse, gang membership and related violence, funding includes a certification program for drug addiction counselors.
- Brazil: Creation of an outreach center for 245 high-risk youth whose parents are drug abusing prostitutes, including plans for the creation of a model drug treatment center for women and their children (the first such facility in Latin America). Also, INL-funded staff training in a juvenile corrections system in Sao Paulo included a pilot program targeting incarcerated juvenile females.
- Colombia: A science-based outcome evaluation revealed that overall drug use was reduced by 44% in individuals treated at residential treatment programs which received INL-sponsored training. Initial results suggest that training of professionals improve post recovery outcomes. The reduction suggests that training enhanced post treatment outcomes.

INL continues its funding for the Creation of Muslim Anti-Drug Outreach Centers in volatile regions where the U.S. has limited access to civil society in Afghanistan, the Philippines, Indonesia, and remote sections of Pakistan. This initiative includes collaboration with the INL-supported network of 400 Muslim-based Anti-Drug programs. Initiatives are designed to:

- enhance the appreciation for American drug-treatment programs in Muslim countries,
- reduce drug consumption that can fund terrorist organizations,
- reduce drug-related violence,
- cut into the recruitment base of terrorist organizations, and
- provide youth living in at-risk areas with alternatives to radical or terrorist indoctrination centers.

# Methodology for Estimating Illegal Drug Production

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

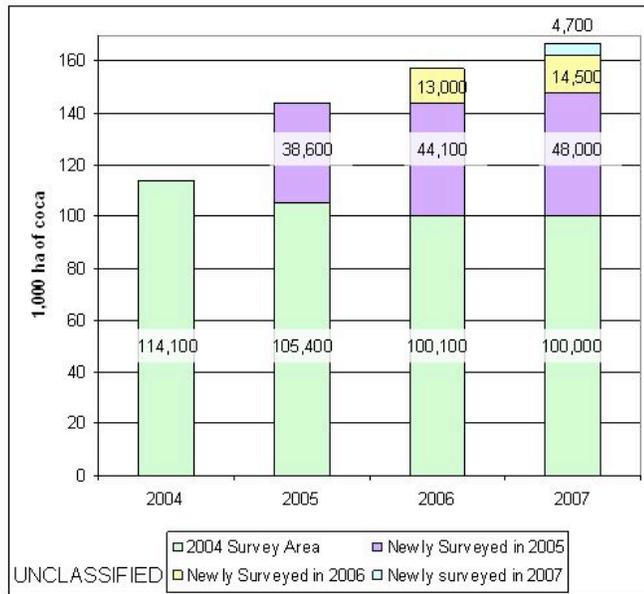
Improved technologies and analysis techniques also produce revisions to United States Government estimates of potential drug production. This is typical of annualized figures for most other areas of statistical tracking that must be revised year to year, whether the subject of analysis is the size of 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.



## Year-to-Year Cultivation Comparison



Numbers do not appear to add due to rounding.

- 2007 coca cultivation estimate: **167,000 ha\***, a 6% increase over 2006
- Reconstitution and new planting in existing survey areas
- 4,700 ha (3%) in newly surveyed areas
- Survey Areas increased 6% over 2006

\*90% confidence interval: 156,000—178,000 ha

1

**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. While not completed in time for this year's estimates, we do have some indications that coca processing in Bolivia may be more efficient than previously estimated. If further research confirms this preliminary finding, estimates will be adjusted accordingly.

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 legally 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

2002-2008 (all figures in hectares)

	2008	2007	2006	2005	2004	2003	2002
<b>Poppy</b>							
Afghanistan	157000	202000	172600	107400	206700	61000	30750
Burma	22500	21700	21000	40000	36000	47130	77700
China		negl					
Colombia		1000	2300		2100	4400	4900
Guatemala				100	330		
India							
Iran							
Laos	1900	1100	1700	5600	10000	18900	23200
Lebanon							
Mexico	in process	6900	5000	3300	3500	4800	2700
Pakistan	700		984	769		1714	213
Thailand							750
Vietnam							1000
<b>Total Poppy</b>	<b>182100</b>	<b>232700</b>	<b>203584</b>	<b>157169</b>	<b>258630</b>	<b>137944</b>	<b>141213</b>
<b>Coca</b>							
Bolivia	in process	29500	25800	26500	24600	23200	21600
Colombia	in process	167000	157200	144000	114100	113850	144450
Peru	in process	36000	42000	34000	27500	29250	34700
<b>Total Coca</b>		<b>232500</b>	<b>225000</b>	<b>204500</b>	<b>166200</b>	<b>166300</b>	<b>200750</b>
<b>Cannabis</b>							
Lebanon							
Mexico	in process	8900	8600	5600	5800	7500	4400
<b>Total Cannabis</b>	<b>0</b>	<b>8900</b>	<b>8600</b>	<b>5600</b>	<b>5800</b>	<b>7500</b>	<b>4400</b>

Notes on Colombia poppy cultivation: Partial survey in 2007 due to cloud cover. The 2005 survey could not be conducted due to cloud cover. The 2000 survey could not be conducted due to cloud cover. The reported number is a weighted average of previous years' cultivation.

Notes on Pakistan poppy cultivation: The 2005, 2006, and 2008 surveys included only the Bara River Valley growing area. No estimate was produced in 2002, but cultivation was observed.

Note on Colombia coca cultivation: Survey areas were expanded greatly in 2005, and to a lesser extent in 2006 and 2007.

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.

Note on China poppy cultivation: Yunnan Province surveyed in 2007; no poppy detected.

# Worldwide Illicit Drug Production

2002-2008 (all figures in metric tons)

	2008	2007	2006	2005	2004	2003	2002
<b>Opium</b>							
Afghanistan	5500	8000	5644	4475	4950	2865	1278
Burma	340	270	230	380	330	484	630
China		negl					
Colombia		15	37		30	63	68
Guatemala				4	12		
India							
Iran							
Laos	17	5.5	8.5	28	50	200	180
Lebanon							
Mexico	in process	149	108	71	73	101	58
Pakistan	26		36	32		44	4.3
Thailand							9
Vietnam							10
<b>Total Opium</b>	<b>5883</b>	<b>8439.5</b>	<b>6063.5</b>	<b>4990</b>	<b>5445</b>	<b>3757</b>	<b>2237.3</b>
<b>Coca Leaf</b>							
Bolivia	in process	38500	37000	36000	37000	33000	35000
Colombia	in process	150000	158000	151000	123000	131000	147900
Peru	in process	43500	54500	52000	47900	51200	58300
<b>Total Coca Leaf*</b>	<b>0</b>	<b>232000</b>	<b>249500</b>	<b>239000</b>	<b>207900</b>	<b>215200</b>	<b>241200</b>
<b>Potential Pure Cocaine</b>							
Bolivia	in process	120	115	115	115	100	110
Colombia	in process	535	550	525	415	445	585
Peru	in process	210	265	250	230	245	280
<b>Total Potential Pure Cocaine</b>	<b>0</b>	<b>865</b>	<b>930</b>	<b>890</b>	<b>760</b>	<b>790</b>	<b>975</b>
<b>Cannabis</b>							
Lebanon (hashish)							
Mexico (marijuana)	in process	15800	15500	10100	10400	13500	7900
<b>Total Cannabis</b>	<b>0</b>	<b>15800</b>	<b>15500</b>	<b>10100</b>	<b>10400</b>	<b>13500</b>	<b>7900</b>

Notes on Colombia opium production: Partial survey in 2007 due to cloud cover. The 2005 survey could not be conducted due to cloud cover. The 2000 survey could not be conducted due to cloud cover. The reported number is a weighted average of previous years' cultivation.

Note on Pakistan opium production: The 2005, 2006, and 2008 surveys are censuses that include the Bara River Valley growing area only.

Note on Bolivia coca leaf production: In 2006, CNC revised the 2001-05 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.

**Note on China opium production: Yunnan Province surveyed in 2007; no poppy detected.**

## 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

## Policy and Program Development

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	20 December 1988	28 October 2005
40. Costa Rica	25 April 1989	8 February 1991
41. Cote d'Ivoire	20 December 1988	25 November 1991
42. Croatia	Succession	26 July 1993
43. Cuba	7 April 1989	12 June 1996
44. Cyprus	20 December 1988	25 May 1990
45. Czech Republic	Succession	30 December 1993
46. Democratic People's Republic of Korea	Accession	19 March 2007
47. Democratic Republic of the Congo	20 December 1988	28 October 2005
48. Denmark	20 December 1988	19 December 1991
49. Djibouti	Accession	22 February 2001
50. Dominica	Accession	30 June 1993
51. Dominican Republic	Accession	21 September 1993
52. Ecuador	21 June 1989	23 March 1990
53. Egypt	20 December 1988	15 March 1991
54. El Salvador	Accession	21 May 1993
55. Eritrea	Accession	30 January 2002
56. Estonia	Accession	12 July 2000
57. Ethiopia	Accession	11 October 1994
58. European Economic Community	8 June 1989	31 December 1990
59. Fiji	Accession	25 March 1993
60. Finland	8 February 1989	15 February 1994
61. France	13 February 1989	31 December 1990
62. Gabon	20 December 1989	10 July 2006
63. Gambia	Accession	23 April 1996
64. Georgia	Accession	8 January 1998
65. Germany	19 January 1989	30 November 1993
66. Ghana	20 December 1988	10 April 1990
67. Greece	23 February 1989	28 January 1992
68. Grenada	Accession	10 December 1990
69. Guatemala	20 December 1988	28 February 1991
70. Guinea	Accession	27 December 1990
71. Guinea-Bissau	Accession	27 October 1995

## Policy and Program Development

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

## Policy and Program Development

Country	Date Signed	Date Became a Party
109. Mauritius	20 December 1988	6 March 2001
110. Mexico	16 February 1989	11 April 1990
111. Micronesia, Federal States of	Accession	6 July 2004
112. Moldova	Accession	15 February 1995
113. Monaco	24 February 1989	23 April 1991
114. Mongolia	Accession	25 June 2003
115. Morocco	28 December 1988	28 October 1992
116. Mozambique	Accession	8 June 1998
117. Myanmar (Burma)	Accession	11 June 1991
118. Nepal	Accession	24 July 1991
119. Netherlands	18 January 1989	8 September 1993
120. New Zealand	18 December 1989	16 December 1998
121. Nicaragua	20 December 1988	4 May 1990
122. Niger	Accession	10 November 1992
123. Nigeria	1 March 1989	1 November 1989
124. Norway	20 December 1988	14 November 1994
125. Oman	Accession	15 March 1991
126. Pakistan	20 December 1988	25 October 1991
127. Panama	20 December 1988	13 January 1994
128. Paraguay	20 December 1988	23 August 1990
129. Peru	20 December 1988	16 January 1992
130. Philippines	20 December 1988	7 June 1996
131. Poland	6 March 1989	26 May 1994
132. Portugal	13 December 1989	3 December 1991
133. Qatar	Accession	4 May 1990
134. Romania	Accession	21 January 1993
135. Russia	19 January 1989	17 December 1990
136. Rwanda	Accession	13 May 2002
137. St. Kitts and Nevis	Accession	19 April 1995
138. St. Lucia	Accession	21 August 1995
139. St. Vincent and the Grenadines	Accession	17 May 1994
140. Samoa	Accession	19 August 2005
141. San Marino	Accession	10 October 2000
142. Sao Tome and Principe	Accession	20 June 1996
143. Saudi Arabia	Accession	9 January 1992
144. Senegal	20 December 1988	27 November 1989
145. Seychelles	Accession	27 February 1992

## Policy and Program Development

Country	Date Signed	Date Became a Party
146. Sierra Leone	9 June 1989	6 June 1994
147. Singapore	Accession	23 October 1997
148. Slovakia	Succession	28 May 1993
149. Slovenia	Succession	6 July 1992
150. South Africa	Accession	14 December 1998
151. Spain	20 December 1988	13 August 1990
152. Sri Lanka	Accession	6 June 1991
153. Sudan	30 January 1989	19 November 1993
154. Suriname	20 December 1988	28 October 1992
155. Swaziland	Accession	3 October 95
156. Sweden	20 December 1988	22 July 1991
157. Switzerland	16 November 1989	14 September 2005
158. Syria	Accession	3 September 1991
159. Tajikistan	Accession	6 May 1996
160. Thailand	Accession	3 May 2002
161. Tanzania	20 December 1988	17 April 1996
162. Togo	3 August 1989	1 August 1990
163. Tonga	Accession	29 April 1996
164. Trinidad and Tobago	7 December 1989	17 February 1995
165. Tunisia	19 December 1989	20 September 1990
166. Turkey	20 December 1988	2 April 1996
167. Turkmenistan	Accession	21 February 1996
168. UAE	Accession	12 April 1990
169. Uganda	Accession	20 August 1990
170. Ukraine	16 March 1989	28 August 1991
171. United Kingdom	20 December 1988	28 June 1991
172. United States	20 December 1988	20 February 1990
173. Uruguay	19 December 1989	10 March 1995
174. Uzbekistan	Accession	24 August 1995
175. Vanuatu		26 January 2006
176. Venezuela	20 December 1988	16 July 1991
177. Vietnam	Accession	4 November 1997
178. Yemen	20 December 1988	25 March 1996
179. Yugoslavia	20 December 1988	3 January 1991
180. Zambia	9 February 1989	28 May 1993
181. Zimbabwe	Accession	30 July 1993

## Policy and Program Development

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<b>Signed but Pending Ratification</b>	
1. Holy See	20 December 1988
<b>Other</b>	
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. Namibia	
9. Papua New Guinea	
10. Taiwan	Not UN member
11. Turks & Caicos	Not UN member

# USG ASSISTANCE



## Department of State (INL) Budget

2/12/09

## FY 07-09 International Narcotics and Enforcement Funding

(\$000)

	FY 2007 Actual	FY 2007 Supp	FY 2008 Enacted	FY 2008 Supp	FY 2009 President's Request	FY 2009 Bridge Supp
<b>ACP Country Programs</b>						
<b>Bolivia Total</b>	<b>66,000.00</b>	<b>0.00</b>	<b>29,757.00</b>	<b>0.00</b>	<b>31,000.00</b>	<b>0.00</b>
<i>Interdiction/Eradication</i>	35,000.00	0.00	29,757.00	0.00	31,000.00	0.00
<i>Alter.Dev./Inst.Building</i>	31,000.00	0.00	0.00	0.00	0.00	0.00
<b>Colombia Total</b>	<b>465,000.00</b>	<b>0.00</b>	<b>244,618.00</b>	<b>0.00</b>	<b>329,557.00</b>	<b>0.00</b>
<i>Interdiction/Eradication</i>	298,930.00	0.00	244,618.00	0.00	298,970.00	0.00
<i>Alter.Dev./Inst.Building</i>	139,920.00	0.00	0.00	0.00	0.00	0.00
<i>Rule of Law</i>	26,150.00	0.00	0.00	0.00	30,587.00	0.00
<b>Ecuador Total</b>	<b>17,300.00</b>	<b>0.00</b>	<b>6,943.00</b>	<b>0.00</b>	<b>7,200.00</b>	<b>0.00</b>
<i>Interdiction/Eradication</i>	8,900.00	0.00	6,943.00	0.00	7,200.00	0.00
<i>Alter.Dev./Inst.Building</i>	8,400.00	0.00	0.00	0.00	0.00	0.00
<b>Peru Total</b>	<b>103,165.00</b>	<b>0.00</b>	<b>36,546.00</b>	<b>0.00</b>	<b>37,000.00</b>	<b>0.00</b>
<i>Interdiction/Eradication</i>	56,000.00	0.00	36,546.00	0.00	37,000.00	0.00
<i>Alter.Dev./Inst.Building</i>	47,165.00	0.00	0.00	0.00	0.00	0.00
<b>Brazil</b>	<b>4,000.00</b>	<b>0.00</b>	<b>992.00</b>	<b>0.00</b>	<b>1,000.00</b>	<b>0.00</b>
<b>Critical Flight Safety Program</b>	<b>61,035.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Panama</b>	<b>4,000.00</b>	<b>0.00</b>	<b>992.00</b>	<b>0.00</b>	<b>1,000.00</b>	<b>0.00</b>
<b>Venezuela</b>	<b>1,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Subtotal Andean Counterdrug Program</b>	<b>721,500.00</b>	<b>0.00</b>	<b>319,848.00</b>	<b>0.00</b>	<b>406,757.00</b>	<b>0.00</b>
FY 08 Alt Dev of \$192,500 is in ESF Funding and is not included in the ACI total. FY07 Alt Development transfer funding directly to USAID for Colombia includes previous \$10M commitment to Demob/IDP						
<b>Africa</b>						
Africa Regional	500.00	0.00	0.00	0.00	2,500.00	0.00
Burkina Faso	0.00	0.00	0.00	0.00	100.00	0.00
Cape Verde	0.00	0.00	496.00	0.00	500.00	0.00
Democratic Republic of Congo	0.00	0.00	1,488.00	0.00	1,700.00	0.00
Djibouti	0.00	0.00	298.00	0.00	300.00	0.00
Ethiopia	0.00	0.00	0.00	0.00	500.00	0.00
Ghana	0.00	0.00	496.00	0.00	500.00	0.00
Guinea	0.00	0.00	0.00	0.00	100.00	0.00
Guinea-Bissau	0.00	0.00	0.00	0.00	100.00	0.00
Kenya	0.00	0.00	0.00	0.00	100.00	0.00
Liberia	1,000.00	0.00	4,096.00	0.00	4,130.00	0.00
Mauritania	0.00	0.00	0.00	0.00	300.00	0.00
Mozambique	0.00	0.00	0.00	0.00	300.00	0.00
Nigeria	400.00	0.00	1,190.00	0.00	1,200.00	0.00
Sierra Leone	0.00	0.00	0.00	0.00	250.00	0.00
South Africa	500.00	0.00	0.00	0.00	0.00	0.00
Sudan	9,800.00	0.00	13,578.00	10,000.00	24,000.00	0.00
Tanzania	0.00	0.00	0.00	0.00	450.00	0.00
Uganda	0.00	0.00	0.00	0.00	350.00	0.00
Women's Justice Empowerment Initiative	7,500.00	0.00	0.00	0.00	0.00	0.00

## DoS Narcotics Budget

<b>Subtotal, Africa</b>	<b>19,700.00</b>	<b>0.00</b>	<b>21,642.00</b>	<b>10,000.00</b>	<b>37,380.00</b>	<b>0.00</b>
<b>East Asia and the Pacific</b>						
Burma	350.00	0.00	0.00	0.00	0.00	0.00
China	0.00	0.00	0.00	0.00	600.00	0.00
Timor-Leste	0.00	0.00	20.00	0.00	1,010.00	0.00
Indonesia	4,550.00	0.00	6,150.00	0.00	9,450.00	0.00
Laos	900.00	0.00	1,567.00	0.00	1,000.00	0.00
Malaysia	0.00	0.00	0.00	0.00	400.00	0.00
Mongolia	0.00	0.00	0.00	0.00	420.00	0.00
Philippines	1,700.00	0.00	794.00	0.00	1,150.00	0.00
East Asia and Pacific Regional	0.00	0.00	0.00	0.00	300.00	0.00
Thailand	900.00	0.00	1,686.00	0.00	1,400.00	0.00
Vietnam	0.00	0.00	0.00	0.00	200.00	0.00
<b>Subtotal, East Asia and the Pacific</b>	<b>8,400.00</b>	<b>0.00</b>	<b>10,217.00</b>	<b>0.00</b>	<b>15,930.00</b>	<b>0.00</b>
<b>Europe</b>						
Turkey	0.00	0.00	298.00	0.00	300.00	0.00
<b>Subtotal, Europe</b>	<b>0.00</b>	<b>0.00</b>	<b>298.00</b>	<b>0.00</b>	<b>300.00</b>	<b>0.00</b>
<b>Near East</b>						
Algeria	0.00	0.00	198.00	0.00	0.00	0.00
Egypt	0.00	0.00	1,984.00	0.00	3,000.00	0.00
Iraq	20,048.00	150,000.00	0.00	85,000.00	75,000.00	0.00
Jordan	0.00	0.00	1,488.00	0.00	1,500.00	0.00
Lebanon	0.00	60,000.00	496.00	0.00	6,000.00	0.00
Morocco	1,000.00	0.00	496.00	0.00	1,000.00	0.00
Tunisia	0.00	0.00	198.00	0.00	0.00	0.00
West Bank/Gaza	86,362.00	0.00	7,000.00	18,000.00	25,000.00	50,000.00
Yemen	0.00	0.00	496.00	0.00	750.00	0.00
<b>Subtotal, Near East</b>	<b>107,410.00</b>	<b>210,000.00</b>	<b>12,356.00</b>	<b>103,000.00</b>	<b>112,250.00</b>	<b>50,000.00</b>
<b>South Asia</b>						
Afghanistan	209,739.88	42,000.00	272,574.00	35,000.00	250,000.00	101,000.00
Bangladesh	0.00	0.00	198.00	0.00	800.00	0.00
India	0.00	0.00	0.00	0.00	400.00	0.00
Nepal	0.00	0.00	30.00	0.00	10,000.00	0.00
Pakistan	24,000.00	0.00	21,822.00	0.00	32,000.00	0.00
Sri Lanka	0.00	0.00	20.00	0.00	350.00	0.00
<b>Subtotal-South Asia</b>	<b>233,739.88</b>	<b>42,000.00</b>	<b>294,644.00</b>	<b>35,000.00</b>	<b>293,550.00</b>	<b>101,000.00</b>
<b>Western Hemisphere</b>						
Argentina	0.00	0.00	198.00	0.00	305.00	0.00
Bahamas	500.00	0.00	496.00	0.00	500.00	0.00
Bolivia	0.00	0.00	397.00	0.00	0.00	0.00
Caribbean and Central America (Transit Zone)	1,700.00	0.00	0.00	0.00	0.00	0.00
Merida Initiative (Central America)	0.00	0.00	0.00	24,800.00	100,000.00	0.00
Merida Initiative (Mexico)	0.00	0.00	0.00	215,500.00	450,000.00	48,000.00
Chile	0.00	0.00	99.00	0.00	0.00	0.00
Colombia (Rule of Law/Judicial/Human Rights)	0.00	0.00	39,428.00	0.00	0.00	0.00
Colombia-Transfer from ACP for CNP Eradication Support	0.00	0.00	2,479.00	0.00	0.00	0.00

## DoS Narcotics Budget

Dominican Republic	0.00	0.00	992.00	2,500.00	1,150.00	0.00
Eastern Caribbean	0.00	0.00	496.00	0.00	500.00	0.00
Ecuador	0.00	0.00	99.00	0.00	0.00	0.00
El Salvador	0.00	0.00	744.00	0.00	800.00	0.00
Guatemala	2,200.00	0.00	3,472.00	0.00	5,320.00	0.00
Haiti	14,850.00	0.00	8,927.00	2,500.00	15,000.00	0.00
Honduras	0.00	0.00	744.00	0.00	750.00	0.00
Jamaica	900.00	0.00	992.00	0.00	1,010.00	0.00
Mexico	36,678.00	0.00	26,553.00	0.00	27,816.00	0.00
Nicaragua	0.00	0.00	972.00	0.00	1,600.00	0.00
Paraguay	0.00	0.00	278.00	0.00	300.00	0.00
Southern Cone	500.00	0.00	0.00	0.00	0.00	0.00
Trinidad and Tobago	0.00	0.00	397.00	0.00	500.00	0.00
<b>Subtotal, Western Hemisphere</b>	<b>57,328.00</b>	<b>0.00</b>	<b>87,763.00</b>	<b>245,300.00</b>	<b>605,551.00</b>	<b>48,000.00</b>
<b>Global</b>						
Criminal Youth Gangs	0.00	0.00	7,935.00	0.00	5,000.00	0.00
Demand Reduction/Drug Awareness	8,000.00	0.00	4,903.00	7,000.00	3,500.00	0.00
<b>International Organizations</b>	<b>5,400.00</b>	<b>0.00</b>	<b>3,967.00</b>	<b>0.00</b>	<b>4,500.00</b>	<b>0.00</b>
<i>CICAD</i>	1,400.00	0.00	1,406.80	0.00	2,430.00	0.00
<i>UNODC</i>	4,000.00	0.00	2,110.20	0.00	1,620.00	0.00
<i>USEU</i>	0.00	0.00	450.00	0.00	450.00	0.00
Interregional Aviation Support	63,000.00	0.00	54,654.00	0.00	55,100.00	0.00
Trafficking in Persons	5,000.00	0.00	5,951.00	0.00	7,767.00	0.00
<b>INL Anticrime Programs</b>	<b>13,500.00</b>	<b>0.00</b>	<b>11,903.00</b>	<b>0.00</b>	<b>14,000.00</b>	<b>0.00</b>
<i>Alien Smuggling/Border Security</i>	1,250.00	0.00	992.00	0.00	1,500.00	0.00
<i>Cyber Crime, IPR and CIP</i>	3,750.00	0.00	3,472.00	0.00	4,000.00	0.00
<i>Fighting Corruption</i>	4,500.00	0.00	3,967.00	0.00	4,500.00	0.00
<i>Financial Crimes/Money Laundering/CT</i>	4,000.00	0.00	3,472.00	0.00	4,000.00	0.00
Global Peacekeeping Operations					4,000.00	0.00
Civilian Police Program	2,000.00	0.00	1,984.00	0.00	6,000.00	0.00
ILEA Operations	16,500.00	0.00	18,846.00	0.00	17,000.00	0.00
<b>Subtotal, Global</b>	<b>113,400.00</b>	<b>0.00</b>	<b>110,143.00</b>	<b>7,000.00</b>	<b>116,867.00</b>	<b>0.00</b>
PD&S	19,000.00	0.00	19,342.00	0.00	20,233.00	0.00
<b>Subtotal, INCLE</b>	<b>558,977.88</b>	<b>252,000.00</b>	<b>556,405.00</b>	<b>400,300.00</b>	<b>1,202,061.00</b>	<b>199,000.00</b>
<b>TOTAL INL PROGRAMS</b>	<b>1,280,477.88</b>	<b>252,000.00</b>	<b>876,253.00</b>	<b>400,300.00</b>	<b>1,608,818.00</b>	<b>199,000.00</b>

## 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 big goal of our counternarcotics efforts overseas supports 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 will be placed on contributing to the 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 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, and fostered relationships of American law enforcement agencies with their counterparts in 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 cohesive international law enforcement. 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 are a new concept aimed at addressing regional law enforcement priorities. The regional ILEAs offer three different types of programs. The Core program, a series of specialized training courses and regional seminars tailored to region-specific needs and emerging global

threats, 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 and often run simultaneously with the Core program. Lastly, there are regional seminars with different topical focus 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 over 28,000 officials from over 75 countries in Africa, Asia, Europe and Latin America.

**Africa.** ILEA Gaborone (Botswana) opened in 2001. Its main feature is a six-week intensive personal and 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 by raising the professionalism of officers involved in the fight against crime. ILEA Gaborone also offers specialized courses for police and other criminal justice officials to enhance their capacity to work with U.S. and regional counterparts to combat international criminal activities. These courses concentrate on specific methods and techniques in a variety of subjects, such as counterterrorism, anti-corruption, financial crimes, border security, drug enforcement, firearms and many others.

Instruction is provided to participants from Angola, Botswana, Burundi, Cameroon, Comoros, Democratic Republic of Congo, Djibouti, Ethiopia, Gabon, Ghana, Guinea, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, Swaziland, Tanzania, Uganda and Zambia.

United States and Botswana trainers provide instruction. ILEA Gaborone has offered specialized courses on money laundering/terrorist financing-related topics such as Criminal Investigation (presented by FBI) and International Banking & Financial Forensic Program (presented by DHS and the Federal Law Enforcement Training Center), and International Money Laundering Scheme (presented by ICE). ILEA Gaborone trains approximately 500 students annually.

**Asia.** ILEA Bangkok (Thailand) opened in March 1999. This ILEA focuses on enhancing regional cooperation against the principal transnational crime threats in Southeast Asia—illicit drug trafficking, financial crimes, and alien smuggling. 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 one Senior Executive program and about 18 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), East Timor 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, East Timor, China, Hong Kong, Indonesia, Laos, Macau, Malaysia, Philippines, Singapore, Thailand and Vietnam. Subject matter experts from the United States, Thailand, Japan, Netherlands, Philippines 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 DHS) and Complex Financial Investigations (presented by IRS, FBI and DEA). 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, Canada, 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 800 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 and San Salvador. 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. In 2009, ILEA San Salvador will deliver four LEMDP sessions and approximately 20 Specialized courses that will concentrate 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, Dominican Republic, Ecuador, El Salvador, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Nicaragua, Panamá, Paraguay, Perú, St. Kitts and Nevis, St. Lucia, St. Vincent, Suriname, Trinidad and Tobago, Uruguay and Venezuela. ILEA San Salvador trains approximately 800 students per year.

The **ILEA Regional Training Center** in Lima (Peru) opened in 2007 to complement the mission of ILEA San Salvador. The center 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 counter-narcotics 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 accomplished through the 87 offices located in 63 countries that DEA maintains worldwide, in cooperation with its U.S.-based offices. The DEA overseas mission is comprised of the following components:

- Conduct bilateral investigative activities;
- Coordinate counternarcotics intelligence gathering;
- 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, the DEA office tailors its activities to specific areas that best support host nation efforts. In countries lacking a robust law enforcement capability, DEA personnel may provide assistance in all four mission objectives. The following sections highlight the assistance/joint enforcement work in which DEA played a crucial role during 2008 in support of DEA's four established mission components.

## Bilateral Investigative Activities

### Drug Flow Attack Strategy

In response to the National Drug Control Strategy calling for market disruption by attacking the flow of drugs, the DEA developed an International Drug Flow Attack Strategy. The primary objective of the strategy is to cause major disruption to the flow of drugs, money, and chemicals between the source zones and the United States.

This effort began with a threat assessment to ensure the most efficient use of interagency resources for the disruption of drug trafficking organizations (DTOs) operating in the source and transit zones. The threat assessment used interagency expertise as well as knowledge gained from previous joint enforcement operations.

### Drug Flow Attack Strategy Highlights:

- During 2008 DEA, working with its host country counterparts, continued to disrupt and dismantle the major Mexican and Central American DTOs through the arrest of

Consolidated Priority Organization Targets (CPOTs) and other High Value Targets who occupy key positions in DTOs responsible for the smuggling of the vast majority of cocaine, heroin, methamphetamine, and marijuana into the United States.

- March 11, 2008, the Government of Mexico's Special Investigations Unit (SIU), in outstanding cooperation and coordination with DEA, arrested the then head of the Arellano-Felix Organization (AFO) CPOT Gustavo Riviera-Martinez as the result of a provisional arrest warrant issued out of the Southern District of California.
- May 1, 2008, the Government of Honduras' National Police, coordinating with DEA, arrested CPOT Jorge Mario Paredes-Cordova. Paredes was transported by DEA aircraft to the United States and arraigned in Miami, Florida, where he faced numerous drug-related charges stemming from an indictment out of the Southern District of New York.
- 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 United States on terrorism charges pursuant to a provisional arrest warrant. Al Kassar is currently awaiting trial in the Southern District of New York on charges stemming from DEA indictments.
- On September 4, 2008, Spanish authorities arrested DEA CPOT Edgar Guillermo Vallejo-Guarin, one of DEA's top international narcotics fugitives, in Madrid, based on a provisional arrest warrant from the Southern District of Florida. This operation combined the efforts of DEA Madrid, the Charlotte District Office, the Miami Field Division, DEA Bogota, the Spanish Guardia Civil and the Spanish National Police.
- September 16, 2008, CPOT Antonio Ezequiel Cardenas-Guillen, brother of former Gulf Cartel leader Osiel Cardenas-Guillen, was arrested in coordination with DEA by Mexican authorities. Cardenas-Guillen was indicted in the Southern District of Texas based on a Federal Bureau of Investigation case, and in the District of Columbia as the result of a DEA investigation.
- October 9, 2008, William Tamamayo-Hernandez was arrested by Panamanian Police in coordination with DEA in the Republic of Panama. Tamamayo-Hernandez was one of the primary leaders of an assassination cell for CPOT Juan Carlos Ramirez-Abadia's and his DTO. On August 12, 2008, Tamamayo-Hernandez was indicted in the Eastern District of New York for multiple counts of murder, conspiracy to import cocaine, and international drug conspiracy.
- October 25, 2008, CPOT Eduardo Arellano-Felix was arrested by Mexican authorities in coordination with DEA, in Baja California, Mexico. Arellano-Felix, one of the original leaders of the AFO, was indicted on December 4, 2003, in the Southern District of California.
- November 7, 2008, Jaime Gonzalez-Duran was taken into custody by the Secretaria de Seguridad Publica in coordination with DEA. Gonzales-Duran was the third highest ranking member of the Gulf Cartel who controlled day-to-day operations for the Cartel. He reported directly to high level Cartel member Miguel Trevino-Morales and CPOT Heriberto LAZCANO-Lazcano. Gonzalez-Duran was indicted on March 13, 2008 in the District of Columbia.
- December 14, 2008, CPOT Esteban Rodriguez-Olivera was arrested by Mexican authorities in coordination with DEA at the international airport in Mexico City, Mexico. Rodriguez-Olivera was the co-leader of the Rodriguez-Olivera Drug Trafficking

Organization. He had been indicted on January 13, 2006 in the District of Columbia and was indicted again in March 2008 in the Eastern District of New York.

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:

- In October 2008, Haji Juma Khan was arrested and his trial was pending in the Southern District of New York on narco-terrorism charges. Khan is one of the world's most significant heroin and opium traffickers. From his base of operations in Afghanistan, Khan allegedly used high level connections in the Afghan central and provincial government to facilitate drug trafficking and other illegal activities. Moreover, Khan was suspected of providing direct support to the Taliban from his drug trafficking revenue in the form of cash payments. Khan also supplied weapons and manpower to the Taliban leadership in support of their insurgent activities, investigations show.
- On January 23, 2008, DEA Foreign-deployed Advisory and Support Teams provided additional testimony to a Federal Grand Jury in the District of Columbia which resulted in the issuance of an indictment charging Khan Mohammed with drug trafficking and terrorism. The basis for the indictment stemmed from Mohammed's negotiations for rockets and bomb-making materials that Mohammed believed would be used against the U.S. Military and Coalition Forces. On May 15, 2008, Khan Mohammed was the first defendant ever to be convicted in U.S. federal court of narco-terrorism since the statute was enacted in March 2006.
- 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-Going Operations

**Operation All Inclusive 2008-1:** Operation All Inclusive (OAI) was designed to disrupt the flow of drugs, money, and precursor chemicals from the source zone (South America), through the transit zone (Mexico/Central America/Caribbean), and into the United States. This investigative operation expanded the geographical area coverage into the central Caribbean, Bolivia, and Peru; and provided U.S. interagency analytical support to seven countries. From January 2008 through September 30, 2008, DEA's operation in this sphere resulted in the seizure of 100.41 metric tons of cocaine, 225 kilograms of heroin, 130.45 metric tons of marijuana, \$92,310,578 and 1,278 arrests.

**Enlace Program.** The Enlace Program was established in the Southern Cone countries of South America more than five years ago to exchange law enforcement officers with the South American countries. The program has supported investigations and initiatives which have benefited both the DEA mission and missions of the host nations. Information and officer exchanges between neighboring countries in support of investigations have enabled Spanish, Guarani, Quechua, and other language speakers to conduct real-time translations of authorized wire intercepts resulting in sizeable seizures and arrests, share real-time intelligence, and target members of international drug trafficking organizations. Also, having transit country officers working with neighboring countries has enabled the successful coordination of international controlled deliveries and financial and transportation investigations, as well as the follow-up movement and illicit trafficking of narcotics,

chemicals, and money. The Enlace Program has become an excellent example of the power of law enforcement networking.

**Operation Broken Bridge.** Operation Broken Bridge, a 24-hour, 7 days-a-week operation is a progression from Operation Rum Punch that was initiated by the Dominican Republic Narcotics Counter Drug Unit (DNCD) and the DEA Santo Domingo Country Office. The DNCD and DEA have been conducting an interagency coordinated counter-drug operation in the vicinity of Hispaniola since August 2007. The objective of Operation Broken Bridge is to disrupt suspect aircraft flown from Venezuela and Colombia to the Dominican Republic, and further to dismantle drug trafficking organizations using air drops over water and land and, on occasion, conducting landings in the Dominican Republic. 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 December 2008 include 2,066 kilograms of cocaine, one kilogram of heroin, five vehicles, two aircrafts and 22 arrests.

**Operation Bahamas and Turks and Caicos (OPBAT).** The Bahamas participates actively as a partner in Operation Bahamas and Turks and Caicos (OPBAT), a multi-agency, international drug interdiction cooperative effort established in 1982. OPBAT is the largest and oldest cooperative effort overseas by any government involved in drug enforcement. OPBAT participants on the U.S. side include DEA, U.S. Coast Guard (USCG), 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. With the departure of the U.S. Army after 21 years of support to OPBAT, the DEA Aviation Division has been given the responsibility of replacing aviation support for the program in the central Bahamas. Cumulative OPBAT statistics through the final quarter of Fiscal Year 2008 include seizures of approximately 2,318 kilograms of cocaine, 460,037 pounds of marijuana, four kilograms of heroin, and \$10,744,576 in USC, as well as 148 arrests.

**Operation Containment.** Operation Containment is an intensive, multinational, law enforcement initiative established in 2002 and is led by DEA. It involves countries in Central Asia, the Caucasus, the Middle East, Europe, and Russia. During fiscal year 2008, Operation Containment resulted in the seizure of 6.4 metric tons of heroin, 1 metric ton of morphine, 1.6 metric tons of opium gum, 1 metric ton of precursor chemicals, 24.4 metric tons of cannabis, 238.935 metric tons of hashish, and 15 seized drug labs.

**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 has been seized, 208 metric tons of cocaine has 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, and 1,676 individuals have been arrested. During the 4<sup>th</sup> Quarter of 2008 alone, Operation Panama Express strike force effected 15 interdictions, to include two self-propelled semi-submersible vessels, resulting in the arrest of 60 individuals, and seizure of 99 kilograms of heroin and 27,989 kilograms of cocaine.

**Operation Windjammer.** On May 19, 2005, based on information provided by DEA Cartagena and DEA Kingston, a priority target Investigation was initiated against a multi-ton, Jamaica-based, cocaine trafficker multi-ton quantities of cocaine to the U.S. and Europe via Panama and Mexico. On January 3, 2006, a two-count indictment was handed down by the U.S. District Court for the

District of Columbia alleging that the target, his father, and five co-conspirators were conspiring to transport cocaine into the U.S. In support of Operation Windjammer, the DEA Kingston CO played a significant role in obtaining vital evidence that was utilized to implicate the target in a conspiracy to transship cocaine into the U.S. As evidenced by this indictment, Operation Windjammer was tailored to assist DEA, via host nation counterparts, in pursuing Priority Target and/or significant narcotics traffickers impacting the U.S. via Jamaica. Cumulative statistics through December 2008, resulting from the success of Operation Windjammer include the seizure of 281.6 pounds of hashish oil, 26.80 tons of marijuana, 160.7 kilograms of cocaine, \$31,910 in U.S. currency, and 24 arrests.

### **Coordinate Counternarcotics Intelligence Gathering**

**Colombia.** DEA Colombia expanded its joint intelligence gathering efforts with Colombian agencies in 2008. The objectives of these intelligence gathering programs include information related to new groups emerging from the demobilization process of paramilitary organizations, intelligence on methamphetamine production and transportation in Colombia, information related to Colombia/Venezuela cross-border drug trafficking activity, and a final intelligence program which targeted the Colombian Ports and the transportation organizations using the ports.

**Europe/Africa.** Law enforcement information, seizures, and market indicators suggest that increasing amounts of cocaine are being smuggled from South America to European markets, including through West Africa. While Spain and Portugal remain the primary arrival zones for Europe-bound cocaine shipments, multi-ton quantities of cocaine are smuggled to Europe via several African countries, to include Nigeria, Ghana, Togo, Benin, Guinea-Bissau, Cape Verde, Morocco, Mauritania, Senegal, Ivory Coast and Guinea-Conakry. In order to combat these networks, DEA, in coordination with European and African law enforcement agencies, has developed and implemented a program to gain increased understanding of narcotics trafficking in West Africa, fill intelligence gaps, and promote intelligence sharing.

**China.** DEA has been working closely with law enforcement agencies in China, Pakistan, and Afghanistan to target the flow of Afghan heroin to China. Authorities in all three countries have reported increased arrests of couriers smuggling Afghan heroin to China. Increased intelligence sharing among the countries has led to the identification and disruption of several West African drug trafficking organizations. Investigations have revealed that West African criminal networks are the primary smugglers of Afghan heroin into China.

**Centers for Drug Information Program.** During the 2002 Summit of the Americas, the Heads of State in the Western Hemisphere adopted several resolutions calling for the intensification of collaborative efforts in the fight against illicit drugs in the Americas. As part of the response to these resolutions, the International Drug Enforcement Conference (IDEC) Presidents and DEA developed a regional strategy to target transnational drug trafficking organizations. One of the solutions proposed was the creation of the Centers for Drug Information (CDI). The IDEC Regional Presidents unanimously approved the proposal and DEA was tasked with implementing the CDI Program. The CDI Program is a web-based program using the internet as its communication backbone. The Centers were designed to provide coordination, analysis, and daily summaries of events that have occurred and are staffed by analysts from the host nation, the Joint Interagency Task Force-South (JIATF-S) and DEA.

This DEA-managed initiative 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 50 countries and protectorates and includes over 250 users. Most recently, a Southeast Asia Regional Center, located in Bangkok, Thailand came online. Discussions continue in regards to expansion to Europe, Africa and additional Southeast Asian countries. Expansion will allow all CDI users increased capability to share globally.

### **Conduct Training Programs for Host Nation Police Agencies**

DEA's international training activities are conducted in coordination with DEA's foreign offices, U.S. Embassies, the Department of Defense, and the Department of State, Bureau for International Narcotics and Law Enforcement Affairs (INL).

#### **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 2008, DEA conducted bilateral training seminars funded by INL for 318 participants from 11 countries.

#### **Asset Forfeiture/Money Laundering Training Programs:**

An inter-agency Terrorist Financing Working Group in Washington coordinates Department of State funding for approximately six international asset forfeiture and money laundering seminars per year. The actual training modules are developed by DEA in a joint effort with DOJ. During FY 2008, a total of 244 participants from seven countries were trained at six Basic and Advanced Asset Forfeiture and Money Laundering Seminars.

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

The INEMS is a three-week program. Funded by the Department of State, it is conducted by the International Training Section of DEA in the United States 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 2008 the INEMS course trained 15 participants from 12 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. The mobile training seminars are being conducted in each of the Central Asia countries of Tajikistan, Kyrgyzstan, Uzbekistan, Kazakhstan, and Turkmenistan. NRC training programs will occur throughout FY 2009 in Afghanistan and Central Asia. DEA conducts one-week specialized counternarcotics courses in the region in support of the NRC program.

### **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.

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. DEA's cooperative efforts with host countries have helped DEA to develop more self-sufficient, effective drug law enforcement programs. For example, DEA's efforts to develop counternarcotics counterparts in Afghanistan have resulted in increasingly well-trained and successful counternarcotics units capable of taking on greater investigative roles.

During June 2008, the Europe and Africa Region, in conjunction with the Office of Diversion Control, hosted a Diversion Investigative Strategy Meeting in Gaborone, Botswana to discuss an African Chemical Control Investigative Strategy. Representatives from the 14 African nations of Botswana, Burundi, Djibouti, Gabon, Kenya, Lesotho, Madagascar, Mauritius, Nigeria, Seychelles, South Africa, Swaziland, Uganda and Zambia attended the meeting, as well as representatives from DEA Headquarters and DEA COs in Brussels, Cairo, Frankfurt, Lagos, Pretoria, and Paris.

Additionally, in September 2008, the Europe and Africa Region hosted the Regional African Executive Seminar Botswana. The seminar focused on encouraging West African law enforcement entities to cooperate on developing viable, prosecutable investigations against the most significant drug trafficking organizations and narco-terrorist organizations operating in West Africa. The seminar included law enforcement representatives from South Africa, Botswana, Sierra Leone, Nigeria, Liberia, Ghana, Togo, Benin, Cape Verde, Mali, Burkina Faso, as well as DEA personnel.

### **International Drug Enforcement Conference (IDEC):**

DEA actively participates in a variety of several international meetings to promote international law enforcement cooperation. One forum is the annual International Drug Enforcement Conference (IDEC) that brings together upper-level drug law enforcement officials from around the world to share drug-related intelligence and develop operational strategies that can be used against international drug traffickers. The yearly conferences focus on such areas of common concern as the growing sophistication of drug trafficking organizations and money laundering.

In July 2008 the Turkish National Police in cooperation with DEA co-hosted IDEC XXVI. This year's IDEC General Assembly brought together over 300 high-level drug law enforcement officials from 93 countries throughout the world. IDEC XXVII focused on pharmaceutical abuse, the nexus of drugs and terrorism, money laundering, and intelligence sharing across multi-national law enforcement agencies. IDEC was established in 1983 and to date 16 different countries have hosted the conference. This was Turkey's first time as host of IDEC and only the second time the event has been held outside of North and South America. The DEA's sponsored IDEC General

Assembly has grown over the past 26 years and is now attended by more nations than any other multilateral counternarcotics forum except for the UN-sponsored conference.

# United States Coast Guard

## Overview:

The Coast Guard's multiyear campaign plan to combat the dynamic maritime drug trafficking threat, "Campaign Steel Web," is continually evolving to reflect changes in drug trafficking trends.

Steel Web 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, CIS, CBP, and local LEAs) and DOD partners in this effort.

Three pillars form the foundation of Steel Web:

- **Flexible, Intelligence Driven Operations:** The United States Coast Guard (USCG) Operational Commanders aggressively conduct and support coordinated, flexible operations in the transit zone in response to tactical intelligence and information. In addition to benefiting from intelligence generated by other USG agencies, the Coast Guard also is a major source for actionable intelligence to Joint Interagency Task Force South (JIATF-S). The Coast Guard also continues to coordinate operations with local, state, and federal law enforcement and agencies of the U.S. Department of Defense.
- **International Engagement:** The Coast Guard continues to emphasize international partnering with intelligence interdiction forces, including the planning and execution of both large and small-scale joint and combined operations. The fact that bilateral maritime agreements and International Maritime Interdiction Support (IMIS) arrangements are in place throughout the theaters of operations facilitates this type of cooperation. Additionally, the Coast Guard provides Training and Technical Assistance (through deployable training teams, resident training and subject matter expertise exchanges) to partner nations' maritime services to serve as force multipliers in drug trafficking operations.
- **Technological Initiatives:** The Coast Guard is actively addressing operational shortfalls through research, development, and fielding detection, monitoring, and other non-lethal technologies.

Coast Guard foreign assistance efforts are designed to improve the effectiveness of U.S. counternarcotics partners around the world.

## Combined Operations:

The Coast Guard conducted several maritime counterdrug combined operations in 2008. Combined operations partner countries and territories included: Colombia, Costa Rica, Mexico, the United Kingdom and its Overseas Territories, Netherlands and Netherlands Antilles, Belgium, and France and its Overseas Territories. In FY2008, Law Enforcement Detachments (LEDETs) conducting combined operations onboard British Naval Vessels removed a total of 17,087 pounds of cocaine. In FY 2008, LEDETs conducting combined operations onboard Dutch Naval Vessels removed 8,100 pounds of cocaine.

## International Agreements:

There are now 28 bilateral maritime counterdrug agreements in place between the United States and our Central, South American and Caribbean partner nations. These arrangements help the Coast Guard move toward its goal of eliminating safe havens for drug smugglers. This year, the USCG reached agreement with the Ecuadorian Navy on Operational Procedures for maritime counterdrug cooperation, filling a large gap that the DTOs were routinely using. Most recently, the USCG signed a set of Standard Operating Procedures (SOP), in accord with a Letter of Intent with the Mexican Navy. This SOP facilitates cooperation in cases involving Mexican flagged vessels suspected of engaging in maritime drug smuggling activities. Discussions for a similar agreement with Peru are in progress. In addition, the United States, Belize, and France have signed and taken the necessary steps to bring the Caribbean Regional Maritime Counterdrug Agreement (CRA) into force. However, two more countries need to take action to bring the CRA to come into effect. This important agreement has been pending since 2003.

**International Cooperative Efforts:**

In FY 2008, the Coast Guard disrupted 85 drug smuggling attempts, which resulted in the seizure of 35 vessels, the detention of 196 suspected smugglers, and the removal of 367,926 pounds of cocaine and 22,174 pounds of marijuana. Nearly all of the 85 interdiction activities 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 utilizing Self-Propelled Semi-Submersibles (SPSS) to smuggle cocaine. In FY 2008 there was a dramatic increase in the use of Self-Propelled Semi-Submersible (SPSS) vessels. From a total of 23 operations using of semi-submersibles between 2001 and 2007, they increased to at least 75 in 2008. SPSS vessels carried an estimated 423 metric tons (MT) of cocaine in FY 2008, of which only 71 MT were removed (56.3 MT removed by the Coast Guard in eight operations). Because the SPSS's are a relatively easy means of smuggling, they have displaced most other modes of drug trafficker maritime transportation with the exception of go-fast boats. The design of the SPSS vessels makes it difficult for law enforcement to detect large loads of illegal drugs, but the USCG continues to work closely with interagency and international partners to explore better ways to detect and interdict SPSS vessels. To counter this growing threat, the Coast Guard works closely with the Department of Justice and congressional staffs to draft and pass legislation to make operation of these vessels on an international voyage illegal. This legislation, the "Drug Trafficking Vessel Interdiction Act of 2008, 18 U.S.C. 2285", was signed into law by the President in October 2008. This law facilitates the establishment of new tactics to enable evidence collection and prosecution even when contraband cannot be seized.

The USCG routinely embarked law enforcement officials (ship riders) from Panama, Guatemala, Nicaragua, Costa Rica, Belize, Honduras, The Bahamas, and in the Pacific from Palau to exercise bilateral agreements, improve cooperation, and maximize the efforts of law enforcement assets on the high seas, and in the territories of partner nations.

**International Training and Technical Assistance:**

In FY 2008, 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) provides 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 continue the USCG’s international engagement mission. Several USCG engineering deployments 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 led 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 2008. These efforts will continue in 2009.

The USCG’s International Training Division’s Mobile Training Teams (MTTs) deliver one-to-two-week long courses to partner nation maritime services around the world. Typical courses include Maritime Law Enforcement (MLE), Boarding and Advanced Boarding Officer, Joint MLE Boarding, Maritime Operations Planning and Management, MLE Instructor, Port Security/ Port Vulnerability, Incident Command System, and Small Boat Operations. Courses consist of formal classroom instruction with either on-board or on-locale hands-on skill training. In FY 2008, over 1,920 students from 55 countries from around the world received instruction.

Individual students also receive instruction in USCG resident training programs. These students develop a broad range of skills from boat handling and boat and engine repair to senior officer leadership training. In FY 2008, 257 students from 68 partner nations enrolled in resident courses at USCG training installations.

The third and fourth regular Trilateral Maritime Counter Drug Summits involving the U.S., Ecuador and Colombia, were held in Cartagena and Key West respectively during 2008. This year, the summits were expanded to include participation from Panama and Mexico. Results of these meetings include significant improvements in information exchange and operational coordination that have enhanced our collective ability to combat narcotics smuggling.

In November 2008, Colombia hosted the First Maritime Counter Drug Symposium of the Americas. The Symposium brought together representatives from 34 hemispheric and transatlantic countries to analyze and discuss their different maritime strategies to combat drug trafficking. Discussions focused on the waterways used by the different countries in the Americas, especially those located in, and affected by the Transit Zone for narcotics between the producing and consuming countries. The next Symposium will be held in the Dominican Republic in November 2009.

## **U.S. Customs and Border Protection**

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

CBP uses a wide range of interdiction techniques, including the targeting of suspect shipments and persons through the use of risk management techniques. Using such scientific methods enables CBP to be effective in its primary mission while minimizing its impact on legitimate trade and travel. CBP uses this "selectivity" to identify high-risk shipments for more intensive examination.

Since its creation 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 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 effect and terrorists. CPB 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 1.13 million passengers and pedestrians, 70,900 containers by land and sea, 251,000 incoming international air passengers, 74,100 passengers/crew arriving by ship, 304,000 incoming privately owned vehicles; seizes \$187,186 in undeclared or illicit currency, 5,138 pounds of narcotics; and arrests 2,472 fugitives or violators at or between ports of entry; all while facilitating commercial trade and collecting \$88.3 million in fees, duties and tariffs (2007 statistics).

The State Department Bureau for International Narcotics and Law Enforcement Affairs and CBP promote international cooperation. CBP does so through interagency agreements and by designing and implementing training and assistance programs for its foreign counterparts worldwide. CBP also delivers a variety of training, high-tech tools and border security-related programs for combating transnational crime thereby promoting global cooperation and the international law enforcement effort.

### **CBP Advisors and Attachés:**

A variety of far-reaching CBP initiatives includes the Container Security Initiative (CSI) that operates globally to pre-screen high-risk cargo shipments before they are loaded onto vessels. CBP has also deployed 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 play a prominent role in representing the interests of CBP in the international arena. They 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 in Canada. They also established International Border Enforcement Team priorities and facilitated the exchange of information, improving member awareness of law enforcement activity, policies,

and resources relating to regional border enforcement efforts. Their efforts help to ensure that shared assets can be harnessed together to fight smuggling and they have proven to be effective channels for sharing intelligence as well.

The attaché assigned to Mexico, for example, will be heavily involved in the Merida Initiative, a significant effort funded by the State Department to strengthen and improve the capabilities of customs and border control agencies in Mexico and throughout Central America, including the Dominican Republic and Haiti. The Merida Initiative will encompass the acquisition and deployment of Non-Intrusive Inspection Equipment, canine enforcement training, upgrades to automated systems, and improvements in immigration control programs. The goal is to enable the governments of Mexico and other countries to defeat the drug cartels on their own ground by disrupting their operations locally before the drugs reach America's borders.

In Panama, the CBP Attaché works with Panamanian Immigration and Customs and other counterparts to identify and interdict travelers in possession of fraudulent documents, contraband or those engaged in narcotics and bulk cash smuggling. The CBP Attaché working with CBP Operation Wingclip in Miami and the National Targeting Center (NTC) has been able to support seizures of substantial amounts of smuggled and undeclared money and checks and financial instruments connected to businesses suspected of laundering proceeds of narcotics trafficking in the Colon Free Trade Zone. Many of these seizures form the basis for Immigrations and Customs Enforcement (ICE), JTTF and other criminal investigations in the United States.

Activities with Operation Wingclip, CBP Miami and the Defense Attaché Office resulted in the dismantling of a money laundering ring operating between Bolivia, Panama and the United States that was believed to be laundering narcotics proceeds. This resulted in the seizure of over \$ 100,000 in checks and cash and the interdiction of the perpetrator by CBP Miami. In August 2008 CBP provided 20 Panamanian Customs Officers with formal border security training in the interdiction of narcotics and other contraband cargo through targeting and risk management. CBP has also embedded Border Patrol Agents and CBP Officers with Panamanian Officers at Checkpoints to provide operational assistance in the interdiction of narcotics, illegal immigrants, and contraband.

The Attaché in Brasilia arranged for senior level Brazilian customs officials to observe canine training at the CBP Canine Enforcement Training Center (CETC) at Front Royal, Virginia and then to have two instructors from CETC spend two weeks observing the Brazilian canine training program as a means of strengthening their drug-detection activities. The CBP Attaché in the Dominican Republic assisted DEA and local authorities in the recent seizure of 1,500 gallons of liquid cocaine concealed in shampoo bottles at the port of Haina.

CBP Advisors are more narrowly focused than attachés in their missions. 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. While not operational, the advisors have achieved this by helping their foreign colleagues establish intelligence units capable of collecting and analyzing documents to target high-risk shipments. They have also assisted by giving training and guidance to foreign customs and border control agents in detecting and intercepting bulk currency shipments under the auspices of Operation Firewall, as well as detecting fraudulent travel documents. Advisors have also been influential in recommending the training for, and maintenance of appropriate Non-intrusive Inspection Equipment. Their behind-the-scenes efforts and advice have led to record-breaking numbers of drug and currency seizures and arrests.

Although CBP does not have CBP Advisors assigned to U.S. Embassy Bogota, CPB provided a variety of support to the U.S. Embassy Narcotics Affairs Section (NAS) in 2008: Conducted a two-phase national assessment of the Colombian canine program, covering 10 cities; conducted the first regional Canine Enforcement Training in Bogota, to include Colombian and Peruvian Canine Officers; and invited Colombian officials to attend International Rail Interdiction Training in El Paso, Texas.

### **International Training and Assistance:**

In 2008, 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. Twelve such training programs were conducted in 2008.

**Budapest:** In April 2008, a CBP Border Patrol Agent served as an instructor representing CBP Office of Border Patrol. Course of instruction included a basic overview of OBP Checkpoint operations. A total of 47 enforcement officers attended the Budapest ILEA from Bosnia-Herzegovina, Serbia, Montenegro and Hungary.

### **Port Security Initiatives:**

In response to increased threats of terrorism, CBP supported programs seeking to identify high-risk shipments destined for the United States. One important program supporting this objective is 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, if fully implemented, 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. Focused on strategic trade corridors, which are defined as a shipping lane that has service to the United States and includes foreign seaports that handle maritime containerized cargo that either transits or originates from areas of strategic importance or possess potentially high-risk cargo as defined by CBP's Automated Targeting System (ATS), 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.

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”:

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, 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 NTC-C, or a CSI or SFI port, SFI/ICS provides additional data points that are 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% scanning of all U.S.-bound containers by July 12, 2012 and 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 effect 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 will provide CBP the opportunity to expend resources and efforts on the development of the technology and operational solutions necessary to address key challenges, such as transshipment and high volume port operations, while obtaining additional information on cargo traveling through trade corridors that warrant additional scrutiny.

**Plan Colombia:** CBP developed and implemented an initiative focusing on joint U.S.–Colombia narcotics interdiction efforts. 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. Through this support, CBP provided basic tools, vehicles, high-tech equipment, training and technical assistance to Colombian National Police, Colombian Customs, and other Colombian law enforcement agencies. This CBP initiative ended in 2008. Goals and objectives were met and the funding expired. CBP continues to support the U.S. Embassy in Bogota as needed on border security issues.

**Customs Mutual Assistance Agreements:** CBP delivers a portion of U.S. support provided to host nations under Customs Mutual Assistance Agreements (CMAA). CMAA’s provide for mutual assistance in the enforcement of customs-related laws. Under CMAA protocols, CBP provides assistance to its foreign counterparts in the collection of evidence for criminal cases. U.S. courts have ruled that evidence gathered via these executive agreements is fully admissible in U.S. court cases.

**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 2008, several new courses were added to the catalog, including Special Teams Operations (STOP), Commodity Identification, X-ray Systems, and the Corruption in the Global Environment course.

**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 as well as to participate in on-site tours of selected U.S. ports and field operations to observe actual CBP operations. The focus of this program includes narcotics enforcement, port security, counter terrorism and intelligence operations. In 2008 the IVP hosted five foreign delegations. This incorporated senior government officials from a broad array of countries including South Africa, Colombia, Kuwait, Azerbaijan, and Kenya.

**Canine Training:** CBP's Canine Center Front Royal (CCFR) continues to provide State Department-funded training courses, designed to assist foreign countries in the proper use of 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 also provides support to countries in the initial development and evaluation of canine training programs, as well as the enhancement of existing canine interdiction and breeding programs. Training is provided to federal police and customs officers, trainers, and supervisors on all facets of canine training and utilization. Over the past 28 years, over 520 officers, representing over 50 countries, have been trained at the CCFR in Front Royal, Virginia. In 2008, canine training was provided to Peru, Colombia, Israel, and Kuwait.

**Port of Entry Interdiction Training:** This general description encompasses four specific training courses concerning border security issues found at the various types of international 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 2008, 26 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 smuggle contraband between ports of entry. CBP uses Native American trackers as well as Border Patrol Agents to conduct this training in a variety of geographic environments.

**HAZMAT Training:** This training is comprehensive and 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% of the training involves practical exercises.

**International Bulk Currency Smuggling:** 2008 saw increased interest in this topic. CBP assisted Immigration and Customs Enforcement (ICE) agents in six foreign training missions. The training was developed to assist foreign governments in identifying techniques used by bulk currency smugglers and to design and implement programs to counter that threat.

### **Training in Host Countries:**

**Overseas Enforcement Training:** This training combines formal classroom training and field exercises for host nation border control personnel. Although many relate to counter proliferation

and terrorism, they run the gamut of issues faced by CBP and our foreign border control counterparts, including narcotics interdiction. 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 are also conducted at foreign ports of entry. They include both basic training and follow-on training to training already received at U.S port facilities.

CBP also initiated several regional training programs in 2008 which included attendees from neighboring countries. In addition to sharing lessons learned, CBP fostered goodwill and cooperation among adjoining countries on border security issues. It is hoped that this practice 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.

**Short Term Advisory Training:** This training allows on-site CBP experts to assist host government agencies with selected projects, such as building institutions and improving interdiction capabilities. These may focus on specific narcotics threats, port security initiatives and the counter proliferation of Weapons of Mass Destruction (WMD). CBP advisors are also deployed to help with host nation strategic planning, commercial processing, investigations, canine enforcement, automation ,and border/trade facilitation.

**Integrity/Anti-Corruption Training:** This training is designed to promote professionalism and integrity within the workforce of those agencies that are particularly vulnerable to bribery and corruption. The focus is on integrity awareness and development of internal investigation capabilities. A new course titled Corruption in the Global Environment was designed and developed by CBP Office of International Affairs and the Office of Internal Affairs in 2008 and was vetted by the Office of Training and Development to ensure that it met adult training standards. It greatly expanded the existing curriculum to provide more practical guidance and suggestions on how to identify and resolve corruption issues involving government employees. The course was piloted in Slovakia in August 2008 and was very well received.

In February 2008, CBP arranged and coordinated with the government of the Dominican Republic to provide short term assistance on establishing an internal affairs unit. Similarly, the Office of International Affairs and Internal Affairs provided training in February and March 2008 to Ghanaian Customs on designing a computer database for internal affairs matters.

### **Looking Ahead:**

In 2009, CBP will continue its border security mission through its initiatives that secure the supply chain of international cargo destined for the United States. CBP's international missions will also focus on evaluating and prioritizing the needs of 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. CBP advisors will be deployed to assist countries in improving their border security operations and in meeting recognized international standards for security and reporting.

# CHEMICAL CONTROLS

## Executive Summary

Chemicals play two essential roles in the production of illegal drugs: as active chemical inputs for the production of synthetic drugs such as methamphetamine and MDMA (3,4-methylenedioxymethamphetamine or Ecstasy); and as refining agents and solvents for processing plant-based materials such as coca and opium into finished drugs such as cocaine and heroin. Active chemical ingredients used in synthetic drugs are known as “precursor” chemicals due to the fact that they become part of the finished drug, whereas chemicals used to process plant-based drugs are referred to as “essential” chemicals. As a form of shorthand, 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.

Efforts by the United States and other nations to prevent diversion of precursor and essential chemicals reached unprecedented levels in 2008. These efforts built on a variety of bilateral, regional and multilateral mechanisms, such as the United Nations and the Organization of American States.

Reporting from a variety of sources, including the press and the United Nations, indicate that the global abuse of amphetamines may have stabilized, including in the United States. Nevertheless, production of methamphetamine remains unacceptably high, and the potential remains for abuse rates to increase again. The United States, working with Mexico, has sought to target 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). Such 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.

In 2008 Mexican authorities enacted both legislative and administrative changes to counter the shift from small-scale methamphetamine producers within the United States to large “super-labs” in Mexico. This pattern evolved in part due to effective US domestic controls over the retail sale of licit pharmaceutical preparations containing ephedrine and pseudoephedrine, the primary chemicals necessary for methamphetamine. Regulations for the sale of such products in the U.S. became effective at the national level for the first time in late 2006 under the Combat Methamphetamine Epidemic Act (CMEA) and a quota system came into place in 2008.

The U.S. Government enhanced law enforcement cooperation with the Government of Mexico to target the production and trafficking of methamphetamine. For its part, the Government of Mexico continued to demonstrate political commitment towards stemming the illicit diversion of chemicals required for methamphetamine production. The Government of Mexico determined 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 are required to deplete stores of products containing these chemicals by 2009, after which the use of these products will be illegal in Mexico.

The United States, in partnership with Mexico and the governments of Central America, Haiti and the Dominican Republic has developed a comprehensive, multi-year law enforcement cooperation strategy known as the “Merida Initiative.” The Merida Initiative will strengthen the institutional capabilities of the participating governments by supporting efforts to investigate, sanction and

prevent corruption within law enforcement agencies facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. This will help improve our partners' ability 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 we believe is accelerating 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 are considering legislation and stepped up surveillance and monitoring of these chemicals. For instance, Nicaragua added all pharmaceutical preparations containing ephedrine and pseudoephedrine to its list of controlled substances. Honduras is seeking to adopt legislation to control all pharmaceutical preparations containing ephedrine and pseudoephedrine through prescriptions. And in Belize, the Minister responsible for Supplies Control enacted a statutory instrument prohibiting the bulk importation of pseudoephedrine and ephedrine.

In 2008, Australia also enacted tighter controls over ephedrine and pseudoephedrine and South Africa amended legislation to control these substances.

Chemical control figures prominently in the year long review of review of commitments made at the 1998 UN General Assembly Special Session 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 2008, 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 promoted efforts to build on the 2007 *Operation Crystal Flow*, which focused on monitoring the shipment of precursor chemicals between the Americas, Africa, and West Asia and identified 35 suspicious shipments and stopped the diversion of 53 tons of precursor chemicals.

In 2008, the United States joined with international partners to bring new focus on precursor chemical trafficking. Specifically, under the INCB Task Force Project Prism, 54 countries participated in a time-bound operation, *Ice Block*, to prevent precursor chemicals from being diverted into the manufacture of illicit amphetamine-type stimulants. The results of this nine-month operation developed information on 2,057 transactions and led to 49 tons of ephedrine and pseudoephedrine suspended, stopped or seized.

These 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, and a 2007 CND resolution to strengthen 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 were provided by over 100 countries and territories. The INCB is using these estimates to evaluate whether a chemical shipment appears to exceed legitimate commercial needs, and also 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.

Combating the supply of methamphetamine is critical, but chemical control is much broader than methamphetamine and other synthetic drugs. In 2008, the United States joined with international partners to bring new focus on precursor chemical trafficking through and around Afghanistan and its neighbors—the source of 93% of the world's opium poppy, and the location of an increasingly high percentage of heroin production.

International seizures of heroin-producing chemicals had waned over the last few years, and the United States sought to reverse this drift in focus by increasing international attention to the issue in 2008. The United States joined with other nations to secure the adoption 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. Additionally, the United States gave strong support to *Operation Dice* (Data and Intelligence Collection and Exchange) under the INCB Task Force of Project Cohesion. The six-month operation filled in intelligence gaps related to the diversion of acetic anhydride and resulted in seizures, stopped shipments and identified suspicious consignments involving over 200 tons of heroin chemicals, including acetic anhydride and acetic acid.

Against this backdrop, the Government of Afghanistan recently informed the INCB that there is no legitimate use for acetic anhydride in Afghanistan and has indicated that it will not authorize any imports of the substance to their country.

Despite international efforts, the United States is keenly aware that drug trafficking organizations are increasingly adapting to the pressure from international cooperative efforts. And increasingly, specialized trafficking groups are splintering to fill a niche market and focus primarily as the middlemen supplying chemicals through smuggling or diversion efforts. Such efforts can be extremely profitable as the INCB-led *Operation Crystal Flow* indicated in 2007. Over 53 tons of ephedrine and pseudoephedrine were suspended, stopped, or seized and these chemicals were capable of producing approximately 48 tons of methamphetamine with an estimated street value of approximately \$4.8 billion. Diversion from licit commerce, gray markets, and new smuggling routes are only a few ways drug trafficking organizations are adapting. There are signs that middlemen and traffickers are already exploiting new transshipment routes through Southeast Asia and Africa, to smuggle and divert chemicals. It also appears that in the past year, reflected to China's efforts to tighten legislative and administrative efforts to monitor their legitimate chemical industry, traffickers have turned to India for their supply. Law enforcement information and intelligence resulting from 2008's *Operation Ice Block* indicate that India is now the primary source of ephedrine and pseudoephedrine. 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. Alternative production methods instead of the predominant "ephedrine reduction" method is also a major concern. This issue has become a mainstream, high-priority of the United States and the international community, and we will continue to push for greater international activism to combat this threat in both bilateral and multilateral settings.

In addition to bilateral efforts, the U.S. will continue to encourage multilateral cooperation. The UNGASS review will provide opportunities to increasingly engage other Member States in cooperative efforts. Additionally, the United States will continue to work through the INCB, specifically following up on *Operation Dice* to target acetic anhydride. In South America, INCB's

*Project Cohesion* focuses on monitoring the imports of potassium permanganate to the cocaine processing areas. The lessons learned under *Operation Dice* and under *Project Cohesion* may provide further insights for targeting potassium permanganate, the most prevalent precursor chemical used to make cocaine. 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.

## **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.

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 requirements 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.

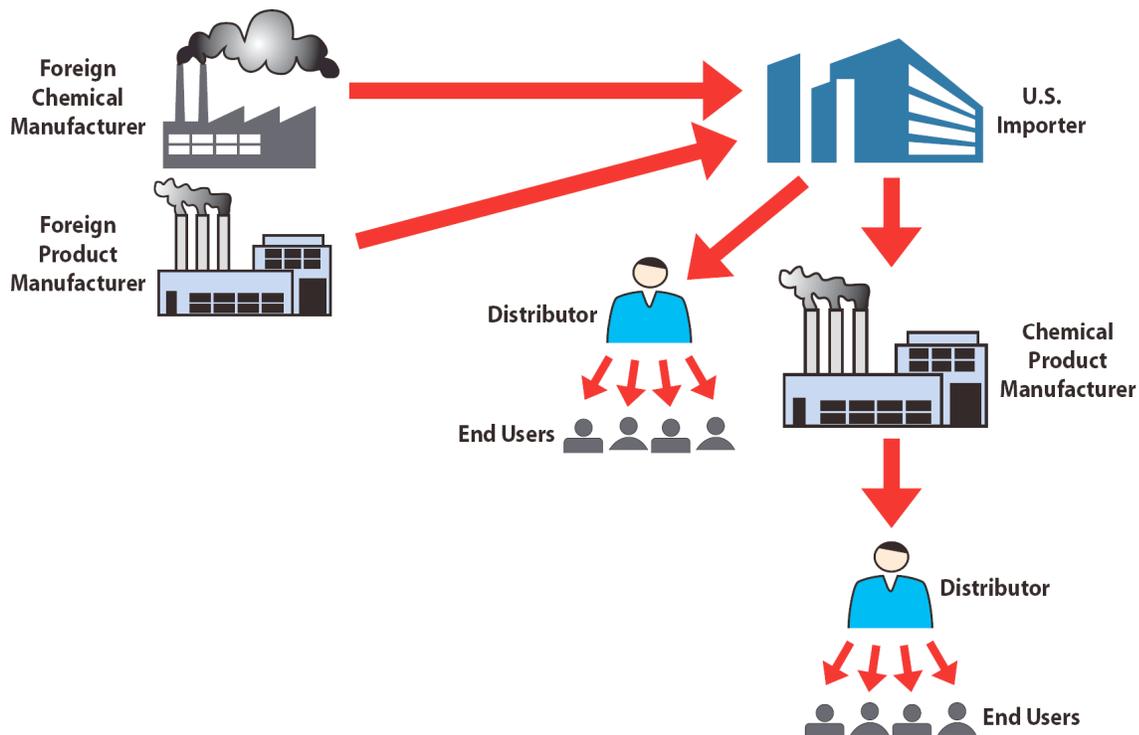
The regulatory framework codified by the United Nations is the most universally accepted and carries the broadest reach internationally, but it does not exist in isolation. Regional international bodies also have worked to complement the UN's regulatory regime and implement its goals. In February 2004, the European Union (EU) enacted binding legislation to regulate chemical control monitoring between 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 formally-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 regular 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.

## 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. First, 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, but this is less frequent; most diversion takes place due to the ability of criminals to exploit gaps in the regulatory framework 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.

### ROUTES OF DIVERSION: Domestic



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. Particularly in parts of the developing world, traffickers can simply 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 may obtain chemicals by bribing or blackmailing the employees of legitimate companies, or by disguising the destination or nature of chemical shipments by mislabeling or re-packaging controlled chemicals as unregulated materials.

The second major form of diversion is through theft, from either storage or during transit. Criminals often have employed violence to steal chemical supplies. For example, in Mexico in July 2006, four guards were killed during a theft of 1,000 kilograms of ephedrine.

Transshipment or smuggling from third countries into drug producing countries appears to be increasing, mainly in response to the increasing efforts of more countries to implement legislative and administrative controls to prevent diversion from legitimate commercial trade. Criminals also are taking greater advantage of finished pharmaceutical products by extracting their 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.

## 2008 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 continues to cooperate closely with other governments. 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 and strong allies. In 2008, the INCB coordinated several law enforcement operations that bore notable results.

The most significant INCB-coordinated operation was *Operation Ice Block* a time-bound voluntary operation focusing on the trade of ephedrine and pseudoephedrine, including pharmaceutical preparations and ephedra to shipments to the Americas, Africa, Oceania, and West Asia. The operation was designed in accordance with the CND resolution and was conducted over a nine-month period in order to gather intelligence on how the precursor for amphetamine-type stimulants (ATS) are being diverted into clandestine laboratory environments the links to trafficking organizations. Both regulatory and law enforcement authorities participated and the INCB was the focal point for exchanging information and the pre-export notifications (PEN online) served as a primary source of information. At the conclusion of the operation, participants met in New Delhi and agreed that the operation was successful in preventing precursor chemicals in the manufacture of illicit ATS and key drug traffickers.

With 54 participating countries more than 49 tons of ephedrine and pseudoephedrine--possibly capable of producing up to 44 tons of methamphetamine with a street value of \$4.9 billion--were suspended, stopped, or seized. The operation revealed that many of the suspicious shipments were destined for Mexico. However, the operation also indicated a shift in the source of shipments from China to India. This shift may have resulted from new legislative and administrative efforts by China following last year's INCB led operation *Crystal Flow*. Additionally, it was clear that Africa and Central America were increasingly used as transit points to the final sources in the Western Hemisphere. Portending even greater challenges for the future, traffickers appear to be seeking intermediates and non-controlled substances to circumvent controls.

As the source of 93% of the world's opium poppy and 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. Under the auspices of the INCB-led Task Force participants including the United States agreed to a time bound voluntary operation focussing on the exchange of information on seizures, identified diversion attempts and suspicious shipments of chemicals used in the illicit manufacture of heroin, particularly acetic anhydride. *Operation Dice* – Data and Intelligence Collection and Exchange involved exchanging information through the INCB Secretariat's online PEN system over a six month period in 2008. These cases involved over 200,000 kg of chemicals from a range of countries in Europe, the Middle East and East Asia. The Operation was able to identify definite patterns of diversion and trafficking with a revelation of a number of unknown routings and source countries. It was also evident that heroin precursors are being smuggled as well as diverted from legitimate trade.

This operation emerged in coordination with several other efforts, including 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, and raised the profile of target precursor chemicals used to produce heroin. This followed a series of meetings held in 2007/2008 by United Nations Office on Drugs and Crime (UNODC) under the Paris Pact law enforcement coordination

mechanism to promote expanded international cooperation between law enforcement agencies active in border control through and around Afghanistan. At the operational law enforcement level, the INCB-coordinated law enforcement task force Project Cohesion continued to produce positive results in 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 law enforcement expertise in detecting chemicals internationally. However, the United States and international partners have made substantial progress in developing an infrastructure capable of achieving future progress, particularly in the areas of sharing intelligence, promoting law enforcement cooperation and expanding regulatory expertise in the region. Other multilateral efforts in the region complement these initiatives.

The vast majority of illegal drugs entering the United States continue to originate from within the Western Hemisphere. Potassium permanganate is an oxidizer that has many legitimate industrial uses such as waste water treatment, disinfecting, and deodorizing. It is also the primary chemical precursor used in the production of cocaine. 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 Project Cohesion Task Force focuses on monitoring the imports of potassium permanganate to the cocaine processing areas. In 2007 Project Cohesion Task Force, participants expressed concern over the paucity of information pertaining to the trade of potassium permanganate in Latin America. And, while the number of multilateral operations focusing on potassium permanganate has dropped off this year, there has been an increase in large numbers of seizures—particularly in Colombia. Moreover, Colombian authorities have indicated efforts to seize illicit laboratories in Colombia.

Methamphetamine production, transit, and consumption remain significant problems in Asia. To help stem production, trafficking, and abuse in East and South East Asia, the U.S. supported bilateral and multilateral initiatives in 2008 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. The mission of the IFCs is to contribute to developing host nation infrastructure and to aid local law enforcement to fuse and share information to detect, disrupt and dismantle drug and drug-related national and transnational threats. Our efforts have helped local enforcement officials to improve their investigative skills and encouraged cooperation across borders, a prerequisite for success in controlling this intrinsically international business. The United States also has provided to a variety of countries worldwide, law enforcement training, including 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 anti-drug 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.

2008 also 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. Over the past two years, the U.S. worked 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 2008, the INCB reports that more than 100 countries and jurisdictions are now cooperating and providing voluntary reporting on their licit requirements for the aforementioned chemicals. The INCB has 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 on 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 a \$700,000 contribution is planned for 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 making 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 INCB task forces of Project Cohesion and Project Prism to target precursor chemicals. The United States will work to promote implementation of the new mechanisms that have been enacted to promote the broader exchange of information and expertise pertinent to the control of methamphetamine and other synthetics. 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 the to enable it to fulfill its expanding role.

In this hemisphere, the USG will 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 upgraded 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 many recommendations with respect to chemical controls.

Over 60 participants from 20 CICAD Member States participated in the August 2008 Joint Meeting of the Groups of Experts on Chemical Substances and Pharmaceutical Products in Lima, Peru. At this meeting, member states agreed to re-evaluate their use of the Precursor Export Notification System (PEN). Member states also recognized the 1988 Vienna Convention Article 12 list of chemicals and agreed to begin tracking the six main chemicals for both methamphetamine and cocaine. The Group of Experts on Chemical Substances produced several documents for consideration, including a guide for establishing a “fee-for-service” approach in chemical control; a Training Curriculum Outline for technical interdiction, operation and administrative monitoring, and judicial investigations; and a legal framework for the control of synthetic drugs. The group also plans to draft guidelines on the inspection and handling of chemical transshipments in port facilities; to increase public-private sector cooperation on chemical control issues; and to develop a mechanism for assessing legitimate national needs for chemicals and precursors. The Group of Experts on Pharmaceuticals focused on a guide for combating counterfeit pharmaceutical products, on issues related to the control of ephedrine and pseudoephedrine, and on the issue of internet drug sales.

In 2008, 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 and providing law enforcement officers with the knowledge, skills, and resources to safely and effectively conduct chemical control operations. The U.S. supported a five-day workshop on interdiction, handling, transport, storage, and final disposal of chemical substances in coordination with the National Narcotics Directorate of Panama for 50 Panamanian public and private sector authorities. The U.S. also supported a five-day regional synthetic drugs control workshop in Colombia in collaboration with the French government’s Inter-Ministerial Center for Counterdrug Training (CIFAD) for 30 customs and police officers from Central America and Colombia.

Further efforts to showcase best practices and to increase implementation of existing multilateral tools will be a key theme at the March 2009 high level Commission on Narcotic Drugs to review the ten year UNGASS commitments. The US is seeking to highlight the increased use of unregulated substitute chemicals in synthetic drug manufacture, and the need for all countries to develop the necessary legislation to establish strong chemical control regimes and to use the online PEN system. The United States is also seeking ways to increase cooperation with international chemical producers and transporters in the private sector in order to promote effective diversion-prevention practices. In response to the 1998 UNGASS, the INCB will soon publish a draft code of conduct for the industry to promote ways to prevent diversion of chemicals. The U.S. will consider follow-up activities to build on this outreach to promote efforts 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 pre-cursor chemicals, Argentina is vulnerable to diversion of chemicals into the illicit drug market. 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). To date, however, its registry of precursor chemicals and chemicals users lacked enforcement provisions against illicit diversion of chemicals. In late 2008, the Government of Argentina was working to establish a more robust regulatory framework for precursor chemicals and to establish better coordination among key government agencies.

During the first eight months of 2008, the country's lack of effective controls over ephedrine imports exposed it to a rapidly growing transshipment trade, according to press analysis and government sources. As demonstrated by the arrest of several Mexican nationals, the chemical was reportedly re-exported to Mexico and other destinations, with smaller amounts used to create synthetic drugs in Argentina in small-scale "kitchens." It follows that there are reports of an influx of Mexican Nationals involved in trying to source chemicals.

In September 2008 the GOA established a decree prohibiting the importation of the chemical ephedrine by pharmacies, one of the principal loopholes in regulations on ephedrine and a key channel for its diversion into illicit traffic. SEDRONAR, the MOJ, and the Ministry of Health will now oversee the importation of the limited amounts of ephedrine needed for the country's pharmaceutical industry. Further regulatory changes are being developed. With DEA support, Argentina continues to participate in Project Cohesion and the regional Operation Seis Fronteras ("Six Frontiers"). 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.

The GOB's 2004 decree designed to control the illegal production, diversion or trafficking in controlled chemicals is perhaps the most stringent in South America. The decree established control of 146 chemical substances (precursors or known substitutes), and requires all companies that manufacture, import, export, or distribute any of the listed substances to register with the DPF. More than 25,000 companies have done so. Registered companies are required to file monthly reports of purchases, sales, usage, and current inventory of all controlled substances. In addition, companies that handle any of the 22 identified precursors are also regulated by Brazil's National Sanitary Vigilance Agency (ANVISA). Brazil routinely provides advance notice of pending international shipments of precursor chemicals to DEA and carries out its responsibilities under the 1988 UN drug convention on chemicals. Brazil is also a signatory to various international agreements which require the maintenance of records of transactions involving a list of precursor and essential chemicals.

The country also participates and supports the multilateral chemical control initiatives Project Cohesion, Project Prism, and the regional Operation Seis Fronteras. In conjunction with Project Cohesion, the Brazilian Federal Police have agreed to work with DEA to perform a study on the use of acetic anhydride within the country and its exportation from the country.

### **Canada**

Canada is a destination and transit country for precursor chemicals used to produce synthetic drugs, particularly methamphetamine and MDMA (Ecstasy). The U.S. has worked closely with Canada in countering these threats, and the Government of Canada has made a serious effort to curb the diversion of precursor chemicals that are required for methamphetamine production for both domestic and US markets. Canadian law enforcement authorities also have worked productively with U.S. counterparts in joint law enforcement operations that have 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 is increasing – a situation that 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 manufacturing, importation, and exportation of thousands of chemical products. Chile is a source of precursor chemicals used in coca processing in Peru and Bolivia. In 2003, Chilean law enforcement created specialized chemical diversion units and since the creation of these units, and with international law enforcement cooperation, Chilean precursor chemical seizures have increased. In 2007, regulations also were approved to implement a 2005 law that established new authorities to register and inspect companies that produce, use, import or export any of 65 types of legally produced chemicals that also are used in the production of illegal drugs. In March 2008, law enforcement groups seized over 4,000 kg of precursor chemicals in Iquique, the largest seizure to date in Chile. Companies that import, export, or manufacture chemical precursors must register with CONACE, maintain customer records, and are subject to CONACE inspections. Chilean law enforcement entities also have specialized chemical diversion units.

### **Mexico**

Mexico has major chemical manufacturing and trading industries that produce, import, and export most of the chemicals necessary for illicit drug manufacture. The Government of Mexico's (GOM) initiatives in chemical regulation and law enforcement efforts aimed at methamphetamine traffickers have produced several positive outcomes in 2008. According to the Drug Enforcement Administration (DEA), the price for illicit precursor chemicals and finished drug products rose in 2008 and six methamphetamine laboratories were located and destroyed. Traffickers of methamphetamine are becoming increasingly frustrated by law enforcement actions and have sought nontraditional entry points to introduce essential chemicals and derivatives into Mexico. The 2007 arrest of one of the most significant alleged suppliers of precursor chemicals for the manufacture of methamphetamine (Zhenli Ye Gon) created a serious void in the supply chain, according to DEA. However, the traffickers have quickly regrouped and sought markets elsewhere, including Central American countries (where more limited laws/regulations in place) and South America countries (Argentina, Peru, Paraguay, and Colombia) have become new sources of pseudoephedrine precursors and/or in tablet form.

During 2008, Mexico had several significant seizures of pseudoephedrine tablets, including the September 17<sup>th</sup> seizure of approximately 5.6 million 60 mg pseudoephedrine tablets (approximately/140 kilograms) at the Benito Juarez International Airport in Mexico City, Mexico.

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.

In Mexico, chemicals, along with pharmaceutical controlled substances, are regulated by the Mexican Federal Commission for Protection Against Sanitary Risks (COFEPRIS). Since 2004, COFEPRIS has taken an aggressive, proactive role in identifying the problems with its current precursor chemical laws and implemented changes to remedy the situation.

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. In 2008, the GOM imposed further measures to prevent the diversion of precursors and the manufacture of methamphetamine by implementing strict precursor chemical import quotas tied to estimated legitimate medical needs and internal chemical distribution controls. Over a period of time, COFEPRIS gradually diminished the authorized limits of imports to the point where no import permits were given for pseudoephedrine/ephedrine in 2008. The GOM implemented this reduction in part by forcing the pharmaceutical industry in Mexico to replace pseudoephedrine/ephedrine products with phenylephrine—a chemical that is difficult to use in the manufacture of methamphetamine. The USG continues to support GOM's efforts to track shipments of precursor chemicals and controlled medicines through a National Drug Control System (NDS) database.

During 2008, Mexico provided extensive training and seminars to Central American law enforcement agencies concerning precursor controls. With Mexico leading the way, four countries in Central America, Belize, El Salvador, Honduras and Nicaragua passed Ministerial Agreements that restricted the importation or sale of pseudoephedrine/ephedrine products in tablet form. Bulk-form imports were already controlled through the 1988 Vienna Convention, but this new trend of control will make it difficult for traffickers to obtain the precursors they need to manufacture methamphetamine.

### **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 5 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; they 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 a task force 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. The country is a party to the 1988 UN Drug Convention and has laws and regulations meeting or exceeding the Conventions requirements.

A November 2005 administrative law strengthening chemical control included provisions to control domestic chemical sales; previous laws and regulations focused solely on imports and exports. Chinese law regulates drug preparations containing precursor chemicals, but as medicines rather than regulated chemicals.

Despite adequate legislation, the size of China's chemical industry is not matched by a law enforcement structure adequate to effectively monitor all its production and domestic and international trade. The sheer scale of China's chemical industry—nearly 80,000 chemical companies, according to one estimate—presents widespread opportunities for chemical diversion, and regulatory oversight remains a major challenge for China's central authorities, particularly in some provinces. Although provincial police are taking a more active role to investigate illicit chemical transactions, the lack of officers assigned to investigate these potential diversions on a full-time basis may mean many suspect and clearly illicit transactions go unnoticed. It is also unclear whether sufficient controls exist to safeguard the storage and transit of precursor chemicals, and drug preparations containing them, across the country to guard against theft.

China is a major producer of licit ephedrine and pseudoephedrine, as well as ephedra, all of which can be used in the manufacture of methamphetamine. There are key indications from criminal investigations that large-scale illicit methamphetamine producers in other countries use Chinese-produced ephedrine and pseudoephedrine, to manufacture methamphetamine. Despite more aggressive efforts by Chinese authorities to stem the flow of these essential precursors through critical provinces such as Yunnan and Zhejiang, ephedrine and pseudoephedrine are still produced in super and mega-labs, in Burma or the Asia Pacific Rim nations, including Indonesia. Additionally, diverted Chinese precursor chemicals may be used to produce synthetic drugs in other countries as far away as Mexico, Belgium, and the Netherlands.

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. Recently there have also been laboratories seized in northeast China, specifically Shenyang and Liaoning Provinces. On August 7, 2008, a special operations unit of MPS seized a methamphetamine manufacturing factory in Hui Zhou, China. Six suspects were arrested and nearly 1,700 kilograms of mixed liquid substance containing methamphetamine were seized.

China produces and monitors all 22 of the chemicals on the tables included in the 1988 UN Drug Convention. China continues to be a strong partner of the United States and other concerned

countries by actively participating in the International Narcotics Control Board's Pre-Export Notification (PEN) system, which monitors the shipping of dual-use precursor chemicals. Information is exchanged through Projects Cohesion and Prism and bilaterally. China is the Asian representative on the Project Prism Task Force. China is also a participant in Operation Iceblock, an effort to combat diversion of precursor chemicals for the production of methamphetamine. DEA has Diversion Investigator positions in its Beijing and Hong Kong offices. In July 2006, the Office of National Drug Control Policy (ONDCP) and the NNCC signed a Memorandum of Intent on behalf of their two countries to increase cooperation in combating drug trafficking and abuse.

### **India**

India's large chemical industry manufactures a wide range of chemicals, including the precursor chemicals acetic anhydride, ephedrine, and pseudoephedrine, which can be diverted for illicit drug manufacture. An INCB-led Task Force indicated 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-2-propanone, 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 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 is one of only a few countries authorized by the international community to produce opium licitly for pharmaceutical use. India is the only country that uses the opium gum method. India already has a system of control to prevent diversion of ephedrine and pseudoephedrine. 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. Bulk 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). 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 noted by the INCB 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.

India seized 395 kilograms of ephedrine up from 360 in 2007, and 1, 668 kilograms of acetic anhydride in 2008 up from 236 kilograms in 2007. 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. destined for Mexico. Although ephedrine seizures within India were down in 2007, one seizure in the U.S. in September 2007 found 523 kg of ephedrine shipped through commercial carrier from India through the U.S. and destined for 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 kg 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.

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 (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.

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 kg in 2005 and 4,521 kg in 2006, 1 kg in 2007 and as of September 2008, 2,361 kg has been seized.

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.

### **Singapore**

Singapore is a major importer of ephedrine, a precursor for methamphetamine. 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 importers 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 Operation Purple, Operation Topaz, 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 DEA office in Singapore 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 is an attractive location for criminals to obtain precursor chemicals. South Korea produces and exports precursor chemicals such as acetone, toluene, and sulfuric acid. The ROK authority's ability to directly intercept the suspected transshipment of narcotics and precursor chemicals is limited by the fact that the vast majority of transiting shipping containers never formally enters ROK territory. Nonetheless, the ROK continued its international cooperation efforts to monitor and investigate transshipment cases. Redoubled efforts by the Korean Customs Service (KCS) have resulted in increased seizures of methamphetamine (12.8 kg.) transported by arriving passengers and through postal services at South Korea's ports of entry. Most methamphetamine smuggled into South Korea comes from China.

### **Taiwan**

Taiwan's chemical industry has long been a driving force in boosting its 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-two (22) chemical precursors listed in the 1992 additions to the UN Anti-Drug Convention, five (5) chemicals to include ephedrine and pseudoephedrine 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'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 and effective 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--surreptitiously 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.

### **Germany**

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. Germany has a strong chemical control program that monitors the chemical industry as well as chemical imports and exports. 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 required amendments to German law. The amendments, which became effective on March 18, 2008, supplement three EU directives by regulating the monitoring of the precursor market by the authorities. These are essentially the regulations of the competence and cooperation of agencies as well as the legal basis for fees and criminal and administrative offenses.

The Federal Office of Criminal Investigation (BKA) and the Federal Office of Customs Investigation (ZKA) have a very active Joint Precursor Control Center, based in Wiesbaden, devoted exclusively to chemical diversion investigations.

Germany continues to cooperate closely with the United States both bilaterally and multilaterally, to promote transnational chemical control initiatives. A DEA diversion investigator from DEA's Frankfurt office is assigned to Germany's police/customs Joint precursor Unit in Wiesbaden. Germany supports international initiatives to control the diversion of chemicals (e.g., Operation Crystal Flow and Operation Iceblock, which is expected to enter its third phase in early 2009). Germany also participates in Operation Counter Curse, which targets the internet sales of precursor chemicals and glassware used in the manufacturing of MDMA. These projects are now coordinated with the International Narcotics Control Board's Project Cohesion.

### **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.

The Netherlands is a party to the 1988 UN Drug Convention and 1990 European Union Regulations. Trade in precursor chemicals is governed by the 1995 Act to Prevent Abuse of Chemical Substances (WVMC). The law seeks to prevent the diversion of legal chemicals into the illegal sector. 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 Dutch continue to work closely with the U.S. on precursor chemical controls and investigations. This cooperation includes formal and informal agreements on the exchange of intelligence. The Netherlands is an active participant in the taskforce for the International Narcotics Control Board's Project Prism. In 1994, the Netherlands established procedures to maintain records of transactions of an established list of precursor chemicals essential in the production of certain illicit 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 country remains an important producer of MDMA (Ecstasy), although the amount of this drug reaching the United States seems to have declined substantially in recent years. The Dutch Government has been proactive in meeting this threat. The successful five-year strategy (2002-2006) against the production, trade and consumption of synthetic drugs was endorsed by Parliament in 2007. According to the National Police, the number of Ecstasy tablets seized in the U.S. that could be linked to the Netherlands dropped significantly from 850,000 in 2005 to only 5,390 tablets in 2006. The 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, and the Netherlands signed a Memorandum of Understanding with China concerning chemical precursor investigations in 2004. 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 importers of ephedrine and pseudoephedrine, the key precursors for methamphetamine production. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. 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.

The LCO has arranged for DEA "clandestine laboratories" training for the Serious Organized Crime Agency (SOCA) and the Metropolitan Police Services (MPS/New Scotland Yard). This training program instructs law enforcement officers in the safe and efficient manner of identifying, dismantling, and prosecuting criminals involved with an illicit methamphetamine laboratory. Ecstasy consumed in the UK is believed to be manufactured in the Netherlands or Belgium; but tablet making sites have been found in the north of England. While the UK government made the "date rape" drug GHB illegal in 2003, GBL, a close chemical equivalent of GHB, remained uncontrolled. The UK is deferring to the EU-wide discussions on control of this substance.

# Significant Drug Manufacturing Countries

## Asia

### Afghanistan

Afghanistan produces 93% of the world's opium. There are indications that the trend in processing heroin and morphine base by drug traffickers is increasing.

In Afghanistan, there is no domestic chemical industry, or legitimate use for acetic anhydride, the primary precursor chemical used in heroin production, and the chemicals required for heroin processing must come from abroad. 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. and most shipments are smuggled in through the Central Asian states, the Persian Gulf, including Iran, Syria and Pakistan, after being diverted elsewhere. . (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.

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. 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 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. In some cases where suspicious shipments in international trade have been identified, hundreds of tons of acetic anhydride have been prevented from reaching Afghanistan.

### Burma

Burma's overall decline in poppy cultivation since 1998 has been accompanied by a sharp increase in the production and export of synthetic drugs, turning the Golden Triangle into a new "Ice Triangle." 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, produce several hundred million methamphetamine tablets annually for markets in Thailand, China, and India, as well as for onward distribution beyond the region. There also are indications that groups in Burma have increased the production and trafficking of crystal methamphetamine, or "ice."

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

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, including two not in the 1988 UN Drug Convention (caffeine and thionyl chloride) and prohibited their import, sale or use in Burma.

Production and export of synthetic drugs (amphetamine-type stimulants, crystal methamphetamine and Ketamine) from Burma continued unabated. 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, 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 or “Ice”—a much higher purity and more potent form of methamphetamine than tablets. Concerns remain over Burma’s efforts to deal with the burgeoning ATS production and trafficking problem; According to UNODC and U.S. surveys, there are indications from many sources that Wa leaders replaced opium cultivation with the manufacture and trafficking of ATS pills and “Ice” in their territory, working in close collaboration with ethnic Chinese drug gangs.

Currently there is no accurate methodology for estimating the scale of methamphetamine production in Burma. However, it is clear that production of ATS is very extensive, and production of the crystalline form of methamphetamine “ice” is growing sharply. Burma should develop with regional partners a reasonable methodology for estimating the scale of methamphetamine production in Burma to assist with enforcement and regional drug control efforts. An estimate derived from consistent, repeatable methodology carried out each year would allow Burma to measure its success suppressing methamphetamine production within the country.

Most ATS 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 ethnic Chinese Kokang autonomous region. Ethnic Chinese criminal gangs dominate the drug syndicates operating in all three of these areas. Heroin and methamphetamine produced by these groups is trafficked overland and via the Mekong River, primarily through China, Thailand, India and 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 trans-shipment points and markets in southern Thailand, Malaysia, Indonesia, and beyond. The UNODC claims there is evidence that Burmese methamphetamine tablets are also shipped to Bangladesh, India, and Nepal. Heroin transits the Thai/Chinese borders over land. According to UNODC, the GOB seized eight methamphetamine labs in 2006 and five labs in 2007.

The GOB must take effective new steps to address the explosion of ATS production and trafficking from Burmese territory that has flooded the region by gaining closer support and cooperation from ethnic groups, especially the Wa, who facilitate the manufacture and distribution of ATS. The GOB must close production labs and prevent the illicit import of precursor chemicals needed to produce synthetic drugs. Finally, the GOB must stem the troubling growth of domestic demand for heroin and ATS.

### **Indonesia**

Diversion and unregulated importation of precursor chemicals remains a significant problem facing Indonesia's counter drug efforts. To date, Indonesian authorities have been unsuccessful in controlling the diversion of precursor chemicals and pharmaceuticals. Numerous large pharmaceutical and chemical corporations have large operations throughout Indonesia. In October 2007 1,000 metric ton of ephedrine was seized in connection with the Batam lab. The chemicals originated in China and India.

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 only controls post-market or finished products of precursor chemicals.

Ministry of Health and Ministry of Trade accept, review, and approve precursor chemical import applications for pharmaceuticals and non-pharmaceuticals. The import applicants are categorized into Importer Producer (IP) and Register Importer (RI) but more commonly identified as IT, Importer Trader). All prospective applicants must submit a drug registration application to obtain market authorization.

### **Laos**

As party to the 1988 UN Convention, Laos is obliged to establish controls on the 23 precursor and essential chemicals identified under Article 12 of that Convention. In practice, Laos' laws to implement this obligation are weak, and the institutional capability of its government to implement those laws is highly limited. 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.

There are no other known significant licit imports of precursor chemicals, and no known domestic manufacturing capacity for them in Laos. Responsibility for enforcement of laws that prohibit the unlicensed importation, sale or use of controlled chemicals rests formally with the Lao Customs Service and the national police. As a practical matter, there appears to be relatively little communication between these law enforcement agencies and the Health Ministry office responsible for regulation.

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. This limited law enforcement presence in rural areas creates a vulnerability 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 2008. The number of reported drug arrest cases rose in 2008 by 63 percent. There are persistent rumors of some methamphetamine laboratories operating in the northwest, but no confirmation.

### **Malaysia**

Malaysia is increasingly being used as a regional hub for methamphetamine production. International drug syndicates are increasingly turning to Malaysia as a regional production hub for crystal methamphetamine and MDMA (Ecstasy). 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). Since 2006, Malaysia has also been a location where significant quantities of crystal methamphetamine are produced. This trend continued in 2008, with a large methamphetamine laboratory seized in Southern Malaysia, and frequent police reports of ethnic Chinese traffickers setting up labs in Malaysian authorities seized an operational methamphetamine laboratory in 2008, and had numerous other successful investigations, confiscating large quantities of methamphetamine, ketamine, and MDMA (Ecstasy). 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. All methamphetamine 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.

### **The Philippines**

Crystal methamphetamine, locally known as "shabu," continues to be the drug of choice in the Philippines. Methamphetamine is clandestinely manufactured in the Philippines. Precursor chemicals are smuggled into the Philippines from the People's Republic of China, India, and Thailand. Chinese and Taiwanese drug trafficking organizations remain the most influential foreign groups operating in the Philippines and control domestic methamphetamine production. Methamphetamine producers continue to compartmentalize production in diverse locations to prevent detection and to allow drug syndicates to produce large quantities during a production cycle. This sophisticated technique is employed by Chinese and Taiwanese drug trafficking organizations and may indicate a departure from the previous mega-lab production technique, which relies on quick production to avoid detection. Philippine authorities are also investigating five significant domestic trafficking organizations.

Chinese criminal organizations continue to establish and operate many methamphetamine clandestine laboratories. There are widespread reports that methamphetamine is produced in laboratories in areas controlled by separatist rebels, who use profits to fund their operations. There is also anecdotal evidence that rebel fighters take methamphetamine to combat lack of sleep and inadequate food intake, as well as to enhance aggression and withstand pain. Law enforcement investigations revealed that the Abu Syyaf Group (ASG) and elements of the Moro Islamic Liberation Front (MILF) are directly involved in the smuggling, protection of methamphetamine production, and transportation of illegal drugs to other parts of the country and across Southeast Asia. The Philippines is a source of methamphetamine exported to Australia, Canada, China, Japan, Malaysia, South Korea, and in relatively small quantities to the U.S. (including Guam and Saipan).

Significant successes included a series of seizures of clandestine laboratories and warehouses in Luzon, Visayas, and Mindanao. Authorities seized 1471 kilograms of methamphetamine, valued at \$17.6 million, and 10 kilograms of ketamine, valued at \$1 million (at \$106 per gram) in 2008; In May 2008, Philippine authorities seized 744 kilograms of methamphetamine that was smuggled by "go-fast" boats in Subic Bay, northwest of Manila. The estimated potential street price of the methamphetamine was \$8.9 million (at \$12,000 per kilogram). In July 2008, law enforcement authorities dismantled a large clandestine laboratory in northwest Luzon that could potentially facilitate the production of 180 tons of methamphetamine.

## **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 Counternarcotics 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. Following the closure of the South American Chemical Corporation in Oruro, a Bolivian sulfuric acid producing company, there was a significant increase in drug producers obtaining sulfuric acid from the unregulated auto battery market. In 2008 FELCN units seized 443.8 MT of solid precursor chemicals and 1,390,807 liters of liquid precursor chemicals. There are regulations in place to control the sale of pure ephedrine but they are not effectively enforced. Pseudoephedrine can be easily obtained in markets but there is little evidence of domestic methamphetamine production.

### **Colombia**

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 are also diverted by a small number of corrupt employees at large Colombian chemical companies, whose management has no knowledge of the illegal activities. Highly desired chemicals, such as potassium permanganate, are imported into Colombia by taking advantage of the Colombian National Police (CNP) and Colombian Customs' lack of knowledge regarding scientific synonyms

for controlled chemicals. 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 CNP has a 45 person special investigative unit dedicated to national and international enforcement of precursor chemical control laws. The seizure and interdiction of precursor chemicals used to produce cocaine and heroin have been steadily on the rise. In 2008, the GOC seized over 3 million gallons and 4 million kilograms of precursor chemicals.

### **Peru**

Peru is a major importer of other precursor chemicals that are 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. Peru also produces some precursor chemicals such as sulfuric acid and calcium oxide that are used for processing coca leaf into cocaine base.

The PNP Chemical Investigations Unit (DICIQ) initiated Operation Chemical Choke, a multi-faceted initiative focused on chemical company audits, interdiction efforts, and liaison with industry and regulatory agencies. Its major objective has been to stop the illicit diversion of acetone, sulfuric acid, and hydrochloric acid. The total combined PNP efforts resulted in multi-ton seizures totaling almost 470 metric tons of these chemicals in 2008.

In 2008, 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 targets and focuses on several different areas to include; regulatory inspections/audits of suspect chemical distributors, enforcement operations along rivers where chemicals are transported and potentially targeting suspected criminal organizations involved in the diversion and movement of illicit chemicals. Of the total seizures during the year, the Peruvian National Police Chemical Interdiction Group was responsible for the seizure of 63.7 metric tons of all types of precursor chemicals, as well as ensuring asset seizures of \$2,914,155.43 and the arrests of 49 violators-traffickers.

The GOP continues to work on developing a chemical users' registry, which is needed to fully implement the precursor chemical control law. The GOP 2008 budget includes, for the first time, funds to be used by different Ministries to stop the diversion of precursor chemicals.

## **Methamphetamine Chemicals**

Recent efforts in reducing and preventing methamphetamine production through a global campaign to prevent diversion of precursor chemicals are producing significant results. 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.

Amphetamine-type Stimulants (ATS) will be one of the top five issues under discussion at the decade review of the 1998 UN General Assembly Special Session commitments 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.)

## **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](http://www.gtis.com)), provides export and import data on pseudoephedrine and ephedrine collected from major trading countries; however, 2007 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 2007 than in any previous year. However it is still not fully sufficient to enable any accurate estimates of diversion percentages based on import data. There are still significant numbers of countries which have yet to report their legitimate domestic demand to the INCB on a regular basis. 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 100 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 countries have not made any attempt to reconcile the trade data and their own reporting of licit requirements.

The economic analyses required by CMEA, is not possible because of insufficient 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 are working 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, as this often requires a regulatory infrastructure that is currently beyond the means of some governments in question. Efforts to support the implementation of prior resolutions and global commitments has been a key USG objective in preparations for the high level Commission on Narcotic Drugs to review the 1998 UNGASS commitments. This report provides export and import figures for both 2006 and 2007 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 2006 and 2007 and provide an indication of the volatility of the trade in pseudoephedrine and ephedrine. We are using the 2007 data this cycle of review to identify the major participants in the trade in ephedrine and pseudoephedrine.

**Exporters (KGs)**

<b>EPHEDRINE</b>	<b>2007</b>
India	221,105
Germany	31,100
Singapore	12,426
Belgium	12,400
United Kingdom	5,900
<b>SUBTOTAL</b>	<b>282,931</b>
United States	5,821
All others	14,407
<b>Total</b>	<b>303,159</b>

<b>Ephedrine</b>	<b>2006</b>
India	185,804

Germany	33,200
Singapore	14,550
United Kingdom	7,300
China	6,152
<b>Sub-Total</b>	<b>247,006</b>
United States	596
All Others	8,132
<b>Total</b>	<b>255,734</b>

Pseudoephedrine	2007
	Reporting Total
Germany	546,400
India	360,718
China	70,591
Taiwan	43,785
Singapore	43,750
<b>Subtotal</b>	<b>1,065,244</b>
United States	14,714
All others	52,707
<b>Total</b>	<b>1,132,665</b>

Pseudoephedrine	2006
India	301,068
Germany	229,700
China	50,279
Taiwan	45,830
Switzerland	41,519
<b>Sub -Total</b>	<b>668,396</b>
United States	36,715
All Others	17,224
<b>Total</b>	<b>722,335</b>

**Analysis of Export Data:** According to the GTA data the top five exporters of ephedrine in 2007 include —India, Germany, Singapore, Belgium, and the United Kingdom. The lists for 2006 and 2005 included India, Germany, Singapore, the United Kingdom, and China, though the aggregate amount of ephedrine exported by the top five countries increased from 247,006 in 2006 to 282,931 in 2007. Belgium edged out the United Kingdom for the third largest exporter and China was bumped to number seven on the list after the United States.

The worldwide aggregate volume of ephedrine exports that was reported by the Global Trade Atlas increased from 255,734 kilograms to 303,159 kilograms by 18.5 percent. This overall increase included increases by almost every exporter with the exception of Switzerland where exports dropped from 2,485 in 2006 to 641 kilograms in 2007. Exports of ephedrine from the United States increased from 596 in the 2006 level to 5,821 kilograms in 2007 and are more in line with the 2005 level of 5,542 kilograms.

For pseudoephedrine, the aggregate volume of worldwide exports showed an even greater increase to 1,132,665 kilograms from the previous year 2006 of 722,444, by 56.8 percent. The top five exporters of pseudoephedrine were Germany, India, China, Taiwan and Singapore. The past two years—2006 and 2005—the top five exporters were India, Germany, China, Taiwan, and Switzerland. Almost every country that reported showed an increase in exports with the most dramatic rise in exports in Germany from 229,700 to 546,400 kilograms in 2007, a 137.8 percent increase. Singapore edged out Switzerland from the top five. Exports from the United States as the seventh largest exporter did drop from 36,715 kilograms to 14,714 kilograms.

**Importers (KGs)**

Ephedrine	2007

Germany	21,500
Argentina	20,450
South Korea	15,650
Singapore	14,000
Belgium	13,600
<b>Subtotal</b>	<b>85,200</b>
United States	166,886
All Other	62,333
<b>Total</b>	<b>314,419</b>

Ephedrine	2006
South Korea	17,150
Indonesia	15,407
Singapore	12,750
United Kingdom	9,200
France	7,200
<b>Sub-Total</b>	<b>61,707</b>
United States	89,624
All Others	35,394
<b>Totals</b>	<b>186,725</b>

Pseudoephedrine Imports	2007
Switzerland	56,399
Singapore	50,950

Indonesia	35,649
Thailand	34,929
United Kingdom	33,300
<b>SUBTOTAL</b>	<b>211,227</b>
United States	312,209
All Others	339,332
<b>Total</b>	<b>862,768</b>

<b>Pseudoephedrine</b>	<b>2006</b>
United Kingdom	140,600
Singapore	45,400
Thailand	43,955
Mexico	43,428
Switzerland	38,891
<b>Sub-Total</b>	<b>312,274</b>
United States	171,195
All Others	306,380
<b>Total</b>	<b>789,849</b>

**Analysis of Import Data:** This year's top five ephedrine importers include Germany, Argentina, South Korea, Singapore and Belgium. Only South Korea and Singapore were on the list last year. Indonesia, the United Kingdom and France—now off the list—continue to be important trading countries that have pharmaceutical industries that utilize ephedrine and pseudoephedrine. US imports of ephedrine rose from 89,624 kilograms to 166,886 kilograms. 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. The aggregate volume also increased from 188,606 kilograms to 314,419 kilograms.

Shifts in trade of pseudoephedrine have also resulted in a change in the top five importers for 2007 that now include Switzerland, Singapore, Indonesia, Thailand, and the United Kingdom. Only, the United Kingdom's imports dropped significantly from 140,600 to 33,300 kilograms.

Mexico included in last year's top five dropped off the list. And, data supports that Mexico's declining volume was again dramatic in 2007—down from 43,428 kilos in 2006 to 11,502 in 2007. 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 imports more pseudoephedrine than all five of the top importers together with imports of 312,209 kilograms in 2007 up from 171,195 kilograms in 2006.

The aggregate imports from the top five importers this year significantly increased their imports of pseudoephedrine from 789,849 kilograms in 2006 to 862,768 kilograms in 2007. However, 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 sales or represents a temporary statistical variance.

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. At the same time, however, a recent seizure of five tons of pseudoephedrine destined for Tanzania and onward to Mexico, suggests that traffickers are attempting to continue methamphetamine production in Mexico.

Trade data also fails to reflect illicit smuggling that has been detected by such 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 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 the methamphetamine production and trafficking in 2007-08. 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 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 1-phenylacetylcarbinol 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, Syria, and Egypt for example, have reported licit national requirements for pseudoephedrine (40 metric tons, 50 metric tons and 58 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.

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. 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.

Table: Annual legitimate requirements reported by Governments for four precursor chemicals (and their preparations, as relevant), based on latest available data (status: 17 Dec 2005)

Country / Territory	Ephedrine kg	Ephedrine preparations kg	Pseudoephedrine kg	Pseudoephedrine preparations kg	3,4-MDP-2-P <sup>a</sup> kg	P-2-P <sup>b</sup> kg
Afghanistan	0	0	0	0	0	0
Albania	5					
Algeria			17 000			
Argentina	156			9 700		1
Australia	20	15	5 500	1 200	1	60
Azerbaijan	20			10		
Bangladesh				9 075		
Barbados	250			160		
Belarus		60	50			1
Belgium	250		21 000		0	200
Belize			P	P		
Benin				10		
Bosnia and Herzegovina	65		58	600	60	51
Botswana	300					
Brazil	2 370		13 875			6 500
Bulgaria	3 300					
Cambodia	200	50	300	900		
Canada	3 000	5	20 000		0	0
Chile	743			9 290		
China	140 000			110 000		
<i>Hong Kong, SAR of China</i>	7 525	0	8 625	0	0	0
<i>Macao, SAR of China</i>	0		0		0	0
Colombia	180		34			
<i>Cook Islands</i>		1				
Costa Rica			1055		0	0
Côte d'Ivoire	30	15				
Croatia	100		400			
Cuba				3		
Cyprus			100			
Czech Republic	72	10	1 980	2 671	0	0
Democratic People's Republic of Korea	2 300				10	
Democratic Republic of the Congo	250		900			
Dominican Republic	200		1 500			
Ecuador	320		8 000			
Egypt	12 000		58 000	3 900		
El Salvador	150	1	1 000	1 500		
Estonia	6					
<i>Farø Islands (Føroyar)</i>		1		1		
Finland	100			1 000		5
Georgia	300	5		5		
Germany	4 000		20 000		1	3 046
Ghana	2 000		700			
Greece	150		300			
Guinea	36					
Guyana	80		85			
Haiti	800		600		0	0
Honduras	150					
Hungary	800		0	0	300	1 421
Iceland	1					
India			0	0		0
Indonesia	9 896		32 505			
Iran (Islamic Republic of)	450		42 000			50
Iraq	50		1 400			
Ireland	80	1	1	753	5	
Israel	43		2 130	1 903		
Italy	200		9 000			450
Jamaica					0	0
Japan	210		10 000			

# COUNTRY REPORTS

# Afghanistan

## I. Summary

Opium poppy cultivation in Afghanistan declined in 2008 by 19 percent, after two years of record highs. Despite the drop in poppy cultivation, however, Afghanistan remained the world's largest grower of opium poppy. Cultivation was largely confined to five contiguous provinces in the south of the country near the borders with Pakistan and Iran. The connection between poppy cultivation, the resulting narcotics trade, and funding of insurgency groups became more evident in 2008; nearly all significant cultivation now occurs in insecure areas with active insurgent elements.

According to the United Nations Office on Drugs and Crime (UNODC), opium poppy cultivation decreased from 193,000 hectares (ha) in 2007 to 157,300 ha in 2008. This reduction was due to a combination of poor weather conditions, decreased opium prices relative to other crops, and improved governance and security in key provinces. Nangarhar province alone shifted from having the second highest area of poppy cultivation in 2007 (18,000 ha) to achieving poppy-free status in 2008.<sup>2</sup> This accomplishment was primarily due to the high-profile law enforcement and incentives campaign implemented by the provincial governor.

UNODC estimates that Afghanistan produced 7,700 metric tons (MT) of raw opium in 2008, a decrease of six percent from the 8,200 MT produced in 2007. According to UN and International Monetary Fund estimates, the export value of this year's opium harvest, \$3.4 billion, represented the equivalent of a fifth of Afghanistan's estimated total Gross Domestic Product (GDP) of \$16.3 billion.

Although opium poppy cultivation is largely confined to insecure provinces in the south, Afghanistan's narcotics industry continues to threaten efforts to establish security, governance, and a licit economy throughout the country. The anti-government insurgency, most commonly associated with the Taliban, exploits the narcotics trade for financial gain. In 2008, the UN estimates that the Taliban and other anti-government forces made \$50 million to \$70 million from tax payments from opium farmers, and warlords, drug lords, and insurgents received an additional \$200 to \$400 million of income from drug processing and trafficking. 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.

Opium poppy cultivation is almost entirely limited to five contiguous southern provinces: Helmand, Farah, Kandahar, Oruzgan, and Nimruz together account for 95 percent of Afghanistan's poppy cultivation. Helmand province alone cultivated 66 percent of the country's opium poppy in 2008. At the same time, poppy cultivation continues to decline in many of Afghanistan's northern, central, and eastern provinces. In 2008, 18 of Afghanistan's 34 provinces were declared poppy-free by UNODC, up from 13 in 2007 and 6 in 2006. According to UN estimates, Nangarhar province alone shifted from having the second highest area of poppy cultivation in 2007 (18,000 ha) to achieving poppy free status in 2008. Nine other provinces cultivated less than 1,000 ha, and could reach poppy-free status in 2009. Nationwide, UNODC estimates that nearly 10 percent of Afghans were involved in poppy cultivation in 2008, down from 14.3 percent in 2007.

For the most part, farmers choose to plant opium poppy because it is a profitable, hardy, and a low-risk crop. Advance credit is available from narco-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.

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<sup>2</sup> These numbers track closely with USG estimates of 200,000 ha for 2007 and 160,000 for 2008. In this section of the INCSR we provide the UN figures because those figures are used by the international donor community, including the United States, to coordinate assistance, including under the Good Performer Initiative that provides assistance to provinces that have dramatically reduced poppy cultivation. For USG estimates, please refer to page 34.

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, 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, alternative development, and eradication.

The Government of the Islamic Republic of Afghanistan (GIROA) generally cooperates with the international community in implementing its national counternarcotics strategy. However, more political will and effort, at the central and provincial levels, is required to decrease cultivation in the south, 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. There are no U.S.-Afghanistan law enforcement treaties.

## II. Status of Country

UNODC estimates that Afghanistan cultivated 93 percent of the world's opium poppy in 2008. Afghanistan is involved in the full narcotics production cycle, from cultivation to finished heroin, with drug traffickers trading 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 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. 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.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In January 2006, the Afghan government inaugurated an eight-pillar National Drug Control Strategy (NDCS), which articulated a coordinated, nationwide strategy in the areas of Public Awareness, Alternative Livelihoods, Law Enforcement, Criminal Justice, Eradication, Institutional Development, Regional Cooperation, and Demand Reduction. While the NDCS is generally viewed as a sound strategy, the Afghan government has been unwilling or unable to fully implement it and has, in some cases, failed to provide adequate support to provincial leaders who have shown greater willingness to take serious steps to combat narcotics cultivation, production, and trafficking in their provinces. In the latter part of 2008, the Ministry of Interior (MOI), which oversees the Afghan National Police (ANP), and the Ministry of Defense (MOD), agreed to work together on force-protected Poppy Eradication Force (PEF) operations and possibly governor-led eradication efforts in 2009. Joint PEF-Afghan Army eradication operations planned for 2009 may serve as a model for future joint operations on a larger scale. The Ministry of Counter Narcotics (MCN), which has direct responsibility for implementation of the NDCS, has less political influence and fewer resources than other government agencies (especially MOI or MOD), and therefore, depends heavily on their support to execute the policy. On March 1, 2008, the Afghan Parliament confirmed General Khodaidad as Minister of Counter Narcotics after a delay of eight months, during which he served as Acting Minister.

Following UNODC's announcement of high poppy cultivation figures in August 2007, President Karzai convened the second annual national counternarcotics conference. This meeting brought together representatives from key Afghan government ministries, governors from the largest poppy producing provinces, tribal elders, police chiefs, religious leaders, and members of the international community. Afterward, the Ministry of Counter Narcotics (MCN) held a pre-planting session for provincial governors to focus on the 2008 growing season, as the Afghan government instructed provincial and district leaders to launch pre-planting information campaigns to reduce poppy cultivation. The response from governors was uneven. Aided by Counternarcotics Advisory Teams (CNAT), joint U.S.-Afghan teams formed in 2006 to support the Public Awareness pillar of the NDCS at the provincial level, some governors (notably those in Balkh, Nangarhar, and Badakhshan) developed vigorous anti-poppy campaigns and dropped their poppy cultivation to zero or near zero, while others did little 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.

Nangarhar province, which went from having the second largest area of poppy cultivation in 2007 (18,000 ha) to achieving poppy free status in 2008, presents a compelling example of the counternarcotics progress a provincial governor can achieve through a combination of public information, forced self-eradication, and robust law enforcement. Governor Sherzai of Nangarhar conducted a potent anti-narcotics campaign throughout the province, which included requiring farmers to sign pledges not to grow poppy, implemented a series of public outreach events to inform tribal, religious, and other community leaders about not growing poppy, and promised development assistance in areas without poppy cultivation.

Throughout 2008, the Minister of Counter Narcotics engaged in public information campaigns directed at key poppy growing provinces, and worked with CNAT teams to hold anti-narcotics tribal councils or “shuras” and community councils with local leaders and senior government officials. Working with governors and key line Ministries such as the MCN and the Ministry of Agriculture, Irrigation and Livestock (MAIL), CNAT teams convened over 100 shuras and council meetings in 2008 across 7 provinces—including the southern provinces of Helmand, Farah, Kandahar and Uruzgan—in support of provincial governors’ counternarcotics campaigns. Most notably, the governor of Helmand launched an ambitious “Food Zone” campaign that 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. Coupled with credible law enforcement and security forces from the MOI, the Food Zone campaign is expected to produce a decrease in poppy cultivation in Helmand next year.

In mid 2007, the Afghan government’s Policy Advisory Group (PAG) added counternarcotics as one of its key policy pillars. The PAG was formed in late 2006 by the Afghan Government, in cooperation with the U.S., UK, Canada, the Netherlands, NATO International Security Assistance Force (ISAF), and United Nations Assistance Mission in Afghanistan (UNAMA), to deal with critical issues in the unstable southern provinces of Helmand, Kandahar, Farah, Zabol, Nimroz, and Uruzgan. In November 2008, the Afghan government agreed to arrest high-level traffickers and provide one battalion (600-700 personnel) of Afghan National Army forces as protection for Poppy Eradication Force (PEF) eradication operations. Despite initial concern that the Afghan forces would be stretched too thin, the Minister of Defense established a Counternarcotics Infantry Kandak (CNIK) brigade to provide force protection support to the MOI’s PEF during the 2009 eradication season.

The Good Performers Initiative (GPI), a U.S.-UK-funded initiative launched in 2007 to reward provinces for successful counternarcotics performance, continued to provide strong incentives to provinces that were poppy-free or reduced their poppy cultivation by more than 10 percent from 2007. In 2008, 29 of Afghanistan’s 34 provinces qualified for over \$39 million in GPI development assistance projects. To date, the U.S. government has contributed over \$69 million to GPI and its predecessor the Good Performers Fund, while the UK has provided approximately \$12 million. As of December 2008, at least \$17 million in GPI funds were awarded by MCN to several provinces based on the results of UNODC’s annual Afghanistan Opium Cultivation Survey, released in August 2008. In Nangarhar province, for example, four micro-hydro projects that generate electricity for rural villages have been completed with 20 more scheduled to be built in 2009.

**Justice Reform/Criminal Justice Task Force.** The Afghan government’s Criminal Justice Task Force (CJTF) and Counter Narcotics Tribunal (CNT) is a vetted, self-contained unit, which consists of 30 Afghan prosecutors, 35 Afghan criminal investigators, 7 primary court and 7 appellate court judges. The CJTF/CNT is mentored by DOJ Senior Legal Advisors. The CJTF/CNT has had a favorable impact on capacity building, and is working toward its first prosecutions. Regrettably, no major drug trafficker has been arrested or convicted in Afghanistan since 2006. It uses modern investigative techniques to investigate and ultimately prosecute narcotics traffickers under the December 2005 Counter Narcotics Law. The Counter Narcotics Law has Articles dealing with narcotics related corruption and wiretapping which the CJTF has implemented successfully. In late-2008, Afghanistan’s Counter Narcotics Law was at risk of being diluted of key provisions by Parliament. Both the United States and UK were working to ensure that key

provisions, such as wiretaps, were not eviscerated. Narcotics cases are tried by the CJTF through the CNT, which has exclusive national jurisdiction over mid- and high-level narcotics cases in Afghanistan. Under the existing law enacted in 2005, all drug cases from across Afghanistan, which reach certain thresholds, must be prosecuted by the CJTF before the CNT. The thresholds are possession of two kg of heroin, ten kg of opium, and 50 kg of hashish. Since its inception in 2005, the CJTF/CNT has convicted approximately 1,550 violators. From January to August 2008, the CNT had 223 primary court convictions and 251 appellate court convictions.

To provide a secure facility for the CNT and CJTF, the United States has funded the construction of the Counter Narcotics Justice Center (CNJC) in Kabul. This facility is expected to open in the late spring of 2009. It includes a 56-bed detention facility, courtrooms, and office space for investigators, prosecutors and judges. Also funded and under construction at the CNJC are an additional 116 bed detention annex and a barracks. There are also plans for a DOD-funded Counternarcotics Police of Afghanistan (CNPA) forensic drug lab to be located adjacent to the CNJC. Once the CNJC facility opens, the United States through INL will fund all operation and maintenance costs for two years. At the end of this two year period it is hoped the Government of Afghanistan will assume all operation and maintenance expenses.

Through the Corrections System Support Program (CSSP), the United States is helping to improve the 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 in Kabul and four provinces providing training, mentoring, and capacity-building for Afghanistan's criminal justice system.

**Law Enforcement Efforts.** The number of hectares eradicated nationwide declined from 19,047 ha in 2007 to 5,480 ha in 2008. In 2008, governor-led eradication (GLE) accounted for 4,306 ha, and the Poppy Eradication Force (PEF), a U.S.-supported, centrally-led Afghan National Police unit specifically trained and equipped for eradication activities, eradicated another 1,174 ha of poppy in Helmand and Kapisa provinces. The decreased level of nationwide eradication can be attributed to the decrease in overall cultivation by 19 percent and 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 and the lack of GIROA force protection for the PEF hindered eradication operations in the provinces of highest poppy cultivation. PEF eradication in 2008 was no longer arranged through negotiations with poppy-growing communities to both increase eradication's deterrent effect and to prevent corruption. As a consequence, eradication-related security incidents, including targeted shootings and suicide bombings, increased significantly in 2008, resulting in 78 fatalities, up from 17 in 2007.

Counternarcotics law enforcement efforts were hampered by corruption and incompetence within the justice system as well as the absence of effective governance in many regions of the country. Although revenues from the opium economy represent the equivalent of approximately one-fifth of Afghanistan's GDP, no major drug traffickers have been arrested and convicted in Afghanistan since 2006. Although the capabilities of the Criminal Justice Task Force have significantly improved since its establishment in May 2005, the investigation and prosecution of high value targets remains a challenge because of a combination of insecurity, lack of political will, endemic corruption, and frequent turnover of Afghan investigators and prosecutors.

In 2003, the Ministry of Interior (MOI) established the Counter Narcotics Police of Afghanistan, comprised of investigation, intelligence, and interdiction units. By the end of 2008, the CNPA had approximately 2,737 of its 3,777 authorized strength, including the 500-member PEF. The U.S. Drug Enforcement Administration (DEA) has continued its close collaboration with the CNPA to offer training, mentoring, and investigative assistance in order to develop MOI capacity.

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). During 2007, FAST and the NIU deployed to Herat, Farah, Helmand, Kandahar, Kunduz, and Nangarhar Provinces to conduct operations.

From October 2006 through December 2008, KCO/FAST reported the following seizures: 4.099MT of heroin, 2.448MT of opium (which converts to 244 kg of heroin), and 238.935MT of hashish. During the same period, the CNPA/NIU also destroyed 17 drug labs. The CNPA seized 1,012 kg of solid precursor chemicals and 592 liters of liquid precursors. The CNPA/NIU also reported 75 arrests for trafficking under the provisions of the Afghan Counter Narcotics law where possession of 2 kg of heroin (or morphine base), 10 kg of opium, or 50 kg of hashish mandates automatic jurisdiction for the Counter Narcotics Tribunal.

During 2008, the Afghan government, with DEA training, mentoring and support, made significant progress in developing its three specially vetted units: the National Interdiction Unit (NIU), the Sensitive Investigative Unit (SIU), and the Technical Intercept Unit (TIU), to investigate high-value targets. These units gather judicially authorized evidence under Afghanistan's Counternarcotics Law and prosecute violators through the Criminal Justice Task Force. Personnel in these units are recruited from a wide variety of Afghan law enforcement agencies and have to pass rigorous examinations. During 2008, the NIU was capable of conducting its own operations, including requesting and executing search and arrest warrants, while the SIU was able to independently initiate and complete investigative and undercover cases.

The aim of these specialized units is to have the cases and investigations developed based on judicially gathered evidence from the SIU and TIU culminate in the issuance of arrest and search warrants executed by the NIU. The investigations conducted by the SIU and NIU with DEA assistance are being prosecuted at the Counter Narcotics Tribunal through the Criminal Justice Task Force (CJTF), which consists of Afghan prosecutors and investigators mentored by experienced Assistant U.S. Attorneys and U.S. Department of Justice Senior Trial Attorneys. The CJTF mentors have also been working with the Afghan authorities to create a formal legal process to gain authority for controlled deliveries of narcotics to trafficking suspects.

During 2008, Afghan authorities assisted Department of Justice senior prosecutors in apprehending narco-terrorist Khan Mohammed in Afghanistan. He had been arrested in Nangarhar Province in October 2006 and agreed to be transferred to the United States to stand trial at the U.S. District Court for the District of Columbia in November 2007. Mohammed was convicted on the charge of narcotics distribution and the precedent-setting charge of narco-terrorism in May 2008. On December 22, 2008, he was sentenced to life in prison.

In October 2008, suspected Afghan narco-terrorist Haji Juma Khan Mohammadhasni was arrested at Jakarta, Indonesia's airport shortly after his arrival from Dubai, UAE. He was transferred to New York, where he will stand trial for producing and distributing large quantities of heroin and giving some of his drug trafficking proceeds to the Taliban.

In October 2007, major Afghan trafficker Haji Baz Mohammad was sentenced to more than 15 years in prison for running an international narcotics-trafficking organization that imported millions of dollars worth of illegal drugs into the United States. Similar to the indictment of Haji Bashir Noorzai, an Afghan drug kingpin who was indicted and arrested in the United States in 2005, Baz Mohammad's indictment also alleged that he was closely aligned with the Taliban. Mohammad Essa, an insurgency-linked heroin distributor for Haji Baz Mohammad in the United States, volunteered to be transferred to the United States to stand trial in April 2007. Essa pleaded guilty of the charges in 2008 and is awaiting sentencing.

**Corruption.** Many Afghan government officials are believed to profit from the drug trade. Narcotics-related corruption is particularly pervasive 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. As a matter of policy, however, the Government 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.

During 2008, several mid-level Afghan government officials were convicted of narcotics-related charges and narcotics-related corruption charges. For example, nine public officials, including several Kabul police commanders were convicted in the Central Narcotics Tribunal on charges relating to heroin trafficking. All the men received at least ten-year terms of imprisonment. Additionally, the ANP Commander of Takhar Province was convicted of drug related corruption and intimidation.

In 2008, President Karzai and the Afghan Government demonstrated a renewed commitment to fighting corruption by implementing the recommendations set forth by the interagency anti-corruption commission chaired by Supreme Court Chief Justice Abdul Salam Azimi. To this end, two new anti-corruption entities were established: the High Office of Monitoring, which oversees implementation of the Azimi Commission strategy; and a corruption oversight unit within the Attorney General's Office (AGO), which will ensure the AGO functions efficiently, fairly, and independently. President Karzai's October 2008 appointment of Mohamad Hanif Atmar as Interior Minister was seen as a signal that the Afghan Government remains serious about addressing corruption at all levels within the Afghan National Police (ANP). Atmar is seen as a professional administrator who has a track record of fighting corruption within the Ministries he has headed.

**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.

**Illicit Cultivation/Production.** Based on UNODC data, the number of hectares under poppy cultivation in Afghanistan decreased 19 percent, from 193,000 in 2007 to 157,300 ha in 2008. As a result, potential opium production decreased 500 MT from 8,200 MT in 2007 to 7,700 MT in 2008. At the same time, the estimated opium yield decreased from 39.6 kg/ha in 2007 to 35 kg/ha in 2008, according to USG figures. Consistent with the decline in cultivation, the number of people involved in opium cultivation decreased 28 percent from 3.3 million in 2007 to 2.4 million in 2008 – or 9.8 percent of the total population. Considered in terms of its estimated \$3.4 billion illicit export value, opium represented the equivalent of about one-fifth of Afghanistan's total GDP. On the other hand, the portion of narcotics money actually received by farmers was equal to only a small share of total GDP: opium poppy sold to traffickers brought in \$730 million at the “farm-gate,” the equivalent of only seven percent of total GDP.

Afghanistan's 18 poppy-free provinces are in the relatively secure central and northern parts of the country. In 2008, poppy cultivation was further consolidated in areas where the insurgency is strong and government authority is weak, particularly in the south and southwest. The United States, UK, UNODC, International Security Assistance Force (ISAF) and other major international stakeholders now acknowledge that 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 the world's leading producer of opium poppy. In 2008, Helmand cultivated 103,590 hectares of poppy or 66 percent of Afghanistan's total crop. Poppy cultivation has quadrupled in Helmand since 2005 and, employing thousands of seasonal migrant laborers and supporting farmers with systems of credit and distribution. In advance of the 2009 cultivation season, Governor Mangal of Helmand province is implementing a plan to establish a “food and security zone” in central Helmand to allow the extension of governance and development opportunities into a critical area for instability and poppy cultivation, with the objective of eliminating poppy growth in this part of Helmand.

**Drug Flow/Transit:** 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. 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 an increasingly large portion of the country's raw opium into heroin and morphine base. This process reduces the bulk of raw opium by about one-tenth, which facilitates its movement to markets in Asia, Europe, and the Middle East along transit routes through Iran, Pakistan, Central Asia, and to a lesser extent the United States. Opiates are transported to Turkey, Russia, and the rest of Europe by criminal groups that are often organized along regional and ethnic kinship lines.

Precursor chemicals used in heroin production must be imported into Afghanistan. Limited police and administrative capacity hampered efforts to interdict precursor substances and processing equipment. Afghan law requires the tracking of precursor substances but the MCN has not created an active registry to record data. 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 established a five-man unit at CNPA that is charged with tracking precursor chemicals.

**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 was due to be released in 2008, but has been delayed until 2009. Through methodology improvements, this survey is expected to show an estimated 2 million drug users in Afghanistan.

The NDCS includes rehabilitation and demand reduction programs for drug abusers. Given Afghanistan's shortage of general medical services, however, the government can only devote minimal resources to these programs. To address demand reduction needs, the UK and Germany have funded specific demand reduction and rehabilitation programs. Feasibility studies on six clinics are on-going. The United States currently funds eight, 20-bed residential drug treatment centers in Afghanistan, including the only two residential facilities in the country (Balkh and Kabul Provinces) dedicated to serving female addicts. In 2008, the United States also supported 26 mosque-based drug education programs, two drop-in centers, five drug prevention/life skills pilot programs in Afghan schools, drug prevention public awareness programs, and a research study on the effects of second-hand opium smoke. In addition, five drop-in centers, formally run by UNODC are being converted into 3 residential clinics

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

**Bilateral Cooperation.** In 2008, the United States continued to support the Government of Afghanistan's counternarcotics strategy, which calls for decisive action in the near term and identifies an extensive array of tactics in all sectors, including:

-- A public information campaign to win support for the Afghan government's counternarcotics program. The U.S. Embassy will increase support for radio, print media, and person-to-person outreach campaigns. Particular emphasis will be placed on grassroots, person-to-person community outreach activities which engage local community, religious, and tribal leaders on counternarcotics issues.

-- Focused efforts at the provincial level. The U.S. will continue to fund the Good Performers Initiative to provide financial incentives to governors, including those who succeed in keeping their provinces poppy-free. Provincial

counternarcotics planning will be integrated with military planning at local commands in key provinces such as Helmand, Nangarhar, and Kapisa.

-- A more robust eradication campaign. The United States will continue to support the centrally-led PEF program to eradicate in areas where Governor-led efforts need support or fail. The PEF and GLE forces will continue to conduct non-negotiated, manual eradication targeted at areas where it will have the greatest deterrent impact.

-- Alternative sources of income to poppy cultivation in rural areas. USAID will continue its comprehensive Alternative Development Program (AD), which in FY 2008 provided approximately \$176,000,000 for AD projects in the major opium cultivation areas of Afghanistan. Since late 2006, USAID has implemented a rural finance program that provides credit to farmers and small- and medium-sized enterprises in areas where financial services were previously unavailable.

-- Accelerated narcotics-related investigations, arrests, prosecutions, and incarcerations. In keeping with the overall justice sector strategy pursued jointly by Afghanistan, the United States, and international partners, the United States will expand its training efforts in Afghanistan for provincial and district-level prosecutors during 2009.

-- Drug laboratory and stockpile destruction. The NIU and the Afghan Special Narcotics Force (ASNF), in cooperation with the DEA, will continue to target drug labs and seize drug stockpiles.

-- Efforts to dismantle drug trafficking/refining networks. DEA will work closely with the CNPA, NIU, and ASNF in pursuing criminal investigations and disrupting the narcotics trade.

## V. Statistical Tables

<b>Drugs Seized (kg)</b>						
<b>(Through 2008)</b>						
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Opium	2,171	17,689	50,048	40,052	39,304	37,530
Heroin	977	14,006	5,592	1,927	4,249	4,936
Morphine Base	111	210	118	105	617	3,232
Hashish	10,269	74,002	40,052	17,675	71,078	629,952
<b>Precursor Chemicals Seized</b>						
<b>(Through 2008)</b>						
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Solid (kg)	14,003	3,787	24,719	30,856	37,509	65,969
Liquid (liters)	0	4,725	40,067	12,681	33,008	2,577

<b>Arrests (for trafficking)</b>						
<b>(Through 2008)</b>						
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Arrests	203	248	275	548	760	703
<b>Drug Labs Destroyed</b>						
<b>(Through 2008)</b>						
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
Labs Destroyed	31	78	26	248	50	94

The 2008 seizure and arrest statistics combine DEA and Counter Narcotics Police of Afghanistan figures for the year.

# Albania

## I. Summary

Albania is a transit country for narcotics traffickers moving primarily Afghan heroin from Central Asia to destinations around Western Europe. In 2008, seizures of heroin and marijuana declined. Cannabis continues to be produced in Albania for markets in Europe, but cultivation has largely moved into the more remote mountain regions of Albania that the government has difficulty accessing. The Government of Albania (GOA), in response to international pressure and with international assistance, is confronting criminal elements more aggressively but continues to be hampered by a lack of resources and endemic corruption. Albania is a party to the 1988 UN Drug Convention.

## II. Status of Country

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

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2005, the GOA outlawed the circulation of speedboats and several other varieties of water vessels on all of Albania's territorial coastal waters for a period of three years, which appears to have slowed the movement of drugs by smaller waterborne vessels, particularly to Italy. Albania works with its neighbors bilaterally and in regional initiatives to combat organized crime and trafficking, and it is a participant in the Stability Pact and the Southeastern Europe Cooperative Initiative (SECI). In May of 2008, Albania enacted a new law to fight against money laundering. Albania signed the Stabilization and Association Agreement with the European Commission in June 2006, and it has since been ratified by twelve European Union member countries. The EU noted in its ratification that Albania "...is still facing serious challenges in tackling corruption and organized crime, achieving full implementation of adopted legislation, improving public administration and fighting trafficking in human beings and drugs."

**Law Enforcement Efforts and Accomplishments.** Albanian police continued to make progress in their counternarcotics operations through the increased use of technology, improved police techniques, and an increase in overall capacity. Drug seizure numbers from both Italy and Greece show a marked decline in drugs seized coming from Albania to those countries, which demonstrates the success of Albania's efforts. Albanian authorities organized major police operations and drug seizure operations throughout the country, particularly in Fier, Tirana, and the ports of Vlora and Durres. International cooperation also increased, including joint operations with Italian, Macedonian, Greek and Turkish authorities. Albanian authorities report that from January to September 2008, police arrested 354 persons for drug trafficking, and an additional 32 are being sought. The police seized over 59 kg of heroin, 2092 kg of marijuana, and 1kg of cocaine during this time. The police also destroyed 143,655 cannabis plants and 61 poppy plants. This coincides with a noted decrease in the number of drugs seized by Italian authorities, who for the first nine months of 2008 had seized only 10kg of heroin coming from Albania and 4 kg of marijuana.

The increase in the seizures of cocaine in Albania signals a slight rise in the trafficking of cocaine into Albania both for domestic consumption and for export to Greece and Italy. Prosecutions for organized crime offenses, according to the Prosecutor General's annual report, increased 30% from 2006 to 2007. During the same time period, the number of cultivating and trafficking in narcotics cases increased 16%.

**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, and corruption aids and abets organized crime and drug trafficking. As part of the government's anticorruption pledge, in May 2006, Albania ratified the UN Convention against Corruption. In 2007 and the first half of 2008, the police and judiciary have been more active in investigating government officials and law enforcement personnel for corruption. In her annual report to Parliament, the Prosecutor General reported that in 2007, the number of public officials charged for corruption-related offenses increased by 27 percent compared to 2006. In 2007, prosecutors registered 663 proceedings for corruption offenses against 385 defendants. As of the end of 2007, cases against 172 defendants were sent to trial, and 62 defendants had been convicted.

The overall increased number of corruption cases shows a commitment by prosecutors and police to crack down on corruption. Although these numbers are a significant improvement over 2005 and 2006, Albania continues to lack the judicial independence for truly unbiased proceedings and many cases are never resolved. The fact that high government officials enjoy immunity from prosecution hinders corruption investigations generally. However, the creation of a Joint Investigative Unit to Fight Economic Crime and Corruption (JIU) has had a significant impact on the fight against corruption in Albania's capital. (See Section IV for a complete description of this unit and its work.)

**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. Although eradication programs co-sponsored by the police and local governments have been credited with substantially reducing cultivation of cannabis, cultivation persists despite these efforts. No labs for the production of synthetic drugs were discovered in 2008, 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. Unfortunately, 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, weak law enforcement and unreformed judicial systems, and porous borders. Albania is a transit point for heroin from Afghanistan, which is smuggled via the "Balkan Route" of Turkey-Bulgaria-Macedonia-Albania to Italy, Montenegro, Greece, and the rest of Western Europe. A limited, but growing, amount of cocaine is smuggled from South America to Albania, both for domestic consumption and external distribution. Additionally, criminal networks are increasingly using ethnic Albanians to smuggle cocaine and heroin from other countries into Albania, Italy and Greece.

**Domestic Programs/Demand Reduction.** The Ministry of Health believes that drug use is on the rise, but has no reliable data about drug abuse. According to health professionals, the addict population is as large as 30,000 users and current registered drug use could be just the tip of the iceberg for Albania. The GOA has taken steps to address the problem with a National Drug Demand Reduction Strategy but is hampered by the inadequate public health infrastructure that is ill equipped to treat drug abuse, and public awareness of the problems associated with drug abuse remains low. The Toxicology Center of the Military Hospital is the only facility in Albania equipped to handle

overdose cases and is staffed by only three clinical toxicologists. This clinic has seen an average of 2000 patients per year over the past five years, and the number of cases has remained constant over this period. The clinic estimates that around 80 percent of the cases result from addiction to opiates, predominately heroin, and most were intravenous drug users. There were only two NGO's operating in Albania during 2007, which dealt with drug related cases. Albania has few regulations on the sale of benzodiazepines, which are sold over the counter at local pharmacies, and the domestic abuse of these medications is believed to be rising, though no data is available.

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

**Policy Initiative.** The GOA continues to welcome assistance from the United States and Western Europe. The U.S. is intensifying its judicial sector assistance programs in the areas of law enforcement and legal reform through technical assistance, equipment donations, and training. One of the problems seen in training, however, is deep 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. This was especially acute in changes in the Albanian State Police following the 2007 municipal elections. Between 2005 and mid-2006, almost 90 percent of all Chief Controllers from Albania's major border crossing points were transferred or removed from their posts and replaced by new personnel. In many cases, newly-assigned personnel had no apparent background, training or understanding of border functions.

The DEA and the FBI have conducted drug training and investigations training. The 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 and State/INL continued to provide support for the GOA's anti-narcotic strategy and efforts through its activities within the International Consortium and the Mini-Dublin Group. OPDAT worked closely with representatives from the Ministry of Interior, General Prosecutor's Office, and Ministry of Finance on a new law on the prevention of money laundering and terrorist financing, enacted in May 2008, which lowered the threshold of financial transaction reporting and imposed new identification procedures for those engaging in financial transactions.

In 2007, OPDAT and ICITAP worked with the Albanian Ministry of Interior, Ministry of Finance, General Prosecutor's Office, and State Intelligence Service to form an Economic Crime and Corruption Joint Investigative Unit (JIU) to improve the investigation and prosecution of financial crimes, especially money laundering and corruption. The JIU formally began operations in September of 2007 and has shown very 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. Other high-profile cases include the arrest of a prominent surgeon for accepting bribes to perform surgeries, the arrest of a prosecutor for agreeing to bribe a judge for the reduction of a defendant's sentence, and the extensive investigation and arrest of 17 defendants in a wide-ranging ATM fraud scheme. OPDAT has supported the JIU throughout 2008 with an imbedded OPDAT anti-corruption legal advisor and an intensive program of training, along with equipment donation.

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. During 2008, OPDAT and ICITAP provided extensive training support to the WP Directorate by sponsoring an in-country assessment and two week-long trainings on administrative procedures and physical protection techniques conducted by the Witness Security Division of the United States Marshals Service. In addition, OPDAT sponsored three high-ranking members of the Albanian Witness Protection Directorate and a Serious Crimes prosecutor to attend

the third International Symposium on Witness Protection in October, 2008, in Lyon, France, where they had the opportunity to learn and interact with WP officials from over 30 countries.

The United States, through State/INL, continues to provide assistance for integrated border management, a key part of improving the security of Albania's borders, providing specialized equipment, and the installation of the Total Information Management System (TIMS) at border crossing points. Part of the integrated border management initiative, formally approved by the Albanian Council of Ministers on 29 September 2007, included the establishment of an autonomous Border and Migration Department with direct command and control of all border policing resources answerable to one central authority. 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 USCG provided maritime law enforcement training to Albanian officers through two visits of a mobile training team. Albanian law enforcement authorities have provided the Italian police with intelligence that has led to the arrest of drug dealers and organized crime members, as well as the confiscation of heroin in Italy. Cooperation also continues with Italian law enforcement officials to carry out narcotics raids inside Albania.

**The Road Ahead.** The Albanian government has made the fight against organized crime and trafficking one of its highest priorities. Additionally, the police are taking an increasingly active role in counter narcotics operations. Albania's desire to enter into the European Union and its entry in 2008 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.

# Argentina

## I. Summary

Argentina is a transshipment point for Andean-produced cocaine destined for Europe and for small quantities of Colombian heroin destined for the United States. It is a source country for precursor chemicals, as well as a transshipment country for ephedrine being sent to Mexico. Authorities have discovered several small ‘kitchen’ labs converting cocaine base to cocaine hydrochloride (HCl), and in 2008 authorities also exposed a number of small operations producing synthetic drugs. National data on seizures of cocaine and other illicit drugs has not been sufficiently consistent to make precise year-to-year comparisons, but available evidence points to increasing trafficking through the country. Argentina is a party to the 1988 UN Drug Convention.

## II. Status of Country

Argentina is a transit country for cocaine from Bolivia, Peru, and Colombia destined for Europe and, to a lesser extent, for some Colombian heroin en route to the United States. Large seizures of cocaine in Europe have been linked to Argentina, and individual carriers of small quantities from Argentina to Europe are regularly discovered. Survey data in 2008 showed that marijuana was the most commonly consumed illicit drug in Argentina, followed by cocaine (HCl) and inhalants, respectively. A cheap, readily available and mentally debilitating drug “paco” (from pasta de cocaina—a byproduct of cocaine HCl production) is consumed in Argentina’s impoverished neighborhoods. The United States and Argentina cooperated effectively in narcotics investigations in 2008. The Minister of Justice approved a comprehensive U.S.-Argentina initiative aimed at capacity-building under his ministry and has regularly accepted support for the Prefectura Naval (Coast Guard), Gendarmeria Nacional (Border Patrol equivalent), Federal Police, and Airport Police. Overall, however, Argentina’s effectiveness in combating the illegal drug trade is hampered by sometimes poor coordination between law enforcement institutions at the national and provincial levels and particularly by inefficiencies in the legal system. As one of South America’s largest producers of precursor chemicals, Argentina is vulnerable to diversion of chemicals into the illicit drug industry. The country’s lack of effective controls over ephedrine imports during the first nine months of the year exposed it to a rapidly growing transshipment trade. A tightening of regulations from mid-September 2008, following highly publicized incidents related to ephedrine trafficking, may reduce this vulnerability, but officials recognize the need for additional measures and enforcement.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2008, senior GOA officials discussed the idea of decriminalizing personal consumption of illicit drugs, 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 freeing up funds for substance abuse treatment. Despite these suggestions from the executive branch, the federal legislature did not enact any new drug decriminalization laws in the course of the year.

Delays, lack of transparency, and inconsistency in judicial processes have reduced public confidence in the legal system. Argentina is transitioning from a written, inquisitorial jurisprudential system to an oral, accusatory system. Legislation to improve procedures for dealing with drug crimes has not been approved. The Ministry of the Justice, Security, and Human Rights (MOJ) has national authority over counter-drug law enforcement efforts, though independent provincial police and prosecutors are responsible for many seizures and trials. An independent agency responsible to the presidency, the Secretariat of Planning for the Prevention of Drug Addiction and Drug Trafficking (SEDRONAR), also plays a role in formulating national counter-drug policy and controls over precursor chemicals. Coordination between SEDRONAR and the MOJ appeared to be poor in 2008, and SEDRONAR appeared to have insufficient resources for its role in monitoring the use of precursor chemicals.

During the first half of 2008, traffickers exploited Argentina's lack of effective regulation over the importation of ephedrine to bring in large quantities of the substance then re-exporting it illicitly to Mexico. Some ephedrine has been used to manufacture synthetic drugs in Argentina. In September 2008, the GOA issued a decree prohibiting the importation of ephedrine by pharmacies, thereby closing a key loophole exploited by traffickers. The GOA now plans to have SEDRONAR, the MOJ, and the Ministry of Health oversee the importation of ephedrine for use by the country's pharmaceutical industry. The GOA still lacks the regulations required to impose criminal penalties for the illicit diversion of other precursor chemicals, and is still formulating plans to improve controls and penalties.

**Accomplishments.** In 2008, the GOA shut down UFIDRO, an entity created in 2005 in part to collect national data on drug crimes and seizures and established a new office under the Ministry of Justice to collect drug seizure data. Drug seizure data in Argentina is collected separately by national and provincial authorities and is not always reliable. National and provincial data through mid-November 2008 showed that security forces had seized nearly 7 metric tons of cocaine (HCl) and over 100 metric tons of marijuana. Federal authorities accounted for 80 percent of the recorded marijuana seizures and 55 percent of the cocaine. In the country's largest province, Buenos Aires, there was an increase in seizures and arrests during the first eight months of 2008 compared to 2007, including 1,400 kilograms (kg) of cocaine seized compared to 400 kg in 2007 and 200,000 doses of MDMA (Ecstasy) compared to 2,400 the year before. Following an August 2008 triple homicide reportedly linked to ephedrine trafficking, national police and prosecutors achieved a string of successes in uncovering illicit ephedrine supplies and small-scale synthetic drug production facilities. During 2008, the MOJ also established three new drug analysis laboratories around the country to help with investigations and analysis of seized products.

**Law Enforcement Efforts.** The ongoing transition from a written, inquisitorial legal system to an oral, accusatorial system has caused delays between arrest and final rulings and there is a backlog of cases, the result being a further erosion of confidence in the judicial system. The GOA continues to implement reforms, including providing prosecutors and judges greater discretion in terms of selecting which cases to prosecute, the objective being to give authorities the ability to target major drug trafficking organizations.

**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. The frequency with which investigations of narcotics-related cases fail to result in actual prosecutions or convictions has been cited as a basis for public concern about corruption.

**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 13, 1990. Both of these agreements are actively used by the United States with 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.** The government of Argentina contends that drug production in Argentina remains largely insignificant despite occasional discoveries of small "kitchen" labs converting cocaine base to HCl and despite the widespread use of a cocaine HCl byproduct, "paco," in impoverished areas. There were several discoveries of labs producing ephedrine-based drugs in Argentina in 2008 as well. There is some marijuana cultivation in Argentina.

**Drug Flow/Transit.** Some Colombian-produced heroin is smuggled through Argentina via commercial flights going directly to the United States, or through Mexico and across the southwest U.S. border. There were no major heroin seizures reported during the first nine months of 2008. Colombian cocaine HCl entering Argentina is largely destined for international cocaine markets, primarily Europe but also Asia and the U.S. Cocaine HCl seizures have risen over time, from a reported 2.5 metric tons in 2006 to at least 7 metric tons in each of the past two years. There is an indigenous population along the northern border with Bolivia that traditionally consumes coca leaf, but the last maceration pit discovered in Argentina was in 2006. 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.

**Demand Reduction Programs.** SEDRONAR coordinates GOA demand reduction efforts. The GOA, in collaboration with private sector entities, sponsors a variety of print and broadcast information campaigns which have a nationwide reach. Argentina inaugurated its first National Drug Plan in 2005 and initiated a number of demand reduction programs in 2006 that continued into 2008, including a school-based program targeting 10-14 year-olds, a sports-based prevention program, a community prevention program and one focused on vulnerable populations. The latter has a specific focus on the use of the inexpensive but harmful drug “paco”

## 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 with Andean and Southern Cone nations; maximizing host nation drug enforcement capabilities; and fortifying bilateral cooperation with host nation law enforcement agencies.

**Bilateral Cooperation.** The cornerstone of the USG’s law enforcement support, with INL funding and Drug Enforcement Administration (DEA) expertise, 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 Eastern Border Task Force (EBTF), created in 2007, extended its focus in 2008 on the illicit drug smuggling activities in the tri-border area with Paraguay and Brazil. The Drug Enforcement Administration (DEA) works closely with Argentine federal and provincial law enforcement agencies, prosecutors and judges, and SEDRONAR, to improve coordination, cooperation, training and exchanges. DEA and the Embassy’s Legal Attaché office (LEGATT) are particularly focused on working with prosecutors and judges on improving and updating investigation and prosecution techniques vis-à-vis narcotics trafficking and other complex crimes.

DEA agents in the region develop intelligence that is shared among counternarcotics agencies and is key to the success of local law enforcement efforts. The decision by the Government of Bolivia to expel DEA agents from that country has already affected the ability of Argentine law enforcement agencies to develop and execute intelligence-driven operations.

U.S. Immigration and Customs Enforcement (ICE) provided advisory support for precursor shipment identification and investigative response. The Embassy’s Military Group helped organize training for the Gendarmeria Nacional, Prefectura Naval and other law enforcement agencies to strengthen the core capabilities of these forces to analyze information, conduct operations, provide first responder medical care, enforce maritime law, provide port physical security, and invest in professional development. The U.S. Coast Guard provided a Maritime Law Enforcement Curriculum Infusion course. Instructors conducted an intensive curriculum review and assisted in the establishment of a syllabus, and honed instructional skills to further advance GOA training programs.

**The Road Ahead.** The GOA continues a slow process of institutional reform of its legal system and serious weaknesses remain. The GOA is seeking to tighten control of precursor chemicals, improve coordination among law enforcement agencies, integrate databases to enable more thorough investigations, and pursue greater transparency and more efficient operations in the judicial system. The U.S. Embassy in Buenos Aires will continue to make bilateral law enforcement cooperation the foundation of its efforts, using the Northern Border Task Force (NBTF) and the Eastern Border Task Force (EBTF) as the centerpieces to augment GOA interdiction and enforcement capabilities. The USG encourages the GOA to continue its operations at border areas against smuggling of bulk-cash, ephedrine and other precursor chemicals. The GOA should strengthen Argentina's anti-money laundering efforts and address its lack of clear regulations and procedures for forfeiture of criminally-obtained goods and assets.

# 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 declined overall in the first six months of 2008 compared to the same period in 2007, reversing an increase from 2006 to 2007. 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 potential 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 provides advisory assistance to promote the use of European standards for drug prosecutions, collection of drug-related statistics, rehabilitation services to addicts, and drug-awareness education. Armenia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Sitting at the crossroads between Europe and Asia, Armenia has the potential to become a transit point for international drug trafficking. 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. 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 solely the province of the young. Police statistics show that over 60% of convicted traffickers are male Armenian citizens between the ages of 30 and 49. Of those registered for drug treatment, 91% are over 25 and 56% are over 35.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In June 2008 the Armenian government introduced legislative changes 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 has also enlisted SCAD support in developing a new National Drug Strategy for 2009 to 2014.

A USG-funded project to expand Armenia's own Border Management Information System (BMIS) to all border crossing points is near completion and will centralize immigration data, giving law enforcement agencies access to information relevant to drug interdiction efforts at Armenia's borders.

**Law Enforcement Efforts.** Police statistics for the first six months of 2008 show clear declines in total number of offenses, total number of traffickers, and total amount of drugs seized compared to the first six months of 2007 (451 to 383 offenses, 221 to 193 individuals, and 4,739 kg to 4,415 kg drugs seized, respectively). Amid this overall positive trend, however, there is a disturbing increase in opium abuse. For example, seizures of marijuana, cocaine and heroin fell by 75%, 99% and 100% respectively between these two periods, but the quantity of opium seized more than doubled. Also, the number of patients registered for treatment for addiction to opiates nearly doubled from 71 to 138, while the number treated for cannabis and synthetic drugs remained nearly unchanged. As noted before, 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—in the figures above, cocaine and heroin confiscations fell from “highs” of less than 200 grams each. Nevertheless, the drastic increase in opium poppy found and destroyed in Armenia this year suggests that the apparent rise in opium abuse is not merely a statistical aberration.

Measures to identify and eradicate both wild and illicitly cultivated cannabis and opium poppy continued in 2008. In August and September the Police Service, 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. The search netted over 80 tons of hemp and over one ton of poppy, marking a slight decrease in hemp but an eight-fold increase in poppy from 2007.

Beginning in mid September, Armenian law enforcement agencies 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 stopping the cross-border flow of illegal drugs and other contraband and disrupting the travel of criminals. During this exercise, the Armenian authorities scrutinized all vehicles and cargo crossing the border. All Armenian law enforcement agencies (Police, National Security Service, Customs, Border Guards, Police Internal Troops, Ministry of Defense, and the Prosecutor General’s Office) participated in this operation.

**Corruption.** Corruption in general 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 cracked 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 southwest-central 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 these crops. The best available estimates of crop size come from eradication efforts by law enforcement authorities. As noted previously, this year’s eradication campaign seized over 80 tons of hemp and over one ton of poppy. This figure represents a sharp percentage increase in opium poppy seized, though the total amount remained very small compared to major producing countries.

**Drug Flow/Transit.** There is very little transit of illegal drugs through Armenia to other countries, and there is no known transit through Armenia of drugs bound for the United States. 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. 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 are being implemented and manuals are being published under the framework of the SCAD program. The Drug Detoxification Center, part of the Armenian Narcological Clinic and funded by the Ministry of Health, provides short-term drug treatment, but so far the lack of longer-term treatment and counseling has limited the success of treatment efforts. As of 2008 the Narcological Clinic was prepared to begin offering methadone substitution treatment pending state registration of the procedures for prescription and supply.

#### **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 ongoing joint activities include the development of an independent forensic laboratory, the improvement of the law enforcement infrastructure and the establishment of a computer network enabling Armenian law enforcement offices to access common-use databases. In 2008, the Department of State continued to assist Armenian law enforcement with funding from the FREEDOM Support Act and 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.

# Australia

## I. Summary

Australia is a committed partner in international efforts to combat illicit drugs. Domestically, Australian government policies are designed to address fully both the law enforcement needs and the demand reduction sides of the problem. Australian law enforcement agencies work closely with U.S. counterparts in the U.S. and Australia, and have a robust and growing law enforcement liaison relationship in numerous overseas locations. Australia is a party to the 1988 UN Drug Convention.

## II. Status of Country

While Cannabis is still the most abused drug in Australia, the 2007 annual report of the United Nations International Narcotics Control Board reported for a second year that amphetamine type substances (ATS) are the second most widely used illegal substance in Australia. The report also lists ATS abuse in Australia as among the highest in the world. Marijuana, crystal methamphetamine, cocaine, and MDMA usage is widespread throughout Australia. Significant seizures of these drugs are of particular concern to Australian law enforcement officials. Australian officials have seized notable quantities of southeast Asian and Afghan heroin in 2008. In November 2007, the Australian Federal Police (AFP) reported that the drug harm index, their measurement of the estimated damage seized drugs may have caused society had they not been seized, had increased to A\$621 million (US\$391 million) in 2006/2007 from A\$165 million (US\$104 million) in 2005/2006.

Law enforcement agencies throughout Australia continue to seize significant quantities of precursor chemicals from China, India, and most recently, Thailand. In addition, officials continue to seize small, toxic, and sophisticated methamphetamine and MDMA clandestine laboratories throughout Australia although, the number of clandestine laboratories destroyed has decreased slightly in 2008.

MDMA remains popular in Australia. According to the Australian 2007 Ecstasy and Related Drugs Reporting System (EDRS) report, MDMA is easy to obtain and purity ranges from medium to fluctuating quality. Night clubs are the most common places of use and prices range from A\$30–A\$50 (US\$19 – US\$32) per pill. Substantial MDMA shipments originating from Europe and Asia continue to be seized in Australia.

Cocaine use is stable throughout Australia, and for the most part, is more prevalent in larger metropolitan areas. While cocaine remains expensive in Australia, it also remains readily available. Cocaine seizures are constant and the majority of seizures involve the postal system and couriers transporting small amounts, many of which continue to originate directly from source countries in South America. In 2008, Australian authorities seized hundred kilogram cocaine shipments from Canada, and in March of 2008, a 250 kilogram shipment from China.

The availability of heroin in Australia remains steady and although many prior users of heroin are reportedly using crystal methamphetamine, recent local reporting indicates an increase of heroin use in Australia's larger cities among users who inject drugs. Health officials in Sydney and Melbourne have reported an increase in heroin overdoses and law enforcement and local news reports indicate heroin trafficking and use is on the rise. Similar to cocaine, most heroin seizures involve small amounts being transported by courier and the postal system. However, law enforcement authorities have also made some significant heroin seizures, such as the two kilograms from New Delhi and 28 kilograms from Indonesia in March 2008.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The result of Australian Government initiatives in past years to address the increase of clandestine synthetic drug laboratories is reflected in a slight decrease in the number of laboratory seizures recently. Changes in legislation limited the availability of pseudoephedrine, a precursor chemical for methamphetamine. All products containing pseudoephedrine are now stored behind the pharmacy counters, and products with high concentrations of pseudoephedrine also require a doctor's prescription. In response to this legislation, many organized crime groups have undertaken large scale smuggling of ephedrine and pseudoephedrine products from locations throughout Asia, primarily China, India, and Thailand. Australian law enforcement officials have been successful in seizing record amounts of pseudoephedrine in 2008.

In June 2007 the Australian Crime Commission (ACC), in partnership with Health, State and Territory Drug Squads and Industry Associations, commenced the "National Awareness Raising Campaign for Chemical and Scientific Industries". The objective of the program is to educate industry about the diversion of chemicals and equipment into the illicit drug manufacture market, new and proposed legislation and regulations on controls over chemicals and equipment, and to encourage compliance with the industry code of practice. The program has served to foster closer working relations between industry State based chemical diversion programs and the ACC.

The ACC also commenced the National Clan-Lab Database. This program is designed to provide a user friendly, nationally consistent platform for recording seizure information from clandestine drug laboratories. The program operates from laptop computers at the crime scene, and allows officers to record all site information, exhibits, drug manufacture methods, and a great deal of additional real time information as the scene is processed. After processing, the seizure information is uploaded to the national database from each jurisdiction. The centralized collection of this information allows law enforcement from all jurisdictions to access the information and develop national statistical data for investigative and management purposes.

The AFP's International Deployment Group continues to support regional Asian governments to ensure stability and combat drug and crime organizations. In addition, the AFP has deployed additional resources to Afghanistan in support of drug enforcement and intelligence operations. The AFP's international network has grown slightly in 2008 to 87 officers at 34 posts in 28 countries worldwide. The AFP's international liaison network coordinates closely with DEA offices on matters of mutual interest.

**Law Enforcement Efforts.** Responsibility for counternarcotics efforts is divided among the Federal Government, primarily the AFP, the Australian Customs Service (ACS), the Australian Crime Commission (ACC), and the Therapeutic Goods Administration (TGA), in addition to state/territorial police services. Australia also has a large and growing international deployment of AFP overseas liaison officers focusing on transnational crime, including international drug trafficking. In 2008, Australian law enforcement officials have successfully targeted significant drug trafficking organizations impacting the country. Asian and European organized crime groups (particularly from the Netherlands, Belgium, Italy and Israel) are targeting Australia for large-scale shipments of MDMA tablets. In June 2008, subsequent to the seizure of approximately 4.4 tons of MDMA tablets the previous year in Melbourne, the AFP conducted enforcement operations and totally dismantled an international MDMA trafficking organization. The investigation revealed multiple criminal organizations with international links involved in this import, the largest MDMA shipment ever seized.

Asian organized crime groups continue to dominate the distribution and trafficking of methamphetamine and to a lesser extent, cocaine, MDMA, and heroin. Australian authorities continued to seize substantial quantities of these drugs. Local law enforcement reporting for the period of 2006-2007 indicates ATS seizures increased by approximately 25% and the number of arrests has increased by 28%. Total weight of cocaine seized by the ACS increased by approximately 600% and arrests increased by 75%. And finally, heroin border seizures are the highest recorded, with the total weight of heroin seized at the border up 79%. These trends are continuing in 2008. For example, in January 2008, authorities seized approximately 28 kilograms of methamphetamine originating from Lithuania. In March 2008, authorities seized 250 kilograms of cocaine transiting from China and approximately 22 kilograms of methamphetamine and 35 kilograms of MDMA in Perth. In June 2008, authorities seized 124 kilograms

of cocaine, 66 kilograms of methamphetamine, and 121 kilograms of MDMA, all originating from Canada. Asian organized crime groups are primarily responsible for these imports and will continue to influence and control the majority of drug trafficking activity and related crimes in Australia.

Since domestically produced marijuana is Australia's most abused illicit drug, authorities maintain a robust marijuana eradication program, primarily on the state level. Australia produces enough marijuana to satisfy domestic demand, and the majority of marijuana produced in Australia is distributed for local consumption. Use of hydroponic grow sites is the preferred method of the more advanced marijuana trafficking organizations. However, authorities continue to seize substantial numbers of marijuana plants from outdoor cultivation. In March 2008, the New South Wales Police Force seized approximately 11,000 marijuana plants from a single plot. Most outdoor cultivation site seizures consist of 70-100 plants spread over multiple sites in close proximity. There are limited instances of small amounts of Australian produced hydroponic marijuana being transported to Asian nations.

**Corruption.** Historically, corruption and misconduct are not issues at the federal level in Australia. Some misconduct does occur at the state level and is vigorously investigated by the appropriate authorities within Australia. All state level agencies have internal units dedicated to investigating alleged police corruption. In June 2008, an 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 for his involvement in attempting to import a quantity of pseudoephedrine into Australia. The arrest was widely reported by the local media, and he is one of the most senior law enforcement officials ever arrested and charged in Australia. His case is currently pending before the courts. The Government of Australia 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

**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 protocols against trafficking in persons and migrant smuggling, and the UN Corruption Convention. Australia also 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.

**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. With an annual average licit opium production of approximately 2.5 tons per hectare, 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 for the 2006/2007 growing season in which 13,000 hectares were under poppy cultivation.

**Drug Flow/Transit.** There has been no evidence regarding the use of Australia as a flow/transit point for illegal narcotics.

**Domestic Programs/Demand Reduction.** 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 Australia, including detoxification, therapeutic communities, residential facilities, outpatient treatment, day programs, and self-help groups. As part of the "Tough on Drug Strategy" launched in 1997, the Australian government has committed substantial resources to reducing the demand for illicit drugs throughout the country. This strategy, coupled with the activities of state/territorial agencies and non-governmental organizations, is aimed at reducing the demand for all types of drugs throughout the country. In 2001, the New South Wales government approved a heroin injection room in the Kings Cross area of Sydney. The Commonwealth of Australia government has opposed the operation of these injection rooms and is pursuing alternative harm reduction methods. To date, this safe injection room remains in operation.

#### **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 take a leadership position in the international fight against drug trafficking in its domestic, regional, and worldwide activities. The expanded International Deployment Group allows them to have greater participation in regional law and order activities and stabilization efforts. Strong bilateral relations between Australia and the U.S. on counternarcotics issues are confidently expected to continue.

# 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 strategies of illegal trade of narcotic substances in 2008, except for precursor substances, where since 2007 Austria has begun to serve as a depot country for interim storage. Foreign criminal groups from former Soviet-bloc countries, and Turkey, West Africa, and Central and South America, dominate the organized drug trafficking scene in the country. 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 more high-risk drugs. The number of drug users is currently estimated at around 35,000. The number of drug-related deaths has gone down recently (2007). Cooperation with U.S. authorities continued to be excellent during 2008. International cooperation led to significant seizures, frequently involving cooperation among multiple countries.

In 2008, Austria continued its efforts to intensify regional police cooperation, particularly with regard to the Balkans. Austria also continued its years-long focus on providing policing know-how to countries in Central Asia. Austria is the seat of the United Nations Office for Drugs and Crime (UNODC) and has been a major donor for several years. Austria has been a party to the 1971 and 1988 UN drug conventions since 1997.

## II. Status of Country

There was no significant increase in the number of drug users in Austria during the period, January-October 2008. Austria's National Drug Coordinator estimates the number of total drug abusers at around 35,000. The number of users of MDMA (Ecstasy) remained largely stable in 2008. Austria counted 175 drug-related deaths in 2007 and expects a similar, low figure for 2008—a downward trend compared to the previous three years. 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 increased marginally in 2007 and 2008. The latest prosecution statistics (for 2007) show 24,166 charges, a rise of 1.05 percent from the previous year's total. Of these charges 1,236 involved psychotropic substances and 22,929 involved narcotic drugs. One offense involved precursors. Ninety percent of the charges were misdemeanors. Amphetamines and derivatives ("Ecstasy" pills) are predominantly smuggled in from the Netherlands via Germany, whereby Austria increasingly serves also as a transit country for onward smuggling to Slovenia and Bosnia-Herzegovina. Usage of amphetamines rose 114 percent from 2007 to 2008, tracking a Europe-wide trend as these substances are increasingly available outside of urban areas.

According to a 2005 survey commissioned by the Health Ministry, approximately one-fifth of respondents admitted to consumption of an illegal substance at some time during their lives. Most respondents cited cannabis, with "Ecstasy" and amphetamines in second and third place respectively. Among young adults (ages 19-29), about 30 percent admitted "some experience" with cannabis at least once in their 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 2008

**Policy Initiatives.** Throughout 2008, the Austrian government retained its no tolerance policy regarding drug traffickers and its traditional "therapy before punishment" policy for non-dealing offenders. The government introduced legislation in 2007 for better data quality of drug users. According to critics, this would restrict

prescriptions and infringe on patient privacy rights through increased surveillance of medical narcotics users. Legislation is expected to be passed by the end of 2008. Certain types of surveillance of illegal drug behavior are already possible under a 2005 amendment allowing the set up of cameras in high-crime public areas. Critics argue that this only moves the drug scene to other areas. The 2005 law also provided for the establishment of a “protection zone” around schools and retirement centers from which police may ban suspected drug dealers for up to thirty days. Austrian authorities continue to demand stricter regulations on an EU-wide scale regarding internet trade of illegal substances. At the end of 2008, drug experts were debating a possible ban of the “fashion drug” commonly called “Spice.”

During its latest EU presidency (January-July 2006), Austria initiated the EU’s “Partnership for Security,” with over fifty countries and organizations, including the U.S. and Russia, as participants. It reflects Austria’s strong, year-long focus on the Balkans. One element of this strategy is the “Police Cooperation Convention for Southeastern Europe,” which Austria co-signed. In 2007, Austria sponsored a conference entitled “Drug Policing Balkans,” during which high-level officials, including Embassy Vienna’s DEA representative, discussed operational aspects with respect to drug smuggling along the Balkans route. Austria also participated in a pertinent follow-up meeting in Zadar, Croatia in 2008.

At the EU level, the GOA continues to push for a European Narcotics Institute (European Drug Academy) styled along the lines of the U.S.NIDA. Austria remains critical of the EU Drug Action Plan however, saying it contains no evaluation of harm reduction measures. Throughout 2008, Austria maintained its lead role within the Central Asian Border Security Initiative (CABSI) and the Vienna Initiative on Central Asia (VICA), and participated in conferences in Astana and Dushanbe. Vienna is the seat of the UN’s drug assistance agency, the United Nations Office for Drugs and Crime (UNODC). Austria contributed EUR 550,000 (\$709,000) to this organization in 2008. In past years, Austria has been working with the UNODC, the EU, and Iran to establish more effective border control checkpoints along the Afghan-Iranian border in order to prevent drug trafficking, particularly in opiates. Within the UNODC, Austria also participates in crop monitoring and alternative development plans in Peru, Bolivia, Columbia, and Honduras. At an ECOWAS anti-drug trafficking conference in Cape Verde in October, Austria pledged 300,000 Euros for drug interdiction in the ECOWAS region. 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.

**Law Enforcement Efforts.** Comprehensive seizure statistics for 2007 (the latest available figures) show a strong increase in seizures of heroin (up 240 percent), “Ecstasy” (up 114 percent), and Cocaine (up 26 percent), and a decrease in seizures for various types of cannabis, LSD, and other amphetamines. Experts stress that the degree of purity and concentration of “Ecstasy,” speed, and other illegal substances has become increasingly volatile, representing a growing risk factor. The labs use precursors, such as acetic anhydride and potassium permanganate, to produce illicit drugs. The 2007 drug report from the Interior Ministry states that Austria’s Precursor Monitoring Unit dealt with 206 cases in relation to precursors and clandestine drug laboratories—representing a noticeable increase of 31 percent—compared to 157 cases in 2006. In 2007, one illegal drug laboratory was raided in Austria, producing a relatively small seizure of synthetic methamphetamines. The estimated total street value of illicit drugs was higher in 2007 than during previous years. One gram of cannabis sold for EUR 10.00 (\$14); one gram of heroin for EUR 85.00 (\$120); and one gram of cocaine for EUR 80.00 (\$112). Amphetamines sold for EUR 25.00 (\$35) per gram and one LSD trip for EUR 35.00 (\$49).

**Corruption.** Austria has been a party to the OECD anti-bribery convention since 1999 and to the UN Corruption Convention since January 2006. The GOA’s public corruption laws recognize and punish the abuse of power by a public official. An amendment which went into effect January 1, 2008 substantially increased penalties for bribery and abuse of office offenses. As of fall 2008, there were no corruption cases pending involving bribery of foreign public officials. In September 2008, a Vienna appellate court upheld a guilty verdict from 2007 involving a senior Vienna police official for minor bribery charges, which were not drug related. As a matter of government policy, the GOA

does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Austria is a party to the 1988 UN Drug Convention, the 1961 Single Convention on Narcotic Drugs and its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Austria is a party to the UN Convention Against Transnational Organized Crime and its Protocol against Trafficking in Persons. An extradition treaty and mutual legal assistance treaty are in force between the U.S. and Austria. In addition, the two countries have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force.

**Cultivation.** Production of illicit drugs in Austria continued to be marginal in 2008. 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 2008.

**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 Caucasian 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 relatively liberal drug legislation and in court decisions. The government remains committed to measures to prevent the social marginalization of drug addicts. Federal guidelines ensure minimum quality standards for drug treatment facilities. 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 2008. Austria currently has approximately 10,000 people in rehabilitation programs. The government remains skeptical regarding heroin substitution programs however, arguing that there are better solutions.

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

**Bilateral Cooperation.** Cooperation between Austrian and U.S. authorities continued to be excellent in 2008. Several bilateral efforts exemplified this cooperation, including DEA support of Austria's Drug Policing Balkans initiative. Austrian Interior Ministry officials continued to consult the FBI, DEA, and DHS on how to update criminal investigation structures.

The U.S. worked with Austria's Federal Crime Office (BKA) and its regional chapters on a multilateral investigation involving a Colombian violator in Vienna linked to a Colombian trafficking organization, who was trafficking cocaine

from South America into Europe. Similarly, Airport Police at Austria's Schwechat airport worked jointly with DEA Vienna on the arrest of two couriers from New York charged with importing approximately 5 kilograms of cocaine into Austria. The cooperative investigation led to the identification of the responsible organization. Also, leads passed from the Bangkok DEA office to Airport Police at Schwechat airport proved valuable with respect to drug seizures, arrests and intelligence sharing between agencies. Austrian national and regional crime fighting agencies facilitated interviews by U.S. prosecutors and DEA agents of defendants incarcerated in Austria on a huge cocaine importation case from 2005. The interviews were important for the larger, overall prosecution of the main, global criminal organization. DEA continued to work together with the BKA in support of important annual BKA/Croatia Balkan Drug Conference in Zadar, Croatia, which was held in September 2008. 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 create 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. The U.S. priority will remain the promotion of a better understanding of U.S. drug policy among Austrian officials.

# Azerbaijan

## I. Summary

Azerbaijan is located along a drug transit route running from Afghanistan and Central Asia to Western Europe, and from Iran to Russia and Western Europe. Domestic consumption and cultivation of narcotics as well as seizures have increased since 2007-2008. 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 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 Western Europe and to Russia. 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, such as heroin, while illicit medicines, hemp, Ecstasy, hashish, cocaine and LSD make up the rest. Domestic consumption continues to grow, with the official GOAJ estimate of drug addicts reaching 21,000 persons. Unofficial figures are estimated at approximately 200,000, the majority of which are heroin addicts. Students are thought to be a large share of total drug abusers at 30-35 percent. The majority of heroin users are concentrated in the region of Absheron, which includes the capital of 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 2008

**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 GUAM (Georgia-Ukraine-Azerbaijan-Moldova) from July 2007-July 2008 and has 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. During meetings on April 29 and June 30, ministers from the GUAM member states reaffirmed their joint commitment to these efforts. However, the extent to which their information is shared through the VLEC appears to be limited. Azerbaijan is also a party to the European Commission-funded South Caucasus Anti-Drug Program, which aims to reduce supply and demand by improving governments' capacity to address these problems. Phase five of the program, which runs from 2007-2009, aims to promote drug policies and legislation that are in harmony with EU standards, refurbish a rehabilitation and treatment center for the Ministry of Justice, sponsor an awareness campaign and training courses, gather information about drug addicts in the penitentiary system, and improve coordination between EU and Azerbaijani law enforcement agencies.

**Law Enforcement Efforts.** During the first 10 months of 2008, Azerbaijani law enforcement agencies confiscated nearly one and a half tons of narcotics. Of this, the bulk was seized while being smuggled across the border with Iran. MIA statistics indicate that 95.3 percent of drug related crimes were solved. The MIA reported that 862 of 4,638 crimes in Azerbaijan were related to the illegal trade in narcotics. During the reporting period, there was an 11.9 percent increase in crimes related to the illegal trafficking of narcotics and a 27.2 percent increase in crimes related to

the sale of narcotics. Of the 1,186 people who were arrested for drug-related crimes in Azerbaijan, 1,096 were described as able bodied, unemployed people who were not in school, 293 had a previous criminal record, 27 were women and 2 were underage children. On August 5, the Ministry of National Security seized 8 kg of heroin and 86 kg of hashish that were smuggled by a group of Azerbaijanis and Iranians 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. The majority of drugs enter Azerbaijan via land routes from Iran, though 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 DOJ-sponsored training courses on investigating money laundering and terrorist-financing. These broad-based skills may aid in the prosecution of drug-related cases and limit the scope of corruption. On October 14, several police officers from a Baku anti-drug 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 protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms.

**Cultivation and Production.** Azerbaijan's problem with narcotics largely stems from its role as a transit state, rather than as a significant drug cultivation site. Cannabis and poppy are cultivated illegally, mostly in southern Azerbaijan, but only to a modest extent. Law enforcement agencies destroy large quantities of drugs from cultivation sites and wild bushes each year.

**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 Nagorno-Karabakh. 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. Azerbaijan is now in the third phase of its border guard development program, which has resulted in the creation of 50 new border guard outposts and coast guard bases and a canine training center. Additionally, the Government of Azerbaijan is currently in the process of ratifying a new customs code which has not been modernized since Soviet times. On April 4, 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. A subsequent joint operation resulted in the arrest of 11 suspects and 140 kg of hashish. On September 17, customs officials from 37 nations gathered in Baku for a two day conference on methods for combating the transit of drugs from Afghanistan to Europe.

**Domestic Programs/ and Demand Reduction.** In 2008, the GOAJ continued to post anti-narcotics public service announcements about the dangers of drug usage. The advertisements were aimed at a younger audience and were displayed in kiosks and on billboards in downtown Baku. Under phase five of the South Caucasus Anti-Drug Program, new media guidelines are being established for reporting on drug-related issues.

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

**Bilateral Cooperation.** In 2008, the U.S. Export Control and Related Border Security (EXBS) office continued to assist the Azerbaijan State Border Service (SBS) and the State Customs Committee (SCC). EXBS training and assistance efforts, while aimed at the nonproliferation of weapons of mass destruction and their delivery systems, directly 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. Some of these courses taught new inspection methods and border control tactics for ports of entry, including air terminals, sea ports and green border zones. Others improved the Border Guard's control of Azerbaijan's southern border, as well as the ability of SCC officers to detect contraband. The U.S. donation of search tools and related equipment, such as all terrain vehicles, watchtower construction materials and x-ray analyzers, improved the Customs Contraband Teams' detection capabilities and significantly enhanced the Border Guards' ability to hamper illegal penetrations of Azerbaijan's southern border. A 2006 U.S. Customs and Border Protection assessment of Border Guard operations on the Iranian border prioritized the direction of U.S. assistance. The EXBS office recently began negotiations for U.S. technical assistance for a National Targeting Center being constructed as SCC HQ in Baku. During 2006, DTRA and 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. The Bureau for International Narcotics and Law Enforcement Affairs (INL) sponsored several basic and mid-level management courses for Azerbaijani law enforcement. One boat operator at the base attended a U.S. Coast Guard Boatswain's Mate training course in 2008, as well as a Boarding Officer course. In March of 2008, the Department of Justice International Criminal Investigative Training Assistance Program (DOJ/ICITAP) provided a two-week advanced gas chromatography narcotics detection course which was funded by INL. This capacity has already been put into use by the Minister of Internal Affairs, the Ministry of Justice and the Ministry of Health. A Customs Mutual Assistance Agreement is now in place.

**The Road Ahead.** The U.S. and GOAJ will continue to expand their efforts to conduct law enforcement assistance programs in Azerbaijan. While our assistance programs in most of Azerbaijan are robust, we have only a small window into what is happening in the Azerbaijani exclave of Nakhchivan or into activities in Nagorno Karabakh and the occupied territories. The increase in government revenues from the opening of the Baku-Tbilisi-Ceyhan oil pipeline has resulted in a significant inflow of cash into a developing economy with a high number of unemployed and underemployed young people. Unfortunately, Azerbaijan's increasing wealth might well lead to increasing drug consumption under these circumstances. As drug trafficking and corresponding countermeasures have increased, so to have incidents of violence between smugglers and security personnel. Several incidents are illustrative of the growing sophistication and danger of these confrontations. On June 3, one trafficker was killed and four were wounded during a shootout with border guards near the border with Iran. The gang of drug runners had two sets of U.S.-made night vision devices and automatic rifles. Similar deadly clashes occurred on other occasions during 2008. There are signs that a larger proportion of the Ministry of Internal Affairs budget is going into counternarcotics operations and seizures.

# Bahamas

## I. Summary

The Bahamas, a 700-mile-long archipelago off the eastern coast of the U.S., 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 USG, 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. In 2008, the GCOB increased funding to strengthen its interdiction capabilities in vulnerable regions of the country. 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. Its 700 islands and cays spread over an area the size of California astride maritime and aerial routes between South American drug producing countries and the United States make detection difficult. Although 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 2008, 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 2008

**Policy Initiatives.** The GCOB's plans to upgrade the Royal Bahamian Defense Force (RBDF) base on Great Inagua suffered a set-back when Hurricane Ike struck the island in September 2008. The U.S. Coast Guard (USCG), Drug Enforcement Administration (DEA), and the Department of State are working closely with the GCOB to return the base to full operating status. Immediately following the storm, the USCG helicopters that had been operating out of Great Inagua were moved to Providenciales, Turks and Caicos. Plans are under discussion to temporarily relocate the USCG's helicopters to Guantanamo Bay, Cuba due to logistical considerations.

Also in 2008, the GCOB began to enforce a ban on Haitian sailing vessels in Bahamian waters. In addition to posing serious safety concerns, these so called "wooden hulled sloops" were a convenient method of transporting narcotics to the Bahamas. The GCOB and the Government of Haiti continued negotiations concerning the placement of Haitian National Police officers on Great Inagua Island to improve the collection of intelligence from Haitian vessels passing through Bahamian territorial waters.

**Accomplishments.** In 2008, the RBPF's Drug Enforcement Unit (DEU) cooperated closely with U.S. and foreign law enforcement agencies on drug investigations. Including OPBAT seizures, Bahamian authorities seized 1,878 kilograms (kg) of cocaine and approximately 12 metric tons (MT) of marijuana. The DEU arrested 1,030 persons on drug-related offenses and seized \$3.9 million in cash.

**Law Enforcement Efforts.** The DEU and Bahamian Customs in conjunction with DEA, continued a program in Great Inagua to enforce GCOB requirements that vessels entering Bahamian territorial waters report to Bahamian Customs. During 2008, the RBDF assigned three ship-riders each month to USCG cutters. The ship-riders extended the law enforcement capability of the USCG into the territorial waters of The Bahamas. During the year, OPBAT assets intercepted 21 vessels engaged in smuggling. 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 operated out of bases on New Providence, Grand Bahama, and Great Inagua. RBDF assets include 4 Nortec interceptor “fast boats” donated under SOUTHCOM’s Enduring Friendship program. The RBPF operated 11 small, short range vessels based in New Providence, Grand Bahama, Bimini, Andros, and other small islands and cays. 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 2008. 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 and on January 10, 2008, GCOB acceded to the UN Convention against Corruption. On September 28, 2008, the Bahamas became party to 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 45 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 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, but much of the marijuana seized in 2008 was in plant form grown by Jamaican nationals on the remote islands and cays of the Bahamas. OPBAT and the RBPF cooperated in identifying, seizing and destroying 12 MT of marijuana in 2008.

**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 5 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 between 2 to 6 MT of marijuana from Jamaica to The Bahamas. These shipments are then moved to Florida in the same manner as cocaine. During 2008, law enforcement officials identified 25 suspicious go-fast type boats on Bahamian waters.

DEA/OPBAT estimates that there are a 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. Intelligence acquired by the GCOB suggests large cocaine shipments to the Turks and Caicos Islands and The Bahamas from Venezuela and Colombia took place during the year. However, only one of these shipments was successfully interdicted in 2008. Illegal drugs have also been found in cargo containers transiting the port container facility in Freeport.

**Domestic Programs/Demand Reduction.** The quasi-governmental National Drug Council 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. The focus of the prevention/education program in 2008 was on schools and youth organizations, especially those located outside of New Providence Island.

### **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, to dismantle drug trafficking organizations, and to 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 2008, 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; provided computer equipment to the National Drug Council; supported the expansion of treatment facilities at the Bahamas Association for Social Health; and funded a survey of drug use among individuals admitted into hospital emergency rooms. The Department of Defense provided four 43-foot interceptor boats, communications equipment, and training to the RBDF under Southern Command's Enduring Friendship program. 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.

**The Road Ahead.** We welcome the Bahamian Government's strong commitment to joint counternarcotics efforts and to extradite drug traffickers to the U.S. Unfortunately, momentum in 2008 was hampered by an understaffed and underfunded GCOB Drug Secretariat and devastation by Hurricane Ike, especially in Great Inagua. Standing up, staffing, and fully funding the National Drug Secretariat will greatly assist the GCOB's efforts to implement its 2004 National Anti-Drug Plan. The GCOB can further enhance its drug control efforts by integrating Creole speakers into the DEU and by working with Haitian National Police officers to be stationed in Great Inagua to develop information on Haitian drug traffickers transiting the Bahamas. The USG encourages the GCOB to continue to further integrate the RBDF into OPBAT operations by encouraging them to base intercept boats acquired under Enduring Friendship in Freeport and Great Inagua. This will provide OPBAT with maritime interdiction capabilities in the northern and southern Bahamas.

# Bangladesh

## I. Summary

There was no evidence that Bangladesh was a significant cultivator or producer of narcotics, but Government of Bangladesh (GOB) officials charged with controlling and preventing illegal substance trafficking lacked training, equipment, continuity of leadership, and other resources to detect and interdict the flow of drugs. Corruption at all levels of government hampers the country's drug interdiction efforts. Law-enforcement officials initially said an anti-graft campaign launched by the Caretaker Government had made efforts to prosecute politically connected drug dealers easier. The anti-graft push, however, slowed toward the end of 2008 as courts released scores of corruption suspects on bail and stayed many cases. Bangladesh is a party to the 1988 UN Drug Convention.

## II. Status of Country

The country's porous borders made the illegal flow of narcotics from neighboring countries easy and made Bangladesh an attractive transfer point for drugs transiting the region. Assessments conducted by several U.S. agencies in 2008 found 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 did not have an estimate for the number of drug addicts in the country. The number of drug users had been estimated unofficially at between 100,000 and 1.7 million, with 20,000-25,000 injecting drug users and 45,000 heroin smokers, indicating by the wide range of the estimate the lack of any real knowledge of the extent of drug abuse. Other drugs used in Bangladesh were methamphetamines, marijuana, and the codeine-based cough syrup phensidyl. After years of unwillingness to recognize narcotics issues, the country's law enforcement bodies took a stance against drugs in 2006, largely due to two factors: high-profile cases of heroin smuggling to the United Kingdom in 2005 and growing methamphetamine (locally, East Asian "yaba" tablets which consist of caffeine and methamphetamine ) use among the young elite.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Efforts to create a coordinated government response to counter narcotics abuse appeared to founder in 2008. Although government officials said in 2007 a new interagency monitoring group had been created, the Home Affairs Ministry said in October 2008 no such agency existed.

**Law Enforcement Efforts.** Law enforcement units engaged in operations to counter narcotics 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 a paltry 184 million taka (about \$2.6 million), only slightly more than the actual expenditure for the previous fiscal year. Its work force of about 900 people also was 375 positions short of the number of positions approved by the government. There was no DNC presence at the international airports in Chittagong and Sylhet and only two at Dhaka airport, and DNC officers throughout the country were not authorized to carry weapons. Although RAB had become perhaps the highest-profile anti-narcotics force in the country, it did not have a special counter-narcotics 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 DNC keeps tabs primarily on seizures by its own officers. Drugs seized by the department from January through September 2008 (latest statistics) are as follows: 23.8 kg of heroin (compared to 16.3

kg in all of 2006 and 20.9 kg in 2007); 1,824 kg of marijuana (compared to 1,345 kg in 2006 and 1,768 kg in 2007); more than 41,000 bottles of phensidyl, a codeine-based, highly addictive cough syrup produced in India; 226 ampoules of pethedine, an injectable opiate with medical application as an anesthetic; and 4,858 tablets of yaba. Meanwhile, RAB reported its seizures of phensidyl were way up in 2008, while seizures of yaba were way down. RAB said in the first 10 months of 2008 it seized 299,746 bottles of phensidyl (up from more than 80,000 for the same period in 2007); 15,104 tablets of yaba (down from nearly 133,000 tablets a year earlier, almost all of which came in one Dhaka raid); and 32 kilograms of heroin (19.8 kilograms a year earlier).

**Corruption.** The Caretaker Government that came to power in January 2007 made fighting the country's endemic corruption a top priority. As of September 2008, 97 people were convicted out of 512 graft cases. Between July 14 and September 8, judges granted bail to 158 suspects and stayed 88 cases. Many feared the fight against graft was losing steam as the Caretaker Government prepared for the end of its tenure in late 2008. 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. The GOB and USG signed a Letter of Agreement on Law Enforcement and Narcotics Control (LOA) in September 2002 under which the U.S. provides equipment and technical assistance to the DNC and its central chemical laboratory. The LOA also provided for training, via the U.S. Department of Justice, to law enforcement personnel involved in counter-narcotics activities.

**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, claiming 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 2008.

**Drug Flow/Transit.** There were few media reports of major narcotics seizures in the first 10 months of 2008. Local media reported a huge seizure of heroin and other narcotics at Zia International Airport in Dhaka in April, but Government officials later confirmed that testing found the seized materials were not illegal substances. Subsequent news articles identified the seized goods as legal food supplements. 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.

Several recent U.S. government assessments found great 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 the main concern of customs officers at Zia International Airport in Dhaka appeared to be a desire not to inconvenience passengers. 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. 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. That appeared to confirm a trend of dwindling numbers of patients, which totaled nearly 5,000 for all of 2007, about 6,000 in 2006 and more than 9,000 in 2005. A drug addicts' rehabilitation organization, APON, operates five long-term residential rehabilitation centers, including the first center in Bangladesh for the rehabilitation of female addicts (opened in 2005). 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 counter-narcotics efforts. The U.S. Government provided 2,100 drug identification kits to several enforcement agencies, including the Department of Narcotics Control, the Bangladesh Criminal Investigation Department of Police and the Rapid Action Battalion. The kits allowed law enforcement personnel in the field to quickly test substances for methamphetamine, Ecstasy, marijuana and opiates. The U.S. Embassy in Dhaka also provided a grant of \$52,000 to APON for a new rehabilitation center for female drug addicts. The U.S. Coast Guard provided residential training to Bangladesh's officers in the areas of International Crisis, Command and Control, as well as residential training in Seaport Security and Anti-Terrorism.

**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 counter-narcotics efforts. New Delhi-based Drug Enforcement Administration officials visited Dhaka in August 2008 to liaise with Bangladeshi law enforcement agencies about future counter-narcotics cooperation.

# Belarus

## I. Summary

Belarus remains a transit route for illicit drugs and drug precursors. Reports of drug use and drug-related crime in Belarus increased in 2008, although there is no evidence of large-scale drug production in the country. A December 2007 law strengthened Belarusian laws against drug production and distribution, and in 2008 a National Action Plan was formulated to coordinate government and NGO anti-drug efforts. In addition, legal steps have been taken to facilitate UN technical assistance programs. Some significant drug seizures were made during 2008, but the quantities involved may only hint at the true scale of trafficking. Law enforcement suffers from a lack of coordination as well as inadequate funding and equipment shortfalls. The estimated number of drug users in Belarus remains unchanged from 2007, although the number of registered addicts increased. Some non-governmental organizations concerned with narcotics treatment and mitigation which were denied registration in previous years have been permitted to resume operation; 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 endemically corrupt law enforcement system, Belarus is an attractive transit route for illicit drugs. Belarus' customs union with Russia and the resultant lack of border controls between those two countries make drug transit easier. This problem may be exacerbated if members of the Eurasian Economic Community (Belarus, Russia, Kazakhstan, Kyrgyzstan Republic and Tajikistan) create a customs union by 2010, as proposed. There is no evidence of large-scale drug production in, or export from Belarus, although synthetic and plant-based narcotics production seems to be growing. Indications are that although plant narcotics dominate the illicit drug market (approximately 80-85% plant-based to 15-20% synthetic) the ratio appears to be shifting toward synthetic drugs. Most synthetic drugs found in Belarus are produced in Poland, with a lesser amount produced in the Baltic states. 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. 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, if the country is to reach full compliance with the 1988 UN Drug Convention.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2008, the Interior Ministry and other governmental agencies jointly drafted a 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 counter-drug 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. In December 2007 Belarusian President Aleksandr Lukashenko signed a bill which listed "particularly dangerous narcotics and psychotropic substances" and toughened criminal penalties for distribution of these substances in public recreation areas, educational facilities and penal facilities. This same law instituted criminal liability for the planting and cultivation of narcotic plants for purposes either of sale or production of drugs and psychotropic substances, as well as the illicit trafficking in precursors, regardless of production or intent to produce drugs or psychotropic substances. Also in December 2007, Belarus Trade Ministry issued a resolution to prohibit the retail trade in poppy seeds at grocery markets, and the Council of Ministers signed a resolution to prohibit mailings of anonymous packages to prisons and other correctional facilities.

**Law Enforcement Efforts.** Media reports reflect more instances of local drug use and drug-related crimes in Belarus in 2008 than in 2007. Belarusian law enforcement authorities attribute this increase to improved detection and state that the actual underlying crime rate is no higher than a year ago. Police discovered a methamphetamine lab in Grodno in May 2008, and a pseudoephedrine lab in Minsk in October 2008. Later in October, in a separate Minsk operation, police seized 113 kilograms of pseudoephedrine—the largest seizure of an amphetamine-type stimulant (ATS) precursor in the history of the country. Between January 1 and November 1, 2008, authorities seized approximately 126.5 kg of psychotropic substances and 574 kg of other drugs. Drugs seized (in kg) are as follows: Poppy Straw (410.4); Marijuana (136.2); Raw Opium (0.561); Heroin (0.387); Amphetamine (2.8); Methamphetamine (3.6); Ecstasy (MDMA) (1.98) Acetylated Opium (2.9); Hashish (18.7); Cocaine (0.26); Semi-processed opium (19.5) Methadone (2). Morphine (0.12) Pseudoephedrine (113). In the first six months of 2008, 1,183 people were convicted for drug related crimes in Belarus. During the same period police discovered 2,413 illegal plantations, and destroyed 52 tons of poppy straw from a total planting area which exceeded 266 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.

According to official statistics, 3,449 drug-related crimes were recorded in the first ten months of 2008. These comprised of: thefts of narcotics substances—35, instances of illicit trafficking in controlled substances—3,307, cultivation of narcotic plants—13, street drug sales—24, and the organizing of illicit drug consumption rooms—70.

In September and November 2008, more than 2,170 officers of Belarus' Interior Ministry, Customs Committee, KGB and Border Guard Committee actively participated in CANAL-2008, a joint operation with Belarus' neighbors aimed at prevention and interdiction of illicit drug deliveries from Afghanistan. During this operation, 214 drug-related crimes were recorded, criminal charges were brought against 185 persons, and 145 kilograms of narcotics were seized. The State Border Troops' Committee conceded that official seizure figures do not reflect the true scale of the problem.

**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 and General Prosecutor's Office were arrested and charged for corruption in 2008, but none of the charges were drug-related. The perception that corruption remains a serious problem among border and customs officials and makes interdiction of narcotics difficult was supported by Lukashenko's March 2008 remark that corruption is “a cancerous tumor” in the State Customs Committee.

**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 and its protocols against migrant smuggling, trafficking in persons and manufacturing and trafficking in illegal firearms. Belarus is a member of the Collective Security Treaty Organization (CSTO) with Armenia, Kazakhstan, Kyrgyzstan, Tajikistan and Russia and conducts joint counter-narcotics operations with those countries. Before the end of 2008, Russia and Belarus plan to complete a unified list of 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.

**Cultivation/Production.** Some cultivation and 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. There is no indication that these numbers have 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.

**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 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, and border guards often lack the training and equipment to conduct effective searches.

**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 threefold since 1995, to 6,907 registered drug abusers (as of May 1, 2008), but acknowledged that the actual number of users was much higher. Maksimchuk's 2007 estimate of 60,000 actual drug abusers remained unchanged for 2008. In 2007 the youngest registered addict was 16 years old; in 2008 children as young as ten years of age made the list. 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, or in prison. On the whole, treatment emphasizes detoxification over stabilization and rehabilitation.

As of June 2008, the Ministries of Health and Interior announced that they were reviewing 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 made. The methadone substitution clinic opened by the Ministry of Health in Gomel in September 2007 was the first and is still the only such clinic in operation. A second clinic in Minsk was planned, but so far has not been built or even funded. The Gomel clinic reportedly served 7 people in 2007, and planned to expand to 15 this year; however, no legislation calling for the expansion of this or any other rehabilitation programs has been passed.

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, but they remain available only to registered drug 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 often avoid seeking treatment, fearing adverse consequences at work, school, and in society if their addiction becomes known.

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

**Bilateral Cooperation.** The USG has not provided counter-narcotics 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 drawdown of the official American presence in Belarus from 35 to 5 persons and began denying visit visas to law enforcement personnel. The 2005 imposition of restrictions of technical assistance and taxation of humanitarian aid by the Government of Belarus pose other hurdles to assistance. Although the USG hopes for improvement in the bilateral relationship, present conditions do not permit close cooperation.

**The Road Ahead.** The USG will continue to encourage Belarusian authorities to enforce their counter-narcotics laws, render working-level assistance when appropriate, and monitor the progress of existing assistance programs.

# Belgium

## I. Summary

With a major world port at Antwerp, an airport with connections throughout Africa, and with its proximity to major consumers in the UK 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 in cargo freight or from couriers using air transportation. The number of couriers arriving in Belgium by plane from West Africa and Central America has increased in the past couple of years. Colombian drug cartels are stockpiling cocaine in Africa and using established African operations to move drugs to Europe. Continuing a recent trend, usage and trafficking of cocaine in Belgium continued to increase in 2008.

Heroin seizures have risen the past several years. Belgian Federal Police interdict heroin transiting through Belgium en route to the Netherlands and the U.K. It is estimated Belgium consumes around 4 tons of heroin, which is mostly traceable to drug tourism from neighboring countries. To date (October 2008) Belgian authorities have seized 52.41 kg of heroin. Officials say it is difficult to have an impact on the heroin trade because of the difficulty in penetrating the Turkish trafficking groups behind it.

Belgian authorities take a proactive approach in interdicting drug shipments and cooperate with the U.S. and other foreign countries to help uncover distribution rings. However, at times fighting the drug trafficking problem in Belgium is difficult due to the large ethnic population centers, language, and cultural differences and the cross border nature of the trafficking trend. Despite this, Belgian authorities continue to combat the production and trafficking of illicit drugs within their borders, through bilateral cooperation with neighboring countries and by incorporating methods like canine checks and aerial surveillance.

Belgium has also become yet another transshipment point for ephedrine, used as a chemical precursor to methamphetamine, destined for the United States via Mexico. In instances where there is suspicion of ephedrine diversion for methamphetamine manufacturing purposes, Belgians cooperate by executing controlled deliveries to the destinations. This evidence of increased ephedrine shipping is seen throughout Europe due to stricter methamphetamine laws in the U.S.

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

## II. Status of Country

Belgium produces small amounts of amphetamine type stimulants and Ecstasy as well as cannabis and hashish. Seizures of amphetamine type stimulants and Ecstasy have dropped compared to previous years, suggesting a decrease in production.

Belgium remains a key transit point for illicit drugs, mainly cocaine and heroin, bound for The Netherlands, the United Kingdom and other points in Western Europe. The majority of large cocaine shipments are bound for the Netherlands, where Colombian groups continue to dominate drug trafficking. In the past, Israeli groups controlled most of the Ecstasy distribution and shipping to the United States, but these organized crime groups have been disrupted by enforcement measures and their influence has diminished.

Turkish groups control most of the heroin trafficked in Belgium. This heroin is principally shipped through Belgium and the Netherlands to the United Kingdom. Authorities find it difficult to penetrate Turkish trafficking groups

responsible for heroin shipping and trafficking because of the language barrier and Turkish criminal groups' reluctance to work with non-Turkish ethnicities.

Hashish and cannabis remain the most widely distributed and used illicit drugs in Belgium. Although the bulk of the cannabis consumed in Belgium is produced in Morocco, domestic cultivation continues to increase. Belgian authorities seized 1,042 kg of hashish to date in 2008.

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

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** The National Security Plan for 2004-2007 had ambitious goals to combat drug trafficking in Belgium but due to the previous collapse of the government, the plan was never enacted. No new plans have been drafted or published.

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

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

The Federal Prosecutor's Office, established in 2002, works to centralize and facilitate mutual legal assistance requests on drug trafficking investigations and prosecutions.

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

In the past year (2008), Belgian authorities have discovered three synthetic drug laboratories: 1 tableting unit, 1 Ecstasy lab, and 1 amphetamine lab. Belgian authorities have also seized 55 kg of phenacetine, 6.7 liters of GHB, 4146 kg of khat, 0.6 kg of opium, and 134,157 Ecstasy tablets.

**Corruption.** Legal measures exist to combat and punish corruption. No serious cases of organized corruption related to drugs have been uncovered in Belgium. Money laundering has been illegal in Belgium since 1993, and the country's Financial Intelligence Unit (FIU) (CTIF-CFI) is continually active in efforts to investigate money laundering. No senior official of the Belgian government engages in, encourages or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Belgium is party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Belgium also is a party to the UN Convention against Corruption, the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and illegal manufacturing and trafficking of firearms. The United States and Belgium have an extradition treaty and a Mutual Legal Assistance treaty (MLAT), and Belgium is in the process of ratifying the new U.S. – E.U. MLAT and Extradition Agreements. In addition, the two countries have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The U.S. Senate has approved them, but they are still pending Belgian parliamentary and EU approval. Under a bilateral agreement with the United States as part of the U.S. Container Security Initiative (CSI), U.S. Customs officials are stationed at the Port of Antwerp to serve as observers and advisors to Belgian Customs inspectors on U.S.-bound sea freight shipments. Belgium also has an MOU with the USG to carry U.S. Coast Guard Law Enforcement Detachments (LEDET) on Belgium Navy vessels in the Caribbean Sea.

**Cultivation/Production.** Belgium's role as a transit point for major drug shipments, particularly heroin and cocaine, is more significant than its own production of illegal drugs. Cultivation of marijuana increasingly involves elaborate, large-scale operations in Belgium. Belgian authorities seized 530 kg of marijuana this year (2008). The production of amphetamines does not appear to have abated. Dutch traffickers are involved in Belgium's production of Amphetamine-Type Stimulants (ATS). As Dutch law enforcement pressures mount on producers of Ecstasy and other ATS in the Netherlands, some Dutch producers either look to Belgian producers to meet their supply needs or to establish their own facilities in Belgium. Belgian authorities seized 179 kg of amphetamines as of October 2008.

**Drug Flow/Transit.** Belgium is an important transit point for illegal drug trafficking in Europe. It has been estimated that about 25 percent of drugs from South America moving through Europe eventually transit Belgium, especially cocaine. These drugs are ultimately shipped to the United Kingdom, the Netherlands, and other points in Western Europe. The port of Antwerp continues to be one of the preferred destinations for cocaine imported to Europe. The flow of cocaine to Belgium is controlled by Colombian organizations with operatives residing in Africa and in Belgium itself and neighboring countries. A few corrupt Antwerp port employees have been prosecuted for involvement 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 from Africa, using both baggage and human couriers or “mules”. Most of the cocaine originates in South America and transits through either West Africa or other countries in South America. The majority of the couriers were of African descent. The other predominant cocaine trafficking groups in Belgium are Colombian, Surinamese, Chilean, Ecuadorian, and Israeli. The Port of Antwerp is also an important transit point for cannabis and hashish. 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 four years and intelligence reporting indicate that Belgium has also become a secondary distribution and packaging center for heroin coming along the Balkan Route. Seized heroin has reached 52.41 kg this year. Turkish groups dominate the trafficking of heroin in Belgium. The Belgian Federal Police have identified trucks from Turkey (TIR Trucks) as the single largest transportation mechanism for westbound heroin entering Belgium.

**Domestic Programs/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 directs its programs at individuals who influence young people versus young people themselves. In general, Belgian society views teachers, coaches, clergy, and other adults as better

suited to deliver the counter narcotics message to the target audience because they already are known and respected by young people.

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

**Bilateral Cooperation.** The United States and Belgium regularly share drug-related information. Counter narcotics officials in the Belgian Federal Police, Federal Prosecutor's Office, and Ministry of Justice are fully engaged with their U.S. counterparts. With the rise in the trafficking of ephedrine in Belgium, the U.S. plans to focus on identifying and prosecuting both suppliers and shippers of illegal ephedrine before the drug reaches the U.S. The United States recently trained and certified several Belgian Federal Officers in clandestine ATS laboratory search and seizure methods.

**The Road Ahead.** Belgium has always been open to international support to combat illicit drug trafficking and production. The United States looks forward to continued cooperation and support from Belgium in drug-related crime. With the recent rise in cocaine trafficking across Europe and the establishment of Colombian organizations controlling this trend, there will be increased levels of bilateral investigative activity.

# Belize

## I. Summary

Belize is a transit point for narcotics destined for the United States. The Government of Belize (GOB) collaborated with the United States on joint counter narcotics operations and investigations in 2008 and on the apprehension and return of U.S. fugitives wanted in the United States. Belize is party to the 1988 UN Drug Convention.

## II. Status of Country

Belize's shared borders with Guatemala and Mexico, miles of unpopulated jungles, navigable inland waterways, and unprotected coastline with hundreds of small islands make it vulnerable to trans-shipment of illicit drugs between Colombia and Mexico and the U.S. Authorities' ability to counter the threat is hampered by limited infrastructure and corruption. Ineffective anti-money laundering legislation and weak enforcement of laws regulating offshore financial interests contributed to an increase in money laundering incidents. To date there have been no arrests and/or prosecutions in Belize for any money laundering offenses.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Legislation submitted in 2007, requesting wider authority relative to intelligence collection and electronic intercepts, as well a draft for a Chemical Precursors Control Act is still pending due to general elections held in 2008, two natural disasters, an economic crisis, and limited resources. However, on June 19, 2008 the Minister responsible for Supplies Control enacted a statutory instrument prohibiting the bulk importation of pseudoephedrine and ephedrine.

**Law Enforcement Efforts.** In 2008 the Belize Police Department (BPD), Belize Defense Force (BDF) and Belize National Coast Guard (BNCG) conducted several counternarcotics operations with USG assistance. The BPD and BDF continued joint border patrols in order to monitor illegal entry points into Belize that are also used as routes for smuggling cocaine and marijuana over land. In March, drug traffickers landed a plane on the northern highway and managed to escape with an estimated one metric ton of cocaine. However, the BDF arrived before the plane refueled and took off again, seizing the plane used to transport the drugs. The BDF maritime units responsible for patrolling Belize's inland waterways along with the BNCG's continuous patrolling of the coastline have not resulted in any drug seizures. The Belize National Forensic Science Services (NFSS) laboratory increased its technical capacity through training provided by the USG, and, as a result, more forensic evidence is now allowed in the courtroom.

Seizures through December 2008 include: 16.2 kilograms (kg) of cocaine; 0.7 kg of crack cocaine; 275.5 kg of marijuana; 50,050 marijuana plants; 100,892 marijuana seeds; and minor quantities of other drugs. Narco-funds in the amount of \$112,510 were seized and law enforcement made 1,539 arrests in drug cases. It is difficult to obtain convictions on drug crimes because the Public Prosecutions office lacks staff, resources, and training.

**Corruption.** As a matter of policy, neither the GOB nor any senior official in the government 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. However, in 2008 there were several notable cases of official corruption that proved that it exists. In April, one Customs officer was suspended and two others investigated in an incident in which they failed to follow established Customs protocol and report a suspicious container to the investigations section. The truck carrying the container was improperly released from Customs and reportedly "hijacked" of its contents after its release. In another case in May, suspicious Customs officials discovered that the contents of two shipping containers were lost and that the containers had been fraudulently cleared from the Customs compound. The investigation was ongoing at the time of this report, and the two suspected customs officials have

been suspended pending the outcome of internal proceedings expected in early 2009. In September, three Customs officers were charged with forgery of an official document to facilitate the unauthorized removal of a 40-foot container from the port compound, which is privately owned.

In June 2001, the GOB signed the OAS Inter-American Convention Against Corruption. It also supported the revival of the Committee on Public Probity and Ethics to review implementation of the convention. However, Belize is not a party to the UN Convention against Corruption and does not have laws specifically addressing narcotics-related public corruption. Although corruption in general is covered under the 1994 Prevention of Corruption in Public Life Act, the GOB takes very limited legal and law enforcement measures to prevent and punish public corruption due to limited prosecutorial and judicial resources. The Act's Integrity Commission, which has powers to investigate corruption and impose civil penalties, has received many allegations, however, it is unclear whether credible allegations are ever investigated, and, to date, no government officials have been punished under the Act. There is no direct evidence of narcotics-related corruption within the government, but other kinds of corruption are suspected in several areas of the government and at all levels. In 2008 there were several high profile cases of conflict of interest or suspected or confirmed corruption in high levels of the government, including the former Minister of Health, the former Minister of Home Affairs, and the former Prime Minister, who were charged with theft of \$10 million of the "people's money" (public funds) donated by the Venezuelan Government.

**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). 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 (12 fugitives deported in 2008), response to other U.S. requests for assistance extraditing Belizean nationals has been 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.** A fair amount of 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 often be determined and no further action is taken. There are no industries in Belize requiring the import of precursor chemicals, however, in 2008, significant trafficking in precursor chemicals in Belize was observed through police reports.

**Drug Flow/Transit and Distribution.** Cocaine is trans-shipped through Belize's territorial waters for onward shipment to Mexico. The primary means for smuggling drugs are "go-fast" boats transiting Belizean waters for transshipment along navigable inland waterways and then to remote border crossings into Mexico. Interdiction is hampered by the lack of adequate host nation resources and lax customs enforcement. In four instances, during 2008, pseudoephedrine pills were illegally imported into Belize for onward distribution to either Guatemala or Mexico. In one such case, police seized approximately 20 million pills shipped from Belgium and China and destroyed them.

**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. In 2008, the USG provided funds for two officers from NDACC to train at the

United Nations Office against Drugs and Crime (UNODC) in the assessment of treatment, rehabilitation and social integration facilities for drug abusers. The U.S. also funded an after-school anti-drug program through the NDACC.

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

**Bilateral Cooperation.** In 2008, the U.S. assisted the GOB in developing its capability to combat drug trafficking and coordinated on investigations of drug trafficking. The USG provided support to the Belizean Forensic Laboratory to improve investigations and prosecution of crimes; programs for at-risk school youth and prison drug rehabilitation; and maritime security and law enforcement. The USG also provided maritime law enforcement training to the BNCG, including courses in search and rescue, engineering and logistics, port security, small boat operations, and professional development training. Belize has a cadet attending the U.S. Coast Guard Academy as a member of the class of 2010. The USG continues to provide technical assistance for developing and implementing an appropriate legislative framework to provide the BNCG with clear authorities to interdict drugs.

**The Road Ahead.** Belize needs to pass and implement pending legislation requesting wider authority relative to intelligence collection and electronic intercepts and a Chemical Precursors Control Act with punitive sanctions. The GOB needs to adequately fund and train prosecutors in the Public Prosecutors office as well as police prosecutors in narcotics prosecutions.

The USG will assist the GOB to improve 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 equipment and boats through Enduring Friendship.

# Benin

## I. Summary

Benin remains a low volume narcotics producer, and continues to be a transit point for illegal narcotics. During 2008, no new counter-narcotics laws or initiatives were introduced in Benin. Benin's drug enforcement police squad, Central Office for Repression of Illicit Drug Trafficking (OCERTID), is a police-only squad with limited resources. The rate of illegal drug seizures was low in Benin during 2008 as were quantities seized. Benin is a party to the 1988 UN Drug Convention (UNDC), and its anti-narcotics legislation adopted into law in 1997 is based on the UNODC model.

## II. Status of Country

Benin is a small producer of illegal narcotics. Marijuana is the only drug produced in significant quantities, and there is no production of synthetic drugs such as methamphetamines. Marijuana is sparsely cultivated in the regions of Benin along the western and eastern borders with Nigeria and Togo. It is also produced in the central area of the country. The primary market for this cultivation is within Benin itself. During 2008, there were no new efforts by the government to eradicate domestic drug production. Benin's porous borders and lack of port security permit the easy transshipments of narcotics by regional traffickers. All forms of narcotics are known to transit through Benin.

## III. Country Action against Drugs In 2008

**Policy Initiatives.** In 2008, there have been no new efforts towards combating the trafficking of illegal narcotics. Legislation adopted in 1997, which increased sentences for traffickers, criminalized drug-related money laundering, and permitted the seizure of drug-related assets remains in effect but implementation/enforcement is limited.

**Law Enforcement Efforts.** Benin's Drug Enforcement Coordination Office called CILAS (Interdepartmental Committee to Fight Against Drugs and Narcotics Abuse) encompasses representatives from the Ministries of Health, Family, Social Protection, Finance, Economy, Environment, and Youth. CILAS is responsible for implementing Benin's domestic drug policy, but no results on the effectiveness of its programs are available. The chairman of CILAS was the former National Director of Police, who was recently relieved of duties due to the drug corruption scandal. CILAS is now without a chairperson.

Benin has participated in regional anti-narcotic efforts during 2008 such as the DEA funded African Drug Trafficking Seminar held in Gaborone, Botswana, September 22-24, 2008, and a regional sponsored seminar on drug trafficking in Bamako, Mali from October 14-16, 2008. Benin also participated in a regional seminar in Grand-Bassam, Cote d'Ivoire, from October 20-24, 2008.

OCERTID still has an enforcement team assigned to the port of Cotonou since November 2005, but this team continues to be hampered by a lack of training in the area of seaport security and container search procedures. The US Millennium Challenge Compact will help address these weaknesses over the next four years. The Compact includes the development and implementation of a port master plan that incorporates institutional security improvements in the areas of access, customs services, and cargo screening.

The total reported drug seizures in Benin, through October, during 2008 were: cannabis: 6.7 Kg, cocaine: 22.7 Kg, and heroin: 2.1 Kg. There were a total of 60 people arrested and prosecuted. The breakdown of nationality is: 35 Beninese, 25 Nigerians. Law enforcement resources continue to target small-scale couriers, users, and criminals involved in other forms of crime who are arrested with various quantities of illegal drugs in their possession. There is

neither investigative nor prosecutorial capacity to pursue leaders of conspiracies to traffic in drugs. Benin also has no legal mechanism in place to seize assets of narcotics offenders.

**Corruption.** The Government of Benin 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, there is no legislation or legal framework in Benin to prevent or punish narcotics-related corruption. In 2008, Benin pursued judicial cases against certain officials involved in illegal activity.

The judiciary proceedings initiated against high-ranking police officials in February 2007 are still pending. Several other government officers are in pre-trial detention at the prisons of Cotonou, Ouidah, and Porto-Novo on narcotic-related charges.

**Agreements and Treaties.** Benin is a party to the 1988 UN Drug Convention, the 1961 UN Convention as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Benin is a party to the UN Convention against Corruption, and to the UN Convention against Transnational Crime and its three protocols. The U.S. and Benin entered into several bilateral counter-narcotics assistance agreements (LoA-Letter of Agreement and Amendments) in 1995 and 2001. Benin also signed a bilateral agreement with Nigeria in 2006 under which the two countries implemented joint border control teams and procedures for trans-border crime detection including narcotics control.

**Cultivation/Production.** Only marijuana is cultivated in Benin, and then only on a modest scale for domestic consumption.

**Drug Flow/Transit.** Criminal groups operating in West Africa organize drug “mule” traffic, including “swallowers” through Benin’s airport. Drugs also probably transit Benin’s port, but with such a rudimentary system in place for detection and enforcement, there is only limited evidence through drug seizures to substantiate this.

**Domestic Programs/Demand Reduction.** No drug treatment as such is available in Benin. Drug abusers are dependent on the limited facilities offered at government supported health clinics.

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

**Bilateral Cooperation.** With the strong anti-corruption stance by the Beninese government, there is a good possibility that aggressive implementation of counter-narcotics will be brought back to the foreground. Efforts by the US Government towards improving port and border security, such as the Millennium Challenge Corporation program, of which \$169M is to be invested in port modernization and efficiency improvements, should greatly assist these efforts.

**The Road Ahead.** The lack of training and resources for counter-narcotics units remain problematic. The U.S. hopes to assist by offering training opportunities at ILEA and other regional training programs.

# Bolivia

## I. Summary

On September 15, 2008, the President of the United States determined for the first time that Bolivia had “failed demonstrably” to adhere to its obligations under international counternarcotics agreements. This determination was made due to a number of factors, including the forced departure of the U.S. Agency for International Development (USAID) and the Drug Enforcement Administration (DEA) from the coca growing Chapare region, continued increases in coca cultivation and cocaine production, the Government of Bolivia's (GOB) policies to expand the cultivation of “licit” coca, and its unwillingness to regulate coca markets. The GOB's decisions to expel the U.S. Ambassador in September and all Drug Enforcement Administration (DEA) personnel in November, based on false accusations of conspiracy – seriously damaged counternarcotics cooperation, and call into question whether the GOB will continue any bilateral efforts with the United States in this area.

In 2008, the GOB eradicated over 5,000 hectares of coca nationwide, about 95 percent of which took place in the Cochabamba tropics (Chapare) and Yacapani region. Nonetheless, coca cultivation and cocaine production capacity increased rapidly due both to greater cultivation as well as Bolivian traffickers adopting more efficient cocaine manufacturing methods. Bolivia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Bolivia remains the world's third largest producer of cocaine, and it is a significant transit zone for Peruvian-origin cocaine. Bolivia's estimated potential cocaine production has increased, from 100 metric tons in 2003 to at least 120 metric tons in 2008. According to DEA, given the increasing number of labs using much more efficient Colombian technology, potential cocaine production may have grown to as much as 192 metric tons. The majority of cocaine trafficked from or through Bolivia is destined for Brazil, Chile, Argentina, and Paraguay with a significant amount transshipped to Europe. From 2003 to 2007, coca cultivation in Bolivia increased from 23,200 to 29,500 hectares, according to official USG estimates. UNODC estimates followed a similar upward trend line. Bolivia is also a producer of marijuana, primarily for domestic consumption, with production increasing from 35 metric tons in 2005 to more than 113 metric tons in 2008.

President Evo Morales, who also remains the president of the Chapare region's coca growers' federations, continues to promote a policy of “zero cocaine but not zero coca,” while cocaine production continues to increase sharply. His administration proposed an increase in legal coca cultivation from 12,000 to 20,000 hectares, in violation of current Bolivian law and international agreements. With political support from the highest levels of the Bolivian Government, coca growers continue to increase plantings, especially in the Yungas, where cocaine production has risen sharply. In June, the United States Agency for International Development (USAID) was forced to leave the Chapare due to security threats from the leaders of the coca grower federations. In September, the GOB denied permission for DEA aircraft to fly inside of Bolivia, based on a false assumption that the aircraft were used for surveillance. The aircraft were used solely to transport American and Bolivian personnel in counternarcotics missions. In September, President Morales declared the U.S. Ambassador to Bolivia *persona non grata*, falsely accusing him of supporting the opposition and fomenting the division of Bolivia.

On November 1, President Morales announced the immediate suspension of DEA's activities in Bolivia. A diplomatic note followed demanding the departure of DEA personnel and dependents within 90 days. The GOB alleged, without presenting any evidence, that DEA engaged in political espionage, conspired against the government, promoted narcotrafficking, and shot peasant farmers. These allegations are completely unfounded. With the removal of DEA from Bolivia, counternarcotics programs, especially in the area of interdiction, will suffer serious degradation. As a result of Bolivia's failure to cooperate with the United States on counternarcotics efforts, President Bush suspended

Bolivia's designation as a beneficiary of the Andean Trade Promotion Act (ATPA) and the Andean Trade Promotion and Drug Eradication Act (ATPDEA) effective December 15, 2008.

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** Bolivia produces coca leaf for traditional uses, such as chewing, making tea and religious rites. However, according to the International Narcotics Control Board (INCB), under the provisions of the UN Convention, cultivating coca for traditional purposes in Bolivia should have come to an end in 1989. Current Bolivian law permits up to 12,000 hectares of legal coca cultivation, mostly cultivated in the Yungas area to supply the licit market. In September, the GOB signed an agreement with 25,000 coca growers from the Yungas federation to eventually eradicate 6,900 hectares by 2010. Eradication began on October 4, 2008; the GOB's goal is to eradicate one hectare per day. Nevertheless, this agreement also legalizes coca cultivation in new areas of the Yungas by an additional 6,500 hectares, thus raising "legal" production levels to over 18,500 hectares. With the 7,000 legalized hectares in the Chapare, total Bolivian "legal" coca exceeds 25,500 hectares, violating Bolivian Law 1008, and the GOB's international obligations. The Yungas agreement also contradicts the GOB's expressed intention to reduce coca cultivation to 20,000 hectares primarily working through concerted voluntary eradication and social control.

With financial assistance from Venezuela, the GOB continued with its plan to industrialize coca and continued discussion on building two coca industrialization plants, one in the Chapare and the other in the Yungas in contravention of the 1961 UN Single Convention on Narcotics Drugs, Article 4 that states that the Parties must "limit exclusively to medical and scientific purposes the production, manufacture, export, import, distribution of, trade in, use and possession of drugs." The European Union (EU) has had difficulty finalizing the terms of a series of studies to determine the actual licit demand for coca in Bolivia. The GOB reportedly attempted on several occasions to modify the terms of reference. This delay has increased costs of the study and delayed results to at least January 2010.

In 2008, the Bolivian government with some support from the USG and neighboring countries, refined a proposal, first drafted in 2006, to improve money laundering and asset forfeiture legislation, and plea bargaining in criminal cases. If approved by the Bolivian Congress, this draft legislation would provide the tools needed by law enforcement units to improve their ability to conduct and prosecute narcotics, money laundering, terrorism, and corruption cases in Bolivia. Pending legislative reforms also include a provision for judicial intercepts of wire communications, and reform of the Code of Criminal Procedure. The Bolivian Congress has not yet addressed the proposed legislation. The Counternarcotics Council of Ministers responded favorably to the draft legislation in July, and plans are underway to submit this legislation for review by Congress by December 2008.

**Accomplishments.** The GOB eradicated 5,484 hectares of coca nationwide in 2008—95 percent of eradication occurred in the Chapare and Ypacani, and only 5 percent (just over 300 hectares in Caranavi and La Asunta) in the Yungas. Interdiction of cocaine base and cocaine hydrochloride (HCl) totaled more than 26 metric tons in 2008, compared to about 14 metric tons in 2007, and GOB counternarcotics units located and destroyed 6,535 cocaine labs and maceration pits, compared to 3,093 in 2007. Increased seizures are due to an increase in drug production and transshipment of drugs from Peru.

**Law Enforcement Efforts.** The Bolivian Special Counter-Narcotics Police (FELCN) intercepts illicit drugs, precursor chemicals and investigates money laundering activities. The USG provides logistical support and training to FELCN units. The FELCN is structured to combat all aspects of drug trafficking to include interdiction of drugs, illicit coca, and precursor chemicals, intelligence gathering, money laundering, and rural operations. Even with the loss of DEA, the Department of State Bureau for International Narcotics and Law Enforcement Affairs' (INL) Narcotics Affairs Section (NAS) continued to run most FELCN programs in Bolivia. Throughout 2008, FELCN focused on higher level violators, resulting in more Priority Target Organizations being investigated with the regional partner nations. However, with growing cocaine supply, more drug trafficking activities, more sophisticated organizations operating in Bolivia, and the seizure of massive and sophisticated Colombian-managed cocaine laboratories in the

Santa Cruz area it will be increasingly difficult for the FELCN to meet these challenges without DEA resources and the integrity of some of the programs will be difficult to ensure without DEA involvement.

**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. As of October 2008, the Office of Professional Responsibility (OPR) within the Bolivian National Police (BNP) and FELCN has investigated 2,043 allegations of various forms of misconduct (vehicle accidents, misuse of official equipment, and insubordination). Of the 176 cases that involved FELCN members, none of the investigations resulted in findings of corruption. Presently, 827 of these OPR cases were reviewed by a disciplinary board and the remainder are still in the investigative stage and/or awaiting tribunal action.

**Agreements and Treaties.** Bolivia 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.

Bolivia is a party to the UN Convention against Transnational 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 laws 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. During 2008, the USG requested the extradition of one Bolivian national for narcotics trafficking; that request remains pending. Bolivia requested the extradition of two co-defendants charged with homicide; those requests also remain pending.

**Cultivation/Production.** Overall coca cultivation has increased from 25,800 hectares in 2006 to 29,500 hectares in 2007, according to official USG estimates. Of the two main coca growing regions, cultivation in the Yungas increased sharply to 22,500 hectares, while cultivation in the Chapare declined to 5,700 hectares – an overall increase of 14 percent. The UNODC overall estimates also showed an overall increase of 5 percent – a similar upward trendline.

Over the last year, a steady increase in the use of the more efficient “Colombian method” for cocaine production (using mechanized coca maceration as well as solvents instead of acids for alkaloid extraction) was also noted. According to DEA, as a result, the current annual production estimate of 120 metric tons of cocaine could increase as much as 60 percent. It should be noted that the increase in seizures of labs and cocaine in Bolivia from 2007 to 2008, is likely a direct result of an increase in cultivation in 2007 and a proliferation of labs in 2008 to process the coca.

Increased cocaine production in Bolivia is a threat to neighboring countries as well as to the U.S. and Europe. Chilean and Argentine authorities report an increase in cocaine HCl labs in their countries, supplied by Bolivian cocaine base. Brazilian authorities have stated that most of the cocaine seized in Sao Paulo comes from Bolivia, with an increasing percentage of that cocaine of Peruvian-origin that transits Bolivia to Brazil.

**Drug Flow/Transit.** Although cocaine produced in Bolivia is increasing, there is limited documentation concerning Bolivian cocaine being seized outside of Bolivia, and, as noted above, most Bolivian-origin cocaine exports flow to other Latin American states and onward to Europe; relatively little is exported to the U.S. Increasing intelligence suggests a nexus with Mexicans, Colombians and the tri-border area (Argentina, Brazil and Paraguay). In 2008, the USG dismantled three prime target organizations linked to Bolivian cocaine supplies and Mexican organizations.

In the meantime, as cocaine availability increased in Bolivia under the Morales administration, conflict increased between rival organizations trying to carve out territory and trafficking routes. This is most evident in Cobija, with dozens of rival traffickers killed in 2008. This type of violence was previously rare in Bolivia. Violence in Cobija has forced many to flee across the border to Brazil, a trend that is likely to continue into 2009.

**Alternative Development (AD).** The USG's Integrated Alternative Development program provides support to help diversify the economies of Bolivia's coca growing regions, reduce communities' dependency on coca, and to strategically support the Government of Bolivia's voluntary eradication program. Alternative Development (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 FY 2007, AD support had begun to shift from the Chapare region to the Yungas region in accordance with the Government of Bolivia's rationalization plans.

In 2008, bilateral cooperation in Integrated Alternative Development suffered following the GOB's issuance of two Supreme Decrees the purpose of which were to bring greater GOB control over bilaterally administered donor resources and specifically require that donor funds directly support GOB entities or be channeled through the General Treasury. The USG, via USAID, currently funds one GOB entity for the purpose of road maintenance and improvement, but also relies on other implementing mechanisms including local government and non-government organizations to deliver assistance. Strict USG accountability requirements, with an emphasis on results, and concerns over the capacity of other GOB entities to meet these requirements, constrain the USG's ability to adhere solely to the new policy directives governing donor resources. An intensive review of the AD program led by the GOB demonstrated the magnitude of results achieved by implementing partners under the program, but did not succeed in convincing Bolivian authorities to revisit their Decrees.

While implementation proceeded in the interim, relations between USAID and GOB counterparts in the Vice Ministry of Coca and Integrated Development remained strained for much of the year. Matters deteriorated sharply in June when the leaders of the six federations of coca producers in the Chapare voted to expel USAID projects from the region followed by the expressed endorsement of the President and of most municipal governments with whom USAID projects had previously been operating productively. Yungas federations, on the other hand, expressed their desire to continue cooperating with USAID and its implementing partners. The USG expressed its desire to reach agreement with the GOB on an orderly phase-out of assistance in the Chapare in favor of shifting resources toward the Yungas but to date the GOB has not responded and there is no such agreement.

U.S. support for the Yungas region, dating back to 2001, is of much more recent origin than that undertaken in the Chapare. The Yungas is an underdeveloped region, and home of the so-called traditional zone, where most of Bolivia's legal coca is cultivated. However, there is also considerable excess coca grown there. Recently, the GOB signed an agreement with the Yungas social organizations to define the area where coca cultivation is permitted and reduce coca cultivation in areas outside of that zone. Preliminary data on results achieved over the last year indicate that USAID's Integrated Alternative Development program activities continued to produce significant results, mostly exceeding established targets for the year, despite the stalled bilateral cooperation. U.S. assistance directly supported the cultivation of 12,800 hectares of new or improved crops such as bananas, cocoa, palm hearts and coffee, and areas under forest management plans.

In FY 2008, the annual value of USAID-promoted exports reached almost \$35 million. Assistance to farm communities and businesses helped generate 5,459 new jobs and new sales of AD products of nearly \$28 million. In FY 2008, 13,432 families benefited directly from U.S. assistance. Approximately 717 kilometers of roads were maintained or improved and 16 bridges constructed in the two regions where AD programs were undertaken. In addition, USAID's support helped the Government register the last 51,400 hectares of land to reach a total of 466,000 hectares in the Tropics of Cochabamba in preparation for its titling, thus strengthening land ownership rights and encouraging further farmer investments in alternative development products.

**Domestic Programs/Demand Reduction.** A 2008 UNODC report shows a continued increase in Bolivian domestic drug consumption. The GOB continues to inadequately support drug abuse prevention programs in spite of evidence of increased drug use in Bolivians reported by the UNODC. Recent statistics show that 4.6% of the population use illegal drugs (cocaine, marijuana, hallucinogens and others) in Bolivia, and that this number is expected to rise. The

USG supported an expansion of the Drug Abuse Resistance Education (D.A.R.E.) program and continued to support 20 municipalities that worked to coordinate demand reduction programs at a local level, and a project on accreditation of rehabilitation centers. The D.A.R.E program reached 22,000 students, short of its 28,000 student goal due to social problems and the flooding that occurred in Bolivia earlier in the year. In cooperation with non-governmental organizations (NGOs), the USG concluded the master's degree program in drug abuse prevention and rehabilitation that had included 32 students, and implemented a community based drug abuse prevention program reaching 50,000 people. In 2008, most USG supported demand reduction efforts were coordinated with local municipalities and departmental governments. At the national level it has become increasingly more difficult to achieve results, as the GOB has yet to put forward a coherent demand reduction strategy.

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

**Policy Initiatives.** The USG supports programs that enhance the capabilities of the GOB to reduce coca cultivation; arrest and bring drug traffickers to justice; promote licit economic development to provide viable options to cultivating coca, disrupt the production of cocaine within Bolivia; interdict and destroy illicit drugs and precursor chemicals moving within and through the country via operational task forces; reduce and combat 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 trains Bolivia National Police (BNP) officers in modern investigative techniques to curb money laundering and terrorism financing.

**Bilateral Cooperation.** Bilateral cooperation declined significantly in 2008 with the expulsion of DEA from the country, the limitation of USAID's alternative development programs, the expulsion of the U.S. Ambassador and the increasingly hostile rhetoric from the GOB. However, Bolivian and U.S. officials still meet regularly to implement programs and operations and to resolve issues. The State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) principally supports and assists Bolivian interdiction and eradication forces. Before their expulsion, DEA provided direct operational advisory, liaison, intelligence and funding support to the FELCN's Sensitive Investigative Units, and USAID provided significant support to GOB efforts on alternative development.

Despite this decline in the bilateral relationship, the USG continued to support institution building and development of both the BNP forces and counternarcotics prosecutors under a law enforcement training and development program (LEDP). In the last year, fifty-six courses were provided to the BNP and the prosecutors, resulting in the training of 2,351 personnel. Individuals received training in the following areas: crisis command and control, leadership and management, basic and advanced criminal investigative techniques, drug investigations, advanced interview techniques, trafficking in persons, human rights issues and integrity investigations under the GOB's Office of Professional Responsibility. Also, 16 BNP officers received basic and advanced polygraph examiner training in addition to receiving certification by the United States. These certified officers are the framework for the BNP polygraph unit and are responsible for administering polygraph examinations to all OPR investigators and counternarcotics prosecutors.

Unfortunately, the Bolivian legal system is unable to efficiently process the majority of drug cases and many criminals avoid prosecution. To address this, the USG has continued to enhance training for prosecutors, and the Public Ministry through implementation of a nationwide program to enhance the capability of the prosecutors to identify, investigate and prosecute violations of controlled substances, transnational crime, human rights issues and corruption.

**The Road Ahead.** The GOB faces significant challenges because its policies allow expansion of coca cultivation, limit eradication efforts, and loosen controls over the licit coca market. We are concerned about the growing influence of Colombian and Mexican cartels and the possibility of a growing number of drug-related crimes in Bolivia. We encourage the GOB to reverse its policies on expansion of coca cultivation. We also encourage the GOB to expand eradication in the Yungas, redouble its efforts in the Chapare, eliminate new coca plantings, and enhance its efforts to interdict illegal drugs and precursors throughout Bolivia. This effort should include the return of DEA to Bolivia. The

U.S. also encourages the GOB to exert strict controls over the licit coca market, close illegal markets and increase cooperation with neighboring countries in counternarcotics efforts.

## V. Statistical Table

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Coca											
Net Cultivation (ha)	29,500	28,900	25,800	26,500	24,600	23,200	24,400	19,900	19,600	21,800	38,000
Eradication (ha)	5,484	6,269	5,070	6,073	8,437	10,000	11,839	9,435	7,953	16,999	11,621
Leaf: Potential Harvest <sup>1</sup> (mt) <sup>3</sup>		51,000	37,000	36,000	37,000	33,000	35,000	32,000	-	-	-
HCl: Potential (mt)	120	120	115	115	115	100	110	100	-	-	-
Seizures											
Coca Leaf (mt)	2066	1,330	1,344	887.4	395.0	152.0	101.8	66.0	51.9	56.0	93.7
Cocaine Base (mt)	21.6	11.4	12.7	10.2	8.2	6.4	4.7	4.0	4.5	5.5	6.2
Cocaine HCl (mt)	7.2	2.4	1.3	1.3	0.5	6.5	0.4	0.5	0.7	1.4	3.1
Combined HCl & Base (mt)	28.8	13.8	14	11.5	8.7	12.9	5.1	4.5	5.3	6.9	9.3
Arrests/Detentions	3,525	3,380	4,503	4,376	4,138	3,902	3,229	2,948	3,414	3,503	407
Labs Destroyed											
Cocaine HCl	7	6	3	3	4	2	2	1	2	1	1
Base	4988	3,087	4,070	2,619	2,254	1,769	1,285	877	620	893	1,205

<sup>1</sup> The reported leaf-to-HCl conversion ratio is estimated to be 370 kilograms of leaf to one kilogram of cocaine HCl in the Chapare. In the Yungas, the ratio is 315:1.

# Bosnia and Herzegovina

## I. Summary

Narcotics control capabilities in Bosnia and Herzegovina (“Bosnia”) remain in a formative stage and have not kept pace with developments in other areas of law enforcement. Bosnia is still considered primarily a transit country for drug trafficking due to its strategic location along historic Balkan smuggling routes. Weak state institutions, lack of personnel in counternarcotics units, and poor cooperation among the responsible authorities 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 antinarcotics intelligence and enforcement capabilities. Despite some improvement in cooperation among entity and cantonal law enforcement agencies, gradual improvements in the oversight of the financial sector, 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 2008, Bosnia took almost no additional steps to set up a state-level body to coordinate the fight against drugs and develop the national counternarcotics strategy mandated by legislation passed in late 2005. However, 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 developing justice system, public sector corruption, and the lack of specialized equipment and training. Bosnia is increasingly becoming a storehouse for drugs, mainly marijuana and heroin. Traffickers “warehouse” drugs in Bosnia, until they can be shipped out to destinations further along the Balkan Route. One of the main routes for drug trafficking starts in Albania, continues through Montenegro, passes through Bosnia to Croatia and Slovenia and then on to Central Europe. Information on domestic consumption is not systematically gathered, but authorities estimate Bosnia has 120,000 drug addicts. Anecdotal evidence and law enforcement officials indicate that demand for illicit drugs is steadily increasing. No national drug information system focal point exists, and the collection, processing, and dissemination of drug-related data is neither regulated nor vetted by a state-level regulatory body.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** On November 8, 2005, the Bosnian House of Representatives passed legislation designed to address the problem of narcotics trafficking and abuse. The state-level counternarcotics coordination body and national counternarcotics strategy mandated by the legislation were not fully in place as of October 2008 partly due to the generally negative political climate and a dispute between the Ministries of Security and Civil Affairs as to which Ministry is responsible for moving the initiative forward. 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 2008; 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 2008 (latest available statistics), law enforcement agencies in Bosnia-Herzegovina (including the State Investigation and Protection Agency (SIPA), the Border Police, Federation Ministry of Interior, Republika Srpska Ministry of Interior and Brcko District Police) have filed criminal reports against 1294 persons for drug related offenses. These agencies also report having seized 15.86 kg of heroin, 883 g of cocaine, 1.3 kg of amphetamines, 81.6 kg of marijuana, 3,021 cannabis plants, 490 cannabis seeds, 784 Ecstasy tablets, and 235 grams of hashish. The above statistics do not include approximately 50 kg of heroin seized by police forces in neighboring countries in operations conducted with the assistance of BiH law enforcement agencies. 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 better 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 in southern and eastern Bosnia. Bosnia is not a major synthetic narcotics producer or refiner.

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

**Agreements and Treaties.** Bosnia is a party to the 1988 UN Drug Convention and is developing bilateral law enforcement ties with neighboring states to combat narcotics trafficking. Bosnia is also 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 posit that elements from each ethnic group and all major crime "families" are involved in the narcotics trade, often collaborating across ethnic lines. Sales of narcotics are also considered a significant source of

revenue used by organized crime groups to finance both legitimate and illegitimate activities. There is mounting evidence of links and conflict among, Bosnian criminal elements and organized crime operations in Russia, Albania, Serbia, Montenegro, Croatia, Austria, Germany, and Italy.

**Domestic Programs/Demand Reduction.** In Bosnia there are only two methadone therapy centers with a combined capacity to handle about 160 patients. The limited capacity of the country's psychiatric clinics, also charged with treating drug addicts, is problematic, as the number of addicts and drug-related deaths in the country is rising steadily. It is estimated that between 70 to 80 percent of drug addicts who undergo basic medical treatment are recidivists. The Bosnian government currently pays for the basic medical treatment of drug addicts, but there are no known government programs for reintegrating former addicts into society. 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 Citizens, Association for Support and Treatment of Drug Addicted and Recovered Persons (UG PROI in local language) maintains a private facility to help drug addicts near Kakanj. During the year UG PROI presented anti-drug messages to students through a drama program in elementary schools throughout Bosnia-Herzegovina. In June UG PROI organized a race against drugs involving both a fund-raising event and a large anti-drug abuse demonstration in downtown Sarajevo.

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

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

**Bilateral Cooperation.** The USG's bilateral law enforcement assistance program continues to emphasize task force training, improved cooperation between law enforcement agencies and prosecutors, and other measures against organized crime, including narcotics trafficking. The Department of Justice's International Criminal Investigative Training Assistance Program (ICITAP) 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) to stop the import of weapons of mass destruction and dual use items. EXBS Assistance increased BP and ITA's ability to detect and interdict contraband, including narcotics. The Overseas Prosecutorial Development Assistance Training (OPDAT) program provides training to judges and prosecutors on organized crime-related matters. The Drug Enforcement Agency (DEA) in Rome maintains liaisons with its counterparts in Bosnian state and entity level law enforcement organizations. The DEA has also sponsored specific narcotic interdiction training in Bosnia.

**The Road Ahead.** Strengthening 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 related subjects such as public sector corruption and border controls. 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. We will encourage Bosnia to proceed with the full implementation of the planned 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 a major transit country for illicit drugs destined for Europe and, to a much lesser extent, the United States. One effect of the quantity of drugs transiting the country is that Brazil has become the second largest consumer of cocaine in the world after the United States. Brazil has increased its cooperation with the United States and its neighbors, though efforts to control trafficking from Bolivia, the main source of cocaine for Brazil, have been limited. Given the size of the country, Brazil relies increasingly on intelligence-driven joint operations to control smuggling of drugs and other contraband. With U.S. assistance, the Brazilian Federal Police (DPF) has focused greater attention on consolidation and shipping points such as the country's air and sea ports.

In 2008, law enforcement officials made several key arrests, including that of a high level Colombian drug cartel leader who directed cartel operations in Brazil. Police also seized substantial quantities of drugs, including increased seizures of low-purity, crack cocaine-type products destined for local consumption. Authorities have noted increasing involvement by urban gangs—Sao Paulo's First Command of the Capital (PCC) and Rio de Janeiro's Red Command (CV)—in cocaine and marijuana trafficking. Brazil is a party to the 1988 UN Drug Convention.

## II. Status of Country

Brazil is a major transit country for cocaine hydrochloride (HCl) and a significant destination for cocaine base and other cocaine products, e.g., 'crack cocaine'-type drugs consumed locally. Though authorities have uncovered small, 'kitchen labs' which process cocaine base, there is no evidence yet of the large-scale cocaine HCl processing activity common to the Andean producer countries. Cocaine HCl that enters Brazil is often transshipped to Europe via Africa. Though Brazil grows small amounts of low quality marijuana, most of the higher quality marijuana consumed in Brazil comes from Paraguay. Brazilian authorities have noted increased involvement in narcotics and weapons smuggling by Sao Paulo's PCC and Rio de Janeiro's CV. These organized criminal gangs have an increasing international presence in places such as Bolivia, Paraguay, and possibly Portugal, as well as growing international links with Colombian and Mexican traffickers. Quantities of MDMA (Ecstasy), some produced locally, but mostly imported from Europe, have also been seized at ports of entry and in urban centers.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Brazil's 2006 anti-drug law prohibits and penalizes the cultivation and trafficking of illicit drugs, but it also provides significant judicial discretion which virtually decriminalizes simple possession and consumption of small quantities. In 2008, a subsequent law established zero tolerance for persons caught driving under the influence of alcohol or drugs. Brazil has established systems for identifying, tracing, seizing, and forfeiting narcotics-related assets. The Brazilian Government's interagency Financial Crimes Investigations Unit (COAF) and the Ministry of Justice manage these systems jointly. Police authorities and the customs and revenue services have adequate police powers and resources to trace and seize assets. The judicial system has the authority to take title to seized assets and Brazilian law permits the sharing of forfeited assets with other countries.

**Accomplishments.** United States-Brazilian cooperation led to the 2007 capture of Juan Carlos Ramirez-Abadia, aka 'la Chupeta,' one of the leaders of Colombia's Norte del Valle cartel. Following his conviction and sentencing in Brazil, Ramirez-Abadia was extradited to the United States in 2008 and faces federal murder, drug trafficking, and money laundering charges in the Eastern District of New York. DEA agents in Brazil and Colombia, working with the DPF and Colombian National Police, have subsequently seized more than \$700 million in cash and other assets from his organization. In late 2007 and 2008, the DPF and DEA completed their investigation of a major Brazilian

trafficker, Luis Fernando da Costa, whose network had controlled drug activity in some of the most dangerous areas of Rio de Janeiro. As a consequence, the DPF has been able to arrest and indict ten other people, including da Costa's wife, on charges of money laundering and narcotics and weapons trafficking.

**Law Enforcement Efforts.** While anti-drug activities in Brazil are carried out at all levels of government, the most reliable data collection systems and seizure statistics are maintained by the Federal Police. For 2008, the DPF made available the following data on amounts of drugs seized: 18 metric tons (MT) of cocaine, 514 kilograms (kg) of cocaine base, 430 kg of crack, 182 MT of marijuana, 12 kg of heroin, 125,706 dosage units of Ecstasy, and 95,653 dosage units of LSD.

The DPF instituted a training program at its national training academy for police investigators and customs officials from Portuguese speaking African countries.

**Corruption.** As a matter of government policy, neither the GOB nor any of its senior officials condone, encourage, or facilitate production, shipment, or distribution of illicit drugs or laundering of drug money, but corruption remains an issue of concern. Despite a series of domestic political scandals in 2008 that undermined GOB credibility in this area, the current government has introduced some potentially significant anti-corruption initiatives. DPF anti-corruption/fraud operations increased from 3 in 2003 to 28 in 2008. Many other DPF investigations regarding financial crimes, money laundering, and drug trafficking have an anti-corruption aspect to them. Brazil's anti-money laundering mechanisms and relatively independent prosecutorial and oversight institutions have played useful roles in the investigation of such cases. In May 2008, a former governor of Rio de Janeiro and a state legislator were arrested by the DPF on charges of corruption, extortion, money laundering, and facilitation of contraband. In June, eleven soldiers providing public security to Rio's slums were arrested for handing three young men over to rival drug traffickers and gang members to be tortured and killed.

**Agreements and Treaties.** Brazil became a party to the 1988 UN Drug Convention in 1991. Brazil is also a party to the 1971 Convention on Psychotropic Substances, 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. Bilateral agreements based on the 1988 convention form the basis for counter narcotics cooperation between the United States and Brazil, and a new Letter of Agreement (LOA) was signed in August 2008. The United States and Brazil are parties to a 2001 bilateral mutual legal assistance treaty (MLAT) and a 2002 mutual assistance agreement on customs matters. Essentially, both agreements provide for an exchange of information to help prevent, investigate, and redress any offense against applicable laws of the United States or Brazil. Brazil also has a number of narcotics control agreements or similar arrangements with its South American neighbors, several European countries (primarily, Spain, Portugal and the UK), and South Africa. Even in the absence of treaties or similar arrangements, Brazil routinely cooperates with other countries as regards narcotics-related crime and participates in the UN Drug Control Program (UNDCP) and the Organization of American States/Anti-drug Abuse Control Commission (OAS/CICAD).

**Extradition.** The Brazilian constitution prohibits the extradition of natural-born Brazilian citizens, but allows for the extradition of naturalized Brazilian citizens for any crime committed prior to naturalization. Brazil does cooperate with other countries to extradite non-Brazilian nationals accused of narcotics-related crimes, though the GOB has recently begun to impose conditions not contained in the 1964 bilateral treaty and protocol. For example, in the Ramirez-Abadia case and others, the Brazilian Supreme Court agreed to the extradition only if the Ministry of Justice received assurances that extradited individuals would not be subject to the death penalty, a life sentence, or a sentence of longer than 30 years imprisonment.

**Illicit Cultivation/Production.** The DPF confirms that cannabis is grown in the northeast region and production of MDMA (Ecstasy) is on the rise. Drugs for domestic consumption or transshipment originate mainly in Bolivia, Colombia, Peru, and Paraguay. Limited cocaine base and crack cocaine-type products processed in Brazil are

primarily for domestic consumption. Brazil is the largest chemical producer in South America and has over 25,000 registered chemical handlers, therefore, the diversion of chemical precursors and/or narcotics processing is a possibility. The DPF carried out several chemical enforcement operations in 2008, including the September initiative in the state of Pernambuco that resulted in the seizure of 20 tons of precursor chemicals from various companies due to registration or administrative irregularities. The DPF also targeted and dismantled a criminal organization in the state of Minas Gerais responsible for diverting tons of chemicals; eight suspects were arrested pursuant to serving thirteen search warrants. Additionally, the DPF seized and dismantled the first ever Ecstasy laboratory in Brazil. In November, the DPF launched the National Computerized System of Chemical Control (SIPROQUIM) designed to prevent the diversion of chemicals, focusing on those substances used in the production of synthetic and plant-derived drugs such as cocaine. This program is a joint venture with the United Nations Office on Drugs and Crime (UNODC).

**Drug Flow/Transit.** Cocaine arriving from Bolivia and marijuana from Paraguay are primarily imported for domestic consumption, while higher quality cocaine from Colombia and Peru is generally intended for export to Europe via Africa. Some drugs transiting Brazil depart via ships from Soape (near Recife), Salvador, and other northeastern ports, though greater amounts depart from the port of Santos (near Sao Paulo) in the south. Significant quantities are smuggled by couriers (mules) on international flights originating primarily in Sao Paulo and Rio de Janeiro and other international airports. Because of Brazil's Air Bridge Denial program (a lethal-force air interdiction program which has not resulted in any aircraft shot down since its inception in 2004); there is less reliance by traffickers on long-distance clandestine flights over Brazilian territory. Proceeds from the sale of narcotics in Brazil and income derived from cooperating in international smuggling operations are used to purchase weapons and otherwise increase the ability of the PCC, CV and other criminal organizations to maintain control of the favelas (slums) in Sao Paulo, Rio de Janeiro, and other urban centers.

Despite greater Brazilian cooperation with neighboring countries and the increased number of bilateral Joint Intelligence Centers (JICs) operating at strategic points along Brazil's borders, narcotics traffickers continue to exploit the vast, difficult-to-control border regions, particularly in the states of Mato Grosso and Mato Grosso do Sul which border Bolivia and the state of Parana across the Parana River from Paraguay. Drugs flow in increasing quantities from Bolivia into Mato Grosso and Mato Grosso do Sul, and the Parana city of Guaira has become one of the main weapons, ammunition, and drug gateways into Brazil. The PCC and CV organized gangs operate openly in this small city and an investigating committee established by the Brazilian Congress reports the PCC is openly conducting weapons sales in the area. The DPF lacks the resources to control the extensive border regions of Brazil effectively, and other police agencies have not adequately addressed the problem. The GOB's Special Investigations Units (SIUs) and similar intelligence-driven operations have ameliorated the situation in the northwest region somewhat and vastly improved interdiction efforts nationwide. SIUs are now routinely staffed by DPF agents and counter narcotics (CN) police from cooperating regional allies, giving the units the capacity to anticipate and interdict significant shipments, but the number of SIUs and their operational capacity have been insufficient to keep pace with increased drug flows. The DPF plans to establish additional SIUs at key border areas.

**Domestic Programs/Demand Reduction.** The National Anti-Drug Secretariat (SENAD) was established in 1998 and is charged with oversight of national drug policy on demand reduction and treatment programs. SENAD also manages the National Anti-Drug Fund (FUNAD) and the Brazilian Observatory of Drug Information (OBID). In June 2008, with U.S. assistance, the new OBID web-site was improved and upgraded. OBID is responsible for publicizing information about the dangers of drug use. The system has been integrated with systems such as those of the Federal Police, Health Ministry, and other entities.

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

**Policy Initiatives.** U.S. counternarcotics policy seeks to help the GOB identify and dismantle international narcotics trafficking organizations, particularly those with a U.S. nexus. The U.S. is also deeply concerned with the rapid increase in coca production in Bolivia and the threat this poses for Brazil. The USG assists the GOB in combating

money laundering and other financial crimes, increasing awareness of the dangers of drug abuse, drug trafficking, and on related issues such as organized crime and arms trafficking. Two other key goals of the U.S. Government are to help Brazil develop a strong legal structure for narcotics and money laundering control and to enhance cooperation at the policy and working levels. Bilateral agreements provide for cooperation between U.S. agencies, SENAD, and the Ministry of Justice.

**Bilateral Cooperation.** USG-GOB bilateral programs in 2008 included providing basic and advanced counternarcotics training to the DPF and other Brazilian police; supporting expanded narcotics detection and interdiction programs at Brazil's air and sea ports; increasing the number and expanding the capabilities of the DPF's Special Investigations Units and ensuring a growing role in their operations for police from cooperating countries in the region; assisting state and local officials to combat the criminal gangs that control narcotics and weapons trafficking in their jurisdictions; helping Brazilian officials combat money laundering and other financial crimes; and increasing USG support for GOB and NGO drug prevention and treatment programs.

In 2008, USG agencies provided training in basic and advanced drug detection and interdiction methodologies; air and sea port drug detection; cyber crime detection; exploitation of computer, cell phone and other electronics for evidence; and other topics. With the signing of a new Letter of Agreement, the United States began to work directly with state and local officials to help address problems created by narcotics-funded criminal organizations in favelas and in state prisons. The United States continues to provide funding for airport interdiction, Special Investigation Units, canine, urban crime control, and money laundering initiatives. The U.S. Coast Guard provided resident, mobile and on the job training in maritime law enforcement, port state control, incident command system, search and rescue, and port security and vulnerability. Customs and Border Protection carried out marine enforcement training designed to enhance customs officers' counternarcotics capabilities.

**The Road Ahead.** The increased rate of narcotics-related arrests and seizures by the DPF and other police forces during 2008 validates the decision to concentrate U.S.-supported interdiction efforts on intelligence driven operations and consolidation points such as air and sea ports. Also, Brazil's efforts to deal with increased narco-trafficking from Bolivia are critical to prevent a rise in domestic consumption. However, this is essentially a defensive strategy aimed at achieving maximum effect from limited resources. In order to identify and dismantle major international narcotics trafficking organizations operating in Brazil—or even the local affiliates who manage the transportation, consolidation and onward shipment of drugs from bordering source countries – the GOB needs to devote additional resources to augment the SIUs. Brazil is working cooperatively with its neighbors, seeking working relationships with affected African countries, and is cooperating with U.S. and international organizations such as the United Nations Office on Drugs and Crime (UNODC). We encourage the GOB to attack narcotics trafficking organizations through arrests of key personnel, seizures of drugs and property, and debilitation of organizational structures.

# Bulgaria

## I. Summary

Bulgaria is a transit country for heroin and cocaine, as well as a producer of illicit narcotics. 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 and via the Northern Balkan route, while chemicals used for making heroin move through Bulgaria to Turkey and the Middle East. Marijuana and cocaine are also transported through Bulgaria. During the year, the Government of Bulgaria (GOB) initiated significant reform of its law enforcement authorities while maintaining drug seizures. The Bulgarian government has proven cooperative, working with many U.S. agencies, and has reached out to neighboring states to cooperate in interdicting the illegal flow of drugs and persons. The new Interior Minister and the drug police have committed to make progress, but their task is formidable. Corruption and effective implementation of legal and structural reforms remain major challenges. Bulgarian law enforcement agencies, investigators, prosecutors and judges suffer from public mistrust, and require widespread reforms, much more reliable political and public support, and strong leadership to develop the capacity to investigate, prosecute, and adjudicate illicit narcotics trafficking cases and other serious crimes effectively. Bulgaria is a party to the 1988 UN Drug Convention.

## II. Status of Country

In the past year, Bulgaria continued to be primarily a drug transit country for heroin and cocaine. To a lesser extent, it is a producer of synthetic narcotics, which remains a serious problem. Cannabis was the most used drug in Bulgaria followed by synthetics. According to NGOs and international observers, Bulgaria continues to be a source of synthetic drug production, and there were allegations that some illegal drugs were produced by pharmaceutical companies. From 2000 to 2006, heroin use declined steadily, largely due to increased societal understanding of risks associated with its intravenous use (e.g., HIV/AIDS). In 2007, heroin use increased and remained constant in 2008. Consumption of cocaine, which is expensive in Bulgaria, increased. Amphetamines are produced in Bulgaria for the domestic market as well as for export to Turkey and the Middle East. The GOB has emphasized its commitment to fight drug trafficking, but continues to face many challenges in its enforcement efforts. A notorious underworld boss and eleven members of his importing and drug trafficking organization operating in the southeast Black sea coastal area plea bargained and received sentences well below the minimum for this type of crime. The Bulgarian government participated in efforts with international drug enforcement authorities and continued to reach out to neighboring states to cooperate in interdicting the illegal flow of drugs and persons. The disarray in the Ministry of Interior following the April forced resignation of the Interior Minister amidst speculations of contacts with alleged drug lords had a particularly negative effect on Bulgaria's efforts against crime. In addition, lack of financing and inadequate equipment to facilitate narcotics searches; widespread corruption, including especially in the Customs offices, and among the judiciary; and excessively formalistic judicial procedures continue to hamper counternarcotics efforts.

## II. Country Actions Against Drugs in 2008

**Policy Initiatives.** The Bulgarian government has continued to implement the five-year National Strategy for Drug Control adopted by the Council of Ministers in 2003. The Criminal Code established punishments for drug possession, depending on the risk level of the substances. National programs for drug treatment and prevention have been consistently under-funded.

**Law Enforcement Efforts.** The Customs Agency under the Ministry of Finance, the State Agency for National Security (DANS) and several specialized police services under the Ministry of Interior, including the Directorate for Combating Organized and Serious Crime (which has been re-organized as part of the Ministry of Interior reform) and

Border Police are engaged in counternarcotics efforts. The authorities maintained seizure rates for most substances, but dramatically increased seizures for cannabis. From January to September 2008, police seized 198 kg of heroin, 1 kg of cocaine, 330 kg of amphetamines, 2 liters of fluid precursor chemicals, 9,753 kg of dry and 13,306 kg of green cannabis and 51,236 tablets of psychotropic substances. During the year, the Customs Agency seized 1,085 kg of heroin, 8 kg of cocaine, 101 kg of amphetamines, 55 kg of ecstasy, 9 kg of opium and 1,260 tablets of psychotropic substances. Bulgarian authorities shared information and developed joint operations with international law enforcement agencies. DANC closed one illegal amphetamine producing facility. 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.

**Corruption.** Corruption in various forms in the government remains a serious problem. During the year, MOI's reputation suffered after a series of high-profile scandals culminating with the forced resignation of the Interior Minister. In the wake of the scandal, the government initiated major legal and structural reforms of the Interior Ministry. However, the turbulence in the ministry damaged the morale of the ministry's officials. Some officials, including some from the drug unit, resigned to accept better paid positions with DANC. Despite some reforms in the Prosecution Service, the judiciary as a whole (which includes prosecutors, investigators, and judges) consistently receives poor scores in the area of public confidence in opinion polls. The Customs Agency has a decidedly mixed record, with some senior officials having ties to notorious public figures with known criminal connections.

**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. The 1924 U.S.-Bulgarian Extradition Treaty and a 1934 supplementary treaty are in force.

**Cultivation and Production.** The only illicit drug crop known to be cultivated in Bulgaria is cannabis, primarily for domestic consumption. The full extent of this illicit drug cultivation is not precisely determined, but is a major source of supplementary income for retirees in some areas in the southwestern part of the country. Experts ascribe opportunistic cultivation of cannabis to the ready availability of uncultivated land and Bulgaria's amenable climate, particularly along the Greek border. Cannabis is not trafficked significantly beyond Bulgaria's own borders. Recent evidence suggests that there has been a decrease in the indigenous manufacture of synthetic stimulant products. Some illegal laboratories have relocated to Eastern Turkey, Syria, Lebanon, and Armenia in order to be closer to consumers and to reduce risks associated with border crossings.

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

**Domestic Programs/Demand Reduction.** The Government includes methadone maintenance as a heroin treatment option in the national healthcare system. There are three state-run methadone programs, which provide treatment free of charge, and four private methadone clinics. There are 35 outpatient units and thirteen inpatient drug treatment

facilities nationwide. None of these facilities has a separate unit for juvenile patients. The Bulgarian National Center for Addictions (NCA), which serves as a focal point and is co-funded by the EU Monitoring Center for Drug Addictions, conducts prevention campaigns and operates prevention and education centers in 18 out of Bulgaria's 28 administrative districts. The centers, financially supported by the municipalities, have been consistently under-funded which adversely affects staff retention. According to the NCA for 2007, 33.2 percent of students in grades 9-12 reported using drugs at least once. In 2007, 52 people overdosed using heroin and died, the highest number ever reported.

#### **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, providing DEA technical and legal expertise and assistance. DEA also strives to arrange for counter-narcotics training for Bulgarian law enforcement personnel. The United States also supports various programs through the State Department. Programs implemented by the Department of Justice (DOJ) support counternarcotics efforts of the Bulgarian legal system. These initiatives address a lack of adequate equipment, the need for improved administration of justice at all levels and insufficient cooperation among Bulgarian enforcement agencies. A DOJ resident legal advisor, 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 and a DOJ prosecutor advises the Bulgarian government on organized crime cases. DOJ has also provided technical advisors to assist the Interior Ministry in their reform efforts. The FBI has offered public corruption training for Bulgarian law enforcement officials.

**The Road Ahead.** As the U.S. and Bulgaria continue to cooperate to improve Bulgaria's capacity, the U.S. encourages the Bulgarian government to sustain and, if possible, increase rates of narcotics seizures, and reduce domestic drug production. The U.S. also encourages Bulgaria to demonstrate the political will necessary to break major organized crime rings by going after the profits derived from drug trafficking and prosecuting cases of high-level corruption and organized crime. It also encourages the Bulgarian government to strengthen interagency cooperation and increase its investment in law enforcement entities. Increased international assistance and engagement on law enforcement matters would boost Bulgaria's internal capacity and reinforce internal reforms.

# Burma

## I. Summary

Both UNODC and U.S. surveys of opium poppy cultivation indicated a significant increase in cultivation and potential production in 2007, and production and export of synthetic drugs (amphetamine-type stimulants, crystal methamphetamine and Ketamine) from Burma continued unabated. (Note: 2008 UNODC Cultivation Report statistics were not available by our printing deadline.) The significant downward trend in poppy cultivation observed in Burma since 1998 was reversed in 2007, with increased cultivation reported in Eastern, Northern and Southern Shan State and Kachin State. Whether this represents a sustained change in poppy cultivation in Burma, which remains far below levels of 10 years earlier, remains to be seen. It does indicate, however, that increases in the value of opium are driving poppy cultivation into new regions. An increased number of households in Burma were involved in opium cultivation in 2007. While Burma remains the second largest opium poppy grower in the world after Afghanistan, its share of world opium poppy cultivation fell from 55 percent in 1998 to 5 percent in 2006, and rose slightly in 2007. This large proportional decrease is due to both decreased opium poppy cultivation in Burma and increased cultivation in Afghanistan, which is now by far the world's largest opium poppy cultivating region. Burma has not provided most opium farmers with access to alternative development opportunities. Recent trends indicate that some opium farmers were tempted to increase production to take advantage of higher prices generated by opium's relative scarcity and continuing strong demand. Increased yields in new and remaining poppy fields (particularly in Southern Shan State), spurred by favorable weather conditions in 2007 and improved cultivation practices, partially offset the effects of decreased cultivation in 2006. Burma's overall decline in poppy cultivation since 1998 has been accompanied by a sharp increase in the production and export of synthetic drugs, turning the Golden Triangle into a new "Ice Triangle." 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, 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 or "Ice".

Through its Central Committee for Drug Abuse Control (CCDAC), the Government of Burma (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. In May 2008, Burmese General Ye Myint was forced to retire from his senior position as Chief of Bureau of Special Operations 1, which some observers attribute to his son's involvement with narcotics. In November 2008, former regime crony Maung Weik and four other defendants were convicted and sentenced to 15 years in prison. During the 2008 drug certification process, the U.S. determined that Burma was one of only three countries in the world that had "failed demonstrably" to meet its international counternarcotics obligations. Major concerns remain: unsatisfactory efforts by Burma to deal with the burgeoning ATS production and trafficking problem; failure to take concerted action to bring members of the UWSA to justice following the unsealing of a U.S. indictment against them 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 the 1988 UN Drug Convention.

## II. Status of Country

Burma is the world's second largest producer of illicit opium. Eradication efforts and enforcement of poppy-free zones combined to reduce cultivation levels between 1998 and 2006, especially in Wa territory. However, in 2007, a significant resurgence of cultivation occurred, particularly in eastern and southern Shan State and Kachin State, where increased cultivation, favorable weather conditions, and new cultivation practices increased opium production levels,

led to an estimated 29 percent increase in overall opium poppy cultivation and a 46 percent increase in potential production of dry opium.

According to the UNODC, opium prices in the Golden Triangle have increased in recent years, although prices in Burma remain much lower than the rest of the region due to easier access. Burmese village-level opium prices or *farm-gate* prices increased from \$153 per kg in 2004 to \$187 in 2005, to \$230 in 2006 and to \$265 per kg in 2008. Burmese opium sales contribute about half of the annual household cash income of farmers who cultivate opium, which they use to pay for food between harvests. Forty-five percent of the average yearly income (\$501) of opium cultivating households in Shan State was derived from opium sales in 2007.

In 2007, the UNODC opium yield survey estimated there were approximately 27,700 ha planted with opium poppies, with an average yield of 16.6 kg per hectare (significantly higher than the 2006 average yield of 14.6 kg per hectare). Independent U.S. opium poppy cultivation surveys also indicated increased poppy cultivation and estimated opium production to approximately 27,700 ha cultivated and 270 metric tons (MT) produced. The UNODC's opium yield survey concluded that land under cultivation had increased 29 percent in Burma from 2006 levels, with a 46 percent increase in potential opium production to 460 MT. This represented a 67 percent increase in the total potential value of opium production in Burma, from \$72 million in 2006 to \$120 million in 2007. Nonetheless, both surveys indicated that opium production is still down 90 percent from its peak production in 1996.

The general decline in poppy cultivation in Burma since 1996 has been accompanied by a sharp increase in the local production and export of synthetic drugs. According to GOB figures for 2008 (January-October), the GOB seized approximately 760,000 methamphetamine tablets, compared to 1.5 million seized in 2007. 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 cease-fire agreements with several 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. While the cultivation of opium poppies decreased in the Wa territory during 2006 and 2007, according to UNODC and U.S. surveys, there are indications from many sources that Wa leaders replaced opium cultivation with the manufacture and trafficking of ATS pills and "Ice" in their territory, working in close collaboration with ethnic Chinese drug gangs.

Although the government has not succeeded in persuading the UWSA to stop its illicit drug production and trafficking, the GOB's Anti-Narcotic Task Forces continued to pressure Wa traffickers in 2008. UWSA also undertook limited reprisals against rivals in Shan State in 2006 and 2007. In May 2006, UWSA units found and dismantled two clandestine laboratories operating in territory occupied and controlled by the UWSA-South in Eastern Shan State. When the UWSA units entered the lab sites, a firefight ensued, with eight people fatally wounded, four arrested, and 25 kg of heroin and 500,000 methamphetamine tablets seized by the raiding UWSA units. In June 2006, the UWSA passed custody of the contraband substances to GOB officials. The prisoners remained in the custody of the UWSA. These UWSA actions likely were motivated more towards eliminating the competition in their area than by a desire to stop drug trafficking. According to UNODC, opium addiction remains high in places of historic or current opium production, ranging from 1.27 percent of the total adult population in Eastern Shan State to 0.97 percent in Kachin State and an estimated 0.83 percent in the Wa region, the main area of opium production until 2006.

### III. Country Actions against Drugs in 2008

**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 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), the discovery and closure of clandestine refineries, stronger interdiction of illicit traffic, and annual poppy eradication programs. The UNODC estimates that the GOB eradicated 3,598 ha of opium poppy during the 2007 cropping season (ranging between July-March in most regions), compared to 3,970 ha in 2006.

The most significant multilateral effort in support of Burma's counternarcotics efforts is the UNODC presence in Shan State. The UNODC's "Wa Project" was initially a five-year, \$12.1 million supply-reduction program designed to encourage alternative development in territory controlled by the UWSA. In order to meet basic human needs and ensure the sustainability of the UWSA opium ban announced in 2005, the UNODC extended the project through 2007, increased the total budget to \$16.8 million, and broadened the scope from 16 villages to the entire Wa Special Region No. 2. Major donors that have supported the Wa Project include Japan and Germany, with additional contributions from the UK and Australia. The U.S. previously funded the UNODC Wa project, but halted funding over death threats issued by UWSA leadership against U.S. DEA agents following the January 2005 indictment of seven UWSA leaders in a U.S. district court for their role in producing and smuggling heroin to the U.S.

**Law Enforcement Efforts.** The CCDAC, which leads all drug-enforcement efforts in Burma, is comprised of personnel from the national police, customs, military intelligence, and army. The CCDAC, under the control of the Ministry of Home Affairs, coordinates 26 anti-narcotics 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 the police's drug enforcement role.

Burma is actively engaged in drug-abuse control with its neighbors China, India, and Thailand. Since 1997, Burma and Thailand have had more than 12 cross-border law enforcement cooperation meetings. This cooperation resulted in the repatriation by Burmese police of drug suspects wanted by Thai authorities: two in 2004, one in 2005 one in 2006, and one in 2008. According to the GOB, Thailand has contributed over \$1.6 million to support an opium crop substitution and infrastructure project in southeastern Shan State. In 2007, Thailand assigned an officer from the Office of Narcotics Control Board (ONCB) to its mission in Rangoon; this officer remains in country. Burma-China cross border law enforcement cooperation has increased significantly, resulting in several successful operations and the handover of several Chinese fugitives who had fled to Burma. While not formally funding alternative development programs, the Chinese government has actively encouraged investment in many projects in the Wa area and other border regions, particularly in commercial enterprises such as tea plantations, rubber plantations, and pig farms. China has assisted in marketing those products in China through lower duties and taxes. There are also indications that China conducted its own opium cultivation and production surveys in 2007 and 2008 in regions of Burma bordering the PRC, although they 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 was September 11, 2004, in Calcutta.

The GOB has to date taken no direct action against any of the seven UWSA leaders indicted by U.S. district court in January 2005, although authorities have taken action against other, lower ranking members of the UWSA syndicate. In 2007, one of the indicted leaders, Pao Yu-hua, died of natural causes. During 2008, the GOB arrested suspects connected with the UWSA who were involved in a local Ecstasy and methamphetamine distribution.

The GOB reports significant arrests in 2008, totaling more than 2,000 suspected drug traffickers, but several of these were low-level traffickers. The arrests had no noticeable effect on continuing large-scale methamphetamine pill trafficking from Burmese territory.

In May, the GOB investigated 158 suspected drug cases, arresting 245 suspects, of which 201 were men and 44 women. In July and August, the police arrested more than 800 individuals involved with drug trafficking. In September, the GOB arrested 398 suspects, of which 300 were men and 98 were women, and investigated 253 drug-related cases.

On November 18, regime crony Maung Weik and four other defendants were convicted and sentenced to 15 years in prison for methamphetamine distribution. Maung Weik, a top Burmese businessman, was engaged in cyclone relief efforts in the Irrawaddy Delta at the behest of the Government when he was arrested in May.

On November 18, Thet Naing Win, who had been arrested by Thai ONCB and deported to Rangoon pursuant to a Burmese arrest warrant, was acquitted. Thet Naing Win was re-arrested on November 20, 2008 by the CCDAC for narcotics charges related to his association with USWA fugitive Ho Chun-t'ing and Wei Hsueh-kang.

Summary statistics provided by Burmese drug officials indicate that from January 2008 through October 2008, Burmese police, army, and the Customs Service together seized 1340 kilograms of raw opium, 2447 kilograms of low quality opium, 79 kilograms of opium oil, 78 kilograms of heroin, 206 kilograms of morphine base (#3 heroin), 760,213 methamphetamine tablets, 7.7 kilograms of methamphetamine ICE, 472 kilograms of ephedrine, 9179 liters of other precursor chemicals, and 1922 kilograms of precursor chemical powder

**Corruption.** Burma does not have a legislature or effective constitution, and has no laws on record specifically related to corruption. While little evidence emerges 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 closely involved in facilitating the drug trade. The Burmese regime closely monitors travel, communications and activities of its citizens to maintain its pervasive control of the population, so it strains credibility to believe that government officials are not aware of the cultivation, production and trafficking of illegal narcotics in areas they tightly control.

A few officials have been prosecuted for drug abuse and/or narcotics-related corruption. In May 2008, Burmese General Ye Myint was forced to retire from his senior position as Chief of Bureau of Special Operations 1, which some observers attribute to his son's involvement with narcotics. However, 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, it is likely that other individuals with high-level positions in the Burmese regime, and their relatives, are involved in narcotics trafficking or misuse of their positions to protect narcotics traffickers.

**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 yield estimate, in 2007 the total land area under poppy cultivation was 27,700 ha, a 29 percent increase from the previous year. The UNODC also estimated that the potential production of opium increased by 46 percent, from 315 MT in 2006 to 460 MT in 2007. The significant increase in potential opium production in 2007 indicated in the UNODC estimates reflect improved agricultural methods and an end to several years of drought, resulting in more favorable growing weather in major opium poppy growing areas, such as Shan State and Kachin State.

Burma as yet has failed to establish any reliable mechanism for the measurement of ATS production. Moreover, while the UNODC undertakes annual estimates of poppy cultivation and production, the U.S. has been unable to conduct its annual joint crop survey with Burma since 2004 due to the GOB's refusal to cooperate in this important area.

**Drug Flow/Transit.** 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 ethnic Chinese Kokang autonomous region. Ethnic Chinese criminal gangs dominate the drug syndicates operating in all three of these areas. Heroin and methamphetamine produced by these groups is trafficked overland and via the Mekong River, primarily through China, Thailand, India and 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 trans-shipment points and markets in southern Thailand, Malaysia, Indonesia, and beyond. The UNODC claims there is evidence that Burmese methamphetamine tablets are also shipped to Bangladesh, India, and Nepal. The UNODC also reports that heroin seizures in 2005, 2006 and 2007 and subsequent investigations revealed the increased use by international syndicates of the Rangoon International Airport and Rangoon port for trafficking of drugs to the global narcotics market. However, U.S. DEA information indicates that heroin transits the Thai/Chinese borders over land rather than by sea. According to UNODC, the GOB seized eight methamphetamine labs in 2006 and five labs in 2007.

**Domestic Programs/Demand Reduction.** The overall level of drug abuse is low in Burma compared with neighboring countries, in part because most Burmese are too poor to be able to support a drug habit. Traditionally, some farmers used opium as a painkiller and an anti-depressant, often because they lack access to other medicine or adequate healthcare. There has been a growing shift in Burma away from opium smoking toward injecting heroin, a habit that creates more addicts and poses greater public health risks. Deteriorating economic conditions will likely stifle substantial growth in overall drug consumption, but the trend toward injecting narcotics is of significant concern. The GOB maintains that there are only about 65,000 registered addicts in Burma. Surveys conducted by UNODC and other organizations suggest that the addict population could be as high as 300,000. According to the UNODC, Burma's opium addiction rate is 0.75 percent. NGOs and community leaders report increasing use of heroin and synthetic drugs, particularly among disaffected youth in urban areas and by workers in mining communities in ethnic minority regions. The UNODC estimated that in 2004 there were at least 15,000 regular ATS users in Burma; there are likely more now, although official figures are unavailable.

The growing HIV/AIDS epidemic in Burma has been tied to intravenous drug use. According to the National AIDS Program, 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 more 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, which, together, have provided treatment to about 70,000 addicts over the past decade. Prior to 2006, the Ministry of Health treated heroin addicts with tincture of opium. However, based on high levels of relapse, the Ministry of Health in 2006 began to treat heroin addicts with Methadone Maintenance Therapy (MMT) in four drug treatment centers, found in Rangoon, Mandalay, Lashio, and Myitkyina..

As a pilot model, in 2003 UNODC established community-based treatment programs in Northern Shan State as an alternative to official GOB treatment centers. UNODC expanded this program, opening centers in Kachin State. In 2008, UNODC operated 12 drop-in centers. UNODC plans to open an additional five drop-in centers by 2009. Since 2004, more than 2,000 addicts received treatment at UNODC centers. In 2007 and 2008, an additional 6,000 addicts have sought medical treatment and support from UNODC-sponsored drop-in centers and from outreach workers who are active throughout northeastern Shan State. The GOB also conducts a variety of 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.

While maintaining these programs at pre-existing levels, Burma has failed to expand demand-reduction, prevention, and drug-treatment programs to reduce drug use and control the spread of HIV/AIDS. The Global Fund, which had a budget of \$98.5 million to fight AIDS, TB, and malaria in Burma, withdrew in 2005. In 2006, a number of foreign donors established the 3 Diseases Fund (3DF) to provide humanitarian assistance for AIDS, TB, and malaria. The 3DF, with its budget of \$100 million over five years, supports the work of local and international NGOs, the United Nations, and government health officials at the township level. In 2008, the 3DF supported HIV/AIDS programs such as HIV surveillance and training on blood safety. The 3DF also provided funds for antiretroviral therapy and the MMT program.

#### 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 2006 and 2007, these joint investigations led to several 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, 2006, 2007, and again in 2008, the GOB refused to allow another joint opium yield survey. A USG remote sensing estimate conducted indicated a slight increase in opium cultivation in 2007 and a significant increase in potential opium production, based on increased yields, mirroring UNODC survey results. Bilateral counternarcotics projects are limited to one small U.S.-supported crop substitution project in Shan State, which will receive its final grant of U.S. funds during FY 2009. No U.S. counternarcotics funding directly benefits or passes through the GOB.

In September 2008, the USG identified Burma as one of three countries in the world that had “failed demonstrably” to meet its international counternarcotics obligations.

**The Road Ahead.** The Burmese government must reverse the increase in narcotics production in 2007 to restore the significant gains it made over the past decade in reducing opium poppy cultivation and opium production. This will require greater cooperation with UNODC and major regional partners, particularly China and Thailand. Large-scale and long-term international aid—including increased development assistance and law-enforcement aid—could play a major role in reducing drug production and trafficking in Burma. However, the ruling military regime remains reluctant to engage in political dialogue within Burma and with the international community. Furthermore, 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, with alternative development options, support for former poppy farmers and openness to outside assistance. The GOB must foster closer cooperation with the ethnic groups involved in drug production and trafficking, especially the Wa, refuse to condone continued involvement by ceasefire groups in the narcotics trade, tackle corruption effectively, and enforce its counternarcotics laws more consistently to reach its goals of eradicating all narcotics production and trafficking by 2014.

The USG believes that the GOB must further eliminate poppy cultivation and opium production; prosecute drug-related corruption, especially by corrupt government and military officials; 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 must take effective new steps to address the explosion of ATS production and trafficking from Burmese territory that has flooded the region by gaining closer support and cooperation from ethnic groups, especially the Wa, who facilitate the manufacture and distribution of ATS. The GOB must close production labs and prevent the illicit import of precursor chemicals needed to produce synthetic drugs. Finally, the GOB must stem the troubling growth of domestic demand for heroin and ATS.

# Cambodia

## I. Summary

Cambodia has a significant and growing illegal drug problem consisting of increased levels of consumption, trafficking, and production of dangerous drugs. Crackdowns on drug trafficking in Thailand and China in recent years have reportedly pushed traffickers to use other routes, including through Cambodia by land, river, sea, and air. 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. Recent improvements in Cambodia’s counter-narcotics performance include effective law enforcement destruction of seized drug supplies, significant increases to the budget of the National Authority for Combating Drugs (NACD), and stiffening penalties for drug use and trafficking. However, continuing concerns about corruption, limited resources, and lack of capacity and coordination hamper government efforts. The 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). Cambodia is a member 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 seen the country’s narcotics problem expand with higher domestic consumption and, as evidenced by the 2007 discovery of a large first stage chloroephedrine-reduction laboratory in Kampong Speu Province, an increased production capability for synthetic drugs like methamphetamine. Many experts believe additional clandestine labs, both re-tableting as well as production, are operating in the country. Cambodia continues to be a producer and exporter of natural sassafras oil, which can be used as a precursor for Ecstasy (MDMA) as well as many licit products such as perfumes, insecticides, and soaps. The harvest, sale, and export of sassafras oil are illegal in Cambodia.

ATS and heroin enter Cambodia through overland transport in the areas bordering Laos, Thailand, and Vietnam in the northern provinces of Stung Treng, Preah Vihear, and Ratanakiri. Drugs are also brought into Cambodia by small vessel from Laos along the Mekong River. Small shipments of heroin and ATS exit Cambodia destined for Thailand and Vietnam. Larger shipments of heroin and possibly marijuana are thought to exit Cambodia concealed in shipping containers, speedboats, and ocean-going vessels. The Royal Cambodian Customs lacks necessary equipment such as x-ray machines, scanners, and other basic devices to perform adequate cargo searches. Drugs, such as heroin and crystal methamphetamine, are also smuggled by couriers on commercial flights concealed in small briefcases, shoes, and on/in the bodies of individual travelers.

ATS is the most prevalent narcotic in Cambodia, accounting for nearly 80 percent of drug use according to the NACD. Both ATS tablets, known locally as yama and crystal methamphetamine are widely available. Heroin addiction, currently associated with a relatively small number of users mainly in Phnom Penh, is acknowledged as a growing problem in Cambodia. Cocaine, ketamine, and opium are also available. Street children are often seen sniffing glue, which is also becoming more prevalent in the adult population. According to a recent Japanese-funded, community-based survey conducted by the UNODC, drug users in Cambodia can be characterized into types, such as sex workers, fishermen, sawmill workers, or laborers who use yama for increased stamina or energy or to be able to stay awake and work longer hours to increase their earnings; homeless or truant youth who become associated with gangs; or youth from more wealthy families who use drugs for recreation. NACD statistics reveal 80 percent of all drug users are below the age of 26.

## III. Country Actions against Drugs in 2008

**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, Cambodia's primary counter-drug agency, the NACD, has been handicapped in its efforts by limited resources, lack of training, and poor institutional law enforcement capacity. An ongoing UNODC project to build capacity at the NACD through structural and functional reform, managerial and technical capacity building, and a stronger national drug control network will conclude in March 2009.

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.

Over the past few years, the Cambodian government has worked to strengthen previously weak legal penalties for drug-related offenses. The current drug law provides for a maximum penalty of a \$25,000 fine and life imprisonment for drug traffickers and allows proceeds from the sale of seized assets to be used towards law enforcement and drug awareness and prevention efforts. However, some observers have noted that the law is too complex for the relatively weak Cambodian judiciary to use effectively. An amended drug law, which has been drafted with the help of CADD officials and UNODC to ensure it meets international standards, is currently undergoing government review. The proposed draft law aims to address the light penalties and procedural loopholes in several articles of the current law, and is expected to be enacted in 2009. A 2007 directive issued by the Ministry of Health increased penalties for safrole oil production and distribution to two to five years in jail, plus fines. There were no safrole oil-related arrests in 2008.

**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 as reflected by the recent appointment of the head of the CADD to Chairman of the International Drug Enforcement Conference Far East Regional Working Group (IDEC-FERWG). Further illustrating the importance the government places on drug control, the budget for the NACD more than doubled in 2008 to 1.25 million U.S. dollars. A significant amount of the total has been directed to anti-drug units at the provincial and municipal levels to augment personnel and infrastructure.

Drug-related seizures declined in 2008, but the number of arrests increased in comparison with that of 2007. According to NACD reports, 317 people were arrested for various drug-related offenses in the first nine months of 2008, a 38 percent increase over the same period in 2007. Drug seizures included 115,555 amphetamine tablets, 1.406 kg of crystal methamphetamine powder, 10,161 codeine tablets, 72 Ecstasy tablets, 2.936 kg of heroin, 150 grams of cocaine, and 3.883 kg of dry cannabis. In 2007 there were almost four times as many amphetamine tablets seized, and five times the amount of heroin seized compared to 2008. According to government officials, the decrease in seizures for a second straight year can be attributed to the use by drug smugglers of more sophisticated techniques to evade detection as well as scarce anti-narcotics equipment and resources.

Increased law enforcement activity was observed in the months prior to the national election on July 27, 2008. As a result, there were more arrests, higher intake numbers, and overcrowding at drug rehabilitation centers. Korsang, a local harm-reduction NGO, expanded its scope and hours in order to accommodate the influx of displaced drug users.

Methamphetamine abuse accounts for approximately 80 percent of drug use in Cambodia. Therefore, the majority of the arrests were for ATS abuse, often involving foreigners. On June 27, three foreign nationals were arrested on charges of possessing, consuming, and intending to sell large quantities of methamphetamines and cocaine. The drugs were purchased in Cambodia with the intent to sell in-country. One Cambodian national was also arrested in connection with the case. On September 30, two Thai women were arrested carrying 145 methamphetamine pills on the Cambodian side of the Thai border. The pills were brought to Cambodia from Thailand with the intent to sell to local casino customers.

Pharmaceutical drugs, which are not presently regulated in an effective manner and are readily available over the counter, provide further temptations for abuse by foreigners. On April 9, Interior Ministry police arrested a Danish

woman in Phnom Penh on suspicion of attempting to mail more than 10,161 codeine tablets to the United States and Canada. While codeine is legal to buy and sell in Cambodia, the drug is considered a controlled substance by the UNODC, and is effectively controlled in most developed countries.

On May 13, a drug dealer who was involved in a high-profile 2007 case where 870 amphetamine pills, 47 Ecstasy pills, 3 bags of ketamine, and nearly 250 grams of crystal methamphetamine were seized by Cambodian law enforcement, as well as machinery capable of producing 10,000 amphetamine pills per hour, was finally located and arrested by military police.

On June 20, 2008, Cambodian authorities in cooperation with Australian Federal Police (AFP) burned 33 tons of sassafras oil worth nearly 7.3 billion U.S. dollars. In addition to it being the first large-scale Cambodian destruction of the Ecstasy precursor, the burn is significant in that the government made a very public anti-drug statement by destroying the oil rather than selling it for legitimate use. Cambodian authorities have been working since 2002 to stem the distillation of saffron-rich oil. Since then, they have succeeded in detecting and dismantling more than 50 clandestine laboratories capable of producing up to 60 liters a day.

**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; however, corruption, low salaries for civil servants, and an acute shortage of trained personnel severely limit sustained advances in effective law enforcement. On April 22, a municipal anti-drug police officer was shot dead and four fellow officers were seriously injured during a raid on an alleged methamphetamine dealer. The drug dealer himself was an Interior Ministry policeman.

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. The World Bank's Worldwide Governance Indicators reflected that corruption was a severe problem in Cambodia in 2008. 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 was widespread.

In 2008, a petition calling for the passage of an international standard anti-corruption law, containing the signatures and thumbprints of over 1.1 million voting age Cambodians, was presented to the National Assembly. The draft Law on Anti-Corruption, which was originally drafted in 1993, was raised at the first meeting of the Council of Ministers of the new government in September, but has yet to be presented to the National Assembly for approval.

**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 a party to the UN Convention against Corruption.

**Cultivation/Production.** Cannabis-related arrests, eradication and seizures have declined dramatically over the past several years. In the first nine months of 2008, 3.883 kg of cannabis was seized and two men were arrested for cannabis trafficking. The Cambodian government announced recently that cannabis plantations have been completely eliminated on Cambodian territory. Although difficult to verify complete elimination given Cambodia's lush landscape, UNODC and others agree that cannabis production and cultivation have ceased to be a major concern with no reports of cross border seizures in 2008. However, anecdotal information of cannabis cultivation indicates the problem persists at a reduced level.

**Drug Flow/Transit.** Crackdowns on drug trafficking in Thailand and China in recent years have pushed traffickers to use other routes, including routes through Cambodia. 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 further road and bridge projects are implemented. Heroin, cannabis, 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 lenient customs and immigration controls. According to the NACD, drug traffickers are increasingly using Cambodian airports to smuggle narcotics into and out of the country. On April 8, a Taiwanese national was arrested while allegedly trying to smuggle 2,150 grams of heroin in two bags onto a plane at Phnom Penh International Airport. In October, authorities seized three kilograms of cocaine at the Phnom Penh International Airport.

**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 drug abuse among Cambodians through the use of pamphlets, posters, and public service announcements. A UNODC treatment and rehabilitation project funded by Japan is working to increase the capacity of health and human service agencies to deal effectively with drug treatment issues. A number of NGOs such as Mith Samlanh, Family Health International, 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 35 percent of injecting drug users is HIV positive. Via an annually renewable license from NACD, two NGOs, Mith Samlanh and Korsang, have harm-reduction programs in Phnom Penh. In addition to needle exchange, they provide counseling services, basic and emergency medical care, training on overdose management, and education sessions on harm reduction, 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. Family Health International provides technical, programmatic and financial support to Government, NGOs and community partners in strategic information and HIV prevention, care, support, and treatment. KHANA is implementing a program 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, starting in early 2009. Drug addicts have historically been treated as criminals by Cambodian authorities and society. 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.

As of September 2008, there were ten government-run treatment centers for men. There are no government-run treatment centers for women. Many of the shortcomings detailed in a 2007 joint NACD/Ministry of Health assessment of these centers still exist. While there has been some improvement in the past year, 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 over the age of 18, and do not have the resources to provide follow-up services nor do they refer patients to organizations that can provide those services. The centers have incorporated some group counseling methods in 2008, but continue to 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 solely on donations from local markets, parents 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.

Mith Samlanh 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.

During the first nine months of 2008, 1,005 drug users and addicts were admitted to the government-run centers and 122, including four females, had received such drug detoxification and rehabilitation services through Mith Samlanh.

The official 2008 NACD estimate of drug users in Cambodia was close to six thousand. However, this figure is only indicative of the number of drug users in contact with local authorities, and does not accurately reflect the extent of illicit drug use in Cambodia. Several NGOs indicate the UNAIDS projected estimate of over 48,000 is more realistic. Regardless of the number, it is clear that the need for drug treatment services far outstrips the available supply.

#### **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 narcotics 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.** The lifting of U.S. congressional restrictions on direct assistance to the Cambodian government in late 2006 has given the U.S. government increased flexibility in partnering with Cambodia in battling narcotics. The Defense Department's Joint Interagency Task Force-West (JIATF-West) conducted three counter-narcotics training missions in 2008, one in Preah Vihear and two at the newly renovated training facility in Sisophon. During FY 2008, PACFLT conducted a Partner Nation Assessment to determine the current level of Cambodian Maritime Security and Maritime Law Enforcement capabilities. Cambodia regularly hosts visits from Bangkok-based DEA personnel, and Cambodian authorities cooperate actively with DEA, including in the areas of joint operations and operational intelligence sharing. Over the past two years, DEA has provided training and equipment to the CADD.

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.** Recent 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, 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 counter-narcotics operations remains low. Instruction for mid-level Cambodian law enforcement officers at the International Law Enforcement Academy in Bangkok (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 FY09, JIATF-West will continue their training infrastructure renovation project, which will both facilitate future JIATF-West training and also build the capacity of Cambodian law enforcement and military authorities. State Department Anti-Drug Assistance (INL) funding for FY08 will be used to support UNODC's TREATNET II program, which aims to improve the quality of drug dependence treatment. USAID HIV/AIDS programs will continue to work with high-risk populations. Further INL funding projected for FY10 is expected to support a senior law enforcement advisor to provide technical assistance to Cambodian law enforcement institutions, specifically in the areas of customs, immigration and border control. The U.S. is encouraged that Cambodia has signed the UN Convention against Corruption and will continue to press the government to adopt effective anti-corruption legislation.

# Canada

## I. Summary

In 2008 Canada continued to implement its National Anti-Drug Strategy, involving three action plans to reduce the supply of and demand for illicit drugs as well as associated crime. Canada remains a country of concern due to the amount of MDMA (3, 4-methylenedioxymethamphetamine, commonly known as Ecstasy) and marijuana crossing into the U.S. from Canada. While Canada's passage of several additional regulations in recent years has reduced the large scale diversion of bulk precursor chemicals across the border, trafficking of marijuana and Ecstasy continues at high levels. Canada's demand reduction efforts include a national awareness campaign targeted at youth and their parents, with a strong message discouraging drug use. However local and provincial authorities have embarked on a number of so-called "harm-reduction" programs, including drug injection sites. The government delivered a sharp message against these harm reduction programs in August, 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, stating that they violated 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

Like most developed countries, Canada's major narcotics problem is primarily drug consumption, but it is also a significant producer of methamphetamine and high potency marijuana; it is also a major source country for Ecstasy to US markets as well as a transit or diversion point for precursor chemicals used to produce illicit synthetic drugs (notably Ecstasy). The marijuana industry's production and distribution are sophisticated and diverse, while Ecstasy production continues to grow.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Canadian government committed about \$84 million in funding over five years to support its National Anti-Drug Strategy's Enforcement Action plan, which provides for the hiring of additional police and prosecutors for counternarcotics teams involved in identifying and closing down grow operations and drug manufacturing sites, and enhancing the capabilities of the Canadian Border Services Agency (CBSA) to stop drugs at the border. Legislation on mandatory minimum penalties for serious drug offenders did not emerge from Parliament in 2008, but was part of the ruling Conservative Party's 2008 election campaign platform; the government said it expects to re-introduce the law in 2009.

Introduced in 2007, the National Anti-Drug Strategy enhanced the "proceeds of crime" program, enabling the government to seize funds and assets acquired through the sale of illicit drugs. In addition, the government has committed new funding of about \$24 million over five years to support a Prevention Action Plan, as well as approximately \$82 million in new funding over five years to support a Treatment Action Plan.

**Law Enforcement Efforts.** In 2008, Canadian and U.S. law enforcement agencies' bi-lateral 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. In a February 2008 operation, CBSA seized 518 pounds of cocaine from a tractor trailer truck at the Blue Water Bridge near Sarnia, Ontario, with an estimated street value of about \$28.7 million, the largest land border seizure of cocaine in Canadian history. In March, RCMP and Quebec First Nations

Police in cooperation with DEA seized 253 pounds of marijuana and about \$2.6 million, and made 29 arrests in the Quebec/Ontario/St. Lawrence Seaway area.

In June, CBSA provided information to U.S. law enforcement authorities, which resulted in the seizure of a shipping container containing 100 pounds of cocaine, 60 pounds of methamphetamine, and 204 pounds of Ecstasy bound for Australia.

In July, a Royal Canadian Mounted Police/Canadian Border Services Agency (RCMP/CBSA) Greater Toronto Area investigation, in cooperation with U.S. law enforcement agencies, resulted in the seizure of approximately 524 pounds of marijuana and approximately \$1 million in cash.

Canadian authorities have also targeted precursor chemical trafficking. In April, Canadian law enforcement agents seized over 8,818 lbs of methamphetamine/Ecstasy at a laboratory production facility in Toronto. The same month, CBSA intercepted a container from China bound for Vancouver containing 3.7 metric tons of liquid MDP2P (3,4-methylenedioxy-phenyl-2-propanone, a chemical precursor of Ecstasy), enough to produce an estimated 6,000 pounds of Ecstasy.

In December, a British Columbia man pleaded guilty in Seattle to drug and money-laundering charges for his role in selling drugs on behalf of the Hells Angels motorcycle club. Another British Columbia man had previously pleaded guilty in November to drug and money laundering charges relating to the case. The undercover investigation resulted in the seizure of 770 kilos of cocaine, 3,175 kilos of marijuana, and over \$2.5 million in cash.

The overall trend for 2008 law enforcement efforts continued previous trends of joint drug enforcement efforts against steady but diverse distribution patterns of traffickers. However, lack of information sharing among law enforcement agencies has hampered counternarcotics enforcement efforts somewhat. For example, federal laws prevent agencies from sharing information about criminal activities of airport employees, including those involved in narcotics smuggling.

**Corruption.** Canada has strong anti-corruption 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. 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. 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.

**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 repress 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.

**Cultivation/Production.** Criminal groups composed of Canadians of East Asian origin (primarily Vietnamese and Chinese), outlaw motorcycle gangs, and Indo-Canadian criminal groups, are the most significant illicit drug producers and traffickers in Canada. Overall, Canada supplies a small proportion of the marijuana consumed in the U.S., however, large-scale marijuana cultivation does thrive in Canada. Legal sanctions for growers are less severe than in the United States, and it remains a significant domestic concern in Canada. Organized crime organizations use technologically-advanced organic growing methods. Large-scale marijuana grow operations are primarily located in British Columbia, Ontario, and Quebec provinces. The Ontario Association of Chiefs of Police continues to say that 85 percent of marijuana growing operations in Ontario are linked to organized crime. Marijuana traffickers rely on profits from marijuana distribution to expand their involvement into other profitable illicit drug activities, such as expanding Ecstasy and methamphetamine production.

Organized crime dominates the methamphetamine trade. Criminal groups composed of Canadians of East Asian origin operate methamphetamine “superlabs” (which are capable of producing at least 10 pounds of methamphetamine per cycle) throughout the country. According to the 2008 Annual Report on Organized Crime prepared by Criminal Intelligence Service Canada (CISC), seizures of Canadian-produced methamphetamine took place throughout the world, including in Australia, Japan, New Zealand, and, to a lesser extent, the People’s Republic of China, Taiwan, India, and Iran. Canada is now the primary source country for Ecstasy available in the U.S. British Columbia and Ontario continue to have the highest concentration of Ecstasy laboratories. Most of the Ecstasy laboratories dismantled in Canada in 2008 were capable of producing multi-kilogram quantities. Increased smuggling from Canada to the United States included both Ecstasy and combination tablets containing methamphetamine and other synthetic drugs. In 2007-2008, Canadian authorities increased seizures of clandestine labs capable of producing large amounts of combination tablets.

**Drug Flow/Transit.** The CISC’s 2008 Annual Report on Organized Crime in Canada estimated approximately 900 organized crime groups in the country, of which most are involved in the illegal drug trade in some capacity. Rising methamphetamine production in Canada could lead to increased distribution in the U.S., particularly by polydrug traffickers, such as many Asian criminal groups and outlaw motorcycle gangs, using established Ecstasy or marijuana distribution networks.

**Domestic Programs/Demand Reduction.** Local and provincial authorities have embarked on a number of so-called “harm-reduction” programs. In 2003, the federal Department of Health (Health Canada) granted Vancouver “Coastal Health” a three-year exemption from the Canadian Controlled Drugs and Substances Act to establish North America’s first supervised injection site research pilot project (“Insite”). Health Canada renewed the extensions of the exemption in September 2006 and October 2007, allowing Insite to continue to operating legally until June 2008. British Columbia’s provincial Ministry of Health funds Insite through Vancouver Coastal Health. British Columbia provincial judicial authorities are resisting federal government efforts to close Insite. In May 2008 the British Columbia provincial Supreme Court ruled that the federal government does not have the constitutional authority to close Insite, which the Court considered a health facility and within provincial jurisdiction, and gave the federal government until June 2009 to amend the Controlled Drugs and Substances Act. The federal government has appealed, and the British Columbia provincial Court of Appeal plans to hear the case in April 2009. Several cities, including Toronto and Ottawa, have also approved programs to distribute drug paraphernalia, including crack pipes, to chronic users.

The government delivered a sharp message against harm reduction and the Insite program in an August 18, 2008 speech to the Canadian Medical Association by then Minister of Health Tony Clement. Clement strongly criticized information on the Canadian Harm Reduction Network website which he described as promoting the idea that there are safe ways to use heroin and methamphetamine. Clement also stated that an expert advisory committee had determined that the Insite experiment had not reduced the transmission of HIV/AIDS to a meaningful degree. The committee also estimated that the Insite program lowered the annual overdose rate in Vancouver’s eastside by only one person each year, leaving 50 overdose deaths per year.

The UN International Narcotics Control Board's (INCB) 2007 Report noted that the Vancouver Island Health Authority's approval of "safer crack kits," including the mouthpiece and screen components of pipes for smoking "crack," 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. While Health Canada provides funding for drug treatment services, other programs such as delivery of demand reduction, education, treatment, and rehabilitation are primarily the responsibility of the provincial and territorial governments.

Canada's Anti-Drug Strategy includes a national awareness campaign targeted at youth and their parents, with a strong message discouraging drug use. Additional funding provides for modernized and new treatment services as well as improving their availability and effectiveness, more money for the provinces and territories to expand treatment programs for addicted youth, and funding for a National Youth Intervention Program to enable police to enroll young drug users more quickly into assessment and treatment programs instead of detention.

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

**Bilateral Cooperation.** The U.S. and Canada have continued information sharing and binational cooperation through the Cross-Border Crime Forum (CBCF) and other fora. At the CBCF's Spring Ministerial in March 2008, U.S. and Canadian officials jointly released the 2007 U.S.-Canada Border Drug Threat Assessment as a snapshot of cross-border narcotics issues and trends. 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 also regularly attends the annual National Methamphetamine Chemical Initiative (NMCI) meeting in the U.S.

In spring 2008, two RCMP officers participated in DEA's International Drug Enforcement Conference (IDEC) in Turkey to share best practices and lessons learned. In October, DEA organized a clandestine laboratory school for Quebec Provincial Police in Montreal. DHS/ICE and DEA continue to meet regularly with RCMP officials to advance U.S. and Canadian efforts to disrupt and prosecute money-laundering operations, particularly in the area of bulk currency smuggling. Canada has also participated in supporting naval interdiction efforts as part of Joint Interagency Task Force South. DEA, CBP, ICE, CBSA, RCMP, and local and 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.

The United States and Canada opened negotiations concerning a bi-lateral shiprider agreement in the spring of 2008. The agreement will allow the exchange of shipriders and seamless maritime law enforcement operations across the U.S.-Canadian maritime border.

**The Road Ahead.** The U.S. and Canada will continue to cooperate in joint operations combating U.S.-Canada drug trafficking. The CBCF will continue to serve as a forum for senior law enforcement, justice, and homeland security officials to enhance and encourage intelligence sharing, investigative collaboration, and joint training opportunities. CBCF working groups will meet throughout the year to develop joint strategies and initiatives including threat assessments and collaborative operations.

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. urges Canada to take stronger action to curb the rise of methamphetamine production. The upsurge in Canadian methamphetamine production has raised the prospect of increased smuggling from Canada to international markets. Both Canada and the U.S. will seek improvements in their enforcement capacity and regulatory frameworks to promote industry compliance and avoid diversion of precursor

chemicals and lab equipment for criminal use. A more effective and expansive inspection regime, in conjunction with expedited investigations and prosecutions, would also strengthen enforcement efforts. According to government officials, the government of Prime Minister Stephen Harper is committed to increased penalties for illicit drug production and trafficking, but will not consider them for drug use.

Canada should implement the INCB's recommendations to eliminate drug injection sites and drug paraphernalia distribution programs because they violate international drug control treaties. The U.S. and Canada will continue to seek agreement on an Integrated Marine Security Operations (IMSO) program that would facilitate more effective maritime counter-smuggling efforts by designating officers from each country to operate from one another's vessels or aircraft. The U.S. will continue to seek reciprocal agreement for U.S. federal maritime law enforcement officers to carry their weapons while transiting through Canadian waters.

The U.S. and Canada share common objectives of reducing the supply and consumption of illicit drugs and the serious consequences that they pose to our communities, particularly vulnerable youth. The U.S. and Canada plan to renew the joint U.S.-Canada border drug threat assessment, which the two governments update every three years, and to continue to strengthen bilateral cooperation in a wide range of working groups and forums.

# Cape Verde

## I. Summary

Because of its geographic location, Cape Verde is an important transit country for narcotics entering Europe. Narcotics shipments come mainly from South America and Africa and are destined mainly to Europe. Narcotics enter Cape Verde by commercial aircraft and maritime vessels and yachts. Cape Verde works with international donors like UNODC and the Governments of Portugal, Spain, France, Germany, Brazil, and the United States to achieve counter narcotics objectives and on law enforcement capacity building development projects designed to enhance the capability of the Government of Cape Verde to suppress criminal activity and promote local demand reduction. 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 Africa mainland, Europe and South America makes it an attractive location for drug transshipment of cocaine, heroin, marijuana and other illegal drugs from the Caribbean, Venezuela, Colombia, Brazil, and Europe. Drug smugglers use Cape Verde as a transit point to Europe. Numerous beaches and extensive territorial waters and an economic zone lacking adequate surveillance allow the drugs to transit. Cocaine is the most trafficked. In 2008, South American cocaine arrived in Cape Verde, largely from Brazil, Colombia and Venezuela. Other primary source countries for trafficked drugs transiting Cape Verde were Nigeria and Senegal. Cocaine enters Cape Verde by commercial aircraft and maritime vessels and yachts. Other drugs trafficked include crack cocaine and cocktail (a mixture of cannabis and crack, locally called "cochada") produced locally, cannabis, cultivated locally and Ecstasy imported from Europe. Drug abuse within the prison system and criminality linked to drug trafficking are a concern for authorities.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Cape Verde law makes the "consumption, drug trafficking, and revenues resulting from drug trafficking" a criminal offense, punishable with one to twenty years imprisonment. In June, a mission by the UNODC (United Nations Office on Drugs and Crime) took place in Cape Verde to analyze the local training needs. A joint UNODC/EUROPOL mission also surveyed conditions in Cape Verde in June to address the issue of illegal migration. The Judiciary Police acquired ten vehicles to reinforce its capacity to fight drug trafficking. The Judiciary Police have also received equipment for a scientific laboratory and personnel have been trained to operate it. The government is carrying out the second phase of a Criminality and Corruption Study initiated in November 2007.

**Law Enforcement Efforts.** Cape Verde has two separate law enforcement agencies that deal with narcotics: the Judiciary Police (PJ) and the National Police (PN). The PJ is a unit of the Ministry of Justice with overall responsibility for coordination of criminal investigations. The PN reports to the Ministry of Interior. The PJ detained 71 persons for drug trafficking, and seized 189.5 kilograms of cocaine in the capital city, 576 kilograms of cannabis, and 9.6 grams of Ecstasy. The traffickers are reported to be mostly Cape Verdean and Portuguese citizens. Due to Cape Verde's law enforcement efforts, traffickers have been shifting increasingly to Guinea-Bissau. A few indicative seizures are described below:

- On April 1st, PJ officers in Praia arrested one suspected narco-trafficker for transporting 104 kilograms of cocaine in the city of Praia.
- On June 10, PJ officers in Praia arrested one suspected narco-trafficker for transporting 9.6 grams of Ecstasy in the city of Praia.
- On June 25, PJ officers in Praia arrested one suspected narco-trafficker for transporting 9 kilograms of cocaine in the city of Praia.

- On September 28, PJ officers in Praia arrested two suspected narco-traffickers for transporting 5 kilograms of cocaine on a flight from Fortaleza, Brazil.
- In October, PJ officers at the Port of Praia seized 171.5 kilograms of cocaine, which were hidden on a scrap metal cargo vessel, to be shipped to Portugal.
- In October, PJ officers arrested two suspected narco-traffickers on the island of Sal.

**Corruption.** Cape Verde's government does not encourage or facilitate the illicit production or distribution of drugs or substances, or the laundering of proceeds from illegal drug transactions. In June, three PJ officials were arrested for diverting over 135 kilograms of cocaine seized in a drug investigation to the illicit market; the PJ conducted a full investigation and charged suspects with the crime.

**Agreements and Treaties.** Cape Verde 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. Cape Verde is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. On April 23, 2008, Cape Verde ratified, the UN Convention against Corruption.

**Cultivation/Production.** Cape Verde is not a significant producer of narcotics. In 2008 the PJ seized 576 kilograms of cannabis cultivated on Santiago Island.

**Drug Flow/Transit.** Cape Verde's strategic location on the maritime and aerial routes between Africa mainland, Europe and South America makes it an attractive location for drug transshipments of cocaine, cannabis and other illegal drugs from the Caribbean, Colombia, Brazil, and Europe. Numerous beaches and extensive territorial waters and economic zone lacking surveillance allow the drugs to transit. The U.S. has not been identified as a significant destination for drugs transiting through Cape Verde.

**Domestic Programs/Demand Reduction.** Cape Verde has a National Commission for Combating Drugs (CNLCD), under the Ministry of Justice, that holds responsibility for coordinating Cape Verde's drug programs. The CCCD gathers statistics, disseminates information on narcotics issues and manages government treatment programs for narcotic addictions. CNLCD also runs a hotline and manages several public awareness campaigns. Cape Verde has a rehabilitation shelter located on Santiago Island.

Cape Verde has a group called CAVE INTERCRIN (CAPE VERDE INTEGRATED CRIME AND NARCOTICS PROGRAMME) which is an administrative governmental body aimed at supporting a self-sustainable and healthy development of Cape Verde through preventing the spread of illicit drugs, crime, and other anti-social behaviors. CAVE INTERCRIN's immediate objectives are: to improve control of borders through increased mobility, communication and intelligence capabilities; to improve preventive/reaction capabilities in maintaining law and order through upgraded patrolling and communication capabilities; and to improve the detection and interdiction capabilities of national law enforcement agencies through updated training curricula delivered by computer based training.

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

**Bilateral Cooperation.** DEA-Madrid and FBI-Dakar cooperate with the Cape Verdean PJ and PN. In September 2008, the FBI funded two training courses for the PJ: one on finger prints and another on investigation. Right after these trainings, the PJ seized 5 kilograms of cocaine on a flight from Fortaleza, Brazil, and 171.518 kilograms of cocaine at Praia port. The U.S. supported Cape Verde with USD 35 000 to help organize an ECOWAS (Economic Community of Western African States) Inter-ministerial conference on drugs trafficking and Organized Crime Conference, and also is planning to implement several narcotics-related capacity building projects funded by State Department (INL) counternarcotics assistance. The USCG conducted an assessment to determine the feasibility of implementing long term sustainable fisheries and law enforcement training programs in 2008.

In June 2008, a U.S. Coast Guard cutter deployed to work with Cape Verdean authorities, in support of Africa Partnership Station (APS) initiative to enhance maritime safety and security in the region. This operation served as a proof of concept for employing a foreign Law Enforcement Detachment (LEDET) aboard a U.S. vessel. The cutter's deployment was a major breakthrough in the nature of U.S. maritime engagements in Africa. The participation of the Cape Verdean Coast Guard, French Navy, and U.S. Coast Guard marked the first multilateral combined maritime law enforcement operation ever conducted in Africa. It was also the first time a non-U.S. Law Enforcement Detachment (LEDET) operated with a USCG LEDET to conduct law enforcement operations from a U.S. military vessel. The combined LEDET boarded six vessels enforcing Cape Verde law. In addition to the capacity building dimension, major upgrades were made to the Cape Verde Operations Center that allowed the Cape Verdean leadership to communicate in real time, using translation software, simultaneously with the cutter and with US officers coordinating the operation from Naples, Italy. This allowed for closer coordination of the boarding team, and provided the ability to immediately consult with leadership when key legal and jurisdictional issues arose.

**The Road Ahead.** On October 27, 2008, Cape Verde hosted an ECOWAS (Economic Community of Western African States) Inter-ministerial Conference on Drug Trafficking and Organized Crime. As a result of the conference, an action plan will be submitted to the Security Council for ratification. The Plan will also be sent for review by a Summit of Heads of State and Governments of ECOWAS. Cape Verde's Minister of Justice said at the Conference that the situation of drug trafficking in the region was a threat to West African countries, and called for concrete steps to be taken to develop more effective ways to combat this scourge. The Justice Minister also announced during the conference that Cape Verde is planning to strengthen its laws relating to drug trafficking.

# Chile

## I. Summary

Chile is a transit country for Andean cocaine shipments destined for Europe, with perhaps small amounts coming to the United States. Chile has a domestic cocaine and marijuana consumption problem, and an increasing problem with use of the amphetamine-type drug MDMA (Ecstasy). Chile is also a potential source of precursor chemicals for use in cocaine processing in Peru and Bolivia. Chile is a party to the 1988 UN Drug Convention.

## II. Status of Country

Chile's long, difficult-to-monitor borders with Peru, Bolivia, and Argentina and international ports make it an appealing transit country for cocaine from the Andean region en route to Europe. Authorities report increased domestic consumption of cocaine hydrochloride (HCl), though abuse of "cocaine base" (a crude coca-derived product known locally as "pasta base") is more prevalent. Chile ranks fourth in cocaine consumption and first in marijuana consumption among South American countries, according to the United Nation's 2008 World Drug Report. Some marijuana is cultivated in Chile, but most is imported from Paraguay for use by Chilean teenagers and young adults. Chile's National Drug Control Commission (CONACE), which is responsible for formulating and implementing drug policies, released a study in 2008 that revealed increased availability of marijuana among students between 2005 and 2007.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Chile recognizes the threat posed by illicit narcotics and has adopted policies and enforcement efforts that contribute to worldwide drug control efforts. In 2008, Chile changed its criminal statutes to align penalties for trafficking marijuana with penalties for trafficking cocaine, heroin, and other drugs. Previously, convictions for marijuana trafficking did not have the same severity under the law as convictions for trafficking in other drugs such as cocaine or heroin. The change is a response to the increase in importation of marijuana from Paraguay.

In 2008, CONACE expanded its drug court pilot program to the cities of 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. CONACE also signed an agreement with the Public Ministry's office to evaluate the drug court initiative.

Chile completed its transition from an inquisitorial to an adversarial judicial system in 2005. The process is still maturing, and feedback in 2008 suggests that there is greater public acceptance of the new system and faster resolution of cases. There are still challenges in training judges, prosecutors, and law enforcement officials on evidence collection and analysis, law enforcement techniques such as undercover operations, courtroom presentation methods, and court administration procedures.

**Law Enforcement Efforts.** Through September 2008, Chile reported seizures of approximately 1,421 kilograms (kg) of cocaine; 3,200 kg of cocaine paste; 7,087 kg of processed marijuana; and 23 units of illegal pharmaceutical drugs. Statistics were not available for heroin, Ecstasy, or LSD. Noteworthy operations included the April 2008 seizure of 29 kg of cocaine and other drug ingredients from the "Los Gaete" Drug Cartel that resulted in ten arrests.

The Carabineros de Chile (uniformed national police) and the Policia de Investigaciones (investigative police—PICH) have primary responsibility for counternarcotics law enforcement. Both the Carabineros and the PICH have dedicated anti-drug units that are considered highly professional and competent. Chile's long coast-line and international ports contribute to a heightened threat of maritime drug trafficking. In 2008, the PICH created a Maritime Container Investigations Unit designed to target drug trafficking organizations using ports in Chile for the transit of narcotics and

chemical precursors. The Carabineros de Chile also launched “Plan Vigia” (Plan Lookout), an effort to focus on drug traffickers in northern Chile. “Plan Vigia” provided more resources to the northern region, specifically near Calama, in response to an increase in the trafficking of Bolivian cocaine. Chile also formed the Border Intelligence and Analysis Group in 2008, which is designed to increase intelligence collection and dissemination among various law enforcement agencies. The group is composed of members of the Carabineros, PICH, Customs Service, and the Bureau of Prisons. This inter-agency effort builds on the success of the Arica Narcotics Investigations Task Force, launched in 2007.

**Corruption.** As a matter of policy, no senior Government of Chile (GOC) official or the GOC 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. 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 or engaged in such activities. In cases where police are discovered to be involved in drug trafficking, or in protecting traffickers, simultaneous termination and initiation of an investigation are immediate. Chile is traditionally considered one of the least corrupt countries in the Western Hemisphere and ranked as the fifth least corrupt country in the Americas in the 2008 Corruption Perception Index Survey released by Transparency International.

**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 person and migrant smuggling, and the UN Convention Against Corruption. The 1900 U.S.-Chile Extradition Treaty is currently in force. (Note: This was signed in 1900 and entered into force in 1902.) The United States and Chile continue to negotiate a new extradition treaty. 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.

**Cultivation/Production.** Chile produces a small amount of marijuana that is consumed domestically.

**Drug Flow/Transit.** In addition to maritime routes, narcotics enter Chile via land borders with Peru, Bolivia, and Argentina. Within Chile, narcotics move along Route 5, the main north-south corridor and part of the Pan American Highway. Narcotics transit out of Chile to Europe via maritime routes. Efforts to intercept illegal narcotics in the northern ports are inhibited by inspection restrictions established by the treaty signed after the War of the Pacific which require Chilean authorities to seek permission from the governments of Bolivia and Peru to inspect cargo originating in those countries. This allows some cargo to pass through ports in Arica, Iquique, and Antofagasta without Chilean inspection.

**Domestic Programs/Demand Reduction.** CONACE offers a full range of programs designed to reduce domestic drug consumption. The programs focus on drug prevention in schools, the workplace, and the community. There is a national movement aimed at increasing family involvement in preventing drug abuse, and CONACE has several programs designed to help parents talk to their children about the danger of drugs. The GOC also provides rehabilitation treatment for drug addicts through CONACE and the Ministry of Health. Chile does not promote or sanction harm reduction programs, such as needle exchanges for addicts.

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

**Policy Initiatives.** USG-sponsored anti-narcotics programs in 2008 focused on increased police intelligence capabilities, enhanced interagency cooperation among Chilean law enforcement agencies, and support for anti-money laundering efforts. The overall objective was to increase the ability of Chilean law enforcement agencies to combat some of the most challenging aspects of the drug trade in Chile.

**Bilateral Cooperation.** The USG and GOC have a strong record of bilateral anti-narcotics cooperation. In 2008, the USG and GOC worked together to address police intelligence gathering capabilities, interagency cooperation, and maritime security through training and exchanges. In June, Drug Enforcement Administration (DEA) officers in Santiago conducted a three-day Law Enforcement Tactical Training Course for members of the PICH anti-narcotics unit. In November, DEA conducted an undercover operations course for 15 Carabineros and 15 PICH detectives. DEA offices in Santiago, La Paz, Lima, Buenos Aires, and Asuncion continued to support an Officer Exchange Program among their respective host nations in 2008. PICH officials traveled to the DEA Training Academy in Quantico, VA, and the Department of Homeland Security's Customs and Border Control (DHS/CBP) Canine Training Academy in Front Royal, VA. CBP also carried out seaport interdiction training designed to enhance customs officers' counternarcotics capabilities. Chilean officials traveled to Houston/Galveston and U.S. Coast Guard (USCG) facilities in California to learn about port security and maritime security. The USCG provided resident, mobile and on-the-job training in maritime law enforcement, professional development and command and control to the Chilean Navy.

**The Road Ahead.** Future USG support for Chile's counternarcotics efforts will focus on enhancing interagency cooperation and its ability to conduct complex investigations. The USG encourages Chile to address its status as a transit country and intensify its efforts to disrupt major trafficking organizations. As the President of the Inter-American Drug Abuse Control (CICAD) in 2009, Chile will be in a position to provide leadership in the Western Hemisphere on the issue of drug control.

# China

## I. Summary

The People's Republic of China serves as a major drug transit country for international drug markets (though not the United States). Drugs, particularly heroin, come mostly from the Golden Triangle, but Afghanistan is also an important drug source area. China continues to have a domestic heroin consumption problem along with an upsurge in the consumption of synthetic drugs such as Ecstasy and crystal methamphetamine, known as “ice.” Chinese authorities view drug trafficking and abuse as a major threat to China’s national security, its economy and its national and regional stability, but corruption in far-flung drug-producing and drug transit regions of China limits what dedicated enforcement officials can accomplish. 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. China is a party to the 1988 UN Drug Convention.

## II. Status of Country

Mainland China is situated adjacent to major narcotics producing areas in Asia, Southeast Asia's Golden Triangle, Southwest Asia's Golden Crescent, and Northeast Asia's Golden Azalea (North Korea). Burma continues to be the major source of opiates entering China. While the Golden Triangle area poses a longstanding problem, Chinese officials note that the Golden Crescent is the source of increasing amounts of heroin trafficked into Western China, particularly Xinjiang Province. China's 97-kilometer border with Afghanistan is remote, but Chinese authorities are increasingly concerned that heroin and opium from Afghanistan can find its way into China through other countries in South and Central Asia. Methamphetamine produced in North Korea continues to appear in China's northeastern provinces. Beijing claims that there are no heroin refineries in China.

China is a major producer of the dual-use precursor chemicals for methamphetamines, ephedrine and pseudoephedrine. There is a widespread belief among law enforcement agencies throughout the world that large-scale methamphetamine producers in other countries are using Chinese-produced ephedrine and pseudoephedrine, and there are numerous examples from criminal investigations to confirm this suspicion. Diverted Chinese precursor chemicals that are often transhipped through other countries may sustain synthetic drug production in other countries as far away as Mexico, Belgium, and the Netherlands. Although China enacted enhanced precursor chemical control laws in November 2005 and is fully engaged in multilateral and bilateral efforts to stop diversion from its chemical production sector, it has not matched the size of its large chemical industry with sufficient resources to effectively ensure against diversion.

Statistics on drug usage within China are contradictory. The National Narcotics Control Commission (NNCC) recently claimed that the number of drug users had declined. However, data from non-government sources indicate that drug abuse continues to grow at a moderate rate. 2007 NNCC statistics claim there are 955,000 registered drug users in China, but some officials acknowledge the actual number of addicts is much higher and there have been published reports that China might have as many as 15 million drug abusers. According to Chinese Government reports, 78 percent of all registered drug addicts are heroin users. Youth below the age of 35 comprise the largest percentage of registered addicts (62.08 percent), fueled largely by an increase in the disposable income of urban youth. The government reported that 38.5 percent of China’s HIV positive and AIDS patients were infected through intravenous drug use.

As China's economy has grown and its society has opened up over the last decade, the country's youth have come to enjoy increasing levels of disposable income and freedom. This has been associated with an increase in drug abuse in young people 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 along China's wealthy east coast, particularly in Beijing, Shanghai, Nanjing, Guangzhou and Shenzhen.

With a large and developed chemical industry, China is one of the world's largest producers of precursor chemicals, including acetic anhydride, potassium permanganate, piperonylmethylketone, pseudoephedrine, ephedrine and ephedra. China produces and monitors all 22 of the chemicals on the tables included in the 1988 UN Drug Convention. China continues to be a strong partner of the United States and other concerned countries in implementing a system of pre-export notification of dual-use precursor chemicals. China strictly regulates the import and export of precursor chemicals, but motivated criminals have regularly found a way around this control regime.

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** China takes active measures to combat the use and trafficking of narcotics and dangerous drugs and is a party to the 1988 United Nations (UN) Drug Convention and the UN Convention Against Transnational Organized Crime. China's Ministry of Public Security (MPS) is in the fourth year of its National People's War on Illicit Drugs, begun in 2005 at the initiative of Chinese President Hu Jintao. MPS has designated five campaigns as 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 the Administrative Law on Precursor Chemicals as well as the 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. China's new Narcotics Control Law was passed in late 2007 and went into effect on June 1, 2008. The law lays out drug control principles including education, administration, treatment and international cooperation. In June 2007, MPS Minister and NNCC Director Zhou Yongkang announced China would intensify its war against drugs and called for reinforced efforts to fight heroin and curb the spread of new types of drugs, especially amphetamine type stimulants. The People's Procurator's Office and the Supreme Court have improved legal standards for cases involving new types of drugs. Current MPS Minister Meng Jianzhu has also emphasized the importance of anti-drug work in speeches since his appointment in 2007.

In October 2008, the State Food and Drug Administration (SFDA) introduced new regulations enhancing the control on the sale and production of ephedrine and pseudoephedrine pharmaceutical preparations. Launched jointly with the National Narcotics Control Commission (NNCC), the regulations are expected to prevent extraction of ephedrine and pseudoephedrine active ingredients from Ephedrine Hydrochloride and Diphenhydramine Hydrochloride (EHDH) tablets, as well as curb the diversion and illicit trade in these products.

China has 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 of Drug Control (UNODC) demand reduction and crop substitution efforts in areas along China's southern border and has worked closely with Burma to implement an alternative crops program. In May 2006, the State Council authorized a 250 million Renminbi (RMB) fund (approx. USD 32.5 million) for crop substitution projects in Northern Burma and Laos. The NNCC reported that Chinese authorities launched 27 joint drug law enforcement operations with Laos and Burma in 2007, seizing 6,443 kilograms of illicit drugs and 4,795 kilograms of precursor chemicals. Nevertheless, Burma remains the major source of opium entering China, and it is probable that much of Burma's drug refining uses diverted precursor chemicals from China.

**Law Enforcement Efforts.** According to the 2008 Annual Report on Drug Control in China, Chinese authorities were involved in 56,000 drug-related cases and apprehended 67,000 suspects in 2007. China seized 4.6 tons of heroin (a 20.6 percent decrease from 2006), 1.2 tons of opium (a 30 percent decrease from 2006), 2.21 million Ecstasy tablets (a nearly five fold increase from 2006), 6 tons of ketamine (3.35 times as many tons as 2006), and 5.8 tons of methamphetamine (a 2.59 percent increase from 2006.) According to NNCC, Chinese authorities investigated 1,553 cases involving precursor chemicals in 2007 and seized 592 tons of precursor chemicals.

In the first seven months of 2008, Chinese authorities seized 6.6 tons of drugs and arrested 15,707 people for drug related crimes. During this time period, authorities seized 2.74 tons of methamphetamine and 3.59 tons of ketamine, according to MPS.

The Chinese Government continues its aggressive counternarcotics campaign. In China, three agencies have primary responsibility for controlling the licit/illicit drug markets: the Ministry of Public Security (MPS), the State Food and Drug Administration (SFDA) and the General Administration of Customs (GAC). All three are part of the National Narcotics Control Commission (NNCC) that formulates drug policy in China, similar to the Office of National Drug Control Policy (ONDCP) in the United States.

Golden Crescent drug smuggling has “increased” according to the 2008 report of the NNCC. In 2007, Chinese authorities conducted joint counternarcotics operations with Afghanistan, which resulted in the seizure of five kilograms of heroin and the arrests of four suspects; with Pakistan, which resulted in the capture of six suspects and 7 kilograms of heroin and with Tajikistan, which resulted in the capture of 590 grams of heroin and three suspects. To curb the growing Golden Crescent heroin threat, Chinese authorities have stepped up border and airport checks in Guangdong, Beijing, Shanghai and Xinjiang.

NNCC expects drug use to continue to move from traditional to synthetic drugs. However, because almost 80 percent of China's drug addicts use heroin, the Golden Triangle and Golden Crescent will continue to remain areas of serious concern for China.

In 2007, in cooperation with Laos, Burma, Thailand and the Philippines, Chinese authorities continued to carry out operation “Nail Eradication,” capturing 30 Chinese nationals living outside of China who were wanted as suspected leaders of drug trafficking rings, according to the NNCC.

In 2007, China continued to strengthen its cooperation with United States law enforcement agencies. This included successes in joint operations with DEA. On a case-by-case basis, MPS provides DEA with strategic and operational intelligence which is used to target international drug rings. MPS has allowed DEA to interview witnesses in China and has allowed DEA to jointly conduct other investigative activity to help identify drug rings. In addition, MPS helps to facilitate the travel of U.S. law enforcement personnel based at the U.S. Embassy in Beijing. DEA has received several drug samples from MPS and Customs for analysis and, in 2008, China agreed to provide samples to participate in the DEA heroin signature program. In the same year, MPS, with the investigative assistance of DEA, seized 142 kilograms of cocaine in Southern China. On June 4, 2008, MPS, in a joint investigation with DEA-Beijing, seized 530 kilograms of cocaine in Guangzhou.

According to the NNCC, China and Pakistan have strengthened counter-drug cooperation, to include information-sharing and joint operations. Philippines, Hong Kong, Guangdong, and Beijing police counterparts 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.

**Corruption.** Chinese leaders acknowledge that China has a very serious corruption problem. Anticorruption campaigns have led to arrests of many lower-level government personnel and some more 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 convicted of money laundering and racketeering in the United States.

MPS takes allegations of drug-related corruption seriously, launching investigations as appropriate. Most cases appear to have involved 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 certain provinces bordering drug producing regions, such as Yunnan, and in Guangdong and Fujian, where narcotics trafficking and other forms of transnational crime are prevalent.

Official corruption cannot be discounted among the factors enabling organized criminal networks to operate in certain regions of China, despite the best efforts of central-level authorities. 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 efforts 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 actively cooperates with other countries to fight drug trafficking and has signed over 30 mutual legal assistance agreements with 24 countries. China has also signed 58 bilateral treaties on legal assistance and extradition with 40 countries. China is a party to the 1988 UN Drug Convention, as well as to the 1961 UN Single Convention on Narcotic Drugs and its 1972 Protocol and the 1971 Convention on Psychotropic Substances. 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 reached agreement on the Customs Mutual Assistance Agreement (CMAA). 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 under that operation. China also participates in Operation Topaz, an intergovernmental operation to detect and prevent precursor chemicals used for the illicit manufacture of heroin, and Project Prism, targeting synthetic drug chemicals. China continued its participation in the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD).

**Cultivation/Production.** China eliminated large-scale drug crop cultivation in China years ago. At present, China's mountainous and forested regions where illegal cultivation can occur are subject to aerial surveillance, field surveys, and drug eradication to eliminate any significant return to the cultivation of drug crops. 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.

China is a main source for natural ephedra, which is used in the 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 ATS. The Chinese 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 that large-scale production of methamphetamines, most notably in super and mega-labs, in the Asia Pacific Rim, for example in Indonesia, use China-produced ephedrine and pseudoephedrine. Large-scale seizure of Chinese-made chemicals that have been diverted is 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 Provinces. On August 7, 2008, a special operations unit of MPS seized a methamphetamine manufacturing factory in Hui Zhou, China. Six suspects were arrested and nearly 1,700 kilograms of mixed liquid substance containing methamphetamine were seized.

**Drug Flow/Transit.** China continues to be used as a transshipment route for drugs produced in the Golden Triangle, despite counternarcotics cooperation with neighbors such as Vietnam, Thailand and Burma. In their 2008 report, the NNCC noted that the Golden Triangle is the single greatest source of foreign produced drugs in China. Chinese 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 unrestricted crossing into China. In addition, there are many official crossings on the Burma/China border that also provide access. Transit of drugs through Yunnan and Guangxi to Guangdong 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 leaving China. In addition, Xiamen and Fuzhou in Fujian Province have also recently become major exit points. Chinese anti-drug police also strengthened their efforts in Yunnan in 2007 by enhancing interdiction capabilities at border posts, airports, railway stations and post offices. Yunnan investigated 9,838 drug trafficking cases and seized 7.09 tons of drugs in 2007, according to statistics published by the NNCC.

Chinese authorities acknowledge that western China is experiencing significant drug trafficking problems as well. They report that drugs such as opium and heroin are being smuggled into Xinjiang Province for distribution throughout China. They are concerned about opium from the Golden Crescent and have seen a steady increase in the flow of heroin from that region, specifically from Afghanistan. There has been an increase in the number of Afghan heroin seizures in western China to confirm that trafficking is indeed taking place. MPS and DEA report that Pakistan serves as a key trafficking route for heroin from Afghanistan into China.

**Domestic Programs/Demand Reduction.** The most recent MPS statistics indicate there are over 955,000 registered drug users in China, but officials acknowledge the actual number of addicts is higher, with some published reports indicating there may be as many as 15 million drug abusers. The Chinese Government reports that 78 percent of all registered drug addicts are heroin users. Youth under the age of 35 comprise the largest percentage of addicts. The government reported that 38.5 percent of China's HIV positive and AIDS patients were infected through intravenous drug use.

In addition to the standard reform through labor camps, the government is using media campaigns, the establishment of drug-free communities, compulsory drug rehabilitation treatment, and voluntary rehabilitation centers to reduce drug demand. The NNCC reports that China has recruited more than 1 million drug control volunteers nationwide whose job it is to publicize drug control efforts and help patrol recreational venues. NNCC and MPS set up an online drug abusers database to improve monitoring and information sharing across agencies. In 2007, the Chinese Government allocated funding for 23 pilot drug rehabilitation centers across the country. As of November 2007, China had treated 249,629 drug users in compulsory treatment centers and 62,163 in labor camps.

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

**Bilateral Cooperation.** Counternarcotics cooperation between China and the United States is focused on a number of ongoing investigations and initiatives, including use of precursors in the production in China of steroids and human growth hormones that are subsequently illegally exported to the United States. The October 2008 U.S.-China Joint Liaison Group (JLG) Meeting on Law Enforcement included a discussion of narcotics cooperation issues during which specific objectives for continuing cooperation were agreed to, with implementation to follow.

**Road Ahead.** A continuing significant problem in bilateral counternarcotics cooperation remains the lack of progress toward concluding a bilateral Letter of Agreement (LOA) enabling the U.S. Government to extend counternarcotics assistance to China. Reaching agreement on an LOA is a major U.S. goal that, if achieved, would greatly increase counternarcotics cooperation between the two countries. While China has provided the DEA on a case-by-case basis with some samples of drugs, the U.S. Government would welcome routinely receiving samples of all drugs seized by Chinese authorities. Another important issue for both sides is access to witnesses and other evidence in a timely fashion so that it can be used in investigations and trials. Despite these issues, bilateral enforcement cooperation remains on track and is expected to continue to improve over the coming year.

# Colombia

## I. Summary

The Government of the Republic of Colombia (GOC) remains committed to fighting the production and trafficking of illicit drugs and has made great progress, including aerial and manual eradication removing hundreds of tons of coca from production each year; a decrease in estimated coca yields by 24 percent from a high point of 700 metric tons of cocaine in 2001 to 535 metric tons of cocaine in 2007; and Colombia's transition to a new accusatorial system of justice and the extension of a police and other government agencies' presence throughout the country. However, Colombia remains a major drug producing country. In 2008, the GOC continued its aggressive interdiction and eradication programs, seizing over 223 metric tons (MT) of cocaine and cocaine base, which is an all-time record for the GOC. The GOC also extradited a record number of persons charged with crimes in the U.S. About 230,000 hectares of illicit crops were eradicated, over 133,000 hectares through aerial eradication by the Colombian National Police (CNP) Anti-Narcotics Directorate (DIRAN), and over 96,000 hectares by manual eradication efforts. Colombia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Colombia remains the principal supplier of cocaine to the world. While the majority goes to the U.S., an increasing percentage is now destined for Europe and Brazil. Nearly 90 percent of the cocaine entering the U.S. is processed in Colombia, and the country remains the primary source for heroin used east of the Mississippi River. Colombia is a leading market for precursor chemicals, and significant money laundering activity continues to occur. Narcotraffickers exploit Colombia's infrastructure and geography, including multiple international airports, an expanding highway system, ports on the Atlantic and Pacific coasts, and extensive rivers for their operations. Illegal drugs are still primarily exported; however domestic consumption is rising in Colombia. The GOC is making a concerted effort to consolidate its demand prevention efforts into a unified policy.

The U.S. has designated three illegal armed groups as Foreign Terrorist Organizations (FTOs) in Colombia. The Revolutionary Armed Forces of Colombia (FARC) and, to a lesser degree, the National Liberation Army (ELN) exercise considerable influence over areas with high concentrations of coca and opium poppy cultivation, and their involvement in narcotics is a major source of violence and terrorism. While the United Self-Defense Forces of Colombia (AUC) completed demobilization in 2006, a significant number of former mid-level AUC commanders continue their involvement in the drug trade, with the Organization of American States (OAS) and several NGOs warning in late 2008 that new criminal groups were gaining strength in areas of former AUC influence.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The GOC continues to improve its criminal justice proceedings in order to increase its capability to prosecute criminals, including drug traffickers. On January 1, 2008, Colombia completed a nationwide transition to an accusatorial system of criminal justice. While many cases previously initiated must still be adjudicated under the old system, the new system has allowed criminal cases to be resolved in months instead of years, and conviction rates have risen from less than three percent to over sixty percent under the new system.

Colombia's manual eradication program grew in 2008, resulting in the eradication of more than 96,000 hectares of illicit crops. The Colombian National Police (CNP), Colombian Army (COLAR) and Colombian Marines (COLMAR) manually eradicated illicit crops and their role in providing security and aviation support increased as operations expanded. Drug traffickers and terrorist organizations continued to act violently against manual eradicators, causing the deaths of 24 civilian eradicators and security personnel in 2008, up from 16 in 2007.

The Colombian Anti-Narcotics Police (DIRAN) maintains support for a special judicial police unit established in 2006 which gathers evidence for asset forfeiture proceedings against property owners who use their land for the cultivation or processing of illegal crops. In 2008, this unit continued to develop and investigate cases for the Prosecutor General's Office. This asset seizure initiative is an important step towards better deterrence of cultivation and replanting after eradication. According to some estimates, the value of illicitly obtained assets seized in 2008 may exceed \$1 billion. While the management of these seizures has grown in complexity, legislative and regulatory changes are needed to improve the GOC's ability to properly handle criminal assets and to benefit from their forfeiture.

**Law Enforcement Efforts.** In 2008, according to the GOC, Colombian security forces seized 223.8 MT of cocaine and coca base, 198.3 MT of marijuana, 640 kg of heroin, over 3 million gallons and 4 million kg of precursor chemicals, while destroying 301 cocaine hydrochloride (HCL) labs and 3,238 coca base labs. The CNP's Mobile Rural Police Squadrons (Carabineros), the unit which expands and maintains police presence in areas of conflict throughout Colombia, captured over 9 MT of cocaine, more than 1,100 weapons, and over 300,000 rounds of ammunition. These Carbinero units are also the police's primary security force for manual eradication security and currently have over half of their 68 squadrons dedicated to this task. Additionally, Carbineros have captured several high-value targets (HVTs), the most notable being Luis Arnulfo Tuberquia, aka "Memin," a key leader of the notorious "Black Eagles" gang, in September 2008.

The CNP's main interdiction force, the DIRAN's Jungle Commandos (Junglas), or airmobile units, are largely responsible for the significant number of HCL and coca base labs destroyed in 2008. DIRAN maintained its strong commitment to working with international partners in 2008 by sending a mobile training team to train Mexican police at Jalisco, Mexico, for two months, hosting a twelve-week International Antinarcotics Canine Course, which included 11 Peruvian students, and hosting approximately 20 representatives from ten countries at the 18-week International Junglas Commando Course conducted at the CNP Rural Training Center in Tolima.

The CNP DIRAN Heroin Task Force completed many bilateral priority target heroin investigations resulting in 113 arrests (31 for extradition to the U.S.), seizures of 294.5 kg of heroin, 915.35 kg of cocaine HCl, 72.09 kg of cocaine base, 28,697.50 gallons of liquid chemicals, 18,426 kg of solid chemicals, and assets valued at \$2,634,155.

**Port Security.** 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 USG support. In 2008, more than 27 MT of cocaine, 11 kg of heroin, and 69 kg of marijuana were seized by DIRAN in the ports. At Colombia's international airports, DIRAN units confiscated 41 kg of heroin, 958 kg of cocaine, more than 400 kg of marijuana, and made over 72 drug-related arrests.

**High-Value Targets (HVTs).** In 2008, the GOC achieved crucial successes against the FARC leadership, including, most notably, the July rescue of fifteen hostages, including three American contractors and a former Colombian presidential candidate, Ingrid Betancourt. The three U.S. hostages, Thomas Howes, Marc Gonsalves, and Keith Stansell, held by the FARC's 1st Front since 2003, were rescued in a complex GOC operation. FARC 1st Front Commander Gerardo Aguilar-Ramirez, AKA "Cesar," was arrested and is pending extradition to the United States under an indictment obtained during a FARC leadership investigation.

In March 2008, FARC commander Luis Edgar Devia-Silva aka "Raul Reyes" was killed during a Colombian Government operation; FARC Commander Manuel Munoz-Ortiz, aka "Ivan Rios" was killed at the hands of his own chief of security; and FARC founding member Manuel Marulanda-Velez, aka "Pedro Antonio Marin," died from an alleged heart attack.

In June 2008, the Colombian government also conducted an operation that resulted in the surrender of 47 FARC members near the port city of Buenaventura and captured 13 FARC guerrillas from the 30th Front. One of the captured

FARC guerillas had a provisional arrest warrant issued from the state of Alabama for drug trafficking. In July 2008, the Colombian government conducted an operation targeting the FARC 10th Front, during which the 10th Front Deputy Commander Fernelli Rizo-Carrascal, aka “Jurga Jurga,” was killed.

In September 2008, the Colombian government conducted an operation against FARC 43rd Front Commander Gener Garcia-Molina, aka “Jhon 40,” resulting in the deaths of nine FARC guerillas, the capture of two guerillas, and the seizure of \$1 million, various weapons, explosives, laptop computers, and other media devices. Garcia-Molina, a key player in the FARC’s drug trafficking operations, escaped from the camp, but reportedly suffered serious wounds as a result of the GOC operation.

The GOC also had unprecedented success against other high value targets—arresting, killing, or extraditing 12 individuals as a direct result of Colombian security forces investigative and/or operational efforts. As a result of CNP and U.S. Drug Enforcement Administration (DEA) assistance to the Spanish authorities, on September 9, 2008, Edgar Vallejo Guarin was arrested in Spain and awaits extradition to the U.S. On August 22, 2008, Norte Valle Cartel leader Juan Carlos Ramirez-Abadia, aka “Chupeta,” was extradited from Brazil to the U.S., and the CNP Judicial Police Headquarters (DIJIN) seized nearly \$1 billion in cash and assets from Ramirez-Abadia. On June 9, 2008, Eugenio Montoya Sanchez, the brother of Diego Montoya Sanchez, was extradited to the U.S. Diego Montoya Sanchez was also extradited on December 12, 2008.

On May 2, 2008, CNP operations led to the capture of AUC commander Miguel Mejia Munera and the death of his brother, AUC commander Victor Mejia Munera on April 29, 2008. Also in May 2008, the CNP reported the death of AUC commander Jose Vicente Castaño Gil by unknown assailants, although this has not been confirmed. On January 31, 2008, Norte Valle Cartel member Wilber Alirio Varela was killed by unknown assailants in Merida, Venezuela.

**Demobilization.** Colombia developed two programs for demobilization, collective and individual, in order to facilitate the dismantlement of FTOs and to help reintegrate former guerillas and paramilitaries into civilian life. Under the Colombian legal framework for disarmament, demobilization, and reintegration of illegally armed groups, the High Commission for Peace oversees peace negotiations with illegal armed groups and the subsequent collective demobilization program. While available to all FTOs, the program had only been applied to the AUC.

The individual demobilization or deserter program is managed by the Ministry of Defense, and accounts 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. Between 2002 and 2008, the GOC estimates that more than 49,000 persons have demobilized—17,600 under the individual desertion program and over 31,000 under the collective program. In 2008, another 3,193 guerrilla fighters deserted from the FARC

However, since October 2007, the GOC has not accepted additional AUC members into either demobilization program. Any AUC members who now turn themselves in will be investigated and prosecuted under normal Colombian law and can no longer benefit from the Justice and Peace law.

**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. While criminal organizations are greatly weakened, concerns remain over their corrupting influences. In September 2008, two CNP generals, Antonio Gomez Mendez and Marco Pedreros, were fired as a result of alleged ties to narco-paramilitary leader, Daniel “El Loco” Barrera. Separately, several members of the GOC were found to have supported right-wing paramilitary groups. Seventy members of the 2006-2010 Congress and 15 current and former governors have been investigated in the “para-political” scandal, with 34 congressmen and eight governors jailed as a result of the aggressive investigations. Both the Supreme Court and a special unit within the Prosecutor General’s office are continuing their investigations of alleged paramilitary ties to politicians and other sectors of society. On November 4, Colombian Army Commanding General Mario Montoya Uribe resigned his post. Montoya

stepped down less than a week after President Uribe dismissed 27 military officers, including two division and three brigade commanders, for their roles in the disappearance and subsequent murders of young men from Soacha and Antioquia. Montoya had been the subject of multiple human rights complaints during his tenure. Colombia is party to both the Inter-American Convention against Corruption and the UN Convention against Corruption.

**Agreements and Treaties.** The GOC is a party to the 1988 UN Drug Convention against illicit traffic in narcotic drugs and psychotropic substances, the OAS Convention on Mutual Legal Assistance, the UN Convention against Transnational Organized Crime, and the Protocol on Trafficking in Persons. Colombia signed a multilateral counternarcotics agreement in 2008 as part of the Regional Summit on the World Drug Problem, Security, and Cooperation held in Cartagena. This agreement primarily focuses on information sharing, but could include training and technical assistance. In addition, Colombia and Mexico formed a tri-party group with the U.S. that consists of the 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. The GOC's 2003 National Security Strategy (Plan de Seguridad Democrática) meets the strategic requirements of the 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 used by the GOC and USG. This agreement facilitates faster approval to board Colombian-flagged ships in international waters and has improved counternarcotics cooperation between the Colombian Navy and the U.S. Coast Guard (USCG). Since 2006, semiannual meetings have been held to iron out problems and strengthen operating procedures. In 2007, the meeting was expanded to include Ecuador, and in 2008 both Panama and Mexico participated.

The 1999 Customs Mutual Assistance Agreement provides a basis for the exchange of information to prevent, investigate, and repress any offense against the customs laws of the U.S. or Colombia. In 2004, Colombia and the U.S. 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 bulk of U.S. counternarcotics assistance.

**Extradition and Mutual Legal Assistance.** There is no bilateral Mutual Legal Assistance Treaty (MLAT) in force between the U.S. 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.

The GOC extradited a record 208 defendants in 2008, including 15 former senior leaders of the demobilized AUC—Diego Fernando Murillo Bejarano (alias “Don Berna”), Salvatore Mancuso Gomez, Carlos Mario Jiménez (alias “Macaco”), Rodrigo Tovar Pupo (alias “Jorge 40”), Ramiro Vanoy Murillo (alias “Cuco Vanoy”), Francisco Zuluaga Lindo (alias “Gordo Lindo”), Guillermo Perez Alzate, Diego Alberto Ruiz Arroyave, Nodier Giraldo Giraldo, Hernan Giraldo Serna, Edwin Mauricio Gomez Luna, Martin Penderanda Osorio, Juan Carlos Sierra Ramirez, Eduardo Enrique Vengoechea Mola, and Manuel Enrique Torregrosa Castro. In addition, two key FARC members, Jose Maria Corredor-Ibague (alias “Boyaco”) and Carolina Yanave-Rojas (alias “La Negra”), were extradited.

On December 12, 2008, Diego Montoya Sanchez, alias “Don Diego,” a former FBI top-ten most wanted fugitive and principal leader of the Norte Valle Cartel, was extradited from Colombia to the U.S. to face federal charges. Montoya-Sanchez faces drug-trafficking-related charges in the Southern District of Florida and the District of Columbia.

Since December 1997, when Colombia revised its domestic law to permit the extradition of Colombian nationals, 855 individuals have been extradited to the United States, including 789 since President Uribe assumed office in 2002.

The Colombian Office of the Prosecutor General, along with other GOC agencies, continued to assist the USG with high-profile prosecutions and trials. Most notable among these is Hernando Gomez Bustamante (alias “Rasguno”), who admitted that he was a leader of the Norte Valle drug cartel, which engaged in murder, bribery, money laundering, and drug trafficking in moving billions of dollars worth of cocaine to the U.S.

**Cultivation/Production.** The 2007 USG estimate of 167,000 hectares of coca under cultivation in Colombia was a slight increase from the 2006 estimate of 157,200 hectares (the 2008 estimates will not be available until mid 2009). However, because of the success of aerial eradication, the coca yields from these fields decreased by 24 percent from its high point of 700 metric tons of cocaine in 2001 to 535 metric tons of cocaine in 2007. While the estimated area under cultivation has remained relatively static, cocaine productivity from Colombian fields is dropping. Illicit cultivation continues to be a problem in Colombia's national parks, indigenous reserves, and along the border with Ecuador and Venezuela, where aerial eradication is not utilized. The GOC does not conduct aerial spraying within 10 kilometers of international borders due to objections from neighboring countries. Manual eradication does occur in some of these areas, yet it is a lengthy and dangerous process, due to the often rugged and isolated terrain, as well as the strategic importance of the border and certain parklands to the FARC.

Poppy cultivation in Colombia has decreased dramatically since 2001. A full estimate of poppy cultivation and heroin production was not completed in 2007, but a partial survey showed a 25 percent drop in poppy cultivation in directly comparable areas and a subsequent 27 percent decrease in production potential of export-quality heroin. In 2008, Colombia manually eradicated 381 hectares of poppy, compared to 375 hectares in 2006, and 1,929 eradicated in 2007. The decline in poppy eradication figures and seized heroin purities over the last several years corresponds to the substantial decrease in poppy cultivation since 2001. The average wholesale purity of Colombian heroin seized at U.S. ports of entry has also decreased significantly, corroborating the decreasing trend seen in USG cultivation estimates.

Although Colombian drug trafficking organizations do 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. Ephedrine seizures in Colombia decreased significantly in 2008, with only about 20,603 tablets seized. 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 emerging threat.

**Environmental Safeguards.** Biannual verification missions, in which soil and water samples are taken before and after spray of herbicide for analysis, continue to show that aerial eradication causes no significant damage to the environment or human health. Residues in these samples have never reached a level outside the established norms. The aerial spray program follows strict environmental safeguards, monitored permanently by several GOC agencies, and adheres to all GOC laws and regulations, including the Colombian Environmental Management Plan. The OAS, which published a study in 2005 positively assessing the chemicals and methodologies used in the aerial spray program, is currently conducting further investigations, with results to be released in early 2009 regarding spray drift and other relevant issues.

As of December 31, 2008, the GOC had received 8,570 complaints alleging damage to legal crops by spray planes since the tracking of complaints began in 2001. The GOC has finished the investigation of 7,750 complaints, and 1,452 were processed in 2008. One hundred seventeen complaints have been found to be valid between 2001 and December 2008, and the USG paid approximately \$472,481 in compensation to farmers. The GOC investigates all claims of harm to human health alleged to have been caused by aerial spraying. Since spraying began, the Colombian National Institute of Health has not verified a single case of adverse human health effects linked to aerial spraying.

**Drug Flow/Transit.** Shipments of cocaine and heroin are transported by road, river, and small civilian aircraft from the Colombian source zone in the mainly southern regions of the country, to the transit zone north and west of the Andes Mountains. Lax antinarcotics enforcement as well as a permissive and corrupt environment in Venezuela, has prompted traffickers to increasingly use that country to stage shipments of illicit drugs originating in Colombia for onward shipment to Mexico, the Caribbean, the U.S., Europe, and Africa. The Pacific coast of Colombia is also increasingly utilized by traffickers seeking to evade interdiction forces.

It is estimated that up to 40 percent of the cocaine leaving Colombia goes through the complex river network in the south-central region to the south-western coastal shore, mainly in shallow draft boats. There, the narcotics are readied

for bulk maritime shipment in go-fast boats. Commercial fishing vessels, formerly a popular conveyance, have fallen out of favor since the GOC began requiring such vessels to be equipped with vessel monitoring systems. Traffickers have increasingly turned to semi-submersible crafts to move multi-ton loads of cocaine. These vessels constructed of fiberglass or steel, anywhere from 45 to 82 feet in length, have a range of 2000 miles and can carry three to four crew members and an average of around 5 MT of cocaine. In 2007 and 2008, eight semi-submersibles were interdicted or scuttled with more than 40 MT of cocaine estimated to be on board.

Small aircraft from clandestine airstrips in eastern and southeastern Colombia are also used to transit drugs to neighboring countries, where it is either consumed or transferred to airplanes and maritime vessels for onward shipment. As of October 1, 2008, there have been less than 50 illegal flights in Colombia. The reduced number of illegal flights in Colombia has allowed Air Bridge Denial assets to perform maritime patrols, resulting in eleven vessels impounded and one self-propelled submersible scuttled in 2008.

The majority of Colombian heroin originates from the rural areas of Pasto and Ipiales in the Department of Nariño, where it is transported to the southwestern coast, mainly around the Pacific port of Buenaventura, and then shipped in containerized cargo concealed in furniture, machine parts, and other items. Multi-kilogram heroin shipments are also combined with cocaine on go-fast boats shipped from the Atlantic coast. In addition, smaller amounts of heroin are often transported by human carriers in clothing, in luggage, or swallowed.

**Domestic Programs/Demand Reduction.** The GOC, under the leadership of the Ministry of Social Protection, made substantial gains in consolidating its drug demand prevention efforts and launched a national drug demand prevention strategy in November 2008. In coordination with the USG, the United Nations Office on Drugs and Crime (UNODC), and OAS support, the Colombian Ministry of Social Protection and the National Directorate of Dangerous Drugs (DNE) initiated a national drug use survey in late 2008, making it the first nation-wide drug use survey to take place in more than 12 years. In 2008, the USG sponsored various capacity-building training events for students, police officers, journalists, and community leaders. The USG worked with UNODC, DIRAN, the Colombian Vice President, and the Ministry of Social Protection to organize a two-day Youth Drug Prevention Forum and to develop four drug consumption prevention commercials. The USG also supported the Drug Abuse Resistance Education (DARE) program's National Drawing Contest organized by the CNP.

On November 7, 2008, the U.S. Ambassador launched the "No Apagues Tu Luz" ("Do Not Turn Off Your Light") drug demand reduction initiative which aims to foster community development and social mobility opportunities for children at risk of getting involved in drug use. High-level participants such as the UNODC Representative, Mayor of Cartagena, representatives from the Ministry of Social Protection, the DNE, and various NGOs sought to raise awareness of the problem of drug consumption in Colombia.

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

Strategies to maximize the use of eradication resources remain a priority for collaboration between the GOC and USG. Working closely with President Uribe's "Program against Illicit Crops," the CNP, COLAR, and the USG have developed coordinated strategies and plans for aerial and manual eradication taking advantage of the strengths of both methods. COLAR's Counter-Drug (CD) Brigade continues to be actively involved in supporting operations to protect spray aircraft. By sharing targeting information and coordinating movements, aerial and manual eradication missions aim to break the cycle of replanting, which to date has allowed grower-processors to continue production during periods when no eradication was taking place in an area.

Nationalization, or the effort to transfer funding and operational responsibilities for counternarcotics programs from the USG to the GOC, continued at a rapid pace in 2008. The USG removed 18 UH-1N helicopters from the COLAR Aviation contract and extended the loan/lease program until December 2009. The USG is training technicians, building spare parts inventory and logistics systems, and upgrading aircraft sensors as part of the effort to transfer the

Air Bridge Denial program to the GOC, with completion planned by December 2009. As of October 1, 2008 the GOC took over responsibility for paying for aviation fuel used by the police and military for eradication and interdiction operations. Nationalization also extends to fleet rationalization, which involves consolidating available types of aircraft and maintenance functions to simplify operations. In early 2008, three additional AT-802 aircraft were delivered, allowing the USG to retire two other models of aircraft and leave just one model for the GOC to support for aerial eradication. The CNP will also begin assuming maintenance funding for a number of aircraft to which it already holds title. DIRAN's aviation unit (ARAVI) is training more pilots and mechanics within Colombia, which will eventually eliminate the need and expense of contracting pilots and mechanics to service the unit's 18 fixed-wing and 58 rotary-wing aircraft. Further, the USG's social assistance programs, ranging from alternative development to vulnerable populations to governance, have made strides in turning programming over to the GOC, and plans call for a substantial and strategic shift in the GOC's management and funding of the initiatives in the coming years.

U.S. Customs and Border Protection (USCBP) continued to provide training, coordination, and technical assistance to CNP units stationed in the ports and airports. This included training in areas such as firearms handling, passenger documentation analysis, and the inspection of containerized cargo. USCBP also provided three sets of inspection equipment for use by Colombian law enforcement.

USCBP, in coordination with Immigration and Customs Enforcement (ICE), provided two bulk currency smuggling training courses to GOC Customs officers to increase their basic skills and counternarcotics capabilities. In December 2008, USCBP provided passenger processing training at the Port of Cartagena. USCBP also provided international rail interdiction training in December. The USCBP-led Container Security Initiative (CSI), implemented in 2007, is just beginning to produce results.

In addition, the USCBP provided small boat interdiction training to the Colombian Navy, including high-speed pursuit tactics, risk mitigation, arrest techniques, and routine boat maintenance procedures. As an extension of the Air Bridge Denial program, USCBP conducted maritime patrol aircraft training to Colombian C-560 and C-26 Air Force pilots and crew. The training included vessel identification, profiles and rigging, search techniques, communications and reporting, photography, and computer formatting.

The USCBP also supported the private sector-led Business Alliance for Secure Commerce (BASC) program, which drew participation from hundreds of Colombian companies.

The USCG continues to improve interdiction operations with the Colombian Navy through training. Training activities in 2008 focused on leadership, crisis management, port security, counterterrorism, and contingency planning. In addition, the USCG participated in the first Annual Maritime Counter Drug Symposium of the Americas, held in Colombia, which provided executive-level discussion for the Navy and Coast Guard Commanders of South America, the Caribbean, and Central America.

**Alternative Development.** The USG and GOC increased joint efforts to encourage farmers to abandon the production of illicit crops in an area of roughly one-half of the country, covering about 80 percent of Colombia's population. By mid-2008, USG alternative development (AD) initiatives were supporting the cultivation of over 238,000 hectares of legal crops and completed 1,212 social and productive infrastructure projects in the last seven years. More than 291,000 families in 18 departments have benefited from these programs. In addition, to ensure that Colombians are provided with alternatives, the USG has worked with Colombia's private sector to create an additional 273,000 full-time equivalent jobs and to leverage over \$700 million in private capital to fund AD initiatives. Further, the USG is working with the GOC in three regions of the country to pilot integrated counternarcotics initiatives that include security, eradication, and development under one implementation umbrella. These pilot initiatives will increase the impact of counternarcotics initiatives in future years.

**Support for Democracy and Judicial Reform.** The USG is helping reform and strengthen the criminal justice system in Colombia through the Justice Sector Reform Program (JSRP) and rule of law assistance. The transition to an

oral accusatory criminal justice system began in 2005, and was fully implemented throughout the country on January 1, 2008. The JSRP has provided training and technical assistance to support the new roles of judges, prosecutors, public defenders, private criminal defense lawyers, police investigators, and law students by focusing on practical “hands on” training, including crime scene and courtroom simulations. Training elements include the collection and presentation of evidence, understanding the stages of the proceedings, advocacy techniques, and mock trials. The program has provided accusatorial system training to more than 65 thousand prosecutors, judges, public defenders, criminal investigators, and forensic experts. Additionally, the USG has helped to refurbish or build 45 physical court rooms in urban areas and six virtual court rooms in rural zones, and have either refurbished or equipped 15 public defender offices. Finally, the USG has assisted the GOC to construct 49 justice houses throughout Colombia that have provided formal and informal justice sector services to over 7.2 million Colombians.

**Military Justice.** With USG support, the GOC has begun an aggressive plan to train and educate military attorneys, judges, officers, and commanders in international human rights law, rules of engagement sensitive to civilian casualties, extrajudicial killings, effective judicial procedures, and government ethics. Between 2007 and 2008, ten conferences were held at strategic “centers of gravity” locations throughout Colombia, and over 500 Colombian military participants were trained. Key GOC leadership attended and spoke at these events, including the Minister of Defense. The training emphasized the importance of human rights norms, effective operational law standards, professionalism in judicial conduct, and values-based ethical behavior. In early 2008, the Ministry of Defense issued a Comprehensive Human Rights and International Humanitarian Law Policy signed by the Minister of Defense, the Commander in Chief of the Armed Forces, and Director of the National Police.

**The Road Ahead.** In 2009 the GOC will continue to dismantle the FTOs and illegal armed groups that control the drug trade in Colombia, hoping to build on the success of the many HVTs captured and extradited to the U.S. As these groups are defeated, a challenge remains in finding and derailing smaller and less-organized successor criminal groups. Nationalizing counternarcotics funding and operations currently supported by the USG, while maintaining successful operational results, will remain a top priority, especially in the area of aviation and social assistance programming, which are critical to all counternarcotics efforts in Colombia.

Other challenges for 2009 include consolidating the gains made under Plan Colombia and preventing a backslide by successfully coordinating aerial and manual eradication efforts and alternative development programs to inhibit the rapid replanting of coca and increased illicit cultivation in no-spray zones. To consolidate the progress from 2008 and prior years, the GOC will need to continue to strengthen government presence in conflict areas while improving institutional capacity to provide services and economic opportunities. One program in Macarena, the Coordination Center for Integrated Action, may serve as a template for this effort. This program coordinates all elements of the government to quickly facilitate the strategy of “clear, hold, and develop” in conflict areas, and is beginning to pay dividends. However, much remains to be done in Macarena and in other parts of the country to replicate the process. The GOC still must make efforts to gain control of the vast Pacific coastal zones and border areas, demobilize and reintegrate ex-combatants, and advance the reconciliation and victim reparations processes.

## V. Statistical Tables

COLOMBIA STATISTICS (1998-2008)											
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
<b>Coca</b>											
Net Cultivation <sup>1</sup> (ha)		167,000	157,200	144,000	114,000	113,850	144,450	169,800	136,200	122,500	101,800
Aerial Eradication (ha)	133,496	153,133	171,613	138,775	136,555	132,817	122,695	84,251	47,371	43,246	66,366
Manual Eradication (ha)	95,732	66,396	42,111	31,285	10,991						
HCl (Cocaine): Potential <sup>1,2</sup> (mt)		535	550	525	415	445	585	700	530	530	435
<b>Opium Poppy</b>											
Net Cultivation <sup>1</sup> (ha)		1,000 <sup>3</sup>	2,300	N/A <sup>4</sup>	2,100	4,400	4,900	6,540	5,010	5,000	4,050
Aerial Eradication (ha) <sup>5</sup>			232	1,624	3,060	2,994	3,371	2,583	9,254		
Manual Eradication (ha)	381	375	1929	497	1,497						
Heroin: Potential <sup>1</sup> (mt)		1.9	4.6		3.8	7.8	8.5	11.4	8.7	11.6	9.4
<b>Seizures</b>											
Coca Base/Paste (mt)	41	60.6	48.1	43.8	28.3	31.1	30.0	26.7	0.0	9.0	29.3
Cocaine HCl (mt)	182.8	130.7	130.2	179.0	138.6	114.0	94.0	57.3	69.0	22.7	54.7
Combined HCl & Base (mt)	223.8	191.3	178.3	222.8	166.9	145.1	124.0	84.0	69.0	31.7	84.0
Heroin	0.64	0.6	0.5	0.7	0.7	0.5	0.8	0.8	0.6	0.5	0.3
<b>Arrests/Detentions</b>											
	54,041	59,652	64,123	82,236	63,791		15,868	15,367	8,600		1,961
<b>Labs Destroyed</b>											
Cocaine HCl	301	240	205	137	150	83	129				
Base	3,238	2,875	1,952								
Heroin	4	1	9	6	8	3	3	6	13	10	10

1 A 2008 USG estimate for net cultivation, and consequently production, was not available in time for this report.

2 Estimates of Colombian potential pure-cocaine production for 1999-2006 were revised based on the results of coca-leaf yield studies completed in 2007 and early 2008.

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 discontinued in April 2006 in order to put all aerial assets against coca cultivation.

# Comoros

## I. Summary

The Union of the Comoros is composed of three islands in the Indian Ocean (Grande Comore, Anjouan, and Moheli) and claims a fourth, Mayotte, (which France currently governs). Until March 25, 2008, renegade Colonel Mohamed Bacar was the illegitimate leader of Anjouan, having declared himself island president (governor) in June, 2007.

## II. Status of Country

The Comoros is a transit country for illegal drugs and possibly a source; particularly in Anjouan during the Bacar regime.

## III. Country Actions against Drugs in 2008

On October 26, 2008, Comoran authorities seized 200 kilograms of marijuana at the port of Moroni and arrested a customs official suspected of being implicated in the transshipment of these illicit drugs.

**Drug Flow/Transit.** There is evidence that drugs transit Comoros, but the quantities are unlikely to be large.

**Agreements and Treaties.** The Comoros is a party to the 1988 UN Drug Convention, the UN Convention against Transnational Organized Crime, and the UN International Convention for the Suppression of the Financing of Terrorism.

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

Comoran police participate in the International Law Enforcement Academy (ILEA) training program and Comoran army and gendarmes in International Military Education and Training (IMET). Comoran security forces are inadequate to provide border security and prevent drug trafficking. The U.S. will continue to offer Comoran law enforcement training opportunities at ILEA to improve enforcement capacity.

# Costa Rica

## I. Summary

Costa Rica continues to be an increasingly important transit point for narcotics destined for the United States and Europe. Local consumption of illicit narcotics, particularly crack, continues to grow, mostly in prisons and with children in the streets. The Instituto Costarricense sobre Drogas (ICD) estimates that two thirds of the crack cocaine is consumed by inmates, the remaining one third is consumed by street children. Though these are just estimates and there are no raw numbers on how many people are current crack cocaine users, this is a key concern, along with the continued rise in drug-related violent crimes. In 2008 the Costa Rican Coast Guard (SNGC), with a small INL investment in their communication and navigation capabilities, capitalized on these increased coordination capabilities to make several key interdictions with USG assistance Costa Rica is a party to the 1988 UN Drug Convention.

## II. Status of Country

Costa Rica is a vulnerable drug transshipment point for South American cocaine and heroin destined primarily for the United States due to its location on the isthmus linking Colombia with the United States via Mexico, its long Atlantic and Pacific coastlines, and its jurisdiction over the Cocos Islands. 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 2008

**Policy Initiatives.** The Arias Administration named a new Minister of Public Security (MPS) in 2008. Under the new leadership, the MPS continued its effective cooperation with the USG to interdict narcotics and initiated a National Plan to combat crack cocaine consumption in Costa Rica, a particular problem growing at an alarming rate. In July and August alone, during the first stage to implement this plan, the MPS seized 22,765 doses of crack, 11,871 marijuana plants, and 218 kilograms (kg) of cocaine, and made 12,104 arrests. The Ministry, with USG assistance, has also begun a container inspection program at the Caribbean port of Limon. Additionally, the Executive branch has sent organized crime legislation to the GOCR's National Assembly for consideration. The government of Costa Rica is committed to the development of the SNGC. They have doubled their service budget within the last year, provided land to expand current construction of their Headquarters, Academy, and maintenance facilities in Punta Arenas. The SNGC, with USG assistance, made some progress in addressing communications and navigations gaps.

**Accomplishments.** In 2008, including the July and August seizures noted above, Costa Rican authorities assisted in the seizure of 21.7 metric tons (MT) of cocaine, of which 6 MT were seized on land or air and 15.7 MT were seized in joint maritime interdiction operations with U.S. law enforcement. The Costa Rican Coast Guard (SNGC), with a small INL investment in their communication and navigation capabilities, capitalized on these increased coordination capabilities to make several key interdictions with USG assistance, such as the 4 MT cocaine seizure in July. The GOCR also seized over 157,234 doses of crack cocaine, 21.26 kg of heroin, 4.8 tons of processed marijuana, and eradicated over 1.4 million marijuana plants. Additionally, Costa Rican authorities confiscated more than \$4.4 million in U.S. and local currency. The more than 35,000 drug-related arrests made in 2008, represent a raw increase of 12,293 arrests (or 54 percent higher) over 2007.

**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 plan to add 4,000 new police officers to its force generated temporary increases in the numbers of police on the street in 2007, the total number of police in the force at the end of 2008 remains at just above 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. The national legislature is expected to pass anti-terrorist financing and reformed money laundering legislation by the first quarter of 2009.

**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. Although only one of the ex-presidents' cases (which date from 2004) has now reached trial, 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 large seizures at sea during 2008. The 1991 United States-Costa Rican extradition treaty was actively used in 2008. In 2008, Costa Rica extradited six fugitives to the United States and six fugitives were returned to Costa Rica from the United States. 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 the Egmont Group, but must pass a terrorist financing law before March 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 counter narcotics agreement in April 2003, and is currently taking the steps necessary to bring the agreement into force. In 2008, 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 but no other illicit drug crops or synthetic drugs.

**Drug Flow/Transit.** In 2008, shipments ranging from 50-1,500 kg of cocaine continued to flow through Costa Rica. Trafficking of narcotics by maritime routes remained steady with 15.7 MT (slightly higher than last year's amount) of cocaine seized at sea during joint GOCR-USG operations. Costa Rican-flagged fishing boats are still used by traffickers to smuggle multi-ton shipments of drugs and to provide fuel for go-fast boats that favor Pacific routes. The increasing utilization of go-fast boats transiting the littorals is a primary method of transporting cocaine through Costa Rica's territorial waters. Traffickers have also continued the smuggling of drugs through the postal system, international courier services and via individual passengers ("mules") on international flights in/out of the country.

**Domestic Programs/Demand Reduction.** The Prevention Unit of the Instituto Costarricense sobre Drogas (ICD) oversees drug prevention efforts and educational programs throughout the country. The GOCR estimates there are 400,000 marijuana users in the country. In 2008, 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.

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

**Bilateral Cooperation.** The U.S. supported the SNGC's efforts to improve interdiction by providing technical assistance and equipment. While land-based interdiction, especially effective use of border checkpoints, remains important to U.S. strategy, U.S. assistance has focused resources on interdicting maritime-based narcotics shipments to

include containerized cargo. SNCG personnel received outboard motor maintenance training from U.S. Coast Guard enhancing their capability to conduct preventive maintenance and troubleshooting techniques. The U.S. is also supporting reforms in police training.

**The Road Ahead.** Costa Rica will address maritime trafficking both through its own direct efforts and through continued collaboration with the USG. The U.S. encourages the GOCR to pass the Terrorist Financing bill in order to remain in the Egmont Group. The projected increase in the number, and improved training, of police should enable the GOCR to more successfully fight crime, including trafficking. Also the GOCR should improve their interdiction capabilities on their coastal littoral areas, continue working to reduce of crime rates, and establish a professional training for their police. The construction of SNCG Academy and maintenance facilities in Punta Arenas will enable GOCR to effectively maintain a force that is ready and able to respond at all times.

For its part, the USG will provide significant support in the coming year under the Merida Initiative—a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# 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 2008, 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 principle 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 2008 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.

## III. Country Actions against Drugs in 2008

**Policy Initiatives:** According to the Director of the DPSD, in 2008 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 anti-drug law enforcement lacks the resources and training necessary to interdict the flow of drugs into, and out of, the country. Foreign anti-drug assistance to the Inter-Ministerial Committee (CILAD) has had minimal effect on law enforcement efforts. In addition to the 15 officers dedicated to the anti-drug 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., no computers, vehicles and funds, to conduct investigations. USG law enforcement authorities could not identify reliable law enforcement counterparts due to the high levels of corruption. To date, the total reported drug seizures in Cote d'Ivoire during 2008 were: heroin (510gr), cocaine (133gr), cannabis (790kg), ephedrine (3,357 pills), diazepam (55,614 pills) and Rivotril/clonazepam (627 pills). There were 1,136 persons arrested, of which 1,067 were jailed. It is unknown what percentage of these arrests was for intent to sell or 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 hitting the streets, 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 2007 to 2008. According to the Director of the DPSD, counternarcotics enforcement is 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:** There is no direct evidence of government corruption related to illicit drugs. 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, or the laundering of proceeds from illegal drug transactions, reports of widespread public corruption from the lowest policeman up to the ministerial level are common.

**Agreements and Treaties:** Cote d'Ivoire is 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. Cote d'Ivoire has signed but not yet ratified the UN Convention against Transnational Organized Crime and the UN Convention against Corruption.

**Drug Flow/Transit:** Abidjan's Houphouet-Boigny International Airport is used as the primary transit point in the country for the flow of narcotics. Also, Cote d'Ivoire's major seaports in Abidjan and San Pedro reportedly 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 or abetted by border officials. It is difficult to gauge the amount of drugs transiting the country, since the government of Cote d'Ivoire's ability to collect and analyze data is limited.

**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 Cote 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 levels of law enforcement assistance and technical training. USG and Ivorian law enforcement officials cooperate with one another via information exchanges.

**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 encourage Ivorian participation in regional and international counternarcotics initiatives (e.g., ECOWAS, UNODC, INTERPOL, and Gulf of Guinea).

# Croatia

## I. Summary

The Republic of Croatia is a transit point through which narcotics are smuggled on the way from the 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, especially smuggling of cocaine. 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.

## II. Status of Country

Geographically, Croatia is located in South-East Europe at the crossroads of the Mediterranean, Central Europe, and the Balkans. The long land border with Slovenia, Serbia, Montenegro, Hungary, and Bosnia and Herzegovina and a 1777 km coastline (plus an additional 1185 islands) are attractive targets for contraband smugglers seeking to move narcotics into the large European market. The “Balkan route” is recognized as the shortest way 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. According to Croatian authorities, there is no significant or organized 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 2008

**Policy Initiatives.** The ‘National strategy on combating narcotic drugs abuse (2006–2012)’ and the ‘Action plan on combating narcotic drugs abuse in the Republic of Croatia (2006–2009)’, 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 which was implemented in 1996 and ended in 2005. The new strategy is comprehensive and covers the same five pillars as in the EU strategy: coordination, supply reduction, demand reduction, international cooperation, and information/research/evaluation. Its two main goals are: (i) a measurable reduction in drug use, drug addiction and related health and social risks and (ii) the measurable promotion of a successful, efficient, scientifically-based application of the law regarding the production and trafficking of drugs and precursors. The strategy is complemented by the Action Plan and its annual initiatives which describe in detail the specific aims and methods for achieving anti-narcotics goals, as well as specific tasks for each budget period.

By the end of 2005, the GOC completed establishment of the network of addiction prevention centers, which are now available in all of Croatia's 21 counties and city of Zagreb. In June 2006, Parliament adopted changes to the Criminal Code, which increased sentences for possession and dealing of illicit drugs. Croatia also instituted changes to the criminal code, increasing penalties for several other narcotics-related offenses. The minimum penalty for narcotics production and dealing was increased from one to three years. The minimum penalty for selling narcotics by organized groups was increased from three to five years. The minimum penalty for incitement or facilitating the use of illegal narcotics was increased to one year. In addition, punishment for possession of related equipment or precursor chemicals was increased from three months to a mandatory sentence of no less than one year.

Other changes to the criminal legislation permit the police to use such tactics as controlled deliveries. Croatian legislation allows use of undercover investigators and confidants, simulated purchase of objects, simulated bribery, secret surveillance, technical recording of persons and objects and wiretapping. Croatian criminal legislation eases

measures to confiscate assets of organized crime groups by placing the burden of providing evidence about the origins of assets on the defendant rather than the prosecutors, and allowing confiscation of assets acquired during the period of incriminating activity. Croatia continues to cooperate well with other European states to improve border management. Authorities describe cooperation on narcotics enforcement issues with neighboring states as good.

**Law Enforcement Efforts.** The Interior Ministry, Justice Ministry and Customs Directorate have primary responsibility for law enforcement issues, while the Ministry of Health has primary responsibility for the strategy to reduce and treat drug abuse. The Interior Ministry's Anti-Narcotics Division is responsible for coordinating the work of counter narcotics units in police departments throughout the country. The Ministry of Interior reported successful and effective cooperation in 2007 with DEA officers, FBI, SOCA, General Inspectorate of Interpol, UNODC (the UN's Office for Drug-Control and Crime Prevention) and other agencies responsible for drug control.

On the judicial side, drug abuse in the Republic of Croatia is regulated by the following laws: Croatian Penal Code, Criminal Procedure Code, and the Act on Combating Narcotic Drugs Abuse. Issues covered by the Criminal Law are 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

During 2007, a total of 7952 criminal offences and 5254 misdemeanors were reported in Croatia related to abuse of narcotics, and a total of 6546 seizures of various types of narcotics occurred. In the first nine months of 2008, 6091 criminal acts involving narcotics abuse were reported, and a total of 4573 seizures were carried out.

The breakdown in types of crimes related to narcotics is: drug possession, 73.6 percent of cases; drug trafficking or drug sales, 16.8 percent; drug sale and drug trafficking by organized crime groups 2.4 percent; making drugs available to other persons for consumption, 4.5 percent; and making drugs available to juveniles and mentally retarded persons, 1.9 percent. The crime rate related to abuse of narcotics by minors decreased 40 percent in 2007. For the year, 280 minors were reported for this type of crime, while 467 minors were reported in 2006.

In 2007, police seized 105 kg of cocaine, 74 kg of heroin, 4 kg of hashish, 8 kg of amphetamines, 12,609 tablets of Ecstasy, 6,529 tablets of heptanone, 215 doses of LSD, 239 kg of cannabis leaves (marijuana), and 2,886 cannabis plants. In the first nine months of 2008, police seized 28 kg of cocaine, 111 kg of heroin, 3 kg of hashish, 7 kg of amphetamines, 6,792 tablets of Ecstasy, and 169 kg of marijuana.

**Corruption.** Illicit production and/or distribution of narcotics as well as 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.

**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 its 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 produced in Western Europe smuggled through to the East. Drugs are smuggled through Croatia

both overland and via the sea. 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 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 derivatives of amphetamine, mostly 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. The number of drug-related deaths increased in 2007 by 38.8 percent. The state budget for suppression and prevention of narcotic abuse increased 4.0 percent in comparison with 2006. In 2007 the Republic of Croatia spent 66.5 million kuna (approximately \$12 million) for the implementation of the National Strategy. Additionally, 7.5 million kuna (\$1.4 million) was spent at the county level for the implementation of the counties' action plans. According to the Government Office for Combating Drug Abuse, Zadar County has the highest rate of treated addicts, followed by Istria County and the City of Zagreb. In 2007, 7464 persons underwent drug addiction treatment, 82.7 percent of whom were men. The average age of treated addicts is 29 years old. The total number of treated addicts in the Republic of Croatia increased by only 0.5 percent from 2007 to 2008.

The Ministry of Education requires drug education in primary and secondary schools. Other ministries and government organizations also run outreach programs to reach specific populations, including pregnant women. The state-run medical system offers treatment for addicts, but slots are insufficient to accommodate all those needing treatment. In 2007 methadone was used in the treatment of 852 patients, which was down in comparison with the previous year by 28 percent. However, replacement therapy with buprenorphine increased in 2007 by 10.7 percent.

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

**Bilateral Cooperation.** U.S. counternarcotics policy in Croatia is focused on assisting Croatian Ministry of the Interior/Drug Division investigators and their international and multi-lateral investigations into South America-based drug trafficking organizations. DEA is the lead agency in this endeavor and measurable progress in 2008 has been achieved in coordinating Croatia's law enforcement investigations beyond its own borders. As an example of Croatia's willingness to cooperate with foreign police agencies, the Ministry of Interior hosted in Zadar, Croatia a successful international drug enforcement conference titled Drug Policing the Balkans. Croatia is also a regular participant at international drug conferences covering strategic as well as operational matters. Croatia currently is in the application process of becoming a permanent member of the International Drug Enforcement Conference (IDEC). U.S. assistance for police reform efforts under the State Department-supported ICITAP (DoJ) program is now focused on combating organized crime and corruption. . In support of this goal, the USCG trained officers at the International Maritime Officers Course, and sent a mobile training team to Croatia to focus on waterside port security.

**Road Ahead.** For 2009, ICITAP and EXBIS programs will continue to train and advise Croatian law enforcement personnel on anti-narcotics activities. Resident advisors will continue to assist the Ministry of Interior in improving police and prosecutor cooperation in complex narcotics and organized crime cases. EXBS (Export Control and Related Border Security Assistance) programs will also assist Ministry of Interior and Customs Directorate to enhance their capabilities in fighting narcotics and organized crime cases.

# Cuba

## I. Summary

Cuba is strategically located in the Caribbean between the United States and the drug producing countries of South America. Although Cuba is neither a significant consumer nor a producer of illegal drugs, its ports, territorial waters, and airspace are susceptible to narcotics trafficking from source and transit countries. In 2008, the GOC continued “Operation Hatchet,” a multi-force counternarcotics interdiction operation, and “Operation Popular Shield,” a nationwide counternarcotics public awareness campaign. Cuba also carried out some operations in coordination with the U.S. Coast Guard (USCG) Drug Interdiction Specialist 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 regularly detects and monitors suspect vessels and aircraft in its territorial waters and airspace. In cases likely to involve narcotics trafficking, it regularly provides detection information to the USCG. In addition to dedicating social service resources to improve prevention, the GOC also has the legal framework within its criminal justice system to prosecute and assign stiff penalties to narcotic users and traffickers. Cuban anti-narcotic officials claim that 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 low incidence of drug consumption. Cuba is active in regional drug control advocacy. The Cuban Government has established an auxiliary force that involves training and educating Cuban citizens regarding counter narcotics policy. All Cuban citizens are required to report to the appropriate authorities regarding the discovery of actual or suspected narcotics that wash-up on their shores. The GOC claims to have trained employees at sea-side resorts and associated businesses, including fishermen, in narcotics recognition and how to communicate the presence of illicit narcotics to the appropriate Cuban Border Guard (CBG) personnel or post. This approach helps address the fact that Cuba’s interdiction capability is limited by a lack of resources.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Cuban government reported that in 2008 it had strengthened its cooperation with INTERPOL, with which they maintain a working relationship on drug cases in Cuba and investigations into suspected international drug trafficking rings. In 2008, Cuba turned over one fugitive to INTERPOL who was involved in illicit narcotic activity. Personnel from the Cuban Ministry of Interior’s National Anti-Drug Directorate (DNA) attended four interdiction and inspection counternarcotics training courses offered by international partners.

**Accomplishments.** In all, between January and September 2008, the GOC seized 1.7 metric tons (MT) of narcotics (1,675.7 kilograms of marijuana and 46.8 kilograms of cocaine), and trace amounts of crack, hashish, and other forms of psychotropic substances. In comparison, in 2007, 2.6 MT were seized by the GOC as a result of its various interdiction efforts.

In April, Cuban authorities assisted Jamaican anti-drug personnel with the disruption of a marijuana trafficking network by providing real-time information, resulting in the detention of the traffickers, and the confiscation of a trafficking aircraft that contained a load of marijuana. In July, information provided by the CBG operations center in Havana led USCG assets to a drug-laden go-fast in the Windward Pass. Upon realizing the USCG had discovered their vessel; the traffickers discarded their contraband into the sea, which led to the wash-up of 172 packets of marijuana along the coasts of four Cuban provinces, totaling 916.49 kilograms.

From January through September 2008, 250 packets of narcotics washed-up along the Cuban coast, resulting in the collection of 1,682 kilograms (1,651 kilograms of marijuana and 31 kilograms of cocaine). During 2008, the principal source of drugs for the Cuban internal drug market continued to be drug wash-ups. Washed-up narcotics are aggressively collected and stored for eventual incineration to avoid proliferation and sale on the internal market.

In 2008, according to the GOC, Cuba's airports were used only sporadically to transfer drugs towards third countries or to supply the Cuban domestic market. In all, 163 travelers were detained for possession of small quantities of narcotics, believed to be for personal use. Reflecting past actions, the GOC fines those tourists and the narcotics are seized. Individuals are warned about Cuba's regulations that prohibit the trafficking and possession of narcotics, and allowed to continue with their trips. GOC reports that international drug traffickers have recently shown interest in 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, as well as seizing the assets of such individuals. The GOC asserts that they have in place the necessary legal instruments to properly carry out this operation, both penal and administrative. Per the GOC, their actions are in line with international commitments as a state party to control and fight against illicit drug trafficking.

**Law Enforcement Efforts.** The GOC's lead investigative agency on drugs is the DNA. The 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.

Cuba's "Operation Hatchet," in its eighth year, 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 at sea 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 2008, Cuban law enforcement authorities reported "real time" sighting of 35 go-fast vessels and 3 suspect aircraft transiting their airspace or territorial waters.

**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. The U.S. Government does not have direct evidence of current narcotics-related corruption among senior GOC officials. No mention of GOC complicity in narcotics trafficking or narcotics-related corruption was made in the media in 2008. It should be noted, however, that the media in Cuba is completely controlled by the state, which permits only laudatory press coverage of itself; crime is almost never reported.

**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 its three Protocols. The GOC cooperates with the United Nations Office for Drug Control and Crime Prevention and maintains bilateral narcotics agreements with 32 countries and less formal memoranda of agreement with 2 others. Cuba has also subscribed to 56 bilateral judicial assistance conventions. A 1905 extradition treaty between the US and Cuba and an extradition agreement entered into in 1926 remain in force but no fugitives were extradited pursuant to these agreements in 2008. Finally, the Cuban Ministry of Interior maintains operational exchanges with anti-drug authorities from approximately 57 countries.

Cuba was represented at the 51<sup>st</sup> session of the Commission on Narcotics at the United Nations in Vienna; the second regional summit regarding the global problem of drugs in Colombia; the eighteenth meeting of the Heads of National Law Enforcement Agencies (HONLEA) in Honduras; and in two meetings of the working group for the exchange of narcotics intelligence among the European Union, Latin America, and the Caribbean. Havana will be the site of the next meeting in May 2009. The Cuban government continues to pass real-time information to agencies with similar concerns regarding the involvement or suspicion of the movement of narcotics via air or sea, including incidents of suspect merchant ships, crews, or cargo.

**Cultivation/Production.** As in past years, GOC reports 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 also down. Incidents of marijuana harvests are considered “isolated” by the GOC. Cuba is not a source of precursor chemicals.

**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 that are loaded with drugs pose an increasing risk to Cuban ports. Mules continued to traffic small quantities of narcotics to and from Europe through Cuba’s international airport in Havana. As Cuba continues to develop its tourism industry, there is increased likelihood for an increased flow of narcotics into the country.

**Domestic Programs/Demand Reduction.** The governing body for prevention, rehabilitation, and policy issues is the National Drug Commission (CND). This interagency coordinating body is headed by the Minister of Justice, and includes 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 that encompasses 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 that is included as part of the educational curriculum at all grade levels.

The majority of municipalities on the island have counternarcotics organizations with prevention programs that focus on education and outreach to groups most at risk of being introduced to illegal drug use. The GOC reports that there are 3 international drug dependency treatment centers and 198 community health facilities in Cuba consisting of family doctors, psychiatrists, psychologists, occupational therapists, and 150 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 the absence of normal bilateral relations, the USCG DIS officer assigned at the USINT Havana acts as the main conduit of anti-narcotics cooperation with the host country on a case-by-case basis. Cuban authorities have provided DIS exposure 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 anti-doping laboratory in Havana; tours of CBG facilities; and access to meet with the Chiefs of Havana’s INTERPOL and Customs offices.

**Road Ahead.** The current Cuban regime’s long history of anti-Americanism in rhetoric and action has limited the scope for joint activity and made bilateral dealings always subject to political imperatives. Cuba’s Drug Czar had raised the idea of greater counternarcotics cooperation with the USG and Commander-in-Chief Raul Castro had called for a bilateral agreement on narcotics, migration, and terrorism. However, these approaches have not been offered with forthright or actionable proposals as to what the USG should expect from future Cuban cooperation. The USG continues to encourage Cuba’s full participation in regional interdiction efforts.



# Cyprus

## I. Summary

Cyprus has been divided since the Turkish military intervention of 1974, following a coup d'état directed from Greece. Since then, the southern part of the country has been under the control of the Government of the Republic of Cyprus. The northern part is controlled by a Turkish Cypriot administration that in 1983 proclaimed itself the "Turkish Republic of Northern Cyprus (TRNC)," recognized only by Turkey. The 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 opt for free ports at its two main seaports continue to make it an ideal transit country for legitimate trade in most goods, including chemicals, between the Middle East and Europe. To a limited extent, drug traffickers use Cyprus as a transshipment point due to its strategic location and its relatively sophisticated business and communications infrastructure. Cyprus monitors the import and export of dual-use precursor chemicals for local markets. Cyprus customs authorities have implemented changes to their inspection procedures, including computerized profiling and expanded use of technical screening devices to deter those who would attempt to use Cyprus' free ports for narcotics smuggling. A party to the 1988 UN Drug Convention, Cyprus strictly enforces tough counternarcotics laws, and its police and customs authorities maintain excellent relations with their counterparts in the 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. This year has seen approximately \$1,500,000 worth of illegal narcotics proceeds frozen in several bank accounts in Cyprus.

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

Cyprus' 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. There were eleven confirmed reports of drug-related overdose deaths in Cyprus in 2008. Of the eleven deaths, ten were the direct result of an

overdose and one was indirectly related to drugs. The number of overdose/drug-related deaths decreased by five as compared to 2007. 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 US 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 2008

**Policy Initiatives.** There were no new policy initiatives in 2008. 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 their jurisdiction permit them to, and readily supports the international community in efforts against the narcotics trade.

Cypriot police are generally effective in their law enforcement efforts, although their techniques and capacity remain restricted by tight budgets. U.S.-Cyprus cooperation is excellent and has yielded important results in several narcotics-related cases. Through the first eleven months of 2008, the Cyprus Police Drug Law Enforcement Unit opened 611 cases and made 761 arrests, an increase of 136 cases and 33 arrests, respectively, from last year. Of those arrested 527 were Cypriots the remainder were foreign nationals. DLEU seized approximately 305 kg of cannabis, 628 cannabis plants, 26 kg of cannabis resin (hashish), 15 kg of cocaine, 5,466 tablets of MDMA (Ecstasy), 1.2 grams of amphetamines, 106.52 grams of opium, and 2.5 kg of heroin, and 25 tablets of methadone.

Area administered by Turkish Cypriots: The Narcotics and Trafficking Prevention Bureau functions directly under the General Police Headquarters. From January to November 2008, the Turkish Cypriot authorities arrested 207 individuals for narcotics offenses and seized 1 kg of hashish, 5 kg of heroin, 111 grams of cocaine, 634 kg of opium, 353 cannabis plants, 6873 tablets of Ecstasy. Overall, with the exception of heroin, 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 Turkish Cypriot Customs has facilitated the import of illegal goods, but not drugs, and regularly accepts bribes allowing importers to avoid paying import duties.

**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 pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force.

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 628 cannabis plants in the first 11 months of 2008.

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 353 cannabis plants during the first eleven months of 2008. 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 2008. 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 has the responsibility of receiving manifests of transit goods through Cyprus. This responsibility now rests with the Cyprus Ports Authority. Goods in transit entering the Cypriot free ports of Limassol and Larnaca can be legally re-exported using different transit documents, as long as there is no change in the description of the goods transported. Since these goods do not enter the customs area of Cyprus, they would only be inspected by Cypriot authorities if there were good intelligence to justify such an inspection.

Area administered by Turkish Cypriots: The majority of hashish 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. The preferred method of smuggling illegal narcotics is through concealed compartments of vehicles or through containers in Cargo Ships, which have begun their voyage in South Africa.

**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. US 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.

**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.

# Czech Republic

## I. Summary

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

## II. Status of Country

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

According to the annual report of European Monitoring Center for Drugs and Drug Addiction, the rate of marijuana use in the Czech Republic is the highest in Europe, with 28.2 percent of young adults having used the drug within the previous twelve months. Together with Danes, Czechs are also the most likely to have used marijuana in their lifetimes. Consumption of Ecstasy and pervitine was among the highest in the EU.

The “Czech National Focal Point for Drugs and Drug Addiction” is the main body responsible for collecting, analyzing and interpreting data on drug use. According to their annual report the number of drug users was stable in 2007. The report estimates there were 20,900 pervitine and approximately 10,000 opiate users—among the highest percentages of use in the EU. The report stated that both the use of Subutex (an opiate used in the treatment of addiction) and heroin declined, with the numbers of users listed as 4,250 and 5,750, respectively.

A 2007 “Health Behavior in School-aged Children” (HBSC) study confirmed the trend observed in the 2006 HBSC survey carried out among 15-year-old students: the dramatic increase in some experience with drug use observed since the mid-1990s has stopped. It showed that 25 percent of 15 year old children have tried marijuana, and 19 percent of them used it in the last twelve months. Based on the Czech National Monitoring Center (Focal Point) the situation improved compared to 2002. At that time, 30 percent of polled 15 year-olds reported they had tried marijuana, and 27 percent admitted that they had used marijuana in the last twelve months.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Drug policy remains a contentious issue in Czech domestic politics. In March 2008 Minister of Justice Jiri Pospisil submitted a new penal code to the Parliament. The bill is currently due for the second reading in the House of Deputies of the Czech Parliament, and parliamentary sources say it could be passed soon. Under the new

bill, imprisonment up to one year may be imposed for possession of so-called “soft drugs,” such as marijuana and Ecstasy, while a two-year limit has been set for the remaining list of illicit drugs. The Greens, one of three parties in the current government, promote legalization of marijuana. The Criminal Code passed in 2005 for the first time made a sharp distinction between the use of “soft” drugs, and “hard” drugs, such as heroin and pervitine. An important and long-awaited law on social services was passed and came into force in 2006. Among other things, it defines basic types of social services for drug users and identifies drug users as a target group. This is important especially for non-governmental organizations providing such services to drug users and requesting funding from the Ministry of Labor and Social Affairs.

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

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

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

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

**Law Enforcement.** In the first six months of 2008, the NDH, together with the Customs Service, seized 39.6 kg of heroin, compared to 20, 33 kg in the whole of 2007; 15,936 Ecstasy pills, compared to 63,226 pills in 2007; 1.84 kg of methamphetamine, compared to 5.9 kg of methamphetamine in 2007; 135,425 kg of marijuana, compared to 122,124 kg of marijuana in 2007; 7.9 .5 kg of cocaine, and 11,910 cannabis plants. They also uncovered 197 methamphetamine laboratories, compared to 388 methamphetamine laboratories in 2007; and 61 marijuana cultivation sites, compared to 34 sites in 2007. Of the 61 marijuana cultivation sites, 53 were operated by Vietnamese gangs. The police also seized 245 LSD doses in the first half of 2008.

In March 2008, after two months of intensive work, the police arrested five persons, three Czechs and two Brits, and closed what is believed to have been one of the largest pervitine laboratories, which was producing half of one kilogram of the drug per week. The manufacturing site was funded from Britain, and most of the drugs were smuggled via an air courier to Britain. A smaller part of the production was sold in the Czech Republic. The five detainees are facing up to 15 years in prison. In April 2008, the police broke up an organized gang producing drugs in the Central Bohemian region. Five men and one woman were arrested. The group distributed pervitine and heroin worth more

than CZK 4 million (\$245,000) mainly among Roma communities. In April the Customs Service detained 31 persons suspected of manufacture and distribution of drugs. The operation, in which Czech officials in cooperation with their counterparts in West European countries and South America seized more than 30 kilograms of various drugs, lasted two years. The gang was operated by Nigerians living in the Czech Republic and using Czechs as couriers for shipments of drugs from Belgium, the Netherlands, Argentina, and Bolivia to the Czech Republic. In August 2008, the police detained an organized group suspected of illicit manufacture and distribution of anabolic steroids. The gang of two Czechs and one Turk were arrested after more than a year of investigation in an operation called “Operation Sword” that involved cooperation with the police in Sweden, Spain, the United Kingdom and Germany, where four shipments of anabolic steroids worth tens of millions of Czech crowns were seized. On Czech territory the police seized anabolic steroid precursor-chemicals and equipment worth millions of Czech crowns. The gang faces up to five years in prison.

The number of drug offences in the Czech Republic has remained relatively stable in recent years. According to the Czech National Monitoring Center, the number of people prosecuted for drug offences in 2007 was the lowest in the past four years and was about 2,282. Two thousand and forty two people were charged with drug offences, which represents a decrease of 12% compared to 2006, and the lowest total number of people charged with such offences since 2000. The annual 2007 Czech National Monitoring Center Report notes that courts passed final sentences for 1,382 persons convicted of drug offences. In 2007, there was an increase in the proportion of individuals prosecuted for drug offences under Section 187a (possession of drugs for personal use). The most frequent drug offences were associated with pervitine (50-70%), followed by cannabis (20-30%). The proportion of offenses associated with cocaine has been increasing in recent years, although it still accounts for fewer than 3% of drug offences. Statistics for the first six months of 2008 show that of 858 convicted criminals 370 received conditional sentences for drug-related crimes, and 228f received prison sentences. Only 38 of this latter group received sentences of 5 to 15 years. The majority of those sentenced to serve time in prison (157t) received sentences ranging from one to five years. According to 2007 data, higher prison sentences are given to people convicted of production and lower sentences are given for possession.

**Corruption.** The Czech government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. A current provision in Czech law permits possession of a small amount of certain drugs, but does not give a definition of “small amount”. To avoid confusion and encouragement of corruption, the Police President and Supreme Public Prosecutor have issued internal regulations that provide guidelines that attempt to define “small amount”. While not binding, these guidelines are commonly followed. In 2007, no police officer was charged with drug-related crimes. The Czech Republic signed the UN Convention against Corruption in 2005, but has not yet ratified it.

**Agreements and Treaties.** The Czech Republic is a party to the 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances and the 1988 UN Drug Convention. 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 bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. The U.S. has ratified all and all EU countries except Belgium, Greece, Ireland and Italy have also ratified these agreements. None have entered into force. A 1925 extradition treaty between the U.S. and the Czech Republic, as supplemented in 1935, remains in force. U.S. and Czech representatives signed supplements to the U.S.-EU extradition treaty in May 2006.

**Drug Flow/Transit.** Whereas in the past heroin trafficking in the country was mainly under the control of ethnic Albanian groups importing their product from Turkey, according to the Czech counternarcotics squad and Customs this is no longer the case. The importation of heroin is now mainly organized by Turks who have closer relations with suppliers in Turkey. Heroin is transported to the Czech Republic primarily using modified vehicles, in many cases vehicles importing textiles. Given the fact that Vietnamese immigrants specialize in the textile business in the Czech Republic, they play a role in further distribution. Heroin can be bought for a street price of 800 – 2000 Czech crowns a

gram (\$44 – \$115). Police and Customs suspect the Balkan route of heroin trafficking has moved south to Austria and, therefore, the Czech Republic is no longer viewed as a transit country for heroin.

Cocaine abuse is not as widespread as other drugs, but abuse is increasing due to the growing purchasing power of Czech citizens. Cocaine is frequently imported by Nigerians or Czechs through Western Europe from Brazil, Venezuela or, most recently, Argentina. Mail parcels and Czech couriers, including “swallowers,” are the most common methods of importation. In 2007, the Czech Customs Service detected 38 kg of cocaine, which is almost four times more than in 2006. The drug was smuggled especially from the Netherlands. Customs extended their cooperation with express courier services, which seem to be the most common way of importation. Cocaine can be bought for a street price of 1200 – 3500 crowns a gram (\$67 – \$200).

Pervitine is a synthetic methamphetamine-type stimulant that is popular in the Czech Republic. Statistics for pervitine abuse in the Czech Republic represent the highest rates in Europe. It can be easily produced in home laboratories from locally available flu pills containing up to 30 mg of pseudoephedrine. According to the Czech Pharmaceutical Association, more than 80% of cold medications sold in the Czech Republic are being misused for the clandestine manufacture of pervitine. According to the State Institute for Controlled Substances (SUKL), just 12 pharmacies were responsible for selling one quarter of the 4 million medication packets sold in 2007. The Czech government has been preparing a new law regulating access to those flu pills. Czech police also appears to have stepped up enforcement. On June 5, Czech police announced charges against a pharmacist in connection with allegedly supplying up to 25,000 boxes of cold medications to a suspected meth cook in Chomutov, a city in northern Czech Republic near the German border.

It is believed that pervitine is also produced in larger laboratories from imported ephedrine from the Balkans or Russia, and exported to Germany, Austria and Slovakia. Besides Czech citizens, who are still the main producers of the drug, Vietnamese and Albanians residing in the Czech Republic and Germans are also major pervitine traffickers. The Vietnamese control mainly border areas, selling drugs in market places. Pervitine can be bought for a street price of 400 – 4000 Czech crowns a gram (\$23 – \$222). Imported Ecstasy tablets remain a favorite drug of the “dance scene.” Ecstasy is trafficked primarily from the Netherlands and Belgium. Ecstasy tablets are smuggled into the country by local couriers. The police report an increase of larger one-time imports organized mainly by Czech citizens. Import is less risky due to the EU’s open borders under the Schengen System. Ecstasy tablets can be bought for a street price of 80 – 500 Czech crowns per pill (\$4.4– \$28.60).

A trend toward larger-scale growth of cannabis plants in hydroponic laboratories continued in 2007. The cultivation is increasingly sophisticated and mainly organized by Vietnamese and Czechs. In 2007, the police detected 34 laboratories. The number of detected hydroponic laboratories increased dramatically in the first five months of 2008. A total of 61 laboratories were detected of which 53 were run by Vietnamese operators. According to the NDC thousands of cannabis plants, dozens of kilograms of the final dry product, and extensive amount of technical equipment were seized. Most of the final product was intended for illegal distribution on the Czech market, and the rest was intended for export, mainly to Germany and the Netherlands. Marijuana can be bought for a street price of 50 – 300 Czech crowns per gram (\$2.90 – \$17.10).

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

To provide high-level treatment services all over the country, the National Strategy sets standards that are required of all drug treatment providers. In connection with this effort, the government began a certification process in 2005 for treatment facilities. A system of certifications of specialized primary prevention programs was launched in 2006. All

providers of primary prevention programs must obtain certification prior to the end of 2008. According to the Czech National Monitoring center 2008 report, a total of 22 facilities were certified in 2007 (two treatment facilities and 20 harm reduction facilities) In the first six months of 2008 additional four facilities were certified for services in the field of harm reduction, treatment, and after-care..

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 2007, there were 109 contact centers and street programs in the Czech Republic. About 27,200 drug users used these services, and 4.5 million injection kits were exchanged, which is 700,000 more than in 2006. 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 has the active ingredient buprenorphine and can be prescribed by any physician, regardless of their specialization.

In 2007 the state spent 367 million crowns (\$20.2 million) on its drug policy. Of this amount, 128 million crowns (\$5.1 million) were provided from regional budgets and 62 million (\$ 3.35 million) was contributed from local budgets. Compared to 2006, total expenses increased on all three levels.

The National Focal Point statistics have noted a positive trend: the increasing average age of long-term drug users: 26.1 years in 2007, compared to 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 and cooperation with the DEA Vienna Country Office is very good. Investigative leads are routinely exchanged between DEA agents and investigators assigned to the National Drug Headquarters. The DEA Attaché in Vienna maintains close contact with National Drug Headquarters representatives and this relationship is one example of the cooperation between American and Czech officials. This 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.** The Czech Republic continues to implement police and legal reforms to ensure a stable, effective and independent police force. The Czech Parliament is expected to approve the new Penal Code and Criminal Proceedings Code by the end of 2008, which would come into effect on January 1, 2009. The new codes will ensure that criminal prosecutions are conducted in a timely manner and sentencing is appropriate and predictable. The new Penal Code will differentiate between marijuana and other drugs. The Ministry of Health is expected to complete a draft regulation limiting the sale of medications containing methamphetamine precursors, such as Nurofen Stopgrip, Modafen, Paralen Plus, and Panadol Plus Grip, to one or two packets per person. The National Drugs Headquarters and the Czech Pharmaceutical Chamber favor a stricter limitation to one packet of these medications. Debate about the exact amount of these medications sold over the counter should be concluded by December 2008 and the new regulation should be effective as of January 1, 2009.

# Denmark

## I. Summary

Denmark's strategic geographic location and status as one of Northern Europe's primary transportation hubs make it an attractive drug transit country. The Danes cooperate closely with their Scandinavian neighbors, the European Union (EU), and the U.S. Government (USG) to prevent the transit of illicit drugs. Denmark plays an increasingly important role in helping the Baltic States combat narcotics trafficking. Danish authorities assume that their open border agreements and high volume of international trade will inevitably result in some 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.

## II. Status of Country

Drug traffickers use Denmark's excellent transportation network to bring illicit drugs to Denmark for domestic use and for transshipment to other Nordic countries. Reports suggest that drugs from the Balkans, Russia, the Baltic countries and central Europe pass through Denmark en route to other EU states and the U.S., although the amount flowing to the U.S. is negligible. 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 2008

**Policy Initiatives.** EU legislation passed in 2008 requires persons carrying cash or instruments exceeding 10,000 Euros (approximately \$12,800) to report the relevant amount to customs upon entry to or exit from Denmark. This law has led to Danish customs proactively intercepting illegal money, and has a favorable impact for drug-related investigations, where the proceeds of illicit sales are frequently retained in cash.

**Law Enforcement Efforts.** Over the past three years, there has been a significant increase in cocaine seizures in Denmark. Cocaine investigations are the current top priority of counter-narcotics police efforts in Denmark. According to the Danish National Police commissioner, the increase in cocaine seizures can be attributed to "police efforts to fight organized crime and with the systematic police investigations aimed at criminal groups and networks which are involved in drug crime." The police commissioner vowed to continue "goal-oriented and systematic efforts to fight organized crime in close cooperation with the European police unit at Europol and foreign police authorities." Cocaine trafficking in Denmark is controlled primarily by Serbian, Montenegrin and Moroccan nationals, with supplies originating in South America. Police also targeted members of the Hell's Angels and Banditos biker gangs by increased enforcement of tax laws. Authorities continue to target tax evasion by members of the biker gangs, as biker gangs are major factors in the drug trade. Heroin availability in Denmark has fluctuated based on the heroin production levels in Afghanistan. Balkan, Iranian and Pakistani nationals typically control heroin trafficking in Denmark... The 2007 year end law enforcement figures show an increase in the quantity of Ecstasy, heroin and cocaine seized by Danish authorities. The number of Ecstasy pills seized increased from 22,712 pills in 2006 to 67,680 pills in 2007, despite a decline in the number of Ecstasy cases from 540 in 2006 to 397 in 2007. The quantity of heroin seized has also increased significantly, from 28.87 kg in 2006 to 47.75 kg in 2007. The amount of cocaine seized increased from 76.22 kg in 2006 to 137.44 kg in 2007. The amount of amphetamines seized in 2007 (69.07 kg) decreased slightly from 2006 figures (79.44 kg). Similarly, the amount of cannabis seized has decreased from 1035 kg in 2006 to 774.56 kg in 2007. These fluctuations are most likely attributable to market trends, rather than the intensity of counter-narcotics efforts. Initial figures for 2008 (first six months) indicate seizures of 38.22 kg amphetamines, 5,932 Ecstasy pills, 801.50 kg cannabis, 20.65 kg heroin and 38.28 kg cocaine.

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

**Agreements and Treaties.** Denmark is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. Denmark also is a party to the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons, and to the UN Convention against Corruption. The USG has a customs mutual assistance agreement and an extradition treaty with Denmark. In addition, the two countries have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements; they have been ratified in both countries, but have not yet entered into force. Denmark is also a Major Donor to the UN Office on Drugs and Crime (UNODC), with an annual pledge of nearly \$2,000,000.

**Cultivation/Production.** There is no significant narcotics cultivation or production in Denmark. There are no MDMA (Ecstasy) labs currently known to be operating.

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

**Domestic Programs/Demand Reduction.** Denmark's Ministry of Health estimates that there are approximately 27,000 drug addicts in the country. The governmental action plan against drug abuse, built upon existing programs, offers a multi-faceted approach to combating drug addiction. Its components consist of prevention, medical treatment, social assistance, police and judicial actions (particularly against organized crime), efforts to combat drug abuse in the school and prison systems, and international counter narcotics cooperation. In 2005, the Danish government dedicated additional resources to drug treatment programs. The Ministry of Health enrolled 4,461 new patients in drug treatment programs in 2007. There is no waiting list for drug treatment programs. The number of people in drug treatment programs has increased from 9,438 in 2000 to approximately 11,487 in 2007. Drug treatment for heroin addiction is highest in demand. Approximately 44% of new patients were enrolled for heroin addiction or other opiates. Of those receiving treatment, an estimated 5,700 people received methadone maintenance treatment in 2007. In 2005, seventy-five percent of treatment recipients were male and the average age of treatment recipients was 36 years old. More current figures are unavailable.

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

**Bilateral Cooperation.** U.S. goals in Denmark are to cooperate with the Danish authorities on drug-related issues, to assist with joint investigations, and to coordinate USG counter-narcotics activities with the eight countries of the Nordic-Baltic region. The USG enjoys excellent cooperation with its Danish counterparts on drug-related issues. The DEA office in the U.S. Embassy in Copenhagen coordinates bilateral cooperation with its Danish counterparts. The USCG trained one Danish officer in maritime law enforcement in 2008, at a basic boarding officer course.

**The Road Ahead.** Danish enforcement efforts will be strengthened by legislation that authorizes police to use informants during undercover operations. The introduction of visa-free travel from the new EU member states has increased the opportunity for smuggling. The Danes will continue to expand their cooperative efforts to successfully meet the new smuggling threat. At the same time, the USG will continue its cooperation with Danish authorities and work to deepen joint efforts against drug trafficking.

# Dominican Republic

## I. Summary

The Dominican Republic (DR) remains a major transit country for cocaine and heroin from South America destined for U.S. and European markets, however, MDMA (Ecstasy) was the drug most often interdicted in the DR en-route from Europe to the United States. During 2008, there was an increase in the frequency of air smuggling of cocaine from Venezuela, while maritime deliveries via go-fast boats and commercial shipping also continued. The increase in trafficking activity was accompanied by an increase in domestic consumption as local traffickers are being paid in narcotics. There was also an increase in corruption, violence, and drug-related homicides in 2008. The Government of the DR's (GODR) efforts are constrained by insufficient equipment and a limited number of coastal patrol boats available to cover its extensive coastline. Another limiting factor is the lack of helicopters capable of conducting operations over open water and at night. The GODR continues to cooperate in extraditing fugitives and deporting criminals to the United States. Seizures of heroin, cocaine, and Ecstasy in 2008 were comparable to those recorded 2007. The DR made advances in its domestic law enforcement capacity, institution building, and interagency coordination, but only modest progress in prosecuting major bank fraud and government corruption cases. Despite some positive developments, corruption and weak governmental institutions remain a serious impediment to controlling the flow of illegal narcotics. The DR is a party to the 1988 UN Drug Convention.

## II. Status of Country

Colombian and Dominican criminal organizations are involved in international drug trafficking operations and use the DR as a command/control center and a transshipment hub with much of the narcotics destined for the United States. The number of illicit aircraft flights originating in Venezuela and delivering drugs to the DR continues at a high level. There was also an increase in corruption, violence, and drug-related homicides in 2008. In one notable case that is currently under investigation, seven reported Colombian narcotics traffickers were murdered in the Bain area. Ecstasy was the drug most often interdicted enroute from Europe to the United States. The DR does not import or export a significant amount of ephedrine or any other precursor chemicals utilized in the manufacture of amphetamines or methamphetamines.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Financial Analysis Unit, which became operational in 2005, still lacks Egmont certification and the resources and institutional support to perform effectively. In 2008, despite assistance from the USG to train DR prosecutors and law enforcement officers in the conduct of money laundering investigations, the GODR continued to struggle to implement anti-money laundering legislation passed in 2002. In 2006 the GODR signed the Cooperating Nations Information Exchange System agreement which allows the DR to receive information on suspected aerial and maritime drug trafficking. In 2007, the GODR signed an agreement with Haiti to combat drug trafficking and promote law enforcement cooperation.

**Accomplishments.** In 2008, Dominican law enforcement authorities seized approximately 2,415 kilograms (kg) of cocaine hydrochloride (HCl), 96 kg of heroin, 15,949 units of Ecstasy, and 219 kg of marijuana. The National Directorate of Drug Control (DNCD) made 14,674 drug-related arrests in 2008, a 15 percent increase over 2007. Through joint operations targeting drug trafficking organizations transporting narcotic proceeds through the various ports of entry in the DR, the DNCD and Dominican Customs (DGA) seized over \$2 million in U.S. currency. In 2008, the DNCD and members of the Dominican Armed Forces targeted South American narcotics trafficking organizations that were transporting large amounts of narcotics to the DR via aircraft. When feasible, Customs and Border Control (CBP) Blackhawk helicopters based in Puerto Rico were dispatched to the Dominican Republic to pick-up a Dominican Tactical Response Team and then transported to interdict in-bound drug carrying aircraft as the drops were

being made. As a result of these joint operations the DNCD seized over 1,463 kg of cocaine and several aircraft. This dependence on CBP assets from Puerto Rico is driven by the outdated Dominican helicopters and equipment which prevents robust interdiction efforts over open water. On November 13, 2008, DNCD seized over 1,400 kg of liquid cocaine that was contained inside shampoo bottles at the Port of Haina, Santo Domingo.

### **Law Enforcement Efforts.**

Maritime seizures remain a challenge for the DR, especially for drugs arriving from South America via maritime airdrop and subsequent offshore recovery by small boats. The limited number of patrol boats available thwarts the GODR's ability to patrol the extensive coast line and off-shore areas used for drops. In 2008, to complement the boats donated by the U.S. Southern Command's Operation Enduring Freedom (EF) in 2007, the DR Navy received three "Justice"-type Boston Whaler vessels to enhance intercept and board and seizure capabilities. To date, there have been no successful seizures of large quantities of drugs; however, there is reason to believe there have been disruptions to the traffickers operations.

**Corruption.** As a matter of policy, the GODR does not encourage or facilitate the illicit production, processing, or distribution of narcotics, psychotropic drugs, or other controlled substances, nor does it contribute to drug-related money laundering. Nevertheless, corruption is a major problem in the Dominican Republic that renders the economy vulnerable to transfers of illicit funds.

The GODR did not score well on internationally recognized measures of transparency, such as Transparency International's Corruption perception Index (CPI) and the World Bank's Governance Matters Control of corruption indicator. Both of these international indices reflect widespread public perception of corruption. However, the government has passed a number of key laws that, when fully implemented, should provide better control of corruption. These include a Public Finance Law, a Public Procurement Law and a law reorganizing the Treasury. A financial disclosure law for senior appointed, civil service, and elected officials has been enacted. Though insufficient auditing controls and sanctions weaken the potential effectiveness of this measure, the GODR has begun taking action against government officials who have not complied by withholding their pay pending compliance. With USG assistance, the Directorate for Prosecution of Corruption is establishing a reporting and tracking system for disclosed assets. The DR has enacted a Freedom of Information Act, but requests for information are not uniformly granted, nor has the Act been fully implemented in all government institutions.

**Agreements and Treaties.** The DR 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; the UN Convention against Transnational Organized Crime and its Protocols on Trafficking in Persons and Migrant Smuggling; and the Inter-American Convention against Corruption. In 1985, the USG and the DR signed an agreement on international narcotics control cooperation. In May 2003, the Dominican Republic entered into three comprehensive bilateral agreements on Cooperation in Maritime Migration Law Enforcement, Maritime Counter-Drug Operations, and Search and Rescue. All three agreements include permanent over flight provisions for respective operations. The DR has signed, but not ratified, the Caribbean Regional Maritime Agreement. The DR is not party to the OAS Mutual Legal Assistance Treaty and no bilateral mutual legal assistance treaty is in effect. Direct requests for judicial cooperation continue to be made through letters rogatory, but noticeable delays in compliance are routine. The DR 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 DR signed the Cooperating Nations Information Exchange System (CNIES) agreement in 2006.

**Extradition.** The U.S.-Dominican Extradition Treaty dates from 1909. Extradition of nationals is not mandated under the treaty, though 1998 legislation does permit extradition to the United States. In 2005, judicial review was added to the procedure for extradition, making extraditions more transparent. During 2008 the U.S. Marshals Service received excellent cooperation from the DNCD Fugitive Surveillance/Apprehension Unit and other Dominican authorities in arresting fugitives and returning them to the United States. The DR extradited 20 Dominicans in 2008 and deported

another 16 U.S. and third-country national fugitives to the United States to face prosecution. Of these 36 cases, 21 were narcotics-related.

**Cultivation/Production.** Cannabis is grown in the DR on a small scale for local consumption.

**Drug Flow/Transit.** In 2008, the DNCD and its partners in the Armed Forces continued to focus interdiction operations on the drug-transit routes in Dominican territorial waters along the southern border and on its land border crossings with Haiti, while attempting to prevent air drops and maritime delivery of illicit narcotics to remote areas. The Joint Interagency Task Force South estimates that small aircraft from Venezuela conducted 91 drug airdrop flights to the DR during the year.

**Domestic Programs/Demand Reduction.** In 2008, the DNCD conducted hundreds of sporting events and seminars that served as a platform to publicize the negative effects related to the use of narcotics and drugs. Approximately 300,000 Dominican youths participated in these events. Though no official surveys have been undertaken to document domestic drug use, we believe that demand for narcotics is increasing, in part as a result of the practice of using drugs as in-kind payment for transit services. A community-policing project initiated in 100 communities with support from the U.S. Mission continues to target high-risk neighborhoods in Santo Domingo and other cities, in part to reduce drug demand and drug related crimes. The project has received great praise from community leaders and law enforcement officials who are seeking to expand it to other cities in the Dominican Republic.

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

**Bilateral and Multilateral Cooperation.** In 2008, the Dominican Republic sent 10 students to counterdrug, intelligence, and other related courses through International Military Exchange and Training (IMET) funding. In addition, the U.S. Coast Guard (USCG) participated in joint counternarcotics and illegal migrant operations to identify individuals transiting between the Dominican Republic and Puerto Rico. The USCG held three 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 focused on improving and coordinating collaborative efforts between Rescue Coordination Centers (RCC) and their respective search and rescue resources; and the International Ships and Port Security Conference geared toward enhancing port security in the DR. The USCG also provided maritime law enforcement, leadership, port security expertise, and command and control training to the Dominican Navy.

The Law Enforcement Development Program, implemented by the Embassy's Narcotics Affairs Section (NAS), continued assisting the Dominican National Police (DNP) to transform it into a professional, civilian-oriented organization. Since the program was initiated in 2006, 9,500 police investigators and prosecutors have undergone training in basic crime scene investigation. The DNP's Internal Affairs (IA) was also restructured and is operating efficiently. Since 2006, approximately 900 police officers have been terminated for testing positive for drug use or involvement in corrupt activities. IA investigators are conducting approximately 80-90 internal investigations monthly against police personnel allegedly engaged in improper conduct. A community-based policing project established in 13 high risk barrios in Santo Domingo has demonstrated positive trends in crime reduction in these neighborhoods. In 2008 this project was expanded to 100 neighborhoods throughout the Dominican Republic. During 2008 an additional 125 prosecutors were trained in Basic Principles of Criminal Investigation, and Interviewing & Interrogation Techniques. In addition, 125 prosecutors and police investigators were trained in Basic Money Laundering Investigation Techniques.

The U.S. Agency for International Development (USAID) continued to provide assistance with strengthening the overall 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 time limits for prosecuting cases. In addition, assistance was provided to strengthen systems of control of corruption, malfeasance, financial accountability and

discipline in institutions of justice. USAID also assisted the National Institute for Forensic Sciences with improving procedures to secure and preserve evidence.

**The Road Ahead.** The GODR cooperates closely with the United States in combating narcotics trafficking. To improve its effectiveness, the DR needs to address inadequacies in implementing judicial reforms and existing laws, particularly as they are applied to the prosecution of major drug cases. The GODR should continue to address ways to promote good governance within the public sector, including full implementation of recently-passed laws in public finance and procurement and the reorganization of the Treasury. The DR is working to build robust counternarcotics programs that can resist the pressures of corruption and can address new challenges presented by innovative narcotics trafficking organizations, but more remains to be done. The DR also needs to upgrade their helicopter assets to enable them to be used for night operations. Money laundering will continue to be a challenge and the DR needs to develop its capability to conduct complex financial investigations.

For its part, the USG will provide significant support in the coming year under the Merida Initiative—a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# Dutch Caribbean

## I. Summary

Aruba, the Netherlands Antilles, and the Netherlands together form the Kingdom of the Netherlands. The two Caribbean parts of the Kingdom have autonomy over their internal affairs, with the right to exercise independent decision making in a number of counter narcotics areas. The Government of the Netherlands (GON) is responsible for the defense and foreign affairs of all three parts of the Kingdom and 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

**Netherlands Antilles.** The islands of the Netherlands Antilles (NA) (Curacao and Bonaire off Venezuela and Saba, Sint Eustatius, and Sint Maarten east of the U.S. Virgin Islands) continue to 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 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 Sint Maarten continued to hold some measurable 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.

Sint Maarten within the structure of the Netherlands Antilles separates itself distinctly, although it falls under the authority the Netherlands Antilles government. In December of 2008, legislation has been approved by the GNOA that will make Sint Maarten and Curacao sovereign countries within the Kingdom of the Netherlands. Sint Maarten's geographical location and its multi-national population make it an attractive transshipment point between South America and the United States, for the drug and human smuggling. Statistics on significant seizures in 2008 indicate that Dutch Sint Maarten continues to pose a serious threat as a staging ground for moving cocaine and heroin into the U.S. market. Officials in Sint 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. Dutch Sint Maarten is considered a "Free Zone", which means there are limited controls placed on import and export of goods. This situation also applies to financial crimes. 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 are understaffed and need additional training, have received some additional resources, including various support and training by the Netherlands and the United States including recent training regarding money laundering investigations. The rigorous legal standards that must be met to prosecute cases constrain the effectiveness of the police; nevertheless, local police made progress in 2008 in initiating complex, sensitive cases targeting upper-echelon traffickers. These efforts demonstrated the effectiveness of cooperation with other law enforcement entities in the region.

During 2008, the Police Chief in conjunction with the Minister of Justice made a concentrated effort to improve Criminal Intelligence by creating a new Operational Intelligence Unit within the Korps Politie Curacao. These improvements were formed through money grants from the Netherlands and partnerships with the U.S. law

enforcement; specifically the Drug Enforcement Administration. This specialized Intel Unit has made an instant impact on the Police Department and has improved investigative effectiveness. In 2008, the KPC Operational Intelligence Unit improved their place in the regional scheme of enforcement as a viable international partner for law enforcement matters.

Consistent with the continued smuggling ventures, arrests were frequent in 2008. 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 named "Recherche Samenwerkingsteam" (RST) that support law enforcement in the NA and Aruba continued to be effective in 2008 and continued to include local officers in the development of investigative strategies to ensure exchange of expertise and information. The RST shared intelligence with international law enforcement contributing to several successful operations to thwart organized crime groups.

The Netherlands Antilles and Aruba Coast Guard (CGNAA) scored a number of successes in 2008. The CGNAA has developed a very effective counter narcotics 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, during 2008, the CGNAA, in coordination with the new KPC Operational Intel Unit and several notable seizures off go-fast vessels. Seizures like this by the CGNAA have become commonplace and highlight the CGNAA's desire to be a regional player in law enforcement endeavors. The most impressive CGNAA effort was the tracking of a go-fast vessel as it passed Bonaire N.A, which ultimately culminated with the seizure of approximately 900 kilograms of cocaine.

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 stop narcotics distribution on the islands. Under the continued leadership of both the Minister of Justice and Attorney General, the GONA continued to strengthen its cooperation with U.S. law enforcement authorities throughout 2008. This cooperation extended to Sint 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 Component 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 two years, particularly during 2007 and 2008, the CTG 4.4 has become a close and essential ally of the Drug Enforcement Administration (DEA) and other U.S. agencies. Their continual efforts to thwart drugs trafficking from the region have been noted at the highest levels of the DEA and U.S. government. Several notable seizures occurred during 2008. The most impressive effort was the tracking of a maritime vessel from Colombia past the ABC Islands to Puerto Rico which ultimately culminated with the seizure of approximately 4000 kilograms of cocaine. This was the largest single seizure of cocaine ever made by the Dutch Navy.

In addition to these improvements in law enforcement, the GONA demonstrated its commitment to the counter narcotics effort by continued support for a U.S. Forward Operating Location (FOL) at the Curacao Hato International Airport. Under a ten-year use agreement signed in March 2000 and ratified in October 2001 by the Dutch Parliament, U.S. military aircraft conduct counter narcotics detection and monitoring flights over both the source and transit zones from commercial ramp space.

**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 north 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 2008 indicates that prominent drug traffickers are established on the island. Drug abuse in Aruba remains a cause for concern. In 2008, 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.

The GOA hosts the Department of Homeland Security's (DHS) Bureau of Customs and Border Protection pre-inspection and pre-clearance personnel at Reina Beatrix airport. These officers occupy facilities financed and built by the GOA. DHS reported several seizures of cocaine and heroin in 2008. Drug smugglers arrested are either prosecuted in Aruba or returned to the U.S. for prosecution, if appropriate. Aruba jails remain critically overcrowded. The GOA established special cells in which to detain those suspected of ingesting drugs. Aruba officials regularly explore ways to capitalize on the presence of the FOL and pre-clearance personnel, seeking to use resident U.S. law enforcement expertise to improve local law enforcement capabilities.

Aruba also continued to participate in the Coast Guard of the Netherlands Antilles and Aruba.

### III. Country Actions against Drugs in 2008

**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, 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.

**Cultivation/Production.** Cultivation and production of illicit drugs are not issues.

**Seizures.** Available drug seizure statistics for calendar year 2008 as of October 31, 2008 are as follows: Aruba seized 144 kilograms of cocaine, 27 grams of heroin, 13 kilograms marijuana. The Netherlands Antilles seized 1,965 kilograms of cocaine and 7.2 kilograms of heroin.

**Corruption.** The effect of official corruption on the production, transportation, and processing of illegal drugs is not an issue for Aruba and Curacao. During 2008, Sint. Maarten continued an aggressive and notably successful program to identify certain links from prominent traffickers in the region to law enforcement officials, which prompted additional investigation in the region. The NA has been quick to address these issues through criminal investigations, internal investigations, new hiring practices, and continued monitoring of law enforcement officials that 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. In 2007, the Korps Politie of Curacao in conjunction with Drug Abuse Resistance Education (D.A.R.E.) program opened a new D.A.R.E. facility in Willemstad, Curacao to aid in Demand Reduction activities for the youth of Curacao.

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

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. Chiefly through the DEA and DHS/Immigration and Customs Enforcement, the United States is able to provide assistance to enhance technical capabilities as well as some targeted training. 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.

Appreciation of the importance of intelligence to effective law enforcement has grown in the Dutch Caribbean. The USG is expanding intelligence sharing with GOA and GONA officials as they realize the mutual benefits that result from such sharing. Because U.S.-provided intelligence must meet the strict requirements of local law, sharing of intelligence and law enforcement information requires ongoing, extensive liaison work to bridge the difference between U.S. and Dutch-based law.

**The Road Ahead.** The Netherlands Antilles and Aruba should continue to strengthen its cooperation with international law enforcement agencies.

# Eastern Caribbean

## I. Summary

The seven Eastern Caribbean countries—Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines—are vulnerable to drug trafficking from South America to markets in the U.S. and Europe. Illicit narcotics transit the Eastern Caribbean mostly by sea, in small “go-fast” vessels, larger fishing vessels, yachts and freight carriers. Each of the Eastern Caribbean countries has a bilateral maritime counternarcotics agreement with the U.S.

The USG provided leadership, marine engineering and maintenance, small arms, maritime law enforcement, and seamanship training courses to the Eastern Caribbean nations in 2008. The U.S. Coast Guard (USCG) maintains a three-person Technical Assistance Field Team (TAFT) that provides technical/logistic support and coordinated depot-level maintenance for over 40 maritime security vessels in the Eastern Caribbean. In July 2008, the United Kingdom Security Advisory Team (UKSAT) was dissolved in Antigua. The Regional Security System (RSS) operates the only air assets in the region dedicated to counternarcotics operations, with two C-26 aircraft to cover the seven islands. All seven Eastern Caribbean states are parties to the 1988 UN Drug Convention.

## II. Status of Countries and Actions Against Drugs in 2008

**Antigua and Barbuda.** The islands of Antigua and Barbuda are transit points for cocaine moving from South America to 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 is imported for domestic consumption from St. Vincent.

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. 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 counterdrug 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 recently tabled in Parliament. This amendment seeks to increase the penalties for drug offenses.

Through October 2008, GOAB forces seized 14 kilograms (kg) of cocaine, which was more than double the total seized in 2007, and 96 kg of marijuana, down from 464 kg in 2007. There were 125 drug-related arrests, and ten traffickers were prosecuted. Four cannabis fields were discovered in 2008, and the GOAB eradicated 6,828 plants. 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.

The police operate a Drug Abuse Resistance Education (D.A.R.E.) 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.** Barbados has developed a robust coast guard presence with the recent purchase of three new Damen patrol boats. Barbados is a transit country for cocaine and marijuana, and the strengthened coast guard is designed to stem the flow of narcotics transiting Barbados. Notable trends in 2008 included an increase in the number of drug couriers swallowing cannabis, the continued use of go-fast boats from neighboring islands of St. Vincent and St. Lucia, and the use of in-transit passengers to transport drugs. The trend of employees working in key commercial transportation positions, e.g. baggage handlers, FedEx, DHL assisting with drug trafficking also continued.

Approximately 99% of the cannabis entering Barbados is consumed locally, while local consumption of cocaine represents only five percent of the amount thought to transit the island. Barbados has legislation in force that imposes recordkeeping on precursor chemicals. There were no reports of production, transit or consumption of methamphetamines in Barbados. Seventy percent of the cocaine transiting the island is destined for the U.K., fifteen percent for Canada, ten percent within the region, and five percent for local consumption.

From January 1 to September 30, 2008, Government of Barbados (GOB) agencies reported seizing 46 kg of cocaine—an 80% reduction from 2007. Local intelligence suggests that the reason for the reduction is due to strategic measures put in place by the police force that have caused traffickers to experience great losses in product and persons at sea which makes them reluctant to use Barbados as a transit point. The GOB also seized 4,662 kg of marijuana in 2008. There have not been any seizures of Ecstasy (MDMA) since 2005, when Barbados, for the first time, confiscated 2,445 Ecstasy tablets. The GOB brought drug charges against 213 persons during 2008, 29 fewer than in 2007. Seven major drug traffickers were arrested during this period. In 2008, the GOB destroyed 5,240 cannabis plants, down from 7,194 in 2007.

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 counterdrug 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 GOB's National Council on Substance Abuse (NCSA) and various concerned NGOs, such as the National Committee for the Prevention of Alcoholism and Drug Dependency, are active and effective. NCSA works closely with NGOs on prevention and education efforts and supports skills-training centers. The NCSA sponsored a "Drugs Decisions" program in 45 primary schools and continued sponsoring prison drug and rehabilitation counseling initiatives. Barbados's excellent D.A.R.E. and Parents Resource Institute for Drug Education (P.R.I.D.E.) programs remained active throughout the school system. There are four (4) drug rehabilitation clinics in operation.

**Commonwealth of Dominica.** Dominica and the island serve as a transshipment point for drugs destined for the U.S. and Europe and marijuana is cultivated there. The coast guard's limited capability to patrol Dominica's extensive shoreline offers drug traffickers the ability to conduct drug transfer operations with relative impunity. The Dominica Police Force conducted 20 eradication missions in rugged, mountainous areas. During the year, Dominican law enforcement agencies reported seizing 11 kg of cocaine. This represents a downward trend from 2007 and 2006 – largely due to a diminishment in Dominica's Drug Unit manpower and equipment, such as vehicles to conduct effective counternarcotics operations. In 2008 the Drug Unit was reduced from 15 members to 10, and the 10 remaining officers were sometimes given additional duties outside of the Drug Unit. In 2008 Dominica also seized

139,769 marijuana plants and 842 kg of marijuana – up from 181 kg in 2007. Dominica’s Police arrested 243 persons on drug-related charges and prosecuted one major drug trafficker. According to the Government of the Commonwealth of Dominica (GCOD) Police, most of the drugs that transit through Dominica are intended for foreign markets. Marijuana accounts for approximately 90 percent of all drug consumption on the island. There were no reports of production, transit or consumption of methamphetamines in Dominica.

The Ministry of Health and its National Drug Abuse Prevention Unit have been successful in establishing a series of community-based drug use prevention programs, including the Drug Abuse Resistance Education Program (D.A.R.E.).

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 Counterdrug 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. Notwithstanding the existence of the treaties, however, the United States has experienced difficulty in receiving assistance from Dominica, purportedly because U.S. requests did not comply with local Dominican legislation. The United States has requested consultations with Dominica in order to discuss treaty obligations in both mutual legal assistance and extradition matters, but to date has not received a response.

**Grenada.** Grenada’s coastal waters serves as a transit stop by South American and Caribbean drug traffickers shipping cocaine and marijuana to the U.S. and other markets. It is estimated that 70 percent of the cocaine is intended for the United Kingdom (UK), 20 percent for the U.S. and 10 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. There is a small amount of marijuana cultivation in Grenada, primarily for local consumption. There are no drug processing labs in Grenada. According to the police, the second ever seizure of Ecstasy tablets was recorded in 2008. This involved a Grenadian male who was convicted of possession and trafficking of 3,302 Ecstasy tablets. 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 Drug Enforcement Administration officials in the targeting and investigation of a local drug trafficking organization associated with South American and other Caribbean traffickers. From January through September 2008, the police arrested 244 people on drug-related charges, down from 382 in 2007. Three drug traffickers were arrested and successfully prosecuted during this period, but all received fines and no jail time.

Grenadian authorities reported seizing approximately 48 kg of cocaine, 247 cocaine balls, 14,360 marijuana plants, 355 kg of marijuana, and 741 marijuana cigarettes in 2008. Regular rural patrols contribute significantly to deterring cultivation of marijuana on the island on a major scale. Cultivation usually consists of around 50 or fewer plants in any one plot. Approximately five acres of marijuana were eradicated in 23 separate eradication exercises during the period.

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 has not passed. Still pending action since 2005 is a draft Precursor Chemical Bill to develop an institutional infrastructure to implement controls preventing the diversion of controlled chemical substances.

The new anticorruption laws, Integrity in Public Service Act number 14 of 2007 and Prevention of Corruption Act number 15 of 2007, which require all public servants to report their income and assets, have been passed and the Prevention of Corruption Act has been implemented and is in full force. The oversight commission for the Integrity in

Public Service Act 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 Counterdrug 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 Carton 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.** 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.

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 Counterdrug 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 Defence Force augments police counternarcotics efforts, particularly in marijuana eradication operations. GOSKN officials reported seizing 78 kg of cocaine, 155 kg of marijuana and 9 kg of cannabis seeds from January through October 21, 2008. There were no reports of production, transit or consumption of methamphetamines in St. Kitts or Nevis.

From January to October 21, 2008, 1,222 drug related arrests were made—more than double that of 2007. Marijuana eradications in 2008 resulted in 83,309 plants being eradicated – half that of 2007. This was largely due to an upsurge in violent crimes and gang activity that forced the police to channel limited resources to the urban areas rather than to conducting weekly eradications as planned.

Drug demand reduction programs are available to schools and the public. D.A.R.E., Operation Future and the National Drug Council also have programs to prevent drug abuse in SKN. There are no drug rehabilitation clinics in SKN and persons seeking such treatment are sent to St. Lucia.

**St. Lucia.** St. Lucia is a transshipment point for cocaine from South America to the U.S. and Europe. Cocaine arrives in St. Lucia in go-fast boats, primarily from Venezuela, and is delivered over the beach or off-loaded to smaller local vessels for delivery along the island's south or southwest coasts. Marijuana is imported from St. Vincent and the Grenadines for local consumption and grown locally as well. Foreign and local narcotics traffickers are active in St. Lucia and have been known to stockpile cocaine and marijuana for onward shipment.

The GOSL has received an increase in reports of drugs transiting the island, but they are seizing less of it. The drugs are usually shipped to Canada (12 percent) U.S.A. (12 percent), UK (25 percent) France (40 percent) with local consumption making up 5 percent. For the period January 1 to August 31, 2008, the Government of St. Lucia (GOSL) Police reported seizing 21 kg of cocaine in 2008, down from 792.5 kg in 2007. The GOSL also seized 534 kg of marijuana in 2008, down from 793 kg in 2007. The GOSL estimates that 90 percent of crimes committed and arrests made are drug related. There were 318 arrests made for actual drug offences, such as possession or trafficking of cannabis, cocaine and other drugs, down from 376 in 2007. The GOSL eradicated approximately 19,729 marijuana plants and 3,489 seedlings were also seized, down from 44,588 marijuana plants and 11,751 seedlings in 2007. Twenty-three drug eradications were conducted and 41 plantations destroyed.

During the year, the St. Lucia Customs and Police participated in a number of joint operations with French Customs which resulted in 1,282 kg of cocaine and 150 kg of marijuana being seized. The vessels and occupants were taken to the neighboring island of Martinique for prosecution.

Two locations which were considered to be processing labs were located and eliminated. Literature, equipment, suitcases with false bottoms and specially reconstructed shoes were seized. In both cases Jamaican nationals were involved. Jamaicans are said to be responsible for the majority of cases involving sophisticated methods of concealment and trafficking.

The USG and the GOSL cooperate extensively on law enforcement matters. St. Lucian law permits asset forfeiture after conviction. The law directs that forfeited proceeds be applied to treatment, rehabilitation, education and preventive measures related to drug abuse. In 2005, the GOSL adopted wiretap legislation, and is considering civil forfeiture legislation. It has also taken steps to strengthen its border controls and plans to automate its immigration control systems

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 Counterdrug 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.

St. Lucia has instituted a centralized authority, the Substance Abuse Council Secretariat, to coordinate the government's national counternarcotics and substance abuse strategy. Various community groups, particularly the Police Public Relations Office, continue to be active in drug use prevention efforts, with a special focus on youth. St. Lucia offers drug treatment and rehabilitation at an in-patient facility known as *Turning Point*, run by the Ministry of Health, but it is currently under renovation. The St. Lucian Police reports that the D.A.R.E. Program has been tremendously successful.

**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 that 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, 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.

For the period January 1 to October 17, 2008, Government of St. Vincent and the Grenadines (GOSVG) officials reported seizing only 5 kg of cocaine which is down from 524.4 kg in 2007. 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 316 cocaine rocks and 17,911 kg of marijuana. For the first time, a small quantity of heroin (5 grams) was seized. GOSVG authorities arrested 454 persons on drug-related charges and convicted 330. There are 84 cases still pending and 5 cases under investigation. No major drug traffickers were arrested in 2008; however GOSVG seized over one million U.S. dollars on a yacht and arrested two non-nationals who were charged under the Money Laundering Act. The funds are believed to belong to a major cocaine dealer in St. Vincent. During the year, 160 acres consisting of 2,935,611 marijuana plants were eradicated. 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, and the UK and Europe together at 23 percent, Canada 10 percent, and 2 percent for local consumption. There is currently legislation on precursor chemicals from various pharmaceuticals. There were no reports of production, transit or consumption of methamphetamines in St. Vincent and the Grenadines.

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 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 Counterdrug 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 2008. In the past, St. Vincent Police has been cooperative in executing search warrants pursuant to U.S. MLATs.

In 2008, the Drug Prevention of Misuse Act Chapter 219 of the Revised Edition of the Laws of St. Vincent & the Grenadines 1990 was amended to increase the punishment from 3 years and \$100,000 fine to 7 years and a \$500,000 fine on a summary charge for supplying. The new Act will increase indictment from 14 years and \$200,000, to 25 years and \$5,000,000 on a supplying charge.

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 D.A.R.E. Program. The OAS is assisting the GOSVG develop a drug demand reduction program for St. Vincent's prison.

**The Road Ahead.** Eastern Caribbean law enforcement authorities should strengthen efforts to counter drug trafficking and related crimes such as money laundering, arms trafficking and corruption.

# Ecuador

## I. Summary

Ecuador is a major transit country for illicit drugs trafficked to the United States and chemical precursors for drug production. Cartels in Colombia and Peru continue to take advantage of large, sparsely populated border regions and difficult-to-monitor maritime routes to move cocaine, heroin, and precursor chemicals through Ecuador. In 2008, the Government of Ecuador (GOE) continued to identify and destroy cocaine laboratories capable of refining multi-ton quantities of cocaine, and police and military units destroyed several multi-hectare plots of coca plants near the Colombian border. The GOE significantly increased military operations in this region during the year to counter persistent narcotics activity by Colombian armed insurgent groups that have rendered Ecuador's northern border region particularly vulnerable and dangerous.

Tensions between the governments of Ecuador and Colombia escalated when, in March 2008, Colombia attacked a Revolutionary Armed Forces of Colombia (FARC) camp in Ecuador, killing a FARC Secretariat member. In response to the attack on its soil, Ecuador severed diplomatic relations with Colombia and continued to criticize the GOC for the attack throughout the year. The GOE also continued to allege that Colombian aerial eradication near the border harms humans, animals, and licit crops on the Ecuadorian side, however, Colombia ceased spraying near the Ecuadorian border in early 2007.

In 2008, while cocaine seizures on land continued at record levels, traffickers continued to diversify shipment methods such as, the use of go-fast and small fishing boats, capable of carrying smaller loads and hugging the coastline, or Self-Propelled Semi-Submersibles (SPSS) capable of maintaining a low profile to avoid interdiction. Traffickers also appeared to be using containerized shipping to a greater extent than in the past. There was an increase in drug flows from Ecuador to Europe and Africa; a trend first noticed in 2007, and, in 2008, the first major seizure of cocaine departing Ecuador destined for Asia was made.

In July, the GOE gave notice that it will not renew the bilateral agreement with the U.S. to allow U.S. aircraft to use the Forward Operating Facility (FOL) at the Ecuadorian Air Base in Manta. This agreement, which has been in place since 1999, permitted important aerial surveillance of drug trafficking which will be difficult to duplicate. Ecuador is a party to the 1988 UN Drug Convention.

## II. Status of Country

Ecuador's large, sparsely populated border regions and difficult to monitor maritime routes are exploited by cartels in Colombia and Peru to transit through Ecuador an estimated 200 to 220 metric tons of cocaine per year, with an estimated 60 percent destined for the U.S. and the rest mainly to Europe. Ecuador is also a major transit country for chemical precursors for drug production and for heroin destined for the U.S. Ecuador remains vulnerable to organized crime due to historically weak public institutions and a judicial sector that is susceptible to corruption. The GOE continued to make efforts to speed up and strengthen criminal prosecutions but with limited success. Border controls of persons and goods are gradually improving but remain weak and are frequently evaded. The Ecuadorian National Police (ENP), military forces, and the judiciary do not have sufficient personnel, equipment, or funding to meet all of the international criminal challenges they face.

In 2008, GOE authorities found and eradicated a small amount of coca cultivation and destroyed cocaine laboratories near the borders of Colombia and Peru. Authorities also destroyed a small plantation of poppy plants near the Colombian border, the first such plantation discovered since 2005.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** President Rafael Correa and his administration continued to place a high priority on combating counternarcotics production and trafficking. The Correa Administration also continued to strengthen controls over money laundering through the Financial Intelligence Unit (FIU), which was established under a 2005 Money Laundering Law. The FIU is cooperating closely with the Anti-Narcotics Police Directorate (DNA), the Superintendent of Banks, the courts, and the private banker association to identify suspicious transactions and develop information for the prosecution of cases. A new emphasis of the FIU this year, with USG assistance, is to monitor casinos for money laundering activities.

**Accomplishments.** Total seizures by the GOE in 2008 were 22 metric tons (MT) of cocaine, 144 kilograms (kg) of heroin and 1,980 kg of cannabis. By comparison, total seizures in 2007 were 22.45 MT of cocaine, 180 kg of heroin and 740 kg of cannabis. An additional 8.4 MT of cocaine was seized in international waters based on Ecuadorian intelligence, but was returned to the U.S.

Strong enforcement efforts by the DNA produced record land-based seizures in 2008, with a total of 14.51 MT. The largest single land seizure was 4.8 metric tons in September in the Esmeraldas province near Colombia. Also in September, the DNA discovered and destroyed a laboratory in the Southern Province of El Oro capable of producing one ton of cocaine per month. The DNA also played a critical role in the maritime seizures of six metric tons in January from the fishing vessel Mercedes V, 3.2 metric tons in September from the fishing vessel Tam Fuk Yuk, and 5.2 metric tons in December from the fishing vessel Emperatriz.

Total maritime seizures in 2008, including those returned to Ecuador for prosecution (7.48 MT) and those sent to the U.S. for prosecution (8.4 MT), were higher than in 2007. One of the four maritime seizures during the year—from the Chinese freighter Tam Fuk Yuk, was the first large seizure of cocaine from Ecuador destined to Asia.

Heroin seizures at the airports and post office were slightly lower in 2008 than 2007, with most shipments still destined for the United States. Anti-narcotics police also identified and destroyed a field of almost 50,000 poppy plants in the northern province of Tulcan.

**Law Enforcement Efforts.** In 2008, the Ecuadorian Armed Forces continued operations near the Colombian border. The operational tempo, which in early 2008 was already higher than in previous years, was increased even further after a March 1 Colombian attack in Ecuadorian territory on a FARC camp which killed the number two leader of the FARC, Raul Reyes. During the year, Ecuadorian Armed Forces conducted a total of 14 battalion-level operations, which led to the discovery and destruction of nine cocaine producing laboratories, 182 FARC facilities (bases, houses, camps), the eradication of 10 hectares of coca, and the confiscation of weapons, communications equipment, and other support equipment. As a result of these Ecuadorian operations 20 FARC members were detained and one was killed during the year.

The Ecuadorian Coast Guard continued to develop a main operations center and satellite offices in the Galapagos and other strategic locations. The operation centers are intended to coordinate monitoring and control over vessels in Ecuadorian waters. A significant development this year was the implementation of a satellite vessel monitoring system for vessels 20 tons or larger. The system is functioning but not yet fully implemented; the GOE plans to expand use to monitor smaller vessels as well. Ecuador continues to improve biometrics capabilities in order to more quickly identify individuals aboard vessels in Ecuadorian waters.

The Navy also procured eight high-speed boats to improve its ability to control illicit activities. With support from the U.S., the Navy acquired boarding and drug detection equipment, along with necessary training required for the equipment's use. The Navy still plans to procure unmanned surveillance drones to strengthen controls over Ecuadorian waters.

The Director of the National Postal System continued to improve anti-narcotics controls by working in conjunction with the DNA to ensure increased drug detection canine screening and using USG purchased screening equipment at

international airport and other postal facilities. Seizures quadrupled in 2007 over 2006, and 2008 seizures increased over the 2007 figures.

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 cocaine and supported development of cases against other illegal activities such as weapons smuggling. New DNA facilities, built with USG assistance, were opened in 2008 in Quito and Guayaquil.

**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 the prosecution of anyone charged under that law. Some other aspects of official corruption are criminalized in Ecuador, but there is no comprehensive anti-corruption law. President Correa’s creation of an Anti-Corruption Secretariat in 2007 and support of the FIU are helping to strengthen the government’s ability to respond to corruption by gathering information on suspicious financial transactions to build cases against the individuals involved.

Overcrowding and corruption in prisons continues as a serious problem, with many drug traffickers able to conduct trafficking and other criminal operations from prison while awaiting trial. President Correa’s 2007 emergency decree to address prison overcrowding and to improve management of the institutions has not yet had any impact. Early in the year the Ministry of Justice reportedly released about 300 prisoners, comprised predominantly of women and their children, whose time in prison would have exceeded potential sentences if their cases had been actually processed.

**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 cooperate in the extradition or deportation of third country nationals. 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 three protocols. 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 an Anti-Drug Hemispheric Strategy. 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 will cease operations and close completely by November 2009 as the GOE is not renewing the agreement. The GOE and the USG have agreements on measures to prevent the diversion of chemical substances, on the sharing of information on currency transactions over \$10,000, and a Customs Mutual Assistance Agreement. The USCG and Ecuadorian Navy have Operational Procedures to facilitate maritime Counterdrug cooperation, which has resulted in fewer Ecuadorian-flagged vessels engaging in drug smuggling.

**Cultivation/Production.** Ecuadorian military forces located and destroyed approximately 10 hectares of cultivated coca plants in scattered sites near the Colombian border compared with 36 hectares last year. It is not clear whether the reduction in hectares identified and destroyed indicates a reduction in planting. The discovery of three hectares of coca under cultivation in southern Ecuador near the Peruvian border was considered surprising as a first such finding. In 2008, the Government signed an agreement with the United Nations Office of Drugs and Crime (UNODC) for a two-year survey of coca cultivation in the country. The survey, which is partially USG-funded, will complement similar surveys in neighboring Colombia and Peru to provide a more complete understanding of cultivation in the area.

**Drug Flow/Transit.** Cocaine and heroin from Colombia, and cocaine from Peru, transit Ecuador by land and sea routes for international distribution in volumes ranging from a few hundred grams to multi-ton loads. Although seizures in postal facilities have increased significantly in the past two years, traffickers continue to ship drugs via international mail and messenger services, with cocaine generally destined for European markets and heroin for the

U.S. 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 continued its multi-agency national prevention campaign in the schools, and expanded programs in 2008 to certain municipalities. All public institutions, including the armed forces, are required to have abuse prevention programs in the workplace. In March, the GOE signed an agreement with UNODC to strengthen the methodology and collection of drug consumption data in Ecuador.

**Regional Coordination.** Tensions between the governments of Ecuador and Colombia escalated when Colombia attacked a FARC camp in Ecuador on March 1, killing FARC Secretariat member, Raul Reyes. In response to the attack on its soil, Ecuador severed diplomatic relations with Colombia and continued to criticize the GOC for the attack throughout the year.

Senior GOE officials also 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. On March 31, the GOE filed suit at the International Court of Justice at The Hague alleging that Colombia's aerial eradication actions near Ecuador's border violates Ecuadorian sovereignty and requests that the government of Colombia be required to pay reparations and cease spraying.

**Alternative Development.** In 2008, the U.S. Agency for International Development (USAID) continued to work to support GOE efforts to provide social and productive infrastructure, strengthen local government, and open opportunities to expand licit economic activity as part of its northern border development master plan. Despite a wealth of natural resources, Ecuador's border region is mired in poverty. A paucity of licit employment opportunity, isolation, and proximity to rebel-held Colombian territory combine to make the region unstable.

## 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 U.S. 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 programs also support increased awareness of the dangers of drug abuse.

**Bilateral Cooperation.** In 2008, the U.S. continued to provide support to the military to facilitate their mobility and communications during operations near the Northern Border, and to Ecuadorian Navy elements to better mobilize, equip, and train for narcotics interdiction activities.

The DNA remains the primary recipient of U.S.-provided counternarcotics assistance, including vehicles, equipment, and training. The DNA includes special nation-wide units such as Mobile Anti-Narcotics Teams (GEMA), and a drug detection canine program, which contributed to a second consecutive year of high levels of land seizures.

Cooperation in the judicial sector remained strong in 2008 although changes to the structure of judicial institutions as required under the new Constitution (passed in September), created some uncertainty regarding the process of criminal cases. A major U.S.-funded American Bar Association training program continued to provide prosecutors, judges, and judicial police throughout the country with training to strengthen their ability to effectively investigate and prosecute criminal cases. The USG, in cooperation with the National Judicial Council, continued nationwide implementation of an automated database of all criminal cases (a process begun in 2003). This database is in the process of being installed nationwide in all 24 provinces, it will enhance management and transparency of the adjudication of criminal

cases to help address perennial problems of delay and corruption. Some preliminary reports have been produced from courthouses where the system is already in place.

The U.S. also provided technical assistance and equipment to support continued implementation of the Financial Intelligence Unit, as well as 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 cultivation near the Colombian border, and destruction of cocaine-producing labs. Increased GOE patrols near the Colombian border, which the USG will continue to support, 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 tools for controlling maritime trafficking. 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, which are key to attacking the leadership of narcotics cartels.

# El Salvador

## I. Summary

El Salvador is a transit country for cocaine and heroin from South America to the United States via land and sea. In 2008, the National Civilian Police (PNC) seized 1.35 metric tons (MT) of cocaine, 430 kilograms (kg) of marijuana, and 8.4 kg of heroin. The government also seized \$716,905 in suspicious bank accounts and cash transactions, as well as \$859,621 in undeclared bulk cash taken from narcotics-linked smugglers. 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, enroute to the United States. We do not have reliable estimates of quantities flowing through El Salvador land routes or territorial waters, but estimates indicate that approximately 400 MT of cocaine flows through the Eastern Pacific. In 2008 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 operations. El Salvador hosted 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 authorities have not yet detected serious problems with production/transit of precursor chemicals or illicit trading in bulk ephedrine and pseudoephedrine, investigations suggest it could become a more serious problem. For example, a recent audit of one of El Salvador's principal pharmaceutical laboratories showed two million ephedrine pills missing from the inventory.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The GOES continued its special organized crime unit featuring embedded prosecutors and police investigators, and undertook efforts to increase cooperation between prosecutors and the police.

The Transnational Anti-Gang Unit (TAG) celebrated its first year. It is primarily focused on investigating transnational gang activity and orchestrating bilateral law enforcement actions, but impacted counternarcotics efforts, as gangs are linked to street-level narcotics distribution and drug-related violence.

In December 2008 the Automated Finger Print Analysis system was inaugurated, enabling El Salvador to identify criminals and share information with the United States and the region under the Central American Fingerprint Exchange (CAFÉ) program.

**Law Enforcement Efforts.** In 2008, the Anti-Narcotics Division (DAN) of the National Civilian Police (PNC) focused on interdiction operations in the sectors of overland transportation, commercial air, package delivery services, and maritime transportation in the Gulf of Fonseca. GOES police investigators and prosecutors shared law enforcement intelligence and coordinated operations with USG counterparts resulting in successful interdictions. Overall in 2008, the PNC seized a total of 1.35 MT of powdered cocaine 8.4 kg of heroin, 5.8 kg of crack cocaine, and 430 kg of bulk marijuana. The majority cocaine seizures for 2008 were the result maritime operations. Land seizures primarily resulted from searches of stopped vehicles and inspections of passengers and luggage transiting on long haul bus routes. DAN continues to be hampered by insufficient resources and legal impediments to telephone intercepts.

The PNC/DAN chemical unit also seized 3.4 kg of ephedrine that had been diverted from legitimate pharmaceutical use. In 2008, the DAN confiscated \$859,621 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 \$716,095 in funds from drug-related financial crime.

The Government of El Salvador did not make any significant advances in 2008 in terms of improving its ability to detect, investigate, and prosecute money laundering and financial crime. The FIU appears to be underutilized, as well as lacking in institutional direction and investigative capacity.

**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. However the DAN removed some working-level agents in 2008 due to isolated instances of personal 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 amongst the most significant obstacles to negotiating a new bilateral extradition treaty. In late 2008, the Salvadoran Supreme court took up the first case for the extradition of a Salvadoran national to the United States. While the Court initially voted to extradite the fugitive, the Court's term (and the terms of several of the judges) expired before it issued a written order for extradition. Narcotics offenses, however, are extraditable crimes by virtue of El Salvador's ratification of the 1988 UN Drug Convention.

**Cultivation/Production.** Local growers cultivate small quantities of marijuana for domestic consumption.

**Drug Flow/Transit.** Traffickers using 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. The PNC operates a Drug Abuse Resistance Education (D.A.R.E.) program. 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 a Salvadoran non-governmental organization (NGO) that provides substance abuse awareness, counseling, rehabilitation and reinsertion services including programs directed towards gang members. In 2008 this NGO provided demand reduction outreach to 3,515 individuals, as well as addiction treatment to 388 patients. 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 increasing 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 a test case for the new extradition law, as well as anti-money laundering efforts of the PNC financial crime unit and federal prosecutor's Financial Investigative Unit. 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 2008, the U.S. provided operational support to the joint DEA and DAN high profile crimes unit (GEAN), as well as training and logistical assistance to various DAN entities. The USG has increasingly focused on training and equipping the Salvadorans 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 (148 as of October 2008).

An INL Regional Gangs Advisor began coordinating anti-gang policy and initiatives for El Salvador, Honduras and Guatemala in January 2008. Although gang involvement in narcotics trafficking appears to be confined to retail distribution, the Regional Gang Advisor 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 CAFÉ (fingerprint exchange). The U.S. Coast Guard provided training and technical assistance on marine law enforcement and other maritime control and management measures.

In the coming year, the DEA and INL San Salvador will work with the PNC and DAN to establish two mobile inspection teams capable of deploying to highway choke points adjacent to El Salvador's land borders with Guatemala and Honduras, as well as stand up a specialized container cargo inspection unit at the port of Acajutla. Automated fingerprint analysis equipment is installed and training completed; 2009 will be the first full year of applying this important crime fighting tool.

**The Road Ahead.** El Salvador is not yet implementing procedures for civil forfeiture of assets linked to drug crimes. Dedicating these resources to counternarcotics efforts would strengthen the nation's capacity to fight trafficking. The GOES should ensure the passage of civil asset forfeiture legislation that is currently under consideration by the legislature. Establishment of a wiretap statute would also strengthen GOES ability to investigate and prosecute criminal activity.

El Salvador should also strengthen its ability to investigate and prosecute financial crime. 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 should 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.

For its part, the USG will provide significant support in the coming year under the Merida Initiative--a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# Estonia

## I. Summary

The seizures of record amounts of narcotic substances, destruction of cannabis plantations and detection of drug trafficking conspiracies, as well as arrests of Estonian drug traffickers abroad indicate drug production and transit activity are on-going in Estonia. They are also indications 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 Country

Trimethylpentanyl, an opiate-synthetic drug mixture “White Persian,” and black heroin, very poor quality heroin which is produced in Azerbaijan and used in the ethnic Russian community in Estonia, continue to be Estonia's most popular illegal narcotics in 2008. Ecstasy, cocaine, amphetamines, gammahydroxybutyrate (GHB), cannabis and poppy are also available in Estonia. The frequent arrests of drug traffickers at the border and seizure of precursors indicate Estonia's involvement inhibits Estonia from being a major drug cultivator, in five months Estonian police detected and destroyed five cannabis plantations demonstrating drug dealers' intentions to start supplying the domestic market locally. Also, in recent years a number of Estonian drug traffickers have been arrested in foreign countries, suggesting that Estonian drug traffickers are involved in the international illegal drug trade. Seizures of large quantities of narcotic substances by Estonian law enforcement agencies indicate that Estonia is located on a drug transit route in the region but also that Estonian Police and Customs and Border Guard 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. Due to the large number of IDUs, Estonia has the highest growth rate per capita of HIV infections in Europe. As of October 2008, a total of 6,808 cases of HIV have been registered nationwide, 444 of which were registered in 2008. To date, AIDS has been diagnosed in a total of 247 people, 56 of whom were diagnosed in 2008. Male IDUs still account for the largest share of newly registered HIV cases. However, in 2008, young women made up 32 percent of new HIV cases, indicating that the HIV epidemic is starting to spread to the general population. The women making up these new cases come largely from among IDUs and their sexual partners.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Estonia's domestic anti-narcotics legal framework is in compliance with international drug conventions and European Union (EU) narcotics regulations. As of January 1, 2008, the final provisions of the Law Amending the Narcotic Drugs and Psychotropic Substances Act (LANDPSA) adopted in 2007 came into force. The last amendments regulating identification (i.e., creating a list of controlled substances) of narcotic psychotropic substances and precursors brought the domestic law into compliance with the 1988 UN Convention.

Following Estonia's accession to the European Union Schengen visa convention in 2008, the number of Finnish 'drug-tourists' traveling to Estonia legally to buy psychotropic medicines has decreased significantly. Under the Schengen regime, a traveler who is taking narcotic or psychotropic medication in his home country needs a permit from the State Agency of Medicine (SAM) to be supplied that medication in Estonia. Further in 2008, in order to eliminate illegal medical drug exportation to neighboring countries (primarily Finland), the Minister of Social Affairs issued a decree to terminate the sales of the narcotic preparation Subutex, a medication approved for the treatment of opiate dependence, in drug stores. After January 1, 2009, Subutex will be available only for in-patients.

In 2008, 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. Activities continued 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.

Also in 2008, Estonia continued to implement its national 2006-2015 anti-HIV/AIDS strategy, which pledges to bring about a steady reduction in the spread of HIV and improve the quality of life of people with the disease. The strategy pays special attention to programs for various at-risk groups, including IDUs, which currently form the largest subgroup within the HIV positive population. The GOE plans to focus its prevention efforts on young people and their parents, with the ultimate goal of reducing the number of new cases of HIV to the European regional average of 50-70 cases per one million people per year, or one-tenth the current rate.

After the United Nations Global Fund (GF) to Fight HIV/AIDS, TB, and Malaria finished its four-year program in Estonia in 2007, the GOE committed to take over all HIV-related activities carried out under Global Fund's \$10.4 million grant. While the Ministry of Social Affairs has overall coordinating responsibility, each cabinet Minister is responsible for HIV prevention, harm reduction and treatment in his or her administrative area (i.e., Ministry of Justice—HIV in prisons; Ministry of Defense—HIV in defense forces; Ministry of Education and Research (MOER)—HIV prevention in schools and colleges). In 2008, all involved ministries except for the MOER carried out their responsibilities under the anti-HIV strategy. MOER has not prioritized HIV education and has not implemented mandated programs. As the HIV-epidemic in Estonia is predominantly drug-driven, narcotics prevention has formed a considerable part of the extensive HIV/AIDS prevention programs in the schools implemented by NGOs under the GF program. As these programs were put on hold in 2008, there may also be a negative impact on drug prevention efforts in schools.

Under the 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 Ministries of Social Affairs, Education and Research, Defense, Internal Affairs, Justice, and Finance. The committee also includes representatives of 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. It reports directly to the Cabinet on a bi-annual basis.

**Law Enforcement Efforts.** Combating narcotics is a major priority for Estonian law enforcement agencies. Police, customs officials and the border guard maintain good cooperation on counter-narcotics activities. Currently, about 90 police officers work solely on drug issues. Their primary mission is to destroy international drug rings, rather than to catch individual street pushers. In addition to these full time counter-narcotics officers, all local constables also process drug-related misdemeanor acts. From January-August 2007, the Estonian police registered 1,034 drug-related criminal cases and 4,333 misdemeanor acts. The year-by-year increase in the number of drug related crimes investigated by police is evidence that the Estonian Police are increasing their efforts to cut back on the illegal drug trade. As Estonia's major weekly newspaper recently reported, the disappearance of cannabis from the domestic market was a direct result of several counter-narcotics operations carried out by police. From December 2007 to May 2008, police detected five major cannabis plantations and destroyed over 1,200 plants. In May, a criminal case was started against two men from Tallinn growing cannabis in central Estonia. During the operation the police seized 760 cannabis plants plus 'ready-made products', the largest number of cannabis plants ever seized in Estonia.

In June, officers of the North Police Prefecture drug squad seized 36.5 kilograms of methamphetamine, a record amount of this substance confiscated from criminals in Estonia. The seizure amounted to an estimated 70,000 doses with a total street value of \$1.6 million. According to the prosecutor, such a large amount was clearly not intended just for the Estonian market. During the same operation 5.2 kilograms of hashish were also confiscated. In September, together with the Estonian Tax and Customs Board (ETCB), the drug squad of the Northern Prefecture arrested an Estonian who had swallowed capsules containing 700 grams of pure cocaine with a street value of \$250,000. He had

been tasked to take the capsules from the West African coast to London, but flew to Tallinn instead, where he was arrested. The Estonia Central Criminal Police (ECCP) considers cocaine a top priority in their investigative efforts.

According to the Ministry of Foreign Affairs, from January 2006 to June 2008, 89 Estonian drug traffickers have been arrested abroad. Fifteen of these came in the first six months of 2008 (10 in Europe, three in South America, two in the U.S.)

Combating the illicit narcotics trade is also a top priority for the ETCB. All customs, investigation, and information officers have received special training in narcotics control, and all customs border points are equipped with rapid drug tests. There are about 100 customs officers working on the Estonia-Russian border (the European Union's easternmost border). About 150 Customs officers work in mobile units all over Estonia. Six customs officers deal with information analysis and 14 officers from the Investigation Department specialize solely on narcotic-related crimes. All four Customs regions have a designated narcotics control liaison officer, and are supported by narcotics analysts in the Tallinn headquarters. There are 18 Customs teams with 21 drug-sniffing dogs. (Estonian drug sniffing dogs are among the best in Europe. They recently won prizes at an international contest for customs drug dogs.) In March, a drug sniffing dog detected 36 bottles (about 22 liters) of a precursor for amphetamine in the car of a Lithuanian citizen. The seizure prevented up to 20 kilograms of amphetamine from reaching the streets. During several operations from December 2007 through April 2008, customs investigators seized about three kilos of marijuana with a street value of \$90,000 that involved the same criminal group acting in different locations around Estonia.

**Corruption.** Estonia is a relatively corruption-free country. 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 1961 UN Single Convention as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, the 1988 UN Drug Convention, and the Council of Europe Convention on Laundering, Search, Seizure, and Confiscation of the Proceeds from Crime (1990). A 1924 extradition treaty, supplemented in 1934, is in force between the U.S. and Estonia, and a mutual legal assistance treaty in criminal matters was entered into by the countries in 2000. In 2006, the Estonian Parliament ratified a new Estonian-U.S. extradition agreement and a revised agreement on mutual legal assistance in criminal matters. The new agreements relate to the U.S.-EU Extradition and Mutual Legal Assistance Agreements, and have not yet entered into force. Estonia is a party to the UN Convention against Transnational Organized Crime and its three protocols. Estonia's domestic drug legislation is consistent with international laws combating illicit drugs.

**Cultivation/Production.** Estonia's cold climate means Estonia will never be a major drug cultivator. However, the recent destruction of cannabis plantations shows Estonians' involvement in small scale marijuana production for the domestic market. Also, in northeastern Estonia small amounts of poppies are grown for domestic consumption. Nevertheless, 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 it difficult to detect and close them. In addition to production for domestic consumption, synthetic drugs produced in Estonia are exported to neighboring countries, including the Nordic countries and northwestern Russia. According to press reports, 90 percent of amphetamine available on the Finnish market comes from or via Estonia.

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

**Domestic Programs/Demand Reduction.** In 2008, 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. 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 six voluntary HIV testing and counseling agencies providing services at ten sites. The GOE and local governments fund these agencies. A needle exchange program is operational in 43 sites, including 13 field work areas and a number of mobile needle exchange stations are in operation in Tallinn and northeast Estonia. Six organizations provide methadone treatment at eight sites in Tallinn and northeast Estonia. A toll-free helpline for drug addicts is operational 24 hours a day. 18 organizations provide drug rehabilitation services. There are 11 major rehabilitation centers nationwide, four of which are church-sponsored.

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

In 2008, the U.S. Department of Defense (DOD) negotiated with the Estonian Defense Forces (EDF) the second phase of a project entitled “DOD HIV/AIDS Prevention Program” to raise the awareness of military personnel and to assist in the creation of a sustainable EDF HIV/AIDS prevention system. In the second phase the EDF will procure rapid tests to map the HIV situation among conscripts. In June 2008, the U.S. Embassy's Office of Defense Cooperation issued a \$200,000 grant under its humanitarian assistance program, to complete construction of the first ever rehabilitation center for drug-addicted women.

Post utilized the Department's International Visitors Program on HIV in 2008 to familiarize Estonian experts with U.S. practices in the fight against HIV/AIDS. In October, under the Department's Voluntary Visitors Program, six Estonian HIV case management experts visited the best HIV case management program sites in the United States.

**The Road Ahead.** The U.S. will continue to work with Estonia to reduce one of the most significant side-effects of drug abuse: the spread of HIV/AIDS. Estonia and the U.S. will also continue to cooperate in law enforcement efforts to keep drugs out of Estonia, and from transiting Estonia on their way into other countries in Europe and to the U.S.

# Finland

## I. Summary

Finland is not a significant narcotics-producing or trafficking country. Drug use and drug-related crime rates have been mixed over the past four years. During 2008, there were no significant increases in any of the classes of narcotics seized in 2007. Finnish officials describe the situation as generally stable. 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. Asian crime syndicates have begun to use new air routes between Helsinki and Asian cities like Bangkok to facilitate trafficking-in-persons, and there is the possibility that these routes could be used for narcotics trafficking as well. Finland is a major donor to the UNDCP and is active in counternarcotics efforts within the EU. Finland is a party to the 1988 UN Drug Convention. Finland maintains strong law enforcement and customs relationships with its Baltic neighbors, with Russia and with EU member states in combating the production and trafficking of narcotics in the region.

## II. Status of Country

Narcotics production, cultivation, and the production of precursor chemicals in Finland are very modest in scope. Most drugs that are consumed in Finland are produced elsewhere, and Finland is not a source country for the export of narcotics. Estonia, Russia and Spain are Finland's principal sources for illicit drugs, with Spain representing the origin point within the EU for most cocaine entering Finland. Finnish law criminalizes the distribution, sale and transport of narcotics; the Government of Finland 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. Cocaine is rare, but marijuana, khat, amphetamines, methamphetamine, synthetic club drugs, Ecstasy, LSD and heroin and heroin-substitutes can be found, although heroin is very rare and extremely difficult to find in Helsinki. Finland has historically had one of Europe's lowest cannabis-use rates. Cannabis seizures have been mixed since 2003, with total numbers of seizures in several areas increasing, yet with total quantities of cannabis seized having decreased. Ecstasy, GHB, Ketamine ("Vitamin K") and other MDMA-Ecstasy-type drugs are concentrated among young people and associated with the club culture in Helsinki and other large cities.

Social welfare authorities believe the introduction of GHB and other date rape drugs into Finland has led to an increase in sexual assaults. Changing social and cultural attitudes towards the acceptance of limited drug use also contribute to this phenomenon. Heroin use began to increase in Finland in the late 1990s, but seizures have continued to decline since 2003. The quantity of seized heroin has remained small for several years. With the exception of a 51.7 kg seizure of heroin in 2005, seizures have never been larger than (and consistently much smaller than) 1.6 kg since 2003. Typically, heroin is smuggled by ethnic groups residing in Scandinavia using vehicles. They pass by way of Germany and Denmark to the rest of Scandinavia.

Abuse of Subutex (buprenorphine-used in treating addiction) and other heroin-substitutes 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 from Subutex use. 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 volume of Subutex seizures by Finnish customs has remained consistent over the last five years.

According to Finnish law enforcement the number of organized crime groups has grown slightly in the past few years, as has the number of their members; 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 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.

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** Finland's comprehensive 1998 policy statement on illegal drugs articulates a zero-tolerance policy regarding narcotics. However, a 2001 law created a system of fines for simple possession offenses rather than jail time. The fine system enjoys widespread popular support and is chiefly used to punish youth found in possession of small quantities of marijuana, hashish, or Ecstasy. There is limited political and public support for stronger punitive measures. Finnish officials state new forms of international cooperation, such as joint investigation teams and the rapid exchange of information, available now that Finland is a signatory of the Pruem Convention, will support the fight against the crime at national level.

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, such as wiretapping, under the Finnish Coercive Measures Act is generally permitted in serious narcotics investigations. Finnish political culture tends to favor the allocation of resources to demand reduction and rehabilitation efforts over strategies aimed at reducing supply.

The use of wiretapping as a method of criminal investigation may expand in spring 2009. 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). The new proposal would also allow wiretapping in specific criminal cases, where the prescribed penalty is only a fine. The Government is supposed to propose legislation to the Parliament by the end of 2008. The new mandate will be adopted in May 1, 2009, if the proposal is approved by the Parliament as scheduled.

**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 also conduct investigations, 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 maintains responsibility for coordination of Finnish customs narcotics interdiction efforts with other nations' customs services. Finnish judicial authorities are empowered to seize assets, real and financial, of criminals.

Finnish law enforcement has effectively prioritized narcotics cases through Joint Intelligence Teams and Centers, which comprise representatives of the police, Customs and Border Guards. These centers are located at the national, provincial and local levels, where a broad range of intelligence and analysis capabilities are brought to bear in identifying priority narcotics investigations. For instance, the center responsible for Helsinki includes representatives from the NBI, Helsinki police, Customs, Border Guards, prison authorities and provincial police representatives. In 2007 several joint operations were launched, aimed at uncovering connections between organized crime groups. In 2007, the Finnish law enforcement community received additional government funding to pursue a number of interagency, target-oriented narcotics investigations, which included the unusual step of assigning prosecutors to an investigation from its inception.

In 2006, Finnish Customs deployed a mobile X-ray scanning facility at Helsinki's Western Harbor to provide Customs with the ability to conduct scanning of incoming trucks and containers. In 2007, Customs employed two such scanning devices and had one permanent scanning facility placed at Vaalimaa, which is the primary border-crossing between Finland and Russia. More than 25,000 cargo units 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.

The 2007 Police report on narcotics offenses and seizures is the latest available. In 2007, Finland experienced a 13 percent increase to 16,300 in the number of drug offenses. While that represents a significant increase, the overall number had declined from 15,990 in 2003 to 14,300 in 2006, so the rise brings the number to roughly the 2003 level. Of the 16,300 offenses reported for 2007, 10,400 were related to narcotics use; the number of aggravated narcotics offences was 962.

Evidence of the limited cannabis market comes from the Customs figures for 2007, showing seizure of 2.9 kg of marijuana and 22.5 kg of hashish, the smallest quantity of hashish in 12 years. In 2007, 17 percent of the suspects of aggravated narcotics offenses were foreigners; of those, 28 percent were Estonian and 12 percent were Russian. While overall amounts of cocaine entering Finland remain low, authorities estimate that the use of cocaine has increased. Finnish authorities have asserted that cocaine predominantly enters Finland from Spain. In 2007, the number of cocaine seizures increased to 92 (compared to 82 in 2006). The volume for 2006 (6.5 kg) is somewhat unusual and reflects a single end-of-year seizure. Though the volumes for 2005 (1.2kg) and 2007 (4.0 kg) were significantly less, authorities believe importation will continue to increase.

Cocaine has not threatened the position of cannabis, amphetamine or Subutex among the most popular drugs. Finnish authorities have noted an increase in the number and quantity of steroid seizures on the Finnish market, 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. One potentially worrying trend is that the few smuggling enterprises that do exist are becoming increasingly sophisticated. For instance, consignments of amphetamine have been hidden in trucks, and subsequently buried in remote locations. The locations are then mapped and sold to criminals in Estonia handling the retail trade in Finland.

To counter schemes of this type, the Finnish police are increasingly dependent on cooperation with their Estonian counterparts -cooperation they describe as outstanding. It is now estimated that 90 percent of amphetamine is imported to Finland from or through Estonia. Finnish law enforcement believes that significant quantities of the amphetamine on the Finnish market are produced in Lithuania by Lithuanian crime groups. According to Finnish law

enforcement, Estonian and Lithuanian organized crime groups appear to be working in close cooperation in trafficking amphetamine into Finland.

According to Customs officials, there has been an increase in the number of Subutex couriers departing Finland on a regular basis to Estonia and Latvia. However, as the couriers possess valid Subutex prescriptions, Customs authorities are prevented from seizing these legally prescribed drugs. Suspected courier travel has increased annually for the past few years. Since December 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.

In 2007, altogether 1.3 million Euros of cash was seized by the authorities in connection with investigations of narcotics offences. In addition, an increased number of handguns, submachine guns and gas sprays were seized in connection with drug related crimes. 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 or Finnish citizens abroad, including the investigation of suspects beyond Finland's borders.

**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 and there are no known reports of such activity by Finnish officials. Official corruption would seem to be extremely rare in Finland. There have been no arrests or prosecutions of public officials charged with corruption or related offenses linked to narcotics in Finnish history.

**Agreements and Treaties.** Finland is a party to the 1988 UN Drug Convention. Finland is also a party to the 1961 UN Single Convention as amended by the 1972 Protocol, and the 1971 Convention on Psychotropic Substances. Finland is a party to the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling and the UN Convention against Corruption. A 1976 bilateral extradition treaty is in force between the United States and Finland. Finland signed bilateral extradition and mutual legal assistance instruments related to the EU-U.S. Extradition Treaty in 2004, and completed parliamentary approval procedures in 2007; these agreements have not yet entered into force. Finland has also concluded a Customs Mutual Assistance Agreement with the United States. Finland is a member of the major Donors' Group within the Committee on Narcotic Drugs. The vast majority of Finland's financial and other assistance to drug-producing and transit countries has been via the UNODC. The Treaty of Pruem, 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. Seizures by weight of cannabis plants have fluctuated over the past several years, although in 2007 there was a significant increase of the amount of seizures up to 87 kg (36 kg in 2006). In 2007, Finnish law enforcement agencies seized a total of 7,600 cannabis plants. The majority of cultivation cases were very small, with an average of 1 to 20 plants per seizure. The distribution in Finland of 22 dual-use precursor chemicals listed by international agencies is tightly controlled.

**Drug Flow/Transit.** Medical narcotics (including Subutex), amphetamine and methamphetamine represent the majority of police seizures of illegal drugs in Finland during 2007. Finland is not a major transit country for narcotics.

Most drugs trafficked into Finland originate or pass through Estonia. Finnish authorities report that their land border with Russia is well guarded on both sides to ensure that it does not become a major transit route.

**Domestic Programs/Demand Reduction.** According to the Development Center for Social Affairs and Health, there are approximately 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 drug replacement therapy 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. and Finland will continue their cooperation on drugs issues impacting both countries.

# France

## I. Summary

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

The total number of seizures reported in 2007 (latest published figures) increased by 20.62 percent from 2005 levels (to 94,431), including seizures of some cannabis products, morphine, amphetamines, LSD and mushrooms. The gross total of the quantity of seizures of cocaine (HCL), Heroin, Khat, and MDMA, which increased in 2006, decreased in 2007. Drug trafficking and possession arrests increased in 2007 by 21.57 percent to 134,320. This represents the largest increase in seizures in the last thirty years. France is a party to the 1988 UN Drug Convention.

## II. Status of Country

Cannabis users are the largest group of drug users in France, according to official French government statistics. By contrast, users of the next most popular drugs, heroin and cocaine, account for approximately 5.7 percent and 3.58 percent of the total number of drug abusers respectively. France's drug control agency, the Mission Interministerielle de la Lutte Contre la Drogue et la Toxicomanie (MILDT, or the Interministerial Mission for the Fight Against Drugs and Drug Addiction), is the focal point for French national drug control policy. Created in 1990, the MILDT (which received its current name in 1996) coordinates the 19 ministerial departments that have direct roles in establishing, implementing, and enforcing France's domestic and international drug control strategy. The MILDT is primarily a policy organ, but cooperates closely with law enforcement officials. The French also participate in regional cooperation programs initiated and sponsored by the European Union.

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

## III. Country Actions against Drugs in 2008

**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 social health damage caused by the use and trafficking of narcotics. A full assessment of the program is expected to be published during 2008, as it approaches the end of its planned duration. Depending upon the result of this assessment, a new program will be introduced. The 2004 program's successes include launching a 38 million Euro (approx. \$50.5 million) national information campaign on cannabis use in 2005 as well as increased options in France's medical

treatment for cannabis and heroin users/addicts. The program also provided funding (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.

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.

**Law Enforcement Efforts.** In 2007, French authorities made several important narcotics seizures: On January 18, 2007, French customs officials at the port in the northern city of Dunkerque seized 356 kg of heroin, a record for the seizure of this drug in France. The heroin, which was valued at approximately €10 million (approximately \$13 million), was being transported in a truck originating from Turkey and bound for Great Britain.

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

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

During 2007, French authorities also conducted frequent operations involving the seizure of cannabis. On September 10, 2007, French customs agents in the southern city of Montpellier seized 618 kg cannabis resin. The cannabis is estimated to be worth around € 1.2 million (approx. \$1.65 million).

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

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

**Agreements and Treaties.** France is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol, and a 1971 agreement on coordinating action against illegal trafficking. France and the U.S. have an extradition treaty and an MLAT, which provides for assistance in the prevention, investigation, and the prosecution of crime, including drug offenses. In 2004, bilateral supplemental extradition and mutual legal assistance instruments were concluded in order to implement agreements in these areas between the U.S. and the EU, which will enhance cooperation further once they enter into force. The U.S. also has a Customs Mutual Assistance Agreement (CMAA) with France. France is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons. In addition, France and the United States have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force.”

**Cultivation/Production.** French authorities believe that the cultivation and production of illicit drugs is not a significant problem in France. France cultivates opium poppies under strict legal controls for medical use, and

produces amphetamines as pharmaceuticals. The government reports its production of both products to the International Narcotics Control Board (INCB) and cooperates with the DEA to monitor and control these products. According to authorities, the majority of illicit drugs produced in France come from smaller home laboratories.

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

**Domestic Programs/Demand Reduction.** MILDT is responsible for coordinating France's demand reduction programs. Drug education efforts target government officials, counselors, teachers, and medical personnel, with the objective of giving these opinion leaders the information they need to assist those endangered by drug abuse in the community. In an effort to combat the consumption of cannabis in France, which has consistently increased over the past 20 years, in October of 2007, Etienne Apaire, the President of MIDLT (since September 2007) announced a new government policy aimed at cannabis users. Beginning in 2008, the state will force those arrested for cannabis use to take a two day class on the dangers of cannabis consumption. The cost of the class, €450 (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.

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

**Policy Initiatives/Bilateral Cooperation.** U.S. and French counternarcotics law enforcement cooperation remains good. During 2008, the DEA's Paris Country Office and the French Office Central Pour la Repression Du Trafic Illicite Des Stupefiants (OCRTIS), continued to routinely share operational intelligence and support one another's investigations. The DEA and the OCRTIS shared intelligence was developed from a program which identifies orders for precursor chemicals placed from French companies for exportation outside of France. Since its inception seven years ago, this program has resulted in the seizure of 33 MDMA labs worldwide (including 22 in the U.S.), and the arrest of 65 individuals involved in the supply chain.

Additionally, during 2008, the DEA's Paris office passed intelligence to French OCRTIS regarding two possible drug couriers intending to transit France while traveling from Turkey to the United States. As a result of that information, in February, French authorities arrested two Orthodox Rabbis transporting approximately 12 kilograms of morphine base in concealed compartments built into their suitcases.

Information developed from the French investigation was shared with the DEA and several other countries' law enforcement services, which has led to a number of valuable investigative links. The DEA and the OCRTIS regularly exchange information relating to suspected airline internal drug couriers traveling internationally, and other routine law enforcement information that leads to arrests and drug seizures.

SOUTHCOM and the French Navy signed an agreement in June 2008 to establish COMSUP Antilles as a regional counterdrug coordination center within the JIATF-South organization. The French Navy participates in JIATF-S operations as CTG 4.6.

France provided vital Maritime Patrol Aircraft (MPA) coverage throughout the deployment of a U.S. Coast Guard cutter with a LEDET from Cape Verde deployed aboard it in June 2008. France's steadfast support of the operation helped mark the first multilateral combined maritime law enforcement operation ever conducted in Africa with countries from three continents.

France has become a more active partner in the Caribbean transit zone, particularly with regard to cooperating with JIATF-S. On 3 October, 2008, the USCG facilitated a boarding request from France regarding a U.S.-flagged sailing vessel involved in illicit traffic. The subsequent boarding resulted in the discovery and seizure of 48 kg of cocaine and 2 kg of heroin. France requested the U.S. waive jurisdiction in a timely manner over the two non-U.S. crewmembers aboard the vessel in order to meet the judicial requirements of France. This occurred well within the time frame requested and enabled France to prosecute the two smugglers.

**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, including all international conventions signed by France. 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. Cocaine moves through the French Caribbean and from French Guiana to Europe and to a lesser extent, to the United States.

## II. Status

The Martinique Task Force, created in 2006, in response to an increase in the trafficking of cocaine coming directly to France from the French Caribbean, is a multilateral cooperative effort that brings together French, Spanish, Colombian, U.S. and British law enforcement officials to promote coordinated operations against trafficking. French Customs also takes an active part in the undertakings of the Caribbean Customs Law Enforcement Council (C.C.L.E.C), which was established in the early 1970s to improve the level of cooperation and exchange of information between its members in the Caribbean. In 2007, C.C.L.E.C. broadened its scope to include 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.

## III. Actions Against Drugs in 2008

During 2008 important drug seizures included the August 4 seizure by the French Coast Guard of more than 1,072 kilograms (kg) of cocaine aboard a French-registered sailboat in the French Antilles. The contraband had a street value of more than 45 million euros (approximately \$62 million). On October 4, the French Coast Guard intercepted a sailboat near Saint Lucie containing 50 kg of cocaine and 2.3 kg of heroine. On March 21, the French Coast Guard seized near French Guiana 454 kg of cocaine on board a sailboat near the southwest of Martinique. On February 9, the French Coast Guard intercepted a "go fast" speed boat in the northern French Antilles transporting 400 kg of marijuana. The ten individuals arrested during this seizure had been responsible for conducting 35 similar "go fast" missions in the French Caribbean before being captured. On January 15, French Customs agents in Guadeloupe captured two principle suspects wanted for their role in a drug ring in French Antilles. During the arrest, French Customs agents discovered 300 kg of cannabis in the suspect's vehicle with a street value believed to be around 264,000 euros (approximately \$362,000).

**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. However, the agreement has yet to enter into force because it lacks the requisite number of ratifications. 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.

**Bilateral and Multilateral Cooperation.** The French Inter-ministerial Drug Control Training Center (CIFAD) in Fort-de-France, Martinique offers 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 coordinates 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 provide training at the CIFAD. French Customs is also co-funding with the Organization of American States (OAS), on a regular basis, training seminars aimed at Customs and Coast Guard Officers from OAS member states. The French Navy also now hosts “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 are coordinating their assistance programs closely in the region through bilateral and multilateral discussions. The GOF participates actively in the Caribbean Financial Action Task Force (CFATF) as a cooperating and support nation (COSUN).

**The Road Ahead.** The French Caribbean should expand its cooperative efforts with international law enforcement in the region.

# Georgia

## I. Summary

Georgia has the potential to be a transit country for narcotics flowing from Afghanistan to Western Europe. For some years, there have been no western-bound, significant seizures of narcotics in Georgia. However, in December 2008 375 kilograms of heroin were seized in the Bulgarian port city of Burgas, after arriving from the Georgian port of PotI. Subutex, a Methadone-like pharmaceutical produced throughout Europe, and used in replacement therapies for heroin addiction, continues to flow from Western Europe into Georgia, although cooperation with international law enforcement is hindering its entry into the country. Separatist territories beyond the control of Georgian law enforcement authorities and occupied by Russia since August 2008,--South Ossetia and Abkhazia--provide additional routes for drug flow and other contraband. 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). These de facto separatist regimes are widely assumed to protect individuals and organizations involved in drug trafficking, but tensions between Georgia and these areas are high, and this view might simply be a local prejudice.

Anecdotal evidence indicates a sizable domestic drug-use problem in Georgia. In 2007 the GOG adopted a national Anti-Drug Strategy, increased penalties for drug offenses and passed new anti-drug legislation. The GOG also is continuing efforts to increase border security with the assistance of the United States, European Union (EU) and other donors. Statistics on the number of drug abusers in the country vary widely, though the National Forensics Bureau maintains a database of identified drug users. State-supported treatment centers were inadequate in number, but received increased funding in 2008. Georgia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Georgia's geography and geographic position between Europe and Asia make it a potential narcotics trafficking route. Afghan opiates destined for Europe may enter Georgia from Azerbaijan via the Caspian and exit through the northern separatist Abkhaz region or southern land and water borders. Thinly staffed ports of entry and confusing and restrictive search regulations make TIR trucks (long-haul trucks carrying nominally inspected goods under Customs Seal) the main means for westward-bound narcotics trafficking in the region. Based on Ministry of Internal Affairs (MOIA) statistics, there were no significant seizures of drugs moving west in 2008. The December seizure of 375 kg's of heroin in Burgas, Bulgaria indicates however that Georgia is being used as a transit country. The heroin was secreted in three separate TIR trucks, which arrived at Burgas on a Black Sea ferry from the port city of Poti, Georgia. The "cover load" for the trucks, in other words their legitimate cargo, was fertilizer and fruit. The drivers of the trucks were Bulgarian and all three were arrested.

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, misused as an intravenous drug, is popular due to a lower price in comparison to heroin, a longer high, and a wide profit margin for dealers. Seizure statistics and anecdotal evidence suggests that Subutex use is beginning to decrease; law enforcement officials credit increased law enforcement cooperation with Western Europe. Given the clamp-down on Subutex, three possible new trends emerged in late 2008—increased incidence of Subutex imported from Armenia (where it is a legal pharmaceutical), increased Methadone seizures, and higher prices. The street price for Subutex has spiked. One pill of Subutex now sells for approximately \$300, compared to \$90 last year. Methadone appears to be entering Georgia from Russian sources via Ukraine and the separatist region of Abkhazia.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** There were no new narcotics policy initiatives in 2008 in Georgia.

**Law Enforcement Efforts.** The Special Operatives Department of the MOIA is the lead agency for fighting drug trafficking. The Georgian Border Police also play a role, though far smaller. The Border Police reported four seizures of narcotics at border points in 2008. Most arrests for cultivation are believed to be small plots intended for personal use. In the first nine months of 2008, all drug seizure statistics—except for Methadone—are lower than the previous year, in some cases dramatically. While the August conflict with Russia may account for lower seizure numbers for the third quarter of 2008, law enforcement officials describe the current drug market as “chaotic,” with recent dramatic price spikes, reflecting an unstable market with many shifting suppliers, as opposed to more well-developed markets where steady supplies and prices are ensured by organized criminal syndicates to keep a well-satisfied and profitable customer base. The estimated price of heroin in Georgia, for example has soared to nearly \$800/gram, up from \$350-\$400/gram last year.

**According to MOIA statistics:**

	2007(Jan-Sep)	2007	2008 (Jan-Sep)
<b>Drug-related cases</b>	6,156	8,493	5,790
<b>Felonies</b>	1,531	1,970	1,407
<b>Contraband</b>	58	71	64
<b>Street Sale</b>	137	151	46
<b>Cultivation</b>	77	79	66
<b>Heroin seizure</b>	6.79 kg	9.78 kg	5.24 kg
<b>Marijuana seizure</b>	1.35 kg	1.36 kg	150.57 g
<b>Opium seizure</b>	123 g	127.19g	39.85 g
<b>Cocaine</b>	.558 g	.558 g	0
<b>Subutex</b>	7,913 pills	77.25 g	55.36 g*
<b>Methadone</b>	83.4 g	96.15 g	146.17 g

\*Note the MOIA has changed the measuring unit for Subutex seizure statistics. The drug is now measured by weight rather than pill count.

**Corruption.** As a matter of policy, the GOG neither encourages nor facilitates illicit drug production, distribution, or the laundering of drug profits. No senior officials are known to be engaged in such activities. Rather, the GOG declared war against corruption after the 2003 Rose Revolution and remains committed to this effort. In 2008, three Customs officers were jailed for corruption and another was arrested for the purchase and possession of Subutex. Statistics from the World Bank and other organizations indicate that there has been a dramatic decrease in corruption across the government. The GOG is continuing civil service, tax and law enforcement reforms aimed at deterring and prosecuting corruption. Despite these efforts, however, corruption allegations still surface.

**Agreements and Treaties.** Georgia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substance and the 1961 UN Single Convention as amended by the 1972 Protocol. Georgia is a party to the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling and in November 2008 acceded to the UN Convention against Corruption. In addition, the GOG has signed anti-narcotics agreements with the Black Sea basin countries, the GUAM Group (Georgia-Ukraine-Azerbaijan-Moldova), Iran, and Austria. Georgia had also signed a counternarcotics agreement with the Commonwealth of Independent States, but withdrew from that body following the Russian invasion in August.

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

**Drug Flow/Transit.** The GOG has no reliable statistics on the volume of drugs transiting through Georgia. MOIA figures illustrate however that Georgia has not had significant seizures of illegal narcotics in recent years. Even those who argue that drugs transit Georgia to Western markets believe that Georgia is at best a secondary route. Inadequate policing 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.

**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. Past figures that have been reported are disputed as highly inflated. Using UN methodology which estimates that about 3 percent of the population may be using drugs at a given point in time, the figure would total approximately 135,000, although local drug treatment experts cite figures of approximately 200,000. The Ministry of Justice's 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. The National Forensic Bureau also maintains a database of identified drug users, which currently totals 41,223.

The Government of Georgia, for the second year in a row, increased 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). Even with these funding increases however, demand for detoxification and substitution therapy far outstrips availability. With government and NGO support, three treatment centers currently offer Methadone substitution therapy, with an additional center scheduled to open by the end of the year. These centers serve up to 300 patients. A pilot substitution therapy program is also scheduled to begin in the penitentiary system. The GOG also plans to co-finance operation of 5 additional centers to serve an additional 300 patients. Since private clinics are prohibited by law from procuring Methadone for substitution therapy, the government purchases and imports the drug for use by those clinics.

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

**Bilateral Cooperation.** In 2008, the USG continued direct assistance on: procuracy reform, prosecution of narcotics crimes, money laundering, writing a new criminal procedure code, provision of training and equipment for Georgia's forensics laboratories, creating regional evidence collection centers, building new facilities and providing training at the police academy, providing training in fighting human trafficking, and equipping the patrol police with modern communications equipment and a criminal database. Border security train and equip programs for Georgian 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. A USCG mobile training team provided a course on Maritime Operations Planning and Management.

**The Road Ahead.** The effect of the August conflict with Russia on the drug situation in Georgia is not yet known. Law enforcement has observed increased incidence of stolen vehicles bound for sale in the conflict zones and north to Russia. Conceivably, drug flow could be similarly affected, but a reportable trend has not yet been observed. Adopting tougher counternarcotics legislation last year and increasing funding for demand reduction and treatment activities two years in a row demonstrate the Government's commitment to carrying out its anti-drug strategy. Increased international cooperation with European law enforcement is also an encouraging trend.

# Germany

## I. Summary

Germany is a consumer and transit country for narcotics. The German government actively combats drug-related crimes and focuses on prevention programs and assistance to drug addicts. 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. Seizures of amphetamines and methamphetamines increased substantially in 2007, the latest year for which statistics are available, compared to 2006, with a 12 percent increase in confiscations and a 13 percent increase in amounts seized. The vast majority of seized amphetamines and methamphetamines originated from 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. Germany is a party to the 1988 UN Drug Convention.

## II. Status of Country

Germany is not a significant drug cultivation or production country. However, Germany's location at the center of Europe and its well-developed infrastructure make it a major transit hub. Ecstasy moves from the Netherlands to and through Germany to Eastern and Southern Europe as well as to Scandinavia. 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. In 2007, organized criminal groups expanded their involvement in narcotics trafficking compared to 2006. Germany is a major manufacturer of pharmaceuticals, making it a potential source for precursor chemicals used in the production of illicit narcotics, although current precursor chemical control in Germany is excellent.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Germany continues to implement the Federal Health Ministry's "Action Plan on Drugs and Addiction" adopted by the Cabinet in 2003. The action plan establishes a comprehensive multi-year strategy to combat narcotics. The key pillars are (1) prevention, (2) therapy and counseling, (3) survival aid as an immediate remedy for drug-addicts, and (4) interdiction and supply reduction. Germany also implements the EU Drugs Action Plan. 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 with regard to the implementation of measures against drugs and addiction. The government continued to focus on demand reduction in the consumption of cannabis and to offer a variety of treatment and awareness raising programs. Germany is actively involved in a large variety of bilateral cooperative arrangements, European, and international counter-narcotics fora. For example, Germany is an active participant in the European "Horizontal Group on Drugs," the European Monitoring Center for Drugs Addiction, and narcotics-related units within the Council of Europe and the United Nations. Germany also sponsors counter-narcotics development programs in numerous countries.

Germany amended its Narcotics Act and added *Salvia Divinorum*, Benzylpiperazine (BZP) and Oripavin to the schedules of the Act. Narcotics and psychotropics as defined by the German Narcotics Act are listed as substances and preparations in Schedules I to III of this Act. Schedule I lists so-called "not marketable" substances meaning trade, production, and research, as well as prescription are illegal (as an exception, special approvals may be given e.g. for research purposes). The substances listed in schedule II are "marketable" under certain requirements (an authorization is required), but prescription is excluded. Schedule III lists substances that are "marketable" and that may be

prescribed. *Salvia Divinorum* was added to schedule I, making it an illegal substance; BZP and Oripavin were added to schedule II as they are used for research purposes and in the pharmaceutical industry.

**Law Enforcement Efforts.** Counter-narcotics law enforcement remains a high priority for the BKA and the Federal Office of Customs Investigation (ZKA). German law enforcement agencies scored numerous successes in seizing illicit narcotics and arresting suspected drug dealers.

In July 2008, German police participated in a joint operation with Austrian and Swiss officials that resulted in the search of more than 600 residences and commercial premises in the three countries. Investigators searched for raw materials needed for synthetic drugs such as amphetamines and liquid XTC. In Germany, more than 1290 police officers were involved, conducting 340 searches.

In 2007, the latest year for which statistics are available, the number of heroin seizures remained approximately the same compared to 2006, but the amount increased by 22 percent (to 1,074 kilograms (kg)) due to two especially large seizures of 300 and 150 kg. Cocaine seizures increased in 2007 by 6 percent compared to 2006. With regard to amphetamines and methamphetamines, increases in seizures and amounts were registered in 2007. The amounts of Ecstasy seized continued to decrease in 2007. A notable Ecstasy seizure occurred in June 2008 with the arrest of a Dutch national in the German state of Thuringia and confiscation of 80,000 Ecstasy tablets. The amount of seized cannabis decreased by 13 percent in 2007 compared to 2006. Overall in 2007, 13.5 tons of the chew-drug Khat were seized. 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. The most noteworthy cases during the year were the seizure of 20 kg of cocaine that were discovered on a freighter coming from Ecuador via Antwerp in April 2008 and the dismantling of an international trafficking ring that, inter alia, had trafficked 48 kg of cocaine on a freighter to Hamburg from Colombia in May 2008—six of the men involved are at present standing trial in Hamburg. The German ports of Hamburg and Bremerhaven hold 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.

**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. The U.S. and Germany signed a Mutual Legal Assistance Treaty in Criminal Matters (MLAT) on October 14, 2003, which was ratified by the U.S. Senate on July 27, 2006. Additionally, the U.S. and Germany signed bilateral instruments to implement the U.S.-EU Extradition and Mutual Legal Assistance Agreements on April 18, 2006. The U.S. approval process for the U.S.-EU Agreements and the corresponding bilateral instruments has been completed. Germany passed implementing legislation for the MLAT, the U.S.-EU agreements and the bilateral instruments and published the law in the Federal Gazette on November 2, 2007. None of these agreements have yet entered into force. There is a Customs Mutual Legal Assistance Agreement (CMAA) between the U.S. and Germany. In addition, Germany is party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Germany is a party to the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in women and children. 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 so-called indoor plantations increased in 2007. The BKA statistics reported seizure of ten synthetic drug labs in Germany in 2007.

**Drug Flow/Transit.** Germany's central location in Europe and its well-developed infrastructure make it a major transit hub. Traffickers smuggle cocaine from South America to Germany for domestic use as well as through Germany to other European countries. Heroin transits Germany from the Balkans to the rest of Western Europe,

especially to the Netherlands. Cannabis is trafficked to Germany mainly from the Netherlands, however smaller amounts are also trafficked through Spain and other Western European countries. Amphetamines and methamphetamines are trafficked mainly from the Netherlands but also in lesser amounts from Poland and Belgium. Authorities noted a sharp increase in the transit of Khat through northern Germany from the Netherlands to Scandinavia.

**Domestic Programs/Demand Reduction.** The Federal Ministry of Health continues to be the lead agency in developing, coordinating, and implementing Germany's drug treatment/prevention 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. In 2008, the Federal Ministry of Health and the National Drug Commissioner began a new demand reduction effort by providing advice on a drug story line to a popular TV series aimed at young audiences as well as free advertising for the national drug and addiction hotline. 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 70,000 patients undergo substitution therapy in Germany, the most widely used medication being methadone with an increase in recent years of buprenorphine and levomethadone. The Health Ministry provided funding for a new nationwide clinical epidemiological study that began in November 2007 on the long term effects of substitution therapy. A previous heroin-based (diamorphine) treatment research study, largely completed in 2005, found this treatment to be an effective program for seriously ill, long-term addicts. A number of cities are continuing the treatment for the remaining 275 project participants with special approval of the federal government. This project triggered a debate about whether to create a legal basis to allow such treatments in general. In 2007 the Bundesrat, the upper house of parliament, made use of its right to initiate legislative proposals and introduced corresponding draft legislation to the Bundestag, which however has not been debated to date. The Federal government issued a statement in November 2007 regarding the Bundesrat proposal, stressing inter alia, that diamorphine-based substitution therapy should only be used as a last resort. In 2007, there were approximately 25 medically controlled "drug consumption rooms" 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 2007 they increased to 1,394 deaths—a 7.6 percent increase compared to 2006. 18,620 first-time users of illicit drugs were registered in 2007, a decrease by 3.6 percent compared to 2006. First-time use of Ecstasy, heroin and cocaine decreased in 2007, while the first-time use of methamphetamine and amphetamine as well as crack cocaine increased. Regarding use of cannabis products by youth, there are signs that a trend from recent years is being reversed: 2007 data reveal that 13 percent of 14-17 year olds have used Cannabis products at least once in their life compared to 22 percent in 2004.

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

**Bilateral Cooperation.** German law enforcement agencies work closely and effectively with their U.S. counterparts in narcotics-related cases. Close cooperation to curb drug trafficking continues among DEA, FBI, ICE (Immigration and Customs Enforcement) and their German counterparts, including the BKA, the State Offices for Criminal Investigation (LKAs), and the Federal Office of Customs Investigation ZKA. German agencies routinely cooperate very closely with their U.S. counterparts in joint investigations to stop the diversion of chemical precursors for illegal purposes (e.g., Operation Crystal Flow and Operation Prism). A DEA Diversion Investigator is assigned to the BKA headquarters in Wiesbaden to facilitate cooperation and joint investigations. The DEA Frankfurt Country Office facilitates information exchanges and operational support between German and U.S. drug enforcement agencies. The BKA and DEA also participate in exchange programs to compare samples of cocaine and MDMA pills. German-U.S. cooperation has been particularly successful in Operation Raw Deal, an international investigation that targeted underground steroid laboratories and internet steroid sales worldwide. During the operation, the BKA served 30 search warrants, dismantled six underground laboratories and opened 14 investigations related to the sale and

trafficking of steroids. The USCG provided training in maritime law enforcement boarding in the U.S. for German officers.

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

# Ghana

## I. Summary

Ghana has taken some limited steps to combat illicit trafficking of narcotic drugs and psychotropic substances. It has an active enforcement, treatment and rehabilitation program. However, corruption, a lack of resources, and some would argue, a lack of political will, continue to seriously impede interdiction efforts. While law enforcement authorities continue to arrest low level narcotics traffickers, there has been less interest in pursuing the so-called “drug barons.” Ghana-U.S. law enforcement cooperation was strong in 2008, and the Drug Enforcement Administration is expected to open an office in Accra late in the year. Interagency coordination among Ghana’s law enforcement entities remains a challenge. Ghana is a party to the 1988 UN Drug Convention.

## II. Status of Country

Ghana has become 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 reduced their need to visit Ghana in person by increasing reliance on local partners, thus further insulating themselves from possible arrest by local authorities.

Ghanaians will elect a new president in December 2008. Ghana’s role in international narcotics trafficking has become a campaign issue, with the opposition parties accusing the ruling party of an insufficient response, and on occasion a level of complicity. All the major political party platforms call for increased efforts to address drug trafficking.

The 2006 case of the MV Benjamin, a merchant ship allegedly carrying two tons of cocaine into Ghana, continued to make news. The case became a scandal when a secret recording surfaced of an Assistant Police Commissioner and known narcotics traffickers discussing why they had not been alerted to the cocaine shipment (of which only 30 kilos were recovered). Five persons involved in the case were sentenced to twenty-five year prison terms. In December 2007, three policemen involved in the disappearance of 76 parcels of cocaine from the shipment were sentenced to long prison terms. The Government of Ghana (GOG) created a special commission to investigate the case, and several recommendations were made. By the end of 2008, however, only a handful of the recommendations had been acted on.

The Narcotics Control Board received an interim director in 2007. By mid-2008 the director was petitioning to be allowed to return to his former job, but a replacement had not been announced.

Trafficking has also fueled increasing domestic drug consumption. Cannabis use continues to increase as does 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. The government has initiated public education programs and has implemented (with limited success) a cannabis crop substitution effort. Diversion of precursor chemicals is not a major problem.

## III. Country Action Against Drugs in 2008

**Policy Initiatives.** The Narcotics Control Board (NCB) coordinates government counternarcotics efforts. These activities include enforcement and control, education, prevention, treatment, rehabilitation, and social reintegration. The two top officials at the NCB were suspended at the outset of the 2006 MV Benjamin narcotics scandal. The top official was ultimately replaced, but the NCB remained without an operations chief until June 2007. In 2007, the NCB launched an intensive awareness campaign on radio and television to combat trafficking and created a new position, which deals with demand reduction. The program has continued in 2008.

In 2007, the NCB initiated a three-year plan, which focuses on strengthening operational capacity, promoting awareness and decentralizing NCB's operations. Through the decentralization plan, the NCB has begun to station officers in major cities and border posts. NCB officers have been assigned to Kumasi, Takoradi and Tamale and the border posts at Aflao (Togo) and Elubo (Cote d'Ivoire). As part of its rebuilding, by the end of 2008 the NCB plans to have a total staffing level of 140 employees.

Each year since 1999, the NCB has proposed amending the 1990 narcotics law to fund NCB operations using a portion of seized proceeds. The Attorney General's office has not acted on this proposal. In 2006, the Attorney General succeeded in amending the narcotics law to allow stricter application of the bail bond system (i.e., no general granting of bail when flight is a real possibility; higher sureties to assure that defendants appear for trial). The change came in response to NCB complaints that courts often release suspected smugglers, including foreign nationals, on bail that is often set at only a tiny fraction of the value of the drugs found in a suspect's possession. In 2008, this amendment has worked well, as defendants are not released on bail as readily as before. The NCB also called for amendment, without success, of PNDC Law 236 (1990) to enable it to confiscate property and assets purchased by identified drug dealers using illegal proceeds of crime. The government began drafting a Proceeds of Crime bill but the draft legislation has not yet been sent to Parliament. A new Money Laundering Act was approved in 2007 but has not yet been fully implemented; a Financial Crimes Intelligence Center, authorized in the Act, has yet to be formed, for example.

**Law Enforcement Efforts.** In 2008, Ghanaian law enforcement agencies continued to conduct joint police-NCB operations against narcotics cultivators, traffickers and abusers. NCB officers, who are not armed, depend on the Organized Crime Unit of the Criminal Investigative Division (CID) narcotics unit in situations where armed assistance is required. The Ghana Police Service has assigned several investigators to narcotics cases; it detains suspects and prepares cases for presentation at trial. The Customs Excise and Prevention Service (CEPS, in the Finance Ministry) also has a role in interdiction, as do (in varying degrees) the Immigration Service, the Bureau of National Investigations (BNI) and the Ghana Navy. Representatives of the various agencies meet regularly, but the overall level of coordination and intelligence sharing between them remains limited.

The NCB continues its efforts to decentralize operations, and has opened regional offices in Tamale, Kumasi and Takoradi. At the end of the third quarter of 2008 the NCB had approximately 140 employees. In 2008 the NCB was authorized to recruit 74 new personnel.

The NCB works with DHL, UPS, Ghana Post and Federal Express to intercept parcels containing narcotics. The NCB also works with a team from the United Kingdom's Revenue and Customs Service, which is based in Accra. The team assists NCB with interdiction work at Kotoka International Airport and has had some success in arresting smugglers and frustrating—but not significantly slowing—narcotics shipments through the airport. A program in cooperation with the United Nations now searches cargo containers at the Port of Tema. The NCB also has officials at the “cargo village” at Kotoka International Airport for profiling import and export shipments. This operation has uncovered much of the cannabis the NCB has seized. Ghana's Customs, Excise and Prevention Service (CEPS) also inspects cargo transiting the airport.

Officials at UK airports found that the total tonnage of trafficked narcotics seized from passengers on flights originating in Ghana eclipsed those from Nigeria in 2006. In partial response to this trend, the British Government launched “Operation Westbridge,” a program deploying experienced U.K. customs officers and state of the art ion scan detection equipment to Kotoka International Airport. The program educated Ghanaian customs officers on the

use of the equipment, profiling, targeting, intelligence-gathering and other security techniques. Since 2006 Operation Westbridge has been successful in interdicting 462 kg. of cocaine, 1.3 kg. of heroin, and 3,442 kg. of cannabis.

In October, CEPS intercepted 664 kg. of cannabis and heroin (hashish) in packages heading to the U.K. via the cargo area of the airport. The clearing agent is in custody.

In June, Ghana Traffic Police discovered twenty brick slabs (380 kg.) of cocaine in a vehicle. Four Ghanaians were arrested. Police suspect a Latin American connection.

Interdiction remains a focus of law enforcement efforts, with less attention going toward arresting senior members of the narcotics rings or to the building of cases against local drug barons. In June a truck was stopped by police outside of Accra, carrying 399 kg. of cocaine. The vehicle originated in Conakry, Guinea. The Togolese and Ghanaian drivers were arrested, but the police operation did not follow the shipment in such a way as to identify the organizer of the illicit drug trafficking operation. Newspaper reports carry stories about unnamed “drug barons.” Journalists and members of civil society speculate about connections between narcotics trafficking and politicians. A Ghanaian MP, from the ruling party, is currently serving time in the U.S. following a 2005 arrest for heroin smuggling.

The Ghana Police Service’s Statistics Unit reported that from January to August 2008 505 narcotics related arrests were made, up from 421 in the same period in 2007, although many of these were for relatively small amounts.

The NCB reports that from January to June, 2008, 48 arrests were made. Courts sent down 32 convictions as of the end of October, 2008 from arrests made in 2006 and 2007.

As of June 28, 2008, 23.4 kg. of cocaine had been seized by the NCB. In 2006, the NCB reports 1,972 kg. of cocaine were seized, while in 2007 the figure was 779 kg.

The apparent lack of a centralized system for collecting statistics makes it difficult to ensure accurate numbers or to prevent double counting.

Police and NCB state that a one kilogram slab of cocaine had an estimated value in Ghana of \$22,000. One bread loaf size parcel of cannabis sold for about \$15. A wrap, or joint of cannabis, sold for about \$.50.

According to CID officials, cocaine in crack form is beginning to appear in Ghana. Crack cocaine is relatively inexpensive, selling for Ghana cedis 1.5 (about \$1.25 US) per hit.

The Ghana Police Service, NCB, Navy and other Government of Ghana law enforcement organizations remain seriously under resourced, both in terms of staff and equipment. Officials in all of the agencies state a need for additional staff training. NCB 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.

The NCB and other law enforcement agencies continued to cooperate with U.S. and other national law enforcement agencies. Several diplomatic missions in Ghana have law enforcement or related staff, including the Netherlands, Germany, France and the United Kingdom. The U.K. plans to open in Accra an office of its Serious Organized Crimes agency.

**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 Narcotics Board. Despite the regular arrests of suspected narcotics traffickers, Ghana has a low rate of conviction, which law enforcement officials indicate 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 competency.

Corruption in the police force is widespread. A study by the Commonwealth Human Rights Initiative found that over 90% 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, an audit of CID evidence storage revealed that approximately twelve kg. of narcotics had been replaced with cornstarch. The officer in charge of the Narcotics Exhibits Store was arrested. The Minister of Interior formed a five-member panel to investigate the breach of security. The panel found evidence that additional exhibits were missing. In May, the President of Ghana appointed a second committee to review the panel's report. The presidential committee has yet to make its report.

**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 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. NCB, together with the Ghana Police, investigated several cases of cannabis production and distribution, and destroyed cannabis farms and plants in 2008. A pilot scheme begun in 2003 to provide cannabis farmers with alternative cash crops was discontinued in 2008. The NCB realized that the scheme was not sustainable, and that some farmers were continuing to grow cannabis despite receiving the incentives not to.

**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 2008 revealed a variety of creative concealment methods, including cocaine hidden inside women's specially designed underwear, cans of palm oil and containers of yoghurt, in wheelchairs, and bricks of marijuana hidden in false-bottom crates which contained handicrafts 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.

Ghana Police Service officials report that crime groups move into drug trafficking from other crimes, such as internet crime or financial fraud. The GPS believes that Nigerians living in Ghana are behind some of these groups.

In the past, direct flights from Accra played an important role in the transshipment of heroin to the U.S. by West African trafficking organizations. In July 2004, the Federal Aviation Administration banned Ghana's only direct flights to the United States for safety reasons. However, this did not appear to reduce the trafficking of drugs between the two countries. Instead, drug traffickers rerouted the flow through Europe, according to the NCB. In addition to multiple carriers providing connecting flights to the United States via Europe, direct air links were re-established in

2005, with a second airline adding non-stop service between Ghana and the United States in December 2006. This may result in increased attempts at smuggling by direct air links.

In 2006, the U.S. Embassy uncovered widespread visa fraud associated directly with drug trafficking organizations, further raising fears of highly organized smuggling rings attempting to carry drugs into the United States from Ghana by air. However, there are no more recent indications of similar visa fraud. The NCB reported that in response to increased vigilance against West African drug mules arriving at foreign airports, a new trend appears to be use of Caucasians as carriers of narcotics to arouse less suspicion by customs and immigration officials at European and U.S. airports, and arrests have been made of drug mules fitting this profile.

There are currently five U.S. citizens incarcerated in Ghana on drug charges. Two are on remand, and three are serving their sentences. In 2008, there was only one extradition action, involving a Ghanaian citizen in Ghana wanted by the State of Virginia.

Despite concerns with increased use of air travel for drug transshipment, however, the primary problem remains Ghana's long, generally unpatrolled coastline where the drugs in transit enter Ghana. The Ghana Navy has responsibility for maritime security—the NCB 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.

**Domestic Programs/Demand Reduction.** The NCB works with schools, professional training institutions, churches, local governments, and the general public to reduce local drug consumption. 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, and encourage newspaper articles on the dangers of drug abuse and trafficking. Although treatment programs have generally lagged behind preventative education and enforcement due to lack of funding, in 2007, the NCB announced that it has established treatment centers to assist addicts, adding to the three government psychiatric hospitals which receive drug patients and three private facilities in Accra run by local NGOs.

The NCB's national drug education efforts continued in schools and churches, heightening citizens' awareness of the fight against narcotics and traffickers. The NCB continued broadcasting TV programs to explain narcotics' effects on the human body, individual users and society. These programs are broadcast on state television in local languages. In partial response to the narcotics scandal, the NCB also began efforts to sensitize coastal fishermen on the dangers of getting involved in the drug trade and on the need to cooperate with law enforcement officials. The NCB also held a drug awareness concert in 2008. The "Angel of the Night" program has NCB officers, in collaboration with a private rehab center, visit with drug users to counsel them on alternatives.

The Government of Ghana, with UK assistance, launched Operation Hibiscus in October 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

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

**Bilateral Cooperation.** The USG's counter-narcotics and anticrime goals in Ghana are to strengthen Ghanaian law enforcement capacity generally, to improve interdiction capacities, to enhance the NCB's capacity, and to reduce Ghana's role as a transit point for narcotics. In 2008 the USG continued efforts to support Ghana's counter-narcotics efforts and made plans for additional support in future years. In September, a joint State Department-INL/DEA/Department of Justice/Department of Defense assessment team visited Ghana to better understand Ghana's counter-narcotics capacity and issues, with the intention of improving efficiency of U.S. assistance efforts to Ghana's anti-drug programs.

In 2008 the Department of Defense (through AFRICOM) funded acquisition of four 27-foot “Defender” class patrol boats for the Ghana Navy. The boats will increase the Ghana Navy’s capacity for maritime interdiction. Training, spare parts, and other support was also provided. AFRICOM is also funding the construction of a \$75,000 climate-controlled space at Kotoka International Airport to provide an appropriate environment for sensitive drug detection equipment, such as the two “itemizers” donated in 2003. AFRICOM is also providing approximately \$500,000 toward construction of an evidence storage and training facility at the Ghana CID headquarters in Accra. The USCG, in conjunction with Africa Partnership Station operations, provided boarding officer training as well as training in the area maritime operations planning and management.

**The Road Ahead.** In December, 2008 it is anticipated that the Drug Enforcement Administration will open an office in Accra. A DEA presence in Accra will allow for regular liaison with Ghanaian law enforcement officials. The office will also provide support for counter-narcotics efforts in the larger region.

State Department narcotics assistance and other funds have been used in Ghana to support training and equipment for law enforcement agencies. Plans for future funding include the purchase of a body scanner/detector for Kotoka International Airport. Funding will also be used to support a U.S. Department of Justice prosecutor who will provide long-term training to Ghanaian prosecutors on complex prosecutions (money laundering, narcotics, corruption).

# Greece

## I. Summary

Greece is a “gateway” country in the transit of illicit drugs and contraband. Although not a major transit country for drugs headed for the United States, Greece is part of the traditional “Balkan Route” for drugs flowing from drug-producing countries in the east to drug-consuming countries in Western Europe. Greek authorities report that drug abuse and addiction continue to climb in Greece as the age for first-time drug use drops. Drug trafficking remains a significant issue for Greece in its battle against organized crime. Investigations initiated by the DEA and its Hellenic counterparts suggest that a dramatic rise has occurred in the number and size of drug trafficking organizations operating in Greece.

During 2008, 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, 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 countries such as Panama and Liberia, 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, Hellenic 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. Hellenic Authorities estimate that annual production of the drug appears to be well over 80 tons, most of which is exported. 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 2008

**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./Hellenic counternarcotics investigations occurred during 2008 with 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 cocaine seizures by Hellenic authorities.

During February 2008, with intelligence provided to the DEA by Hellenic Authorities, the French Coast Guard seized 3,210 kilograms of cocaine. Nine (9) individuals were arrested, two of whom were Hellenic Nationals. In addition, the Greek owner of the vessel was also arrested for his knowledge of, and participation in, the smuggling operation. This shipment originated in South America and was destined for Western Europe.

In April 2008, the Hellenic Coast Guard seized 22.5 kilograms of heroin from an individual in the port city of Igoumenitsa. This individual was going to board a ferry destined for Italy when the heroin, hidden in his vehicle, was discovered.

During the same month, the Hellenic Special Control Service (YPEE) seized 4 kilograms of cocaine, which had been mailed from Costa Rica and was concealed inside cereal boxes. Subsequent to the initial seizure, YPEE identified two additional packages destined for members of the same drug trafficking organization. YPEE seized the newly identified packages, which were found to contain an additional seven kilograms of cocaine. Two individuals were arrested in connection with this case.

In July 2008, the YPEE inspected a motorized RV/camper on the island of Hios; the vehicle had just arrived from Turkey. After a careful search of the vehicle, 140 kilograms of heroin were seized; three (3) Hungarian nationals were arrested.

During August 2008, the Hellenic National Police seized 6.6 kilograms of heroin and arrested two (2) individuals, one Greek and one Albanian. Also seized were a handgun and loaded magazines, an electronic scale, and 11,000 euro in cash.

In September 2008, the Hellenic Coast Guard seized 26 kilograms of marijuana hidden inside a vehicle. The Albanian national associated with the marijuana escaped.

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 hinders the ability of law enforcement authorities to manage and complete complex, long-term investigations in narcotics trafficking.

### **Drug Seizure Statistics, 2005-2007**

Source: Coordinating Body for Drug Enforcement, National Information Unit

Statistics are provided in this format: 2005 / 2006 / 2007

**Drug Seizures (Cases):** 10,461 / 9,873 / 9,540  
**Accused Persons (Persons):** 14,922 / 13,963 / 13,253

#### **Cannabis:**

Processed Hashish (kg): 10,209.28 / 74.964 / 4.833  
Unprocessed Cannabis (kg): 8,004.04 / 12,314.205 / 6,909.688  
Hashish "Honey Oil" (kg): 3.011 / 0.523 / 1.484  
Cannabis Plants (units): 4,993 / 32,495 / 17,611

#### **Opiates:**

Heroin and Morphine (kg): 331.329 / 312.243 / 259.33  
Raw Opium (kg): 1.680 / 0.314 / 24.891  
Methadone (kg): 8.719 / 9.456 / 24.783  
Codeine (tablets): 0 / 50.5 / 0  
Other Opiates (kg): 0.023 / 0.419 / 0.005  
Poppy Plants (units): 0 / 0 / 62

#### **Stimulants:**

Cocaine (kg): 42.819 / 60.658 / 225.247  
Coca Leaves (kg): 0.005 / 0.898 / 0.115

Amphetamines (kg): 1.11 / 0.05 / 0.112  
 Methamphetamines (kg): 0.09 / 0.006 / 0.066  
 Crystal Methamphetamines (kg): 0 / 0 / 0.079  
 Ecstasy (kg): 0.023 / 0.051 / 0.281  
 Qat (kg): 34.398 / 25.08 / 10.697  
 New Synthetic Drugs (kg): 0 / 0.288 / 0.047

**Narcotic Pharmaceuticals:**

Hallucinogens (kg): 0 / 0.83 / 0  
 LSD (drops): 120 / 146 / 2,880  
 LSD (tablets): 6 / 120 / 4  
 Psilocybin (kg): 0 / 0.041 / 0  
 Tranquilizers (kg): 0.1 / 0.058 / 0.261  
 Barbiturates (kg): 0.003 / 0 / 0

**Precursor Substances:**

Ephedrine Hydrochloride (tablets): 1088 / 14 / 0  
 Sassafras Oil (liters): 0 / 0 / 3

**Burgled Drugstores:** 43 / 33 / 19

**Corruption.** 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.

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.

**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 protocols to the mutual legal assistance and extradition treaties pursuant to the 2003 U.S.-EU mutual legal assistance and extradition agreements. The U.S. Senate has approved the protocols, but they are still pending Greek government/parliamentary and EU approval. However, in practice the Greek government refuses to extradite Greek nationals and Greek-Americans to the United States, because to do so would violate domestic Greek law. 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, Hellenic Authorities dismantled a large-scale, international drug trafficking organization that was producing marijuana on the island of Crete. Documents found by Hellenic Authorities indicate that the organization had been supplying ton quantities of marijuana to countries in Western Europe for many years.

**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 Thessalonica--only 10% 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. There have also been unconfirmed reports that Turkish-refined heroin is traded for Latin American cocaine.

**Domestic Programs/Demand Reduction.** Drug addiction problems continued to increase in Greece. According to new statistics 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.

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 70 prevention centers, 57 therapeutic rehabilitation centers (33 of which offer “drug free” programs), and 20 drug addiction substitution centers, offering methadone and buprenorphine. In 2006, 4,847 drug addicts were treated (a 14% 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 four narcotics prevention centers in Athens, offering prevention, support, and drug awareness programs--as well as referrals to other rehabilitation/detoxification centers. 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.

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

**Bilateral Cooperation.** DEA officers 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 with counterparts from the Hellenic National 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 2008, a USCG mobile training team provided a basic boarding officer course in Greece. A DEA international training team may travel to Athens to conduct a more formal training seminar with Greek and regional counterparts in early 2009.

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

# Guatemala

## I. Summary

Guatemala is a major transit country for the estimated 400 metric tons (MT) of South American cocaine headed towards the United States and other global markets. It is also small producer of opium poppy that is processed into heroin in Mexico and exported to the United States. In the first year of the administration of President Alvaro Colom, the Government of Guatemala (GOG) confronted enormous challenges posed by narcotics trafficking in Guatemala, and limited success. The GOG has replaced both high-level leadership and lower-level police, but corruption remains a significant problem in justice sector institutions. The Colom administration increased funding for law enforcement efforts, including counternarcotics. However, as Mexico has greatly expanded anti-drug efforts, Mexican drug cartels have expanded into Guatemala. As part of its response, the GOG established a special joint task force to focus on anti-drug, law enforcement and counterterrorism operations. The GOG, through this unit, also provides pilots, mechanics, fuel, and logistical support for four helicopters that the USG delivered to Guatemala this year. Guatemalan authorities eradicated record amounts of opium poppy in western Guatemala in 2008; however, cocaine seizures were minimal. Guatemala is a party to the 1988 UN Drug Convention.

## II. Status of Country

An increase in violence, much of it narcotics related, led the government to make a mid-course correction after six months in office. Gun battles between narcotics traffickers in Guatemala in 2008 as well as a narcotics-related massacre of passengers on a bus drew attention to the increasing presence of Mexican drug cartels in Guatemala and their struggle with the Guatemalan cartels over territory. The weak criminal justice system in Guatemala, coupled with pervasive corruption, has made it difficult for the government to address the rise in narcotics activity in Guatemala. President Colom removed his senior security advisor, replaced the Attorney General, the police chief and two senior military leaders. The new police chief replaced most of the senior police leadership and removed record numbers of lower-level police officers accused of corruption.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Colom administration achieved some success in reforming the legal framework for attacking drug trafficking and use and violent crime, including establishing a drug incineration protocol. The Supreme Court of Justice (CSJ), INACIF (the national, independent forensics laboratory), Ministry of Government (MOG), and the Attorney General's Office (Public Ministry –MP) signed an agreement on procedures for the proper incineration of seized drugs with close technical support of the U.S. Embassy's Narcotics Affairs Section's (NAS) Prosecutors program. The new protocol established uniform procedures, resulting in drastically decreased processing time, avoiding legal maneuvering, and facilitating prompt trials and stronger cases. In 2008, the Guatemalan Congress also passed an improved extradition law, which includes extradition of Guatemalan nationals. Previously extradition requests took at least 2-3 years to process. The first few cases under the new law are currently being processed. To improve coordination between the police and prosecutors, the GOG also standardized procedures between police and state's attorneys in the 24-hour courts, and the Narcotics Prosecutor has been assigned vetted investigators.

In conjunction with a USG-provided air support program that delivered four helicopters to Guatemala this past year, the GOG established Joint Task Force Fuentes, known as the FIAAT (*Fuerza de Intervención Aérea Antidrogas y Terrorista*, the Aerial Anti-drug and Terrorist Intervention Force), a fully vetted, independent unit that can improve capacity in anti-drug, law enforcement, and counter-terrorism operations. Consisting of a total of 75 police, military, and legal officers, the new force will give the GOG central government a new, strategic ability to reach out and impose rule of law in areas where corruption or lack of resources has called into question the local government's ability to

effectively enforce rule of law. The FIAAT has been integrated into the international and interagency Central Skies operation.

**Law Enforcement Efforts.** Widespread corruption and inadequate law enforcement efforts contributed to dismal interdiction numbers over the past several years. According to GOG statistics, the narcotics police (SAIA and the Guatemalan military seized only 2.2 MT of cocaine; although more than 400 MT is estimated to flow through the region. They also seized 9 kilos of heroin and almost a million pseudoephedrine tablets. The ports police (DIPA) had more success in confiscating drug profits transiting through the airports and seized over US \$4.5 million in suspected narcotics money, for a total of over \$6 million in cash seizures. DIPA seized 1.2 MT of cocaine as well, for a total of 3.3 MT. DIPA agents also seized at least seven shipments of pseudoephedrine at La Aurora International Airport in Guatemala City. The GOG Customs Service was also instrumental in stopping the entry of methamphetamine through careful checking the registry of importing companies, many of which were not licit importers.

The Guatemalan military also played an important role in counternarcotics operations in 2008. With U.S. assistance, the Navy is in the process of standing up a vetted unit that will focus on combating drugs transiting through Guatemala's Pacific coast. The Guatemalan Air Force tracked drug flights coming into Guatemalan air space, and the Guatemalan Army provided perimeter security for Guatemalan counternarcotics law enforcement operations. However, neither the Colom Government nor the Guatemalan Congress significantly increased the military's 2009 budget to give it needed resources for counternarcotics efforts.

During 2008, there was only one arrest of a major trafficker, Waldemar Lorenzana, who was quickly released on a technicality, and few significant drug seizures. The GOG has not fully implemented an organized crime law that was passed by Congress in 2006. The seized assets law adopted in 2003 has not been adequately implemented; the Supreme Court, however, turned over six seized aircraft to the Air Force in December 2008.

In 2008, the UN-affiliated International Commission Against Impunity in Guatemala (CICIG) continued to work with the Guatemalan Public Ministry to investigate and prosecute organized crime. It has opened active investigations into a number of crimes that can be traced back to narcotics trafficking.

**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. No senior Guatemalan 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. However money from the drug trade has woven itself into the fiber of Guatemalan law enforcement and justice institutions. It has been necessary to work with units composed of vetted police officers and prosecutors to provide a core of reliable law enforcement professionals who can take on narcotics cases. The recently named Attorney General has made fighting organized crime and corruption one of his highest priorities.

**Agreements and Treaties.** Guatemala is a party to the 1961 UN Single Convention on Narcotic Drugs 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 and the UN Convention against Corruption. A maritime counternarcotics agreement with the U.S. has been in effect since 2003. 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. All U.S. requests for extradition in drug cases are consolidated in specialized courts located in Guatemala City. As mentioned above, during 2008, the

Guatemalan Congress passed a major reform to the extradition law, and extradited three drug traffickers to the United States.

**Cultivation and Production.** Guatemala continues as a minor producer of opium poppy, primarily in the Northern provinces bordering Mexico, as well as of low-quality marijuana for domestic consumption. USG and GOG information points to evidence that Mexican cartels manage Guatemalan poppy production, provide seed, and guarantee the purchase of opium gum from Guatemalan smallholders.

During calendar year 2008, three poppy eradication operations were carried out by the SAIA, the military, and the public ministry. Drug control authorities eradicated 536 hectares of opium poppy and 33 hectares of marijuana.

**Drug Flow/Transit.** USG analyses indicate that Guatemala is a major transit country for an estimated 400 metric tons per year of South American cocaine that flows through the region and is a producer of opium poppy that is processed into heroin in Mexico and exported to the United States and Europe. Trafficking is focused in the Northern provinces bordering Mexico, the jungle department of Peten, the Pacific coastal area, as well as the Lake Izabal area on the Caribbean coast.

There are currently seven cases being processed for pseudoephedrine seizures, compared to only one last year, suggesting that Guatemala, like other countries in the region, is receiving more precursor shipments.

**Domestic Programs/Demand Reduction.** One of the brightest spots on the Guatemalan counternarcotics landscape has been the renewal of commitment to the Demand Reduction Agency (SECCATID) during 2008. Vice President Rafael Espada is personally committed to a forward-leaning anti-addiction strategy, and he hired an energetic technocrat to spearhead the effort as the new head of SECCATID. This year has seen the creation of a new National Drug Policy for the GOG as well as the establishment of the Guatemalan National Drug Observatory, part of the OAS/CICAD network of national observatories. The GOG is providing more resources than any previous administration. The GOG's Model Precinct Program in Villa Nueva began a Police Athletic League as an adjunct to its community policing strategy. The League targets at-risk youth and provides, in addition to a safe and healthy environment, information on and links to the broader network of prevention, treatment, and social support available within Guatemala. The Directorate of Physical Education of the Ministry of Health (DIGEF) is considering funding sports infrastructure development at schools that sponsor the League.

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

**Policy Initiatives.** The USG provides support to the GOG Public Ministry, the Civilian National Police and the specialized Drug Police for GOG initiatives to improve its capability to interdict drugs and arrest and prosecute major traffickers. This includes: the drafting of the Organized Crime bill, which is still pending regulations for implementation; support for the new extradition law; and support for the Aerial Joint Task Force.

**Bilateral Cooperation.** In 2008, the USG provided technical assistance in drafting the new extradition law and also supported the Attorney General's efforts to combat corruption in the Public Ministry with a week-long ethics seminar and training that was attended by 87 senior officials of the Ministry of Government (MOG) and other government entities. Training for Public Ministry (MP) attorneys focused on case development, case management, development of a statistical reporting capability, and strengthening the MP's capacity to fight internal corruption. The USG-funded drug detection canine program (K-9) currently has 47 trained handlers and, in 2008, trained and certified 19 K-9 instructors from four different countries throughout the region and trained ten K-9 handlers from El Salvador and Guatemala. The USG-supported Model Precinct program has had an impact on drug use and retail drug sales in 2008; although its primary focus is improved policing, public security and implementing anti-gang measures. The U.S. Coast Guard provided leadership and maritime law enforcement training to Guatemalan Navy personnel.

The NAS Aviation Support Program (ASP) consists of four loaned helicopters and a training program. It has provided flexibility in support of eradication operations especially in the area of intelligence gathering. The Ministry of Government has provided substantial funding for fuel for the program and is making preparations to take over all fuel expenses for the ASP beginning in January 2009. In 2008 the USG also provided technical assistance in drafting a manual for the National Civilian Police (PNC) which will provide explicit instructions for the investigators on how to implement the Organized Crime Law that was passed in 2006.

**The Road Ahead.** As the Mexican cartels make greater inroads, the Colom administration will be faced with even greater security challenges in Guatemala. While U.S. assistance will play an important role in interdiction efforts and the prosecution of major traffickers, success of the GOG's counternarcotics activities will depend to a large extent on the political will of the Colom administration to confront corruption and to make available the resources needed to improve law enforcement. This includes: allocation of sufficient resources to counternarcotics efforts; strategic realignment of DIPA resources toward better coverage of seaports and border crossings that could replicate the success seen in airport operations; enactment and application of effective asset seizure laws to channel resources to counternarcotics efforts; and completion of regulations governing the Organized Crime bill and full application of the law.

For its part, the USG will provide significant support in the coming year under the Merida Initiative--a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# Guinea

## I. Summary

Guinea is a major transit point for illicit cocaine trafficking to Europe. Although drugs have been transiting Guinea for several years, both international and domestic observers agree that the volume increased exponentially in 2008. Large quantities of cocaine are routinely transshipped through Guinea via air (both commercial and private), land, and sea. The country's endemic corruption, weak governance, porous borders, and ineffective law enforcement have proven increasingly attractive to international narcotics traffickers from South America, Europe, and elsewhere in Africa.

Guinea is a party to the 1988 UN Drug Convention. However, the Guinean Government was generally ineffective in addressing drug trafficking issues over the year. Narco-corruption permeated the government, including the military and police forces. Frequent cabinet changes, lack of technical capacity, and the country's underlying political instability posed significant challenges to both policymakers and law enforcement officials interested in combating narco-trafficking. The Guinean Government is only beginning to recognize Guinea's emergence as a major drug transit point, and as such, has not developed a comprehensive counter-narcotics strategy. The U.S. Government continues to engage with the Guinean Government at the highest levels in order to focus attention and attention on the issue.

## II. Status of Country

Guinea is a major narco-trafficking hub in the West African region. Continued political instability puts the country at risk of developing into a narco-state. Although some government officials have demonstrated their commitment to addressing the problem, the high level of narco-corruption in an environment of almost complete impunity raises questions about the GoG's overall political will to develop an effective counter-narcotics strategy. Due to significant technical, logistical, and political constraints, the GoG's enforcement efforts in 2008 lacked focus and follow-through.

## III. Country Action Against Drugs In 2008

The Government of Guinea was generally ineffective in addressing drug trafficking issues in 2008. Narco-corruption appeared to be gaining a foothold throughout the government, and especially within the military and police forces. Over the course of the year, the president appointed three different ministers of security, with the last appointment taking effect in early October. The Police Anti-Drug Unit (OCAD) lacked adequate staffing, training, equipment, and funds.

**Policy Initiatives.** Due in part to frequent turnover at the ministerial level, the Government of Guinea did not implement any specific counternarcotics policy initiatives in 2008, nor had it discussed developing a counternarcotics master plan.

**Law Enforcement Efforts.** Guinea's law enforcement mechanisms were largely ineffective in countering narcotics trafficking. The national police lacked the capacity to reliably plan for and carry out seizures and arrests. Reports of arrested traffickers being released from prison after having bribed police officials were common, as were reports of confiscated narcotics disappearing while in police custody. The police referred several trafficking cases to the courts, but no convictions were reported. Lack of training among law enforcement officers made it impossible to conduct difficult investigations targeted on major trafficking kingpins, instead enforcement focused on small-scale traffickers. The GoG's overall lack of training, equipment, sufficient staff, and, of course, corruption contributed to inconsistent interdiction efforts.

Narcotics transit Guinea via air, land, and sea. The GoG did not effectively eliminate suspected clandestine airstrips used by drug traffickers, flying directly from South America, nor did the GoG develop any strategies for addressing sea shipments.

The GoG orchestrated two public drug incineration ceremonies during the year, under two different ministers. During the first ceremony in May, the GoG claimed to have incinerated 160 kg of marijuana and 390 kg of cocaine, although the GoG refused international requests for random testing, and media reports suggested that no drugs were destroyed, but instead inert substances were substituted. At the second burning, in August, international observers were allowed to test and confirm a random sample of cocaine. GoG officials announced that 690 kg of marijuana and 34 kg of cocaine were destroyed.

**Corruption.** Corruption permeates the drug trafficking business in Guinea. The GoG took neither legal nor law enforcement measures to prevent and punish public corruption at any level. Guinea does not have any laws that specifically address narcotics-related corruption. General corruption and narcotics issues are covered under the Guinean Penal Code, but are rarely prosecuted. The GoG did not address any corruption cases during the year. While the GoG does not overtly encourage or facilitate narcotics trafficking as a matter of policy, numerous senior officials are believed to be engaging in, encouraging, and/or facilitating drug trafficking in Guinea.

**Agreements and Treaties.** Guinea 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 the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling. Guinea does not have any extradition treaties or other counternarcotics agreements with the U.S. Government.

**Cultivation/Production.** Illegally grown marijuana is believed to be cultivated and distributed locally, but more precise information was unavailable. There were no reports of other narcotics being cultivated or produced in Guinea.

**Drug Flow/Transit.** Guinea is a major transit point for cocaine shipments to Europe, most of which departs from Venezuela by both non-commercial maritime and air. Reliable statistics are unavailable, but international observers and Guinean Government officials agree that the trend is rapidly increasing. Available information suggests that the quantity of drugs transiting Guinea may now exceed the quantity of narcotics transiting neighboring Guinea-Bissau, possibly making Guinea the largest narco-transit point in West Africa. During the year, the GoG made minimal efforts to interdict and seize narcotics that were transiting the country.

**Domestic Programs/Demand Reduction.** The GoG ran a limited anti-drug campaign in public secondary schools. However, local consumption appears limited to marijuana as extreme poverty puts higher-priced narcotics out of reach for most Guineans.

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

**Bilateral Relations.** Guinea's narcotics trafficking problem has exploded over the past year in a highly unstable political environment. In response, the U.S. Government is developing an appropriate strategy to address the problem on a bilateral level. Endemic corruption, weak governance, and frequent cabinet changes pose significant ongoing challenges.

**The Road Ahead.** In the short-term, the U.S. Government is focused on highlighting narcotics as a growing problem, encouraging high-level engagement, and developing local law enforcement capacity. The U.S. Government in consultation with concerned Guinean officials is considering ways to help develop local law enforcement capacity. In addition, the U.S. Government will continue to engage with the Guinean Government at the highest levels in order to focus attention on the issue.



# Guinea-Bissau

## I. Summary

Guinea-Bissau, a tiny impoverished country in West Africa, has become 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. 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 fewer than 1.8 million persons. The country is also one of the poorest in the world, placing 175th out of 177 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 plagued by political instability and civil unrest. The U.S. embassy in Bissau closed in June 1998 due to civil unrest; however, U.S. engagement with the Government of Guinea-Bissau (GOGB) has increased since parliamentary elections in 2004 and 2008 and presidential elections in 2005 were deemed free and fair by the international community. Guinea-Bissau's fragility was underscored, however, by two apparent coup attempts, the first in August and the second in November, 2008.

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 narco- state. In his September 29 report to the Security Council, United Nations Secretary General Ban Ki Moon warned that the country was evolving from a narcotics transit hub into a "major marketplace in the drug trade." The Secretary General proposed the formation of a panel of experts to investigate narcotics trafficking in Guinea-Bissau and held out the possibility of targeted UN sanctions, should the investigation support such a decision.

In July, 2008, GOGB authorities attempted to seize a grounded Gulfstream 2 jet, originating from Venezuela and 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. Authorities successfully interdicted four smaller quantities of cocaine throughout the year, but the apparent major drug cargo aboard the jet plane was never heard of again. The traffickers in the smaller cases were arrested; no one associated with the plane incident was ever tried. 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 a transshipment point 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 2008

**Policy Initiatives.** The GOGB further has welcomed 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. In 2008, representatives from Guinea-Bissau participated in the Economic Community of West African States, (ECOWAS) counter-narcotics conference in Praia, Cape Verde, and GB was a signatory to the political declaration that came out of the conference.

**Law Enforcement Efforts.** During 2008, a number of drug seizures were made. On August 13, three Nigerian nationals were arrested in the Military neighborhood of Bissau in possession of 160 capsules of cocaine sealed in latex. Capsules of this sort are frequently ingested by paid drug couriers and trafficked to Europe from the region's airports. On September 23, at Osvaldo Vieira International Airport in Bissau, officials seized two belts containing two kilograms of cocaine and arrested a Bissau-Guinean national. On September 25, again at Bissau's airport, officials seized 180 capsules of cocaine, sealed in latex, and arrested a Bissau-Guinean national. In October, autopsy officials removed 58 capsules of cocaine, sealed in latex, from the stomach of a Bissau-Guinean national. The courier died when one or more of the capsules burst open inside of him. A regular flow of courier "mules" with upwards of a kilo of pure cocaine in their stomachs are apprehended in Nigeria's two major airports of Lagos and Abuja, most heading for Europe, with Spain an especially preferred destination.

With support from UNODC, a new headquarters is nearly complete for the judicial police. UNODC, with support from Portugal, also arranged the training of 50 new judicial police officers specialized in counter-narcotics. The officers were being trained in Brazil at the turn of 2008 to 2009.

In August, authorities in GB reported that they had uncovered an attempted coup d'etat, allegedly organized by the Navy Chief of Staff, Rear Admiral Jose Americo Bubo Na Tchuto. Na Tchuto, long suspected of being a major facilitator of narcotics trafficking in Guinea-Bissau, eventually fled to the Gambia where officials arrested him then later released him. He remained in exile in the Gambia at year's end.

On July 12, a Gulfstream-2 jet from Venezuela landed at the Bissau airport without the requisite permission. Upon landing, it immediately was cordoned off by Bissau-Guinean military officials and its cargo unloaded. Due to mechanical difficulties, the plane could not again take off. On July 17, the Minister of Justice reportedly learned of the unauthorized plane and ordered the arrest of the crew, who were taken into custody on July 19. Military officials refused to allow the judicial police and international investigators to remove the black box and Global Positioning System apparatus from the plane. On August 19, a judge set bail and released the crew of the plane from custody, despite the issuance of an international arrest warrant against one member and protests by the Minister of Justice and the Prosecutor General. The pilot subsequently disappeared, and the judge was later suspended pending an investigation into possible corruption. Given limitations on funding, training, and policy, there is only limited ability to guard against the transit of drugs through Guinea-Bissau. Due to weak enforcement efforts and inadequate record keeping, it is difficult 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 furthermore no 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 stories of corruption at the highest levels are common. Observers noted 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. As of December 31, 2008, the government was four months in arrears in paying civil servant salaries, making law enforcement and security officials further susceptible to bribery.

**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. The status of the 1999 UN International Convention for the Suppression of the Financing of Terrorism and the African Union Convention on Terrorism Finance is not known.

**Cultivation/Production.** The extent of cannabis cultivation in the country is unknown. Cannabis cultivation is quite common in the Senegal's southern Casamance region and linked to a more than 20-year-old separatist movement, 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. There are no/no known efforts to determine the scope of the cultivation or eradicate it.

**Drug Flow/Transit.** The drug flow that transits through Guinea-Bissau is mostly in the form of cocaine which flows from South America on either air or maritime traffic and continues on to Europe by means of other maritime traffic, traffickers 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 predominant destination point for drugs transiting Guinea-Bissau.

**Domestic Programs/Demand Reduction.** According to the UN, 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 there and one U.S. officer assigned to the Embassy in Dakar monitors events there. The U.S. Embassy liaison office opened in Bissau in 2008 and is staffed by two Foreign Service nationals. During 2008, DEA and FBI representatives visited Bissau to assist in the investigation surrounding the July seizure of the plane from Venezuela. Representatives from AFRICOM and the FBI made frequent visits to Bissau in 2008 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. In 2008, domestic seizures of cocaine fell more than 50 percent from 2007. In the penultimate year of its National Drug Strategy Master Plan (NDSMP) for 2005-2009, the Government of Guyana (GOG) has achieved few of the plan's original goals. Minimal cooperation among law enforcement bodies, weak border controls, and limited resources for law enforcement have allowed drug traffickers to move shipments via river, air, and land without meaningful resistance.

However, a major personnel transition within the Customs Anti-Narcotics Unit (CANU) offers some promise of improved coordination and interdiction efforts. In December, the government passed laws that allow for plea bargaining, wiretapping, and the collection of cell phone ownership data in order to modernize Guyana's legal system and augment the tools available to law enforcement authorities. In April, Guyana acceded to the UN Convention Against Corruption, and in June, it acceded to the Inter-American Convention on Mutual Assistance in Criminal Matters. 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 hampered 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. Guyana produces high-grade cannabis mostly for domestic consumption.

## III. Country Actions against Drugs

**Policy Initiatives.** The GOG undertook a major overhaul of its chief counternarcotics body (CANU). Nine of its officers were fired in May, including the Acting Head, after failing polygraph examinations. In October, a new Director of CANU was hired, and the replacement of recently dismissed officers was ongoing at year's end. CANU's new Director has promised regularization of its operations, improved efficiency, and enhanced collaboration among law enforcement bodies.

The GOG continued implementation of a \$5 million, multi-year Security Sector Reform plan funded by the United Kingdom that commenced in 2007. However, the GOG has made little progress on some of the plan's key provisions. A Parliamentary committee to oversee national security has not been established, and a comprehensive national security policy has not yet been developed. Additionally, legislation tabled in 2007 that would augment the tools currently available to law enforcement in fighting money laundering, including regulations to allow for the seizure of assets, is stalled in Parliament. The chances for its passage remain unclear.

**Law Enforcement Efforts.** In 2008, Guyanese law enforcement agencies seized 48 kilograms (kg) of cocaine, compared to 167 kg in 2007. This decrease was largely due to the lack of any seizures of more than a few kilograms, as well as to the effects of the recent personnel shifts within CANU. However, eradication of domestically grown marijuana increased sharply, with 34,000 kg identified and destroyed, compared to 15,280 kg in 2007. Criminal charges were filed against 473 individuals for activities related to the trafficking or distribution of illicit drugs.

As noted last year, Guyana's counternarcotics activities have long been encumbered by a British colonial-era legal system that does not reflect the needs of modern-day law enforcement. But in December, the government took a significant step forward by passing laws that permit plea bargaining, wiretapping, and the recording and storage of cell phone ownership data. The new laws 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. In addition, at year's end the government was in the process of procuring new surveillance cameras for Guyana's international airport, after signing an inter-agency agreement that facilitates the sharing of airport surveillance footage among all relevant law enforcement bodies.

The GOG has not identified or confronted major drug traffickers and their organizations. Efforts by the Guyana Police Force (GPF) Narcotics Branch and CANU have been limited to arresting low level drug couriers at Guyana's international airport, who carry only small amounts of marijuana, crack cocaine or powder cocaine. Law enforcement agencies are 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.

**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. In April, Guyana acceded to the UN Convention against Corruption.

**Agreements and Treaties.** In June, Guyana acceded to the Inter-American Convention on Mutual Assistance in Criminal Matters. Guyana is 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 against illicit traffic in narcotic drugs and psychotropic substances. Guyana also is a party to the UN Convention Against Transnational Organized Crime and its protocol on trafficking in persons 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 case law in the Barry Dataram extradition matter, however, has eviscerated the Treaty. Dataram is being sought by the Eastern District of New York for cocaine-smuggling offenses. First, a Guyanese court has made it difficult, if not impossible to request a fugitive's provisional arrest. Second, in December 2008, another Guyanese court ordered Dataram's release, holding that the Treaty was invalid because, in essence, it lacked a re-extradition clause (although such a provision was not relevant to the Dataram case); such a provision is required under Guyana's domestic extradition law. Guyanese Legal Affairs Minister Doodnauth Singh has confirmed that Guyana will not extradite fugitives to the United States unless the extradition treaty is changed. Guyana signed a bilateral agreement with the U.S. on maritime counternarcotics cooperation in 2001; however, it has not yet taken the necessary domestic actions to bring the agreement into force. In April 2008, Guyana ratified the Inter-American Convention on Mutual Assistance in Criminal Matters, to which the United States is also a party, though, to date, neither party has submitted an official request to the other under the Convention. 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).

**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 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 facilities that treat substance abuse: the Salvation Army and the Phoenix Recovery Center. The Phoenix Recovery Center conducts weekly substance abuse counseling sessions in five of Guyana's prisons; this activity is funded by the government.

#### 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. In 2008, the USG continued to encourage Guyanese participation in bilateral and multilateral counternarcotics initiatives, and commenced a substance abuse treatment program for women, as well as gender-specific training for drug counselors. 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 2008, the Drug Enforcement Administration's (DEA) Trinidad office continued to collaborate with Guyana's law enforcement agencies in counternarcotics-related activities, and reported a generally favorable working relationship. The USCG provided resident and on-the-job training in engineering and maintenance procedures.

**The Road Ahead.** The U.S. continues to encourage the GOG to organize an effective counternarcotics program, especially within the context of the British-funded overhaul of the security sector. The GOG should pass and implement the proposed anti-money laundering legislation. We also encourage the GOG to draft implementing regulations for its new plea bargaining and telecommunications intercept laws. The U.S. will work with GOG to try and resolve the extradition difficulties.

# Haiti

## I. Summary

Haiti remains a major transit country for cocaine and marijuana from South America and the Caribbean, respectively. The Preva Administration continued the struggle to overcome pervasive corruption, weak governance, and mismanagement, but this effort was complicated by food riots in April, the lack of a functioning government for five months following the dismissal of the Prime Minister (and his cabinet) by the Legislature, and the devastating effects of four hurricanes that hit Haiti in quick succession in August-September.

Haiti's law enforcement institutions remain weak and its judicial system dysfunctional. In 2008, with the support of the United Nations Stabilization Mission in Haiti (MINUSTAH), the Haitian National Police (HNP) continued a successful campaign in the Port-au-Prince area to disrupt gang elements involved in kidnapping, drug trafficking, and intimidation. Although the campaign decreased criminal activity in those areas, the Government of Haiti (GOH) has yet to deliver the sustained police presence needed to eliminate the gangs' criminal activity and a resurgence of kidnapping and robberies has occurred.

The GOH, with assistance from international donors – principally MINUSTAH, the United States and Canada – continues to promote the restoration of the rule of law. The HNP, with the support of MINUSTAH, completed the second year of its reform plan, which includes a vetting and certification process for all officers, and reform of institutional elements, including the General Administration Department and Logistics Bureau. Despite operations conducted by the HNP's counternarcotics unit during the year, there were limited seizures of drugs. Haiti is a party to the 1988 UN Drug Convention.

## II. Status of Country

Haiti's 1,125 miles of shoreline, poorly controlled seaports, numerous clandestine airstrips, combined with a struggling police force, dysfunctional judiciary system, corruption, and weak democracy make it an attractive transshipment hub for drug traffickers to move cocaine, and to a lesser extent, marijuana, through Haiti to the United States. Smaller quantities of the drugs are also moved to Canada and Europe in addition to being shipped directly to the United States; drugs brought into Haiti also are moved overland into the Dominican Republic for onward delivery to the United States and Europe. Haiti experienced an increase in drug smuggling flights from 20 in 2007 to 23 through October 2008, according to the U.S. Joint Interagency Task Force–South (JIATF-S).

## III. Country Actions against Drugs in 2008

During 2008, MINUSTAH civilian police advisers assisted the HNP in training over 500 veteran officers. Though no recruits graduated from the HNP Academy in 2008—a setback in achieving the minimum number of 14,000 police by 2011 as agreed with MINUSTAH as part of the HNP reform plan adopted in 2006—the 20<sup>th</sup> class of 708 police cadets entered the Academy in July 2008. An expansion of the Academy will enable the training of simultaneous classes, thereby increasing the number of trainees graduated. Morale is high among HNP officers, as recent polls indicate that 58% of the population sees improvement in the HNP and 66% list the HNP as the most trusted Haitian government institution, major changes from surveys in past years. MINUSTAH military troops, United Nations Police (UNPOL), MINUSTAH Formed Police Units, and HNP officers have made progress in dismantling gangs that conduct kidnapping.

In 2008 a USG-funded project to enhance the effectiveness of GOH anti-money laundering and anti-corruption efforts became fully operational. The project provides mentoring on the investigation and prosecution of financial crimes by

U.S. Treasury advisers and has helped restructure the GOH Central Financial Intelligence Unit by separating its investigative and intelligence gathering functions. The HNP Financial Crimes Unit (French acronym BAFE) has been revitalized, moved into new offices shared with prosecutors and judges, and has referred several cases for prosecution for the first time in many years.

**Law Enforcement Efforts.** Though President Préval continued to urge strong action against drug trafficking and did not back away from his support for bilateral operations to arrest DEA-wanted fugitives for removal to the United States, the Government of Haiti overall made only modest advances in the fight against drug trafficking this year.

The HNP counternarcotics unit (French acronym BLTS), with support from the USG, worked to improve their response to air smuggling of cocaine. This response included establishing roadblocks to contain traffickers near the scenes of reported clandestine landings and conducting follow-up investigations upon learning of successful cocaine offloads. Resultant interdiction operations resulted in limited drug seizures and arrests.

The HNP Financial Crimes Unit, BAFE, has made great strides this year. In September 2008, the BAFE obtained forfeiture orders and seized two houses, one of which belonged to Jean Nesly Lucien, a former Director General of the HNP, and the other owned by Jean-Mary Celestin—both convicted in the U.S. on drug related charges. By year's end, \$21 million in property and assets had been seized by the GOH. The BAFE is aggressively implementing a plan to use convictions in U.S. courts as the legal basis for asset forfeiture in Haiti. This would help overcome a significant deficiency of Haiti's current asset forfeiture regime which requires conviction of the trafficker in Haiti prior to forfeiture of assets.

Selected HNP officers who have graduated from a five-week course at the Drug Enforcement Academy in Quantico, Virginia, form the nucleus of the vetted Special Investigative Unit (SIU), a partnership between DEA and the GOH, and are charged with investigating Haitian drug organizations that have a nexus to the United States. The unit has conducted several joint interdiction operations with DEA/FBI/JIATF-S.

The Haitian Coast Guard (HCG) conducted drug interdiction operations from its bases in Port-au-Prince and Cap-Haïtien during the year. U.S.-sponsored training programs also helped Haiti achieve compliance with International Ships and Port Security (ISPS) standards in three international ports. Though several other ports have not yet met those standards, this certification bodes well for increased port screening and control of contraband.

**Corruption.** As a matter of policy, the GOH does not encourage or facilitate 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. Moreover, the GOH has demonstrated willingness to undertake law enforcement and legal measures to prevent, investigate, prosecute, and punish public corruption. President Préval has publicly identified the fight against corruption and drug trafficking as major priorities for his administration. Vetting has taken place among selected units in Port-au-Prince and will be further expanded in the capital area where the majority of police officers are assigned. The HNP Director of Administration and Director of Logistics were both removed from their positions in 2008 for suspected corruption and their replacements have taken positive steps to increase accountability and transparency through the use of centralized databases, more controlled authorization of expenditures, and standard operating procedures. BAFE investigations continue to target government officials suspected of corruption and money laundering activities and to cooperate with U.S. officials on investigations into allegations of corruption under the previous administration.

**Agreements and Treaties.** Haiti is a party to the 1961 Single Convention as amended by the 1972 Protocol; the 1988 UN Drug Convention; the Inter-American Convention Against Corruption; and the Inter American Convention against Trafficking in illegal firearms. A U.S.-Haiti maritime counternarcotics agreement entered into force in 2002. Haiti has signed but not ratified the UN Convention against Corruption, the Caribbean Regional Maritime Agreement and the UN Convention against Transnational Organized Crime. Work, assisted by U.S. legal experts, is on-going on a bilateral mutual legal assistance treaty between the United States and Haiti. Requests for assistance historically have

been made through letters rogatory and the first such request in years was made in 2008, to which the GOH is responding.

**Extradition.** Haiti and the United States are parties to an extradition treaty that entered into force in 1905. Though the Haitian Constitution prohibits the extradition of its nationals, Haitians under indictment in the U.S. have been returned to the United States by non-extradition means. During 2008, the GOH arrested six defendants wanted in the United States on federal drug trafficking charges and transferred custody to the DEA for removal to the United States. All of these defendants were transported to the United States and several have already been convicted at trial or have entered guilty pleas.

**Cultivation/Production.** Haiti produces small amounts of marijuana for local consumption.

**Drug flow/Transit.** In 2008, traffickers continued to use small aircraft to make offshore air drops of illegal drugs as well as land deliveries using clandestine airstrips. At least 29 such landing strips have been identified. Suspect drug flights from Venezuela increased at least 15 percent in 2008 following on the 38 percent increase officially recorded in 2007. However, the actual rate of increase may be much higher. Several new trends emerged, including more daylight air drops, flights following the Haitian-Dominican Republic border further north into Haiti before making drops, and some planes being abandoned and burned once the drugs are offloaded. In addition, some of the increase in Haiti-bound flights appears to be linked to a corresponding drop in flights tracked to the Dominican Republic, a potentially worrisome trend that is expected to continue and demonstrates the need for coordinated action against drug traffickers throughout Hispaniola. Go-fast boats transporting cocaine from South America arrive at a number of locations on the southern coast of Haiti. The cocaine is then transported overland to Port-au-Prince where it is frequently concealed on cargo and coastal freighters destined for the United States and Europe. Marijuana is shipped via fast boats from Jamaica to waiting Haitian fishing vessels and cargo freighters to seaports along Haiti's southern coast. It is then shipped directly to the continental United States or transshipped through the Dominican Republic or Puerto Rico. Seizures of very small quantities of crack for personal use also occurred in 2008. Pharmacies in Haiti are essentially unregulated and some controlled medications are sold in quantities through those businesses.

**Domestic Programs/Demand Reduction.** Drug abuse is a growing but largely unacknowledged problem in Haiti. Increased use of marijuana among school-aged children has been reported. There are almost no formal demand reduction programs in place at this time.

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

**Policy Initiatives.** The cornerstone of USG efforts to combat drug trafficking in Haiti is reform of the HNP. In cooperation with MINUSTAH, the USG provided substantial equipment and technical assistance in 2008. The Narcotics Affairs Section (NAS) of the U.S. Embassy coordinated the procurement of vehicles, radios, forensic lab and other technical equipment for the HNP, funded police academy and in-service training, and provided support for specialized HNP units. The USG contributed 50 officers to MINUSTAH's UNPOL contingent, many of whom are involved in training recruits at the HNP academy. A USG-funded communication project continues installation of solar-powered radio base stations for the HNP throughout the country and assisted in repairs to such installations following the four hurricanes that impacted Haiti in 2008. The USG also is contributing three corrections experts to form the nucleus of a UN team to improve the infrastructure and management of Haiti's prison system.

In addition, the USG provided two advisers to help the HNP Director General implement anti-corruption and strategic planning measures. As part of a multi-year anti-money laundering and anti-corruption project, advisers from the U.S. Treasury's Office of Technical Assistance (OTA) visited Haiti monthly to review cases of financial crimes with prosecutors and judges, mentor the HNP officers assigned to financial investigations and staff of the Financial Intelligence Unit. OTA advisers also provide training for financial investigators, judges, and prosecutors involved in money laundering and corruption cases. USCG Mobile Training Teams supported HCG operations with maritime law

enforcement, port security, engineering, logistics and maintenance training in 2008, tripling the number of HCG trained and increasing Haitian capacity to carry out border protection activities. The USCG, retrofit four vessels and brought the boats to Haiti in April 2008. NAS also purchased two rigid-hull inflatable boats for the HCG. The addition of these assets will allow the HCG to respond better to future drug and migrant operations, particularly on the northern coast of Haiti.

**The Road Ahead.** Haiti must continue the reform and expansion of the HNP and step up the reform of its judicial system as prerequisites for effective counternarcotics operations throughout the country. The GOH must follow through by demonstrating the political will to fight corruption within state institutions and to overcome the under-resourcing and under-staffing of the HNP, problems which remain major impediments to sustained progress. More importantly, the restoration of the rule of law, including reform of the judicial system, must receive greater support and be prioritized to prevent erosion of the gains of the HNP and to provide the security and stability Haiti needs to meet the economic, social and political development needs of the Haitian people.

For its part, the USG will provide significant support in the coming year under the Merida Initiative—a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# Honduras

## I. Summary

Honduras is a transit country for Andean cocaine and small amounts of heroin destined for the United States and Europe, and increasingly for precursor chemicals for the production of methamphetamine. In 2008 the Government of Honduras (GOH) continued its cooperation with the United States on investigations of narcotrafficking, maritime interdictions and joint operations that resulted in increased seizures on land and at sea. Honduras is a party to the 1988 United Nations Drug Convention.

## II. Status of Country

Honduras faces new trafficking challenges with resources limited by the effects of the global financial crisis. The most noteworthy change in 2008 was the increase in the flow of pseudoephedrine and other precursor chemicals through Honduras, after imposition of tighter restrictions on the chemicals in surrounding countries. The GOH fought to stem the flow of cocaine and heroin through Honduras, especially the sparsely populated and isolated jungle region along its Atlantic coast, but interdiction is hampered by insufficient resources and poor road infrastructure. Police reports indicate that some drug trafficking and other organized crime activities are directed from Honduran prisons. The GOH began working with the USG to remedy management and resource allocation problems that allow these activities to occur in the prisons system, but much more progress is needed.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Honduran Congress passed the Organic Police Law in 2008 to strengthen the police units and Internal Affairs. The law includes provisions to reorganize management of the police to strengthen direct oversight of operations and make information-sharing between the various police directorates more efficient. It also establishes an Internal Affairs unit which answers directly to the Minister of Security. As a result of the law's passage, the Security Ministry will change its policies to authorize the use of polygraph exams and drug tests on all police officers.

In 2008, the GOH worked with the USG to develop more effective laws governing the importation of pseudoephedrine and other precursor chemicals. A presidential decree limiting precursor chemical imports is currently being drafted and will serve as the first step toward more permanent controls over precursors.

**Accomplishments.** In calendar year 2008 the GOH seized 6.5 metric tons (MT) of cocaine. This total includes seizures made from Honduran vessels in international waters by the U.S. Coast Guard. The GOH also seized 2 kilograms (kg) of crack cocaine, 19.6 kg of heroin, over 3 MT of processed marijuana and 3.5 million pseudoephedrine pills, plus over five tons of precursors (sodium sulphate and soda ash). An additional 13 MT of pseudoephedrine were seized in the United States en route to Honduras to be diverted to Mexican drug cartels. In conjunction with these seizures 721 people were arrested. This represents an increase in seizures and arrests over 2007. In 2008, authorities also seized \$4,324,446 in cash and \$6.7 million in total assets as a result of joint operations with the USG.

**Law Enforcement Efforts.** Honduras continues to participate in the USG interagency counternarcotics "Operation All Inclusive," directed at major drug trafficking organizations exploiting Central America and Mexico. In June 2008, members of the United States Coast Guard boarded a Honduran flagged fishing vessel, and discovered 4.5 MT of suspected cocaine concealed in two false compartments on the vessel. The crew of seven Honduran nationals was arrested. With USG assistance, Honduras continues to improve in combating the trafficking of pseudoephedrine and other illegal precursor chemicals. The GOH Organized Crime Prosecutor continued to collaborate with the U.S. Attorney's Office on U.S. investigations that resulted in criminal indictments of Honduran nationals engaged in

narcotics trafficking. However, prosecution efforts in Honduras are still affected by judicial corruption, inefficiency, overwhelming caseloads and funding constraints. Furthermore, Honduras has the legal framework to allow the seizure of traffickers' assets and use to them to fund interdiction and prosecution. However the process for making use of those assets is inefficient and overly cumbersome. As a result, the process of utilizing seized assets is currently done at a net cost to the GOH.

In 2008, as part of an internal policy change, the GOH reorganized the police command, appointed regional commanders, and gave them more autonomy to fight crime. In addition, the Organic Law placed all police under a centralized Director General, freeing the Minister to work on general policy. The police force increased to 13,500 from 7,000 in 2005, on track to meet the Zelaya administration's goal of doubling the police force by 2009.

**Corruption.** As a matter of policy, the GOH does not facilitate the production, processing, or shipment of narcotic and psychotropic drugs or other controlled substances, nor is it involved in laundering the proceeds of the sale of illicit drugs. Official corruption continues to be an impediment to effective law enforcement and there are press reports of drug trafficking and associated criminal activity among current and former government and military officials. The GOH has legal measures in place to prevent and punish public officials although enforcement is sporadic and convictions are rare. Many cases languish unresolved on the books for years. Honduras is a party to the Inter-American Convention against Corruption.

**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 Principle was signed between the United States and Honduras on December 15, 2005 as part of the Container Security Initiative (CSI) for the inspection of sea-going cargo destined to the United States and other countries.

**Cultivation and Production.** Marijuana is the only known drug cultivated in Honduras. It is planted in small isolated plots throughout the country and sold locally.

**Drug Flow and Transit.** In 2008, there was an increase in the diversion of precursor chemicals used to manufacture methamphetamines through Honduras, attributed to stricter import controls in neighboring countries. Honduras' laws allow for easy licensing of supposedly legitimate pharmaceutical labs, which provides cover for precursor imports. In 2007 police seized 3.2 MT of pseudoephedrine but no other precursors. In 2008 they seized 2 MT of bulk pseudoephedrine, over 3 million pseudoephedrine pills, plus over 5 MT of other precursors.

South American cocaine destined for the United States and Europe transits Honduras by land, sea, and air. On the north coast, areas accessible only by sea or air allow traffickers to refuel maritime assets and effect boat-to-boat transfers. Private aircraft are also used to smuggle cocaine. Heroin is believed to be transported through Honduras to the United States in small quantities.

**Domestic Programs/Demand Reduction.** The Honduran Institute for the Prevention of Alcoholism and Drug Addiction (IHADFA) is the GOH entity that works in the areas of research, prevention, treatment and rehabilitation. The USG funded a Community Anti-Drug Coalitions of America (CADCA) NGO support program for community organizations that fight drug abuse. Numerous church groups and NGOs have drug prevention and rehabilitation

projects. Honduras also is affected by transnational gangs, which promote increased drug use through street level trafficking.

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

**Policy Initiatives.** The USG's focus in Honduras is to support improved GOH intelligence gathering efforts on drug trafficking, improved information exchange capability, and police interdiction activities.

**Bilateral Cooperation.** In 2008, Honduras cooperated closely with the USG in investigations and operations against drug trafficking. The USG supported the Frontier Police in its interdiction efforts, crime information management, and also supported anti-corruption programs within the Ministry of Security by providing funding and logistical support to the National Police Internal Affairs Office. The USG provided assistance to the GOH to reform its police training program, as well as Coast Guard support in maritime operations planning, engineering and maintenance, and a Border Enforcement Seaport course.

**The Road Ahead.** The USG encourages the GOH to use existing money laundering laws more effectively to seize and use drug trafficking-related assets. While seized asset laws are in place, the process of using them needs to be made more efficient so there is a net gain in support to counternarcotics interdiction and prosecution. The GOH needs to continue work on new laws to close legal loopholes on precursor chemical controls, which are not as strict as those of neighboring countries. The USG supports GOH plans to improve police operations that will focus on police training reforms, including basic ethics, and its efforts to make needed improvements to police communications and investigative techniques, as well as establish human rights training. Improvements are also needed in the prison system, to include measures to dismantle criminal organizations working from within the penitentiaries. The USG is prepared to provide assistance to help the GOH achieve these goals.

For its part, the USG will provide significant support in the coming year under the Merida Initiative--a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# 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 transshipment point has diminished due to law enforcement efforts and the availability of alternate routes in southern China. Despite the 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. The 56th edition of the Hong Kong Central Registry of Drug Abuse (HKCRDA) for 2006 reported that the total number of reported drug abusers in recent years declined from 18,513 persons in 2001 to 13,258 in 2006. While at this writing, the 57th edition of the HKCRDA was not yet available, the Hong Kong Narcotics Bureau reported that the number of reported drug abusers in 2007 increased slightly to 13,491, with most of the increase attributed to new users under the age of 21. Through September 2008, the number was up yet again over the same period in 2007.

Though heroin is traditionally the most commonly abused drug in Hong Kong, the number of heroin abusers has been declining for years. In 2007, there were 7,390 (or 55.2 percent of drug abusers) reported as heroin abusers, with the number of reported heroin abusers falling further in the first three quarters of 2008. The rising trend in the abuse of psychotropic substances in evidence over the last 10 years continued. The number of psychotropic substance abusers increased to 7,810, up six percent from the previous record high in 2006. In the first three quarters of 2008, psychotropic drug abusers increased four percent from the same period in 2007. Among psychotropic substances, the most commonly abused drug is Ketamine (34.2 percent of drug abusers). Triazolam/midazolam/zopiclone (9.4 percent), Methamphetamine/Ice (8.9 percent) MDMA/Ecstasy (5.4 percent), cannabis (4.9 percent), cocaine (4.7 percent) and cough medicine (4.3 percent) are also regularly abused.

In 2008, the Hong Kong Government continued to make tackling psychotropic substance abuse a high priority. The Hong Kong Government has identified the continuing prevalence of psychotropic substance abuse and the growing trend of young people experimenting with drugs as their major area of concern in the battle against drug abuse and trafficking.

## III. Actions Against Drugs in 2008

**Policy Initiatives.** Although there were no major policy changes in 2007 and 2008, the Hong Kong Government continued to work with existing counternarcotics policies and strategies in drug prevention efforts. Minor policy changes included the replacement of the Action Committee Against Narcotics on Research by the Research Advisory Group (RAG). Apart from monitoring research, the RAG provides advice on interpreting drug abuse statistical trends and drawing together the latest research findings from both local and overseas narcotics-related studies. The Hong Kong Government publicly discussed the idea of mandating drug testing in public schools, but public opposition to the proposal appears to have stalled it.

**Law Enforcement Efforts.** Hong Kong's law enforcement agencies, including the Hong Kong Police and Hong Kong Customs and Excise Department (HKCED), 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: at the headquarters level, the 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. In 2008, the Hong Kong Police continued ID checks on entertainment premises in order to deter young people from visiting venues where drugs are more easily available.

The HKCED's Chemical Control Group, in cooperation with the U.S. DEA office in Hong Kong, closely monitors the usage of precursor chemicals and tracks the export of suspicious precursor chemical shipments to worldwide destinations with significant results impacting on several regions including the United States. Due to an effective chemical tracking program, in April 2008, a significant seizure of 5.6 million tablets of pseudoephedrine was made by law enforcement authorities in Guatemala. The seizure of this consignment exemplifies the close and successful cooperation between the DEA Hong Kong Office and Hong Kong Customs and Excise authorities against the illicit diversion of chemical precursors for manufacture of dangerous drugs.

**Corruption.** As a matter of policy and by all accounts in practice, 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, China advised the UN Secretary General that the 1961 Single Convention and the 1972 protocol, the 1971 Convention on Psychotropic Substances, and the 1988 UN Drug Convention apply to Hong Kong. Also, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption 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 signed surrender of fugitive offenders' agreements with Finland, Germany and Korea in 2006 and with Ireland in 2007 to bring the total number of countries with which Hong Kong has such agreements or treaties to 17, including the U.S. Hong Kong has also signed transfer of sentenced persons' agreements with eight countries, including the U.S. Hong Kong law enforcement agencies enjoy a close and cooperative working relationship with their mainland counterparts and counterparts in many countries. In October 2008, a Colombian money launderer was successfully extradited from Hong Kong back to the United States to face federal money laundering charges. The subject was arrested on a provisional arrest warrant filed under the surrender agreement. In this same case and pursuant to a U.S. MLAA request, the Hong Kong authorities froze over \$1.1 million dollars in several Hong Bank accounts belonging to this subject. The funds in those banks are pending U.S. forfeiture proceedings.

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 Hong Kong Customs and the U.S. Drug Enforcement Administration 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.** Although Hong Kong police detected and destroyed several minor drug production and cultivation enterprises in 2006, including four small-scale crack cocaine production labs and three cannabis cultivation sites, Hong Kong is generally not considered a significant producer of illicit drugs.

**Drug Flow/Transit.** Some drugs continue to flow through Hong Kong for the overseas market, to destinations including Australia, China, Japan, Taiwan, Europe, and the United States. In July 2007, based on an aggressive container profiling program, the HKCED seized 160 kilograms of cocaine which was concealed within containerized cargo believed to be destined for European markets. The container was transiting through Hong Kong in order to disguise its origin. Traffickers use land routes through mainland China to smuggle heroin into Hong Kong. In 2007, Hong Kong Customs authorities arrested 14 Thai nationals at Hong Kong International Airport attempting to smuggle heroin into Mainland China.

There continues to be an increase of cocaine and ATS (amphetamine-type stimulants) such as methamphetamine and MDMA. Ketamine, a hallucinogen, is also being smuggled into Hong Kong. Cocaine consumed in Hong Kong is primarily sourced out of Southern China (Guangzhou Province). The cocaine and other ATS drugs destined for Hong Kong are usually transported via courier (by train), in ounce and gram quantities. Couriers also still continue to smuggle drugs by way of concealment methods through the airport. In July 2008, Hong Kong Police authorities seized over 13 kilograms of powdered cocaine concealed in plastic containers of protein powder and arrested the two couriers at Hong Kong International Airport.

The heavy volume of vehicle and passenger traffic at the land boundary between the Chinese Mainland and Hong Kong continues to pose 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, there is not a significant and direct connection between Hong Kong narcotics activity and Hong Kong triads at the wholesale and manufacturing level. 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 continues to be 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 2007, the Hong Kong Government's preventative education policy efforts continued to focus on youth and parents. The Hong Kong Government has provided a comprehensive drug prevention program throughout Hong Kong's education system. As previously noted, the Hong Kong Government publicly discussed the idea of mandating drug testing in schools, but public opposition to the proposal appears to have stalled it.

In 2007 and 2008, the Hong Kong Police Narcotics Division continued publicity efforts to teach Hong Kong adolescents about the detrimental effects of commonly abused drugs like ketamine by using announcements in the public interest through TV and radio broadcasts, short internet films, and wide dissemination of posters and printed materials. The Hong Kong Government's Narcotics Bureau 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 an anti-drug message to youths. The Hong Kong Government also implemented a public awareness campaign to educate the public about the harmful effects of ketamine and Ecstasy, the two most commonly abused drugs among youth. A Hong Kong

Government sponsored Hip Hop Dance and Music Competition encourages youth to participate in healthy activities and reinforces a healthy drug-free lifestyle. The Hong Kong Government also launched an updated drug education kit to disseminate counternarcotics messages in schools and regularly publicizes the consequences of cross-boundary drug abuse.

In June 2004, the Hong Kong Government formally opened the Drug Information Centre (DIC), funded by the Hong Kong Jockey Club. The DIC is the first exhibition center in Hong Kong dedicated to counternarcotics education. Since the DIC's opening, it has received more than 100,000 visitors for various drug-prevention education activities. 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. For the 12 month period ending in August 2007, 163,000 school-age children participated in drug education programs provided by the government.

The Hong Kong Government also continued to implement a comprehensive drug treatment and rehabilitation program in 2008. The fourth Three-year Plan on Drug Treatment and Rehabilitation Services was released in March 2006. The plan sets out the overall direction for enhancing Hong Kong's treatment and rehabilitation services and increases focus on early intervention efforts and focus programs that reach out to substance abusers. The Department of Health and the Social Welfare Department continued to operate seven residential drug treatment centers and five counseling centers for psychotropic substance abusers and the Department of Health continued its operation of a methadone treatment program. The Correctional Services Department continued to provide compulsory treatment for convicted persons with drug abuse problems. In early 2008, the Hong Kong Government launched a pilot cooperation scheme to refer abusers to designated medical practitioners who provide comprehensive health check-ups and motivational interviews, to alert abusers to any signs of health deterioration as a result of drug use, and to heighten abusers awareness of early treatment options.

#### 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 will increase 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, Hong Kong Customs, Hong Kong Department of Health and the U.S. DEA launched a joint operation to monitor the movement of precursor chemicals that are 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, indicated strong cooperation between Hong Kong Government officials and their U.S. counterparts.

To further strengthen international cooperation against trafficking of precursors used in the production of amphetamine and other amphetamine-type stimulants (ATS) drugs, Hong Kong secured an agreement with the U.S., Mexico and Panama to impose stringent controls on such shipments. Since the agreement's implementation in April 2005, no shipment of such products to Mexico or any other high-risk countries has been detected. Another cooperative chemical initiative was implemented in February 2006. This program allows the U.S. DEA and Hong Kong Government to monitor and track other 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 has proven 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 primarily a narcotics transit country between Southwest Asia and Western Europe. This results from its 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 1990s and continues to increase. The illicit drugs of choice in Hungary are heroin, marijuana, amphetamines, and Ecstasy (MDMA). Although the abuse of opium-poppy straw, barbiturates and prescription drugs containing benzodiazepine is growing, their share in total drug abuse is declining. In the lead up to its accession to the European Union in May 2004, Hungary adopted and amended much of its narcotics-related legislation to ensure harmonization with relevant EU narcotics law. Since 2004, the Ministry of Social Affairs and Labor has been the lead ministry in all matters related to narcotics issues. Hungary continues to expand the collection and reporting efforts of its National Narcotics Data Collection Center. The Center was established in February 2004 to report valid, comparable and reliable data on drug abuse trends to the European Monitoring Center for Drugs and Drug Addiction. Hungary met Schengen Standards for border control and joined the Schengen area on December 21, 2007. Hungary is a party to the 1988 UN Drug Convention.

## II. Status of Country

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

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Drug Prevention Coordination Committee, created in 1998, facilitates the implementation of the country's national counter-narcotics strategy and coordinates among different ministries and national authorities to combat drug abuse. A National Drug Strategy was adopted by the government in 2000 and contains key action plans to address the strategy's goals. The next update of the strategy will be prepared in 2009 and will cover the period starting from 2010. In 2008, the Department for the National Coordination of Drug Affairs of the Ministry of Social Affairs and Labor became the Directorate for the National Coordination of Drug Affairs, within the same ministry. The change helped to increase the profile of drug policy makers within the government and improve their effectiveness.

Hungary continued to maintain strong regional expert relations with neighboring countries, including Croatia and Romania. This group of countries collaborated on initiatives including regular study visits and expert conferences to facilitate information exchange in the drug policy field. As a member of the EU, Hungary also maintained regular contact with other member states. Hungary will be co-chair of the Balcan Regional Group within the framework of the Central Dublin Group starting in 2009.

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

According to the Ministry of Social Affairs and Labor, the number of criminal drug cases has continued to increase. Much of the increase is attributed to the transition from penalty-based court and social systems to treatment-based court and social systems, which are alleged to have eliminated negative individual consequences for drug use. The cooperation between the HNP and the U.S. Drug Enforcement Administration (DEA) Office in Vienna, Austria, has decreased from previous years, with the DEA reporting the relationship as "almost non-existent."

Seizure data provided by the National Bureau of Investigation covering the first six months of 2008 indicate that police seized 10 kilograms of heroin, 13.3 kilograms of cocaine, 22 kilograms of amphetamine, 65,000 Ecstasy tablets, and 20 kilograms of dried cannabis plants. The most recent complete year seizure data as reported by the Institute for Forensic Sciences in 2006 appears below:

Illicit Drug	# of Seizures	Quantity
Herbal cannabis (kg)	1540	266.5
Cannabis plant (pieces)	50	3529
Cannabis resin (kg)	67	3.0
Heroin (kg)	144	131.1
Cocaine (kg)	113	7.3
Amphetamines (kg)	368	21.81
Methamphetamine (kg)	11	0.013
Ecstasy (tablet)	145	13,8278
LSD (dose)	13	2148

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

**Agreements and Treaties.** Hungary is party to the 1961 UN Single Convention, as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. A mutual legal assistance treaty and an extradition treaty between the U.S. and Hungarian Governments have been in force since 1997. In

December 2006 the Hungarian National Assembly ratified the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. Hungary is a party to the UN Corruption Convention.

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

The number of cannabis plant seizures continuously increased during the past years, indicating an increasing problem with domestic cannabis production. A significant proportion of the seized plants was grown in nutrient cubes in artificial (“indoor”) environments. The cannabis seeds reportedly came from the Netherlands, while the technical equipment was available in domestic points of sale disguised as “agricultural” stores. An increasing number of foreigners are reportedly entering Hungary to establish and operate clandestine cannabis farms. Law enforcement officials cite this foreign influence as the primary source of financial and technological support in the industry.

**Drug Flow/Transit.** Hungary is primarily a narcotics importer country, with different types of narcotics arriving to the country via routes frequently controlled by criminal groups. Heroin is trafficked into Hungary from the south along the Balkan route by organizations that have ethnic, family, and blood ties to the country. Cocaine is most commonly smuggled in by a Nigerian courier operation which recruits Hungarian women to act as couriers and to conscript others into the organization. The HNP reported that the Nigerian operation is looking to establish new routes into Hungary through southern Europe where the drugs arrive by ships from South America and North Africa.

The HNP reported that synthetics are transported into Hungary from newly established labs in Serbia. Synthetic drugs are becoming more popular, with the highly addictive drug nicknamed “Gina” the preferred choice among most users. The HNP also reported that the source of synthetics and cocaine is the Netherlands, while Afghan heroin generally arrives from Turkey and Albania via Romania. Long-term resident Albanians, Turks and Nigerians are involved in trafficking. Budapest’s Ferihegy International Airport continues to be an important stop for cocaine transit from South America to Europe. Synthetic drugs such as Ecstasy are transported into Hungary, frequently via car from the Netherlands and other Western European countries. Cannabis arriving from abroad has recently changed to a more concentrated form.

**Domestic Programs/Demand Reduction.** Hungarian ministry officials report the drug abuse is significantly higher among youth between the ages of 12-25, and truly addicted drug abusers are more commonly found in the 25-34 age group. The majority of addicted drug abusers are male, with an average age of 25 years, and use amphetamines, heroin, or Ecstasy.

Drug prevention programs are taught to teachers as part of the normal teacher education training. In 2008, the GOH provided drug prevention education grants to 230 schools totaling HUF 157,098,200 (\$785,491). From these grants, 35,557 schoolchildren studying in grades 5-8 (aged 10-14) and 81,237 secondary school pupils (aged 14-18) participated in prevention activities, representing 8% and 17.2% of the student population, respectively.

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 counter-narcotics programs and was developed in the early nineties with State-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.

There are approximately 230 healthcare institutions that care for drug patients in Hungary. The total number of drug users receiving both inpatient and outpatient treatment during 2007 was 13,457.

<b>Institution Type</b>	<b>All Patients: Number/% Share</b>	<b>New Patients: Number/% Share</b>
Addiction treatment centers	2,807/20.9	728/18.0
Specialized outpatient treatment centers	5,641/41.9	2,115/52.4
Child and youth psychiatric care centers	9/0.1	8/0.2
Psychiatric care centers	288/2.1	146/3.6
Psychiatric & addiction-treatment inpatient departments	1,161/8.6	278/6.9
Other (toxicology)	3,551/26.4	761/18.9
<b>Total</b>	<b>13,457/100.0</b>	<b>4,036/100.0</b>

Fourteen organizations operated needle exchange programs in 2007 and distributed a total of 213,774 sterile needles in exchange for 105,313 used needles. The joint programs reached 2,019 clients in 2007, an increase of 14% over the previous year. Together the organizations distributed 213,774 sterile needles via mobile units, street outreach, and needle vending machines. The total number of needles distributed in 2007 was 30% higher than the 2006 total.

The Ministry of Health continues to establish and fund drug outpatient clinics in regions where such institutes are not yet available. The 2003 amendment to Hungarian counter-narcotics legislation was designed to shift the focus of criminal investigations from consumers to dealers. Before this amendment was enacted, Hungarian civil rights advocates claimed that the Hungarian narcotics law, among the toughest on users in Europe, subjected even casual users to stiff criminal penalties, while addicts were often exempted from prosecution. The 2003 amendment called the “diversion program” allowed police, prosecutors, and judges to place drug users in a 6-month government-funded treatment program or mandate participation in a counseling program instead of prison. Drug addicts are encouraged to attend treatment centers while casual users are directed to prevention and education programs. The amendment also provided judges with more alternatives and flexibility when sentencing drug users. According to Ministry of Health data, 2,930 drug users participated in diversion programs in 2007.

Due to the continued increase in the rate of drug use as well as drug-related crime in Hungary, the GOH has become dissatisfied with the results of the treatment-focused deterrence system and is currently considering a return to the punishment-based deterrence system. As a result, the constitutional court has begun to scale back treatment programs in its sentencing guidelines and focus again on prison sentences. However, the State Secretary for Drug Affairs has reconfirmed the GOH commitment to maintaining treatment programs, as an alternative to simple prison time for drug abusers.

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

**Bilateral Cooperation.** The primary USG focus in support of the GOH counter-narcotics 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. However, because of recent restructuring within the HNP drug units, direct contact between the DEA and HNP diminished in 2007.

**Road Ahead.** The USG continues to support and encourage Hungarian legislative efforts to stiffen criminal penalties for drug offenses, and will continue to support GOH law enforcement efforts through training programs and seminars at the ILEA as well as through specialized in-country programs.

# Iceland

## I. Summary

Icelandic authorities do not have to confront significant levels of drug production or transit. Their focus is thus on stopping importation and punishing distribution and sale, with a lesser emphasis on prosecuting for possession and use. Overall seizures and narcotics offenses declined slightly during 2008, though authorities made record-setting seizures of hashish (190 kg). Along with the government, secular and faith-based charities organize abuse prevention projects and run respected detoxification and treatment centers. Iceland is a party to the 1988 UN Drug Convention.

## II. Status of Country

Illegal drugs and precursor chemicals are not produced in significant quantities in Iceland. The harsh climate and lack of arable soil make the outdoor cultivation of drug crops almost impossible. Icelandic authorities believe that the production of drugs, to the extent it exists, is limited to marijuana plants—now grown in quantities adequate to satisfy virtually all domestic demand—and the occasional small-time amphetamine laboratory. Most illegal drugs in Iceland are smuggled in through the mail, inside commercial containers, or by airline and ferry passengers. The chief illicit drugs entering Iceland, mainly from Denmark, are cannabis and amphetamines, with the latter becoming increasingly common during recent years as part of a trend of stimulant drug use that also involved heightened levels of cocaine in circulation. In addition, methamphetamine and MDMA are imported to Iceland often from Lithuania via Norway. According to authorities there were 89 cases of importation of drugs and precursors in 2008 (latest available National Commissioner of Police figures through November 30). Icelandic officials raised concerns during the year that drug smuggling into Iceland could be tied to eastern European and Baltic organized crime groups, and said publicly that investigation and interdiction efforts were being redirected accordingly. The Icelandic Center for Social Research and Analysis, a nonprofit research center that specializes in youth research, published a report in September showing that controlled substance use among 15-16 year olds decreased considerably from 2004 to 2007.

## III. Country Actions against Drugs in 2008

**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 \$344,000 to a total of 40 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. Authorities have documented a substantial upward trend in narcotics violations over the past several years but the tentative number for 2008 shows a decrease in such violations (from 2098 in 2006, to 1847 in 2007, and 1491 as of November 30, 2008). While one explanation for the increase in previous years may be escalating drug use, another is a 2002 National Commissioner of Police decision to increase enforcement against possession. Police nationwide have intensified surveillance in public places and initiated searches of suspicious individuals, while also improving interdiction training for border police and customs officials.

A program called “Youth in Europe” emphasizes the importance of organized leisure activities, as well as time spent with parents, as Icelandic studies of drug abuse showed that these reduced the likelihood of drug use. The program is sponsored by the pharmaceutical company Actavis Group, headquartered in Iceland, and is administered and coordinated by the City of Reykjavik, the University of Iceland, and Reykjavik University.

**Law Enforcement Efforts.** As of November 30, 2008, KEF authorities had made 43 seizures compared to a total of 48 in 2007. Nationwide drug seizure highlights include:

In January, Keflavik Airport (KEF) Police arrested a Dutch national with roughly 350 grams of cocaine hidden internally.

In January, Reykjavik Metropolitan Police arrested a man in Hafnarfjordur and seized about 600 grams of cocaine.

In February, KEF Police arrested a Dutch man for smuggling 1.2 kg of cocaine in his luggage.

In March, KEF Police arrested a man with approximately 200 grams of amphetamines and some cannabis seeds on his person.

In March, KEF Police arrested two Polish men and a Polish woman with one kg of amphetamines hidden in a bra and in underwear that they were wearing.

In April, KEF Police arrested a man coming from Paris and seized approximately 3 kg of amphetamines that he had concealed in a hidden compartment of his suitcase.

In June, customs officials confiscated 190 kg of hashish, 1.5 kg of cocaine, and 1 kg of marijuana aboard the Norrona car ferry while it was making a stop in Seydisfjordur. The drugs were taken from a Dutch man who had hidden the substance in his RV. This is the largest quantity of narcotics ever seized in Iceland.

In August, customs officials stopped a Lithuanian man arriving at KEF, who had hidden between 500 and 600 grams of amphetamines internally.

In September, customs officials seized 20 kg of hashish and roughly 1.7 kg of amphetamines from a German man aboard the Norrona ferry.

In September, Reykjavik Metropolitan Police arrested a woman and confiscated 2000 doses of steroids.

In October, a major police operation led to the discovery of a highly sophisticated amphetamines production facility in the town of Hafnarfjordur. In addition, police seized approximately 20 kg of hashish. The operation was a cooperative effort between the Icelandic police and customs and Europol. The production capacity of the facility was estimated to be up to one metric ton of amphetamines per month, and as a result, Police thought it must be intended for export. Three men were arrested in connection with the case.

In October, Reykjavik customs found 500 g of amphetamines and 1.1 kg of marijuana in a mail delivery from Poland. Police arrested two Polish men and one Lithuanian in connection with the case.

During the year, police seized roughly 233 kg of hashish, 11 kg of amphetamines, 6 kg of cocaine, 407 units of LSD, 1,443 Ecstasy pills, and confiscated approximately 654 cannabis plants (National Commissioner of Police figures as of November 30, 2008). In 2007, KEF authorities seized a total of 23,410 Ecstasy pills, 350 g of hashish, 5.7 kg of cocaine, and 5.3 kg of amphetamines.

The National Police Commissioner and the Sudurnes (formerly Keflavik Airport) Police Commissioner have expressed concern about attempts at infiltration into Iceland by 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 suspected of attempting to expand their criminal operations to Iceland. 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 event. Drug-related violence against police has increased. For example, in January, five Lithuanian individuals viciously attacked four non-uniformed narcotics police officers.

**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 and its three protocols. An extradition treaty is in force between the U.S. and Iceland.

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

**Domestic Programs/Demand Reduction.** Heroin abuse is virtually unknown in Iceland. Cannabis is the prevalent drug among persons under 20, while older addicts are partial to injecting morphine. Ecstasy, cocaine (but not crack cocaine), and particularly amphetamines are popular on the capital region's weekend club scene. Most alcohol and drug abuse treatment is taken on by SAA, the National Center of Addiction Medicine. Individuals with less acute problems may turn to Samhjalp, a Christian charity that uses faith-based approaches to treating addiction, and Gotusmidjan, a treatment center for individuals, 15-20 years old, is operated in conjunction with the Government Agency for Child Protection. SAA was founded in 1977 by a group of recovered addicts who wished to replicate the rehabilitation services they had received at the Freeport Hospital in New York. SAA now receives roughly two thirds of its annual budget from the government and makes detoxification and inpatient treatments available free to Icelandic citizens. While there can be waiting lists for long-term addicts, especially men, there is no wait for teenagers. SAA's main treatment center estimate for the number of admitted patients in 2008 is around 2,300. The National Hospital annually admits some 300 drug addicts (often those with complicating psychiatric illnesses).

The Directorate of Customs continued with its national drug education program, developed in 1999 and formalized in an agreement with the national (Lutheran) church in 2003, in which an officer accompanied by a narcotics sniffing dog informs students participating in confirmation classes about the harmful effects of drugs and Iceland's fight against drug smuggling. Parents are invited to the meetings in order to encourage a joint parent-child effort against drug abuse. The Directorate of Customs and the national church 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. In 2008, the USCG and the Icelandic Coast Guard signed a memorandum of understanding for general cooperation, including in the areas of maritime law enforcement and maritime security.

**The Road Ahead.** The DEA office 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, the Embassy'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 licitly for pharmaceutical use and the only country utilizing the opium gum method. The other licit producers use the concentrate of poppy straw (CPS) method to produce opium alkaloids. India's strategic location, between Southeast and Southwest Asia, the two main sources of illicit opium, make it a heroin transshipment area. Insurgent groups operating in the Northeast finance their activities through smuggling of drugs from Burma into India. Much of the hashish and cannabis intended for international markets is smuggled into India from Nepal. In addition to its controlled licit opium production, criminal groups produce heroin illicitly for both the domestic addict market and for the international market. Injecting 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. Major metropolitan areas increasingly report the use of cocaine, Ecstasy and other synthetic drugs among the wealthy elite.

The Government of India (GOI) continually tightens licit opium diversion controls, but some licit opium is nevertheless diverted into illicit markets. 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 some of the key policy issues 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 an extradition and a mutual legal assistance treaty (MLAT). Implementation by India under the extradition treaty has resulted in extensive delays and lack of communication regarding status of cases. Implementation of the MLAT has been hampered by lack of direct communication by the Indian Central Authority to its US counterpart.

## 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, which could be diverted into illicit markets. India has complied with this requirement. 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 one-hundredth of a hectare). "Opium years" straddle two calendar years. All farmers must deliver all the opium they produce to the government alone, meeting a minimum qualifying yield (MQY) that specifies the number of kg 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

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. The satellite results are then confirmed by on-ground CBN visits that measure each farmer's plot size. Interpretation of survey data is a complex undertaking as licit poppy cultivation is not confined to an enclosed area, many of the farmers integrate fields with other agricultural crops like soybean, wheat, garlic and sugarcane.

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 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 2008, the CBN continued issuing microprocessor chip-based cards (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 GOI periodically raises the official price per kilo of opium, but illicit market prices are four to five, 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. This trend continued in 2006/2007, with a total of 5,913 hectares cultivated and 62,658 farmers under license. The estimated yield for the 2006/07-crop year is 346 metric tons of opium. Estimated yield for 2007/2008 is not yet available.

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 kg of licit opium, which had been diverted, or was cultivated in contravention of Indian law. As of September 30, 2008, GOI had seized 643 kg of diverted/diversion threatened licit opium.

Poppies harvested using concentrate of poppy straw (CPS) 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 appealing and 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 an 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 2008

**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 rising 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 and in 2007, 15,390 persons were convicted. 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 moved 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 (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.

**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 kg in 2006 to 107,881 kg in 2007), and hashish seizures have stabilized at between 3,000 and 4,000 kg per year.

India already has a system to try to prevent diversion of ephedrine and pseudoephedrine. 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 International Narcotic Control Board (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 appreciated by the INCB 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 kg 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 kg 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. 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 signed a Mutual Legal Assistance Treaty (MLAT) in 2001 that came into force in October 2005. An extradition treaty is in effect between the U.S. and India. India has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime. 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 northeastern states, which has no airfields and few roads. The terrain is mountainous, isolated jungle, requiring significant commodity and personnel resources just 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 and are responsible for the bulk of illicit cultivation in the state. Illicit poppy eradication figures if any for 2008 are not yet available.

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 Government of India reported that it destroyed 19,877 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 kg in 2005 and 4,521 kg in 2006, 1 kg in 2007 and as of September 2008, 2,361 kg 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.** Press reports frequently refer to Ecstasy and cocaine use on the Mumbai and New Delhi “party circuit,” but there is little information on the extent of their use. There has been a considerable amount of reporting in local newspapers indicating that the use of cocaine and Ecstasy is on the rise. While smoking “brown sugar” heroin (morphine base) and cannabis remain India's principal recreational drugs, intravenous drug use (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. In 2004, the Ministry of Social Justice and Empowerment (MSJE) released a drug abuse study showing licit opiate abuse accounting for 43% of Indian drug abuse. Although drug medicinal 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-to-30-year old population in these states), primarily due to intravenous drug use.

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 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.

#### 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. and India have had a long-standing extradition relationship but, 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 status of cases. In 2006, India's NCB provided prompt and effective cooperation under the MLAT in connection with a narcotics prosecution in EDPA; other requests have been stalled, however. The USG hopes to consult with India soon on efforts to improve cooperation. In 2008, the USCG provided training in maritime law enforcement and vessel boarding for 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. Our joint (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. We also use 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 and other transnational crimes of common concern.

#### V. Statistical Tables Through September 2008

Drug seizure statistics are kept by the NCB (Ministry of Home Affairs) and updated on a monthly basis. The accuracy of the statistics is dependent upon the quality and quantity of information received by the NCB from law enforcement agencies throughout India. Statistics relative to opium cultivation and production are kept by the CBN (Ministry of Finance). Note – not all information is available in all categories.

##### Poppy Cultivation

Poppy cultivation/harvest in hectares. Final figures for opium gum yields in metric tons at 90 percent consistency; provisional yields at 70 percent consistency. Average yield of gum per hectare in kilograms

2006/07	2005/06	2004/05
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Hectares  
Licensed 6,269 7,252 7,901

Farmers  
Licensed 62,658 72,478 79,016

Hectares  
Harvested 5,913 6,976 7,833

Gum Yield  
(in MTs) 346 N/A N/A

Opium  
Yield (kg/ha) 58.5 59.9 N/A

**2007/08**

**2008/09**

Hectares  
Licensed 4,680 the process for licensing began in mid- October

Farmers  
Licensed 46,775

Hectares  
Harvested 2,653

Gum yield  
(in MTs) 282

Opium  
Yield  
(kgs/ha) 60.3

In 2007/08, a large number of farmers uprooted their damaged crops due to extreme cold weather conditions and frost. The total opium poppy crop uprooted in all the three states where licit cultivation is permitted was 1,932.6 hectares out of a total licensed area of 4,680 hectares. The final harvested area was 2,653 hectares.

OPIUM PRICES PAID TO FARMERS IN RUPEES (RS. 48 EQUAL ONE USD). THE PRICE OF OPIUM FOR THE 2008/09 CROP YEAR HAS YET TO BE DECLARED BY THE GOI.

**2006/7**

**2005/6**

**2004/5**

44-54  
kgs/ha 800-1075 750-1075 756-1076

55-70  
kgs/ha 1100-1600 1100-1600 1102-1601

71-100+  
kgs/ha 1625-2200 1625-2200 1627-2205

## DRUG SEIZURES 2005-2008

(2008 statistics through September, 2007 figures revised)

	UNIT	2008*	2007	2006	2005
Opium	kg	643	2,226	2,826	2,009
Morphine	kg	51	43	36	47
Heroin	kg	624	1,186	1,162	981
Cannabis	kg	55,778	107,881	157,710	153,660
Hashish	kg	2,486	5,181	3,852	3,965
Cocaine	kg	10	8	206	4
Methaqualone	kg	2,361	1	4,521	472
Ephedrine	kg	397	395	1,276	8
Acetic Anhydride	kg	1,668	236	133	300
Amphetamine	kg	2	0	0	0

PERSONS	2008*	2007	2006	2005
arrested	12,478	22,267	20,688	19,746
Prosecuted	15,068	23,764	19,582	20,138
Convicted	9,328	15,390	9,921	9,074

\*Through September 2008

# Indonesia

## I. Summary

Indonesia is the fourth most populous country in the world and historically, has not been considered a major drug producing, consuming or transit country. However, in recent years Indonesia has experienced a major increase in the production, transshipment, trafficking and consumption of narcotics. Specifically, since 2002, Indonesia has seen a significant increase in the number of large-scale clandestine methamphetamine laboratories seized by Indonesian authorities. Methamphetamine production syndicates exploit Indonesia's lax precursor chemical controls, as well as, corruption and ineffective government bureaucracy, policies and capabilities. These large-scale clandestine laboratories are capable of producing multi hundred kilogram quantities of amphetamine-type stimulants (ATS). In 2007, Indonesian National Police seized a methamphetamine laboratory containing over six hundred kilograms of crystal meth and over 1,400 kilograms of pseudo-ephedrine. Methamphetamine production syndicates utilized familial connections in China (PRC) for precursor chemicals and laboratory equipment. Furthermore, production syndicates rely upon chemists trained in the Netherlands for the production of Methylenedioxymethamphetamine (MDMA), as well as Taiwanese chemists for the production of crystal meth. In addition, regional drug trafficking syndicates are exploiting Indonesia's very long coastline and remote and porous borders. Indonesia lacks the resources for effective maritime security and border management, making border control for the transshipment of heroin, as well as ATS very difficult. Increases in narcotics production and trafficking have been mirrored in drug abuse rates throughout Indonesia. Increasing drug abuse rates, specifically intravenous drug use, combined with limited health care options, rehabilitation and demand reduction programs has resulted in near epidemic rates of HIV/AIDS infection in Indonesia.

The Indonesian counter narcotics code is sufficiently inclusive to enable police, prosecutors and the judiciary to arrest, prosecute and adjudicate narcotics cases. Nevertheless corruption in Indonesia remains pervasive, despite increased Government of Indonesia (GOI) efforts. The high level of corruption in Indonesia limits the effectiveness of all law enforcement, including units targeted specifically on narcotics crime, and poses the most significant threat to the country's counter drug strategy.

The Indonesian National Police (INP) participates in several international donor-initiated training programs and continues to commit increased resources to counter narcotics efforts. The INP has received both specialized investigative training and equipment, including vehicles, software, officer safety and tactical equipment to support its efforts against crime and drugs. INP efforts are firmly based on counter narcotics legislation and international agreements. The INP relies heavily on assistance from major international donors, including the United States. Indonesia is a party to the 1988 UN Drug Convention.

## II. Status of Country

In 2007 and 2008, Indonesian police continued to disrupt and dismantle clandestine laboratories, including some in the prison system. This reaffirms Indonesia's position as a major clandestine manufacturing location. Much of this is due to Indonesia's lax regulations on importation of precursor chemicals and porous borders that allow for easy movement of precursor chemicals and finished product.

The Indonesian National Narcotics Board (BNN) estimates that approximately 3.2 million people or, 1.5 percent of Indonesia's total population, are drug abusers. Indonesian National Police (INP) data shows a steady increase of drug arrests over the past two years. In 2006, 17,355 drug arrests took place, in 2007 there were 22,630 and through September 2008 there have been 21,244. With only a 1,386 arrest difference between the total of 2007 and the first three quarters of 2008, it is reasonable to assume that 2008 numbers will surpass 2007.

In 2007 and 2006, narcotics dominated the drug arrests; however, in 2008, the most common drugs seized during arrests were dangerous drugs. INP defines narcotics as marijuana, marijuana plants, heroin, cocaine, opium and morphine. Dangerous drugs are classified as alcohol, traditional medicines, ATS and counterfeit pharmaceuticals.

While methamphetamine and MDMA are the common drugs seized during clandestine lab searches, the arrests associated with such drugs dropped in 2008. In 2006, psychotropic drugs (such as methamphetamine and MDMA) accounted for 5,658 of the total arrests, and in 2007 they accounted for 9,289 of the total arrests. However, in 2008 through September they only accounted for 1,101 arrests.

Afghan heroin continues to be the heroin of choice in the Indonesian market. Since 2002 the amount of heroin seized declined, with 2007 being the only recent year with an increase in seizures. In 2006, 11,902 (11.9 Kg) grams seized; in 2007, 14,691 (14.7 Kg) grams seized and through September 2008, 9,993 (10 Kg) grams have been seized.

While MDMA is produced domestically, it is also smuggled into and transshipped through Indonesia from sources in the Netherlands and Belgium. Ethnic Chinese/Indonesian trafficking syndicates utilizing commercial air carriers and express mail services transship MDMA through Bali and Jakarta to consumers in Australia, Japan, New Zealand and China. In November 2007, Indonesian National Police made the largest seizure of MDMA in their history. Police seized over 1,000,000 tablets of MDMA, which were part of a shipment of 10,000,000 tablets from the Netherlands.

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Indonesian counter narcotics code is sufficiently inclusive to enable, police, prosecutors and judiciary to arrest, prosecute and adjudicate narcotics cases. Under Indonesian Laws No. 22/1997 on narcotics and 5/1997 on psychotropic substances, the Indonesian courts have sentenced approximately 72 drug traffickers to death. Through September 2008, Indonesia executed 2 defendants for drug trafficking crimes. These defendants were convicted in 2004 for drug trafficking. The continued lack of modern detection, enforcement and investigative methodologies and technology, as well as the presence of pervasive corruption, are the greatest obstacles to advancing Indonesia's anti-drug efforts.

During 2006, the Government of Indonesia (GOI), via the Indonesian National Narcotics Board (BNN), the government agency responsible for the coordination to Indonesia counter narcotics efforts, signed an Association of Southeast Asian Nations (ASEAN) declaration stating Indonesia's commitment for a "drug-free ASEAN 2015". "Drug-Free ASEAN 2015" is a political commitment of the ASEAN member countries, of which Indonesia is a member, in achieving a drug free condition by the year 2015. In 2007 and 2008 Indonesia has continued to work toward these goals.

According to Indonesia's BNN, the GOI has established new policies and strategies, in a "goal oriented rolling Plan of Action", consisting of stages with each stage covering 3 years. These three year policy horizons will continue until Indonesia reaches a drug-free condition, hopefully by 2015. Specifically, Indonesia has established a national drug control plan that addresses the illicit drug supply and demand reduction challenges. The goals and targets for the GOI's drug control plan were developed from the 1998 UNGASS and ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD) plan of action.

Per Indonesia's BNN, the objectives of Indonesia's National Drug Plan are to:

- Reduce illicit drug supply, trafficking and production.
- Reduce drug use among the Indonesian youth.
- Reduce the harmful effects of drugs and drug use in Indonesian society.

The primary demand reduction policy goals of Indonesia's National Drug Plan are to:

- Reduce the level of illness, disease, injury and premature death associated with the use of illicit drugs.
- Reduce the level and impact of drug-related crime and violence within the community.
- Reduce the loss of productivity and other economic costs associated with illicit drug use.

In March 2007, lawmakers from Indonesia’s House of Representatives Commission III and the National Narcotics Agency (BNN) proposed a new regulation, to be attached to the national narcotics law which would allow for law enforcement agencies to confiscate convicted drug traffickers’ assets to fund Indonesia’s drug trafficking enforcement program. The aim of the proposed regulation is to deny drug trafficking networks of their assets. Under the new regulation, assets seized by the GOI would be used to rehabilitate impoverished drug abusers and would serve to supplement the budget of the BNN. The BNN receives approximately \$30 million per year from the state budget, far below the \$53 million the agency requests for its yearly budget.

**Law Enforcement Efforts.** According to INP arrest data, prosecutions for drug possession, trafficking and manufacturing have increased from 14,105 cases in 2006 to 22,630 in 2007.

**Recorded drug cases, including trafficking throughout Indonesia:**

2001: 3,013  
 2002: 3,544  
 2003: 3,729  
 2004: 7,753  
 2005: 20,023  
 2006: 14,105  
 2007: 22,630  
 2008: 21,244 (through September 2008)

**Drugs Seized:**

	Heroin (kg)	Cocaine (kg)	Cannabis (metric ton)	MDMA (tablets)	Meth. (kg)
2001	13.5	15.2	15.7	22,627	412.5
2002	19.0	8.3	59.8	68,324	46.2
2003	13.0	13.4	43.3	183,721	16.3
2004	12.7	6.32	50.4	251,072	28.4
2005	17.71	1.0	20.9	233,467	318.15
2005	Marijuana Plants: 160,211 plants				
2006	11.9	1.12	111.17	466,907	1,241.2
2006	Marijuana Plants: 1,019,307 plants				

2007	14.69	241.8 (grams)	31.8	1,195,305	624.3
2007	Marijuana Plants: 1,828,803				
2008	9.993	523.9 (grams)	30.2	914,059	654.14
2008	Marijuana Plants: 123,675				

The BNN continues to strive to improve interagency cooperation in drug enforcement, interdiction, and precursor control. In 2005, under the auspices of BNN, the USG Joint Interagency Task Force (JIATF) West sponsored Joint Interagency Counter Drug Operations Center (JIACDOC) was opened in Jakarta, Indonesia. In 2006, the BNN had begun staffing and subsequently utilizing the JIACDOC's facilities to improve coordination and information exchange between Indonesian law enforcement agencies and supporting ongoing narcotics investigations. Throughout 2007 and 2008 BNN has continued to utilize the JIACDOC facility to assist in counter narcotics efforts. Additionally, in 2008 a DEA agent has been sponsored by JIATF-West to be stationed in Jakarta and will be posted at the JIACDOC.

The INP Narcotics and Organized Crime Directorate continued to improve in its ability to investigate and dismantle international drug trafficking syndicates. The Directorate also cooperates with other international law enforcement agencies. In addition, the Narcotics Directorate has become increasingly active in the regional targeting conferences designed to coordinate efforts against transnational drug and crime organizations. In 2007, INP attended the Drug Enforcement Conference (IDEC) held in Madrid, Spain.

**Corruption.** Pervasive corruption in Indonesia is an impediment to the effectiveness of all law enforcement, including narcotics enforcement. 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. The executive branch of the Indonesian government has made anti-corruption efforts a major policy initiative along with counter-terrorism and counter-drug efforts. Indonesia continues to make significant strides in addressing corruption with the highly successful and aggressive Anti-Corruption Commission (KPK) that has investigated and successfully prosecuted high level government officials in 2007 and 2008. During U.S. AG Mukasey's June 2008 visit to Indonesia, the GOI announced the creation of the Attorney General's Office (AGO) Anti-Corruption Task Force. In the past seven months since its creation, the Task Force has already prosecuted 16 cases.

Indonesian prosecutor's low wages encourage official corruption, and are an important factor in a low level of motivation. For instance, the average Indonesian prosecutor with 30 years of seniority makes no more than about \$400 a month. Furthermore, corrupt police and prosecutors abuse their authority in illegal searches, as Indonesian courts do not exclude evidence obtained without a warrant. Corrupt prosecutors are suspected of carrying out investigations to elicit bribes from subjects. Corruption within the police force has led to corrupt officers in narcotics cases asking for bribes in payment for a reduction in charges, with the defense attorneys serving as intermediaries.

INP internal efforts to control corruption and discipline have been made and are being addressed. In 2007 the INP investigated 19,459 officers for ethics and misconduct violations (4,700 in 2006) with eighty-three (83%) of the officers investigated having been found to have sustainable allegations. Disciplinary measures ranged from letters of reprimand to incarceration. With the appointment of the strict disciplinarian Bambang Hendarso Danuri as the National Police Chief, internal anti-corruption efforts will get a fillip.

A further impediment to Indonesia's attempts to investigate official corruption within its judicial system is the requirement that the Attorney General's Office secure an authorization letter from the President of Indonesia before it can proceed in any high level corruption investigation. Additionally, the time it takes to file and develop a case within the AG's Office can be eight months, allowing suspected defendants to cover their complicity or involvement.

**Agreements and Treaties.** Indonesia is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, the 1972 UN Convention on Psychotropic Substances and the UN Convention Against Corruption (UNCAC). Indonesia hosted the UNCAC Conference of States Parties in 2008. Indonesia has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and its protocols on Trafficking in Persons and Migrant Smuggling. The United States and Indonesia are currently negotiating a mutual legal assistance treaty, or MLAT.

**Cultivation/Production.** The large-scale production of MDMA and methamphetamine is one of the most significant dangerous drug threats to Indonesia. Ethnic Indonesian/Chinese trafficking syndicates exploit Indonesia's lax precursor chemical controls to establish large-scale clandestine MDMA and methamphetamine laboratories capable of producing multi-hundred kilogram quantities. These syndicates utilize sources of precursor chemical supply from the People's Republic of China (PRC) and also secure laboratory equipment from the PRC. These organized criminal syndicates rely upon chemists trained in the Netherlands for the production of MDMA, as well as chemists from Taiwan and Hong Kong for the production of crystal methamphetamine.

The current trend in methamphetamine production is for the methamphetamine mega labs to be divided among several different lab sites. The production is broken down into several separate stages, with different chemists at each location. The aim of this is to avoid detection by law enforcement and to limit the loss to the syndicate if one lab is discovered. Additionally, this allows for a division of labor within the drug trafficking organization. A prime example of this is the Batam lab that was seized in October 2007. The lab was organized into six different lab sites with one being located in Jakarta, several hundred miles away from the primary location in Batam.

Marijuana is cultivated throughout Indonesia. However, due to the equatorial climate of Sumatra, and year round growing conditions, the area of most intense marijuana cultivation is in northern Sumatra. Sumatra cultivation is large-scale (greater than 20 hectares). It occurs in remote and sparsely populated regions of the province, often in mountainous topography with the objective of exploiting INP's inability to discover or to reach cultivation sites in remote and high elevation areas. There is no known cultivation of opium poppy or cocaine in Indonesia.

**Drug Flow and Transit.** The Indonesian National Police (INP) report that the majority of heroin seized in Indonesia originates from sources of supply in Southwest Asia. The heroin trade in Indonesia is predominantly controlled and directed by West Africans, Nigerians in particular. Heroin is smuggled by West African and Nepalese trafficking organizations utilizing sources of supply in Karachi, Pakistan and Kabul, Afghanistan. West African and Nepalese couriers travel on commercial air carriers transiting Bangkok, Thailand, and India, en route to Jakarta. In addition to heroin being trafficked domestically in Indonesia, heroin is also transshipped from Indonesia by couriers traveling via commercial air carrier to Europe, Japan and Australia.

Historically, MDMA has been smuggled into Indonesia from sources of supply in the Netherlands. However, in recent years Indonesia is experiencing an increase in large-scale domestic production of MDMA and methamphetamine. MDMA and methamphetamine produced in Indonesia are trafficked both domestically and internationally. Recently ethnic Indonesian/Chinese MDMA and methamphetamine production syndicates have established numerous large-scale clandestine MDMA and methamphetamine laboratories capable of producing multi hundred kilogram quantities of both illicit drugs, utilizing precursor chemicals from the People's Republic of China (PRC). In addition, MDMA and methamphetamine produced in the PRC are smuggled into Indonesia by Chinese organized crime syndicates based in Hong Kong. The drugs move in multi hundred kilogram quantities via maritime cargo and fishing vessels. In November 2007, Indonesian National Police made the largest seizure of MDMA in their history. Police seized over 1,000,000 tablets of MDMA, which were part of a shipment of 10,000,000 tablets hidden in a cargo shipment from the Netherlands via Hong Kong to Jakarta.

Marijuana is cultivated and trafficked throughout Indonesia. Many of these large-scale marijuana cultivation sites are located in the remote and sparsely populated mountainous regions of Northern Sumatra. INP reports that marijuana

trafficking in Indonesia is controlled by Indonesian trafficking syndicates based out of Jakarta. The majority of marijuana cultivated in Indonesia is consumed domestically and typically is not trafficked on 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 currently but it is increasing, specifically in Bali and Jakarta where one kilogram of cocaine sells for around \$100,000.

**Domestic Programs/Demand Reduction.** The Government of Indonesia views drug abuse and narcotics trafficking as a major long term threat to social, religious and political stability. Government agencies continue to promote anti-drug abuse and HIV/AIDS awareness campaigns through various media campaigns. The Indonesian National Narcotics Board (BNN) is responsible for the development of Indonesia's demand reduction programs. No statistics exist regarding the success of these anti-drug abuse programs. Treatment options in Indonesia are very basic, except in the major cities where adequate treatment can be found in private sector facilities for the wealthy.

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

**Bilateral Cooperation.** Indonesia and the United States maintain excellent law enforcement cooperation in narcotics cases. During 2007 and 2008, the United States provided technical assistance and training for hundreds of INP officers in a variety of transnational crime topics including forensics, cyber-crime, maritime law enforcement, and counter-terrorism. In 2007 and 2008, DEA provided training in the areas of drug intelligence analysis, precursor chemical control, basic drug investigations and clandestine laboratory and instructor development. INP and BNN maintain excellent relationships with the DEA regional office in Singapore and continue to work closely with DEA on narcotics investigations. During 2008, the USCG provided boarding officer training using both the Maritime Law Enforcement Boarding Officer Course, and Mobile Training Teams deployed to Indonesia. In July 2008 Police Commissioner KomJen Gories Mere was appointed as the Director of BNN. He previously served as Chief of the Criminal Investigations Division and was a major player in the INP's counter-terrorism efforts. He has already demonstrated he will carry the same zeal into his new position as chief drug law enforcer in Indonesia.

**The Road Ahead.** In 2008 and 2009 the U.S. will assist the BNN and its member agencies further utilizing the resources and capabilities of the Counter Drug Operations Center and Network. The addition of a DEA agent in Indonesia will assist with coordinating joint counter-drug operations and further develop law enforcement relationships between Indonesia and the U.S. The U.S. will further work with INP and BNN to standardize and computerize the reporting methods related to narcotics investigations and seizures; to develop a drug intelligence database; and to build an information network designed to connect to the major provinces of Indonesia. This will permit Indonesian law enforcement to contribute to and access the database for investigations. Similarly, the U.S. will work with INP and BNN to further expand the scope and impact of narcotics investigations targeting the large scale production of methamphetamine and MDMA in Indonesia. The U.S. will also continue to work with the INP to develop maritime police capacity and to support criminal justice sector reform and anti-corruption efforts.

# 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 (perhaps 60 percent) passes through Iran to consumers in Iran itself, Russia and Europe. There is no evidence that narcotics transiting Iran reach the United States in an amount sufficient to have a significant effect.

Drug seizure data indicate that more cannabis might be being cultivated in Iran than previously thought, and that synthetic drugs from Europe and Asia are being exported to Iran in growing quantities.

There are at least 3 million opiate abusers in Iran, and probably more, with 60 percent reported as addicted to various opiates and 40 percent reported as casual users. Record levels of opium production in nearby Afghanistan, and continuing large volumes of opiate seizures in Iran indicate Iran is experiencing an epidemic of drug abuse, especially among its youth.

Iran tries to keep drugs leaving Afghanistan from reaching its citizens. Iran claims that more than 3,500 Iranian law enforcement personnel have died in clashes with heavily armed drug traffickers over the last two decades, and Iran reports that 46 more died in the first seven months of 2007. There is a long simmering Baluch ethnic insurgency and general lawlessness in the same geographical region where drugs enter Iran.

Iran spends a significant amount on counter drug-related activities, including interdiction efforts and treatment/prevention education. Estimates range from \$250 million to \$800 million each year, depending on whether treatment and other social costs are included. 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 and Pakistan and Iran itself continue to cause major disruption along Iran's eastern border.

Syringe exchanges, 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.

## 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, usually to Turkey. Drugs are also smuggled by sea across the Persian Gulf, and some small share finds its way to Iraq. Iran is a major opiate consuming country, with the highest share of population abusing opiates in the world. The UNODC estimates that 2.8 percent of the Iranian population between the ages of 15 to 64 used opiates in 1999 (latest complete survey data available).

Many Iranian practitioners, especially in the treatment community, argue that the share of opiate abusers now is even higher than 2.8 percent of the population. A continuing high share of unrefined opium in total opiate seizures made by Iranian enforcement (ca. 62 percent) in 2007 suggests that drug traffickers in Afghanistan have consciously decided to serve a growing opium market in Iran. But continuing large seizures of heroin and morphine base demonstrate no loss of interest among Afghan traffickers in meeting growing demand for heroin in Iran itself, and in Russia and Western Europe.

### III. Country Actions against Drugs in 2008

**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. Iran's Drug Control Headquarters has been trying to make drug abuse treatment both more available and more effective, and has 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 needle exchange programs, and the free distribution of condoms, even using dispensing machines in some locations. Iran is also spending more of its drug abuse budget on treatment, and is experimenting with techniques like maintaining addicts, using synthetic opiates like methadone and buprenorphine, while they undergo treatment. Iran's Drug Control Headquarters also supports post treatment efforts to reintegrate addicts into Iranian society.

**Law Enforcement Efforts.** Iran blames a failure of "foreign forces' efforts" in 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 Government of Iran (GOI) Internet site, Iran has installed 212 border posts, 205 observation posts, 22 concrete barriers, and 290 km of canals (depth-4 m, width-5 m), 659 km of soil embankments, a 78 km barbed wire fence, and 2,645 km of asphalt and gravel roads. It also has relocated numerous border villages to newly constructed sites, so that their inhabitants are less subject to harassment by narcotics traffickers.

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 a 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, bandits and ethnic insurgents.

Basij units also play a broader political role in Iran and are associated with suppression of internal dissent. The Basij fall under the authority of Iran's Revolutionary Guard Corps, an Iranian government entity designated under USG Executive Order 13382 for its role in supporting the proliferation of weapons of mass destruction. Executive Order 13224, designated the IRGC's Qods Force (IRGC-QF) but not the entire IRGC for its role in supporting terrorist groups.

Security forces also periodically clash with Baluch tribesmen who are seeking more autonomy from the central governments in Iran and Pakistan in long simmering conflicts. 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 share of them also participate in drug trafficking. As a result, all three elements of lawlessness-narcotics trafficking, ethnic insurgency and smuggling-occur simultaneously complicating the situation along Iran's eastern border.

Iran claims that 50,000 law enforcement personnel are regularly deployed along its border with Afghanistan and Pakistan. Interdiction efforts by the police and the Revolutionary Guards have resulted in numerous drug seizures. Iranian officials seized almost 683 metric tons (MT) of opiates (opium equivalent) during 2007. Opiate seizures in 2007 set a new record for Iran's seizures of opiates, increasing by more than 30 percent over 2006. 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 2007 demonstrated the following interesting trends:

Unrefined (raw) opium seizures continued to increase sharply during 2007, reaching more than 427 MT, a new record for Iranian raw opium seizures, more than 37 percent higher than 2006. Seizures of refined opiates (morphine base and heroin) for 2007 also set a new record for Iran at almost 256 MT of opium equivalent, but the increase over 2006 was a more modest 20.3 percent;

The share of raw opium in total opiate seizures was 62.5 percent, a relatively high level in line with recent years' results. Given the weight and bulk advantage of shipping opiates as either heroin or morphine base (approximately 1/10<sup>th</sup> the weight and bulk), it would seem that trafficking groups in Pakistan and Afghanistan have made a conscious decision to serve the large and growing market for opium in Iran;

For the first time, Iran reported seizures of varieties of more addictive opiates that it names "crystal" and "crack". Together seizures in these two categories were 2.25 MT, suggesting a sharply increased addiction potential from these purer and more intense refined products;

Heroin seizures were 23.3 percent of all opiates seized (opium equivalent), up from 2006's roughly 20.3 percent share; not since 1992 has the share of heroin seized been this high;

Morphine base seizures in 2007 declined by 8.7 percent to 9.7 MT and the share of seized morphine base in total opiates seized fell to just 14.2 percent of the total. Refineries in Afghanistan seem to be turning out more heroin, as opposed to morphine base.

Hashish seizures in Iran in 2007 were 89.7 MT. This represents a sharp increase (37 percent) over 2006, when 59.2 MT of hashish were seized. Even under the assumption that Iranian enforcement has 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.

NB. To compute shares of opiates seized in Iran accurately, we convert morphine base and heroin into opium equivalents by multiplying by a factor of ten. This is a convention, and is only an approximation of actual opium heroin conversion factors.

Iran also reports destruction of 13.2 metric tons of marijuana and growing seizures of methamphetamines: 38 kg. 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, the emergence of relatively cheap synthetic drugs in Iran's very young population represents just one more threat to Iranian society from illicit drugs. There have also been reports of the seizure/destruction of small synthetic drug laboratories in Tehran during 2007.

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 five kilograms of opium. Those convicted of lesser offenses may be punished with imprisonment, fines, or lashings, although it is believed that lashings have been used less frequently in recent years. 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 use to trafficking. Twice as many drug abusers were detained as drug traffickers. Iran has executed more than 10,000 narcotics traffickers in the last two decades.

**Corruption.** Corruption plays an important role in narcotics trafficking in Iran. Some corruption cases reached the courts in Iran, and were also featured in media reports, though few involving narcotics-related corruption. There are reports that enforcement authorities accept bribes to pass shipments, and fail to enforce laws that prohibit street sales of narcotics and other contraband inside of Iran. Iran has signed, but has not ratified, the UN Convention against Corruption.

**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. The UNODC is working with Iran through the NOROUZ Program to modify its laws, train the judiciary, and improve the court system. UNODC has also begun to implement new assistance projects for Iran's courts and prosecutors after a Paris Pact review of Iran's counter-narcotics 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 against Corruption and the UN Convention on Transnational Organized Crime (UNTOC); however, it has not signed any of the UNTOC protocols. Iran has shown an increasing desire to cooperate with the international community on counter-narcotics matters. Iran is an active participant in the Paris Pact, a group of countries that actively 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 to counter drug smuggling and hosted a trilateral meeting, also attended by the UNODC, in 2008.

**Cultivation/Production.** In 1998, and again 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 transit country for drugs produced elsewhere, but there are reports of opium refining near the Turkish/Iranian border. Recently, there have also been more indications in Iran's press of opium poppy cultivation in remote areas. Most refining of the opiates moving through Iran is done elsewhere, either in Afghanistan or in Turkey.

Cultivation of marijuana in Iran, on the other hand, seems more extensive than originally thought. Iran reported seizing more than 13 MT of marijuana in 2007, and hashish seizures reached a new high of in excess of 89 MT. It is unlikely that marijuana is moving very long distances as bulky, hard-to-transport leaves, so some share of the reported 13 MT of marijuana seizures is likely to be of 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. Iranian enforcement officials have estimated that as much as 60 percent of the opium produced in Afghanistan in past years entered Iran, with as much as 700-800 metric tons of opium consumed in Iran itself by its 3 million plus 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. Individuals and small groups also attempt to cross the border with two to ten kilograms of drugs, in many cases 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 a large international trafficking group led by Africans and shipping drugs worldwide was apprehended. 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. Almost all of the morphine base, which represented almost 14.2 percent of all opiates seized in 2007, in Iran, is moving west for additional refining. Important quantities of the approximately 23 percent of opiates moving as heroin also transit Turkey on their way to Europe, 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 as opium, while the largest share of opium, not consumed in Iran, is refined and consumed as heroin in Europe, and

elsewhere. There is a northern smuggling route through Iran's Khorasan Province, to Turkmenistan, to Tehran, and then on to Turkey. The mountains and desert, which are sparsely populated along this route, make it hard to police.

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, used in the refining of heroin. For example, in February/March of 2008, Iranian enforcement found 5 MT (5000 liters) of acetic anhydride hid 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 and small luxuries like TV satellite dishes, and to escape high taxation.

Azerbaijan and Armenia provide alternative routes to Russia and Europe that bypass Turkish interdiction efforts. Additionally, 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, but some Iranian hashish even finds its way to Iraq.

Increasingly, synthetic drugs from Europe (Netherlands) and Southeast Asia (Thailand) are shipped to Iran for sale in Iran's larger cities and towns to young people. Based on seizure statistics, the scale of this traffic is still small, but Iranian drug control officials are concerned since Iran has a young population, and synthetic drugs could become popular quickly as their price is low.

**Domestic Programs/Demand Reduction.** Smoked opium is the traditional drug of abuse in Iran, but opium is also drunk, dissolved in tea. Opium and its residue are also injected by a small number of addicts. Iranians have clearly been using 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-eighties and reached more than 23 percent (opium equivalent) in 2007. Afghan traffickers are also apparently shipping proportionally less morphine base. Some heroin is smoked or sniffed, but a growing share is injected. Growing seizures of synthetic drugs are also regularly reported, and this year there were again reports that synthetics were being produced in Iran itself. Since synthetic drugs are favored by young people, this suggests that young people are driving drug abuse in Iran to even higher levels. There have also been regular reports of a concentrated or "crack" heroin, which is reportedly more pure than other heroin available in Iran. Because of its intensity, crack heroin is associated with increased emergency room visits, and overdose deaths. In 2007, Iran's Drug Control Headquarters reported seizures of "crack" and "crystal" heroin rose precipitously to more than 2 MT. At this level, this new form of heroin would represent 17 percent of total heroin seizures during 2007 in Iran.

Ninety-three percent of Iranian opiate addicts are male, with a mean age of 33.6 years, and 1.4 percent (about 21,000) is HIV positive. Under the UNODC's NOROUZ narcotics assistance project, the GOI spent more than \$68 million dollars 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, including NGOs supported by the Soros Foundation, which focus on drug demand reduction are active in Iran. There are now methadone treatment and HIV prevention programs in Iran, 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. Iran and the United States have expressed similar viewpoints on illicit drugs and the regional impact of the Afghan drug trade. In the context of multilateral settings such as the UN's Paris Pact group, the United States and Iran have worked together productively. Iran nominated the United States to be coordinator of an earlier UN-sponsored coordination effort on narcotics called the "Six Plus Two" counter-narcotics initiative. The U.S. has approved licenses which allow U.S. NGOs to work on drug issues in Iran.

**The Road Ahead.** The GOI has taken strong measures against illicit narcotics, particularly interdiction of drugs moving into and through its territory. 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 recent increase in opium/heroin production there now.

# Iraq

## I. Summary

Senior Iraqi Government officials acknowledge that illicit drugs enter Iraq from Iran, some to be used by Iraqis, but most 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 an active insurgency and intense 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. The MOI, which also supervises the Border Security Police, does not track narcotics-related arrests or seizures.

According to the Ministry of Health (MOH), the health system is under-resourced and overwhelmed by trauma cases. 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 anti-corruption agencies reported no corruption cases involving narcotics. Iraq is a party to the 1988 UN Drug Convention.

## II. Status of Country

Iraq is not a significant producer of illicit drugs or precursor chemicals. U.S.D.A. (Department of Agriculture) 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 (80 percent of whom currently receive food rations from the government) would seem hard-pressed to find the cash to support a drug habit.

## III. Country Actions against Drugs in 2008

**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 Security Agents. This basic skills training program for Iraqi Border Security Forces includes a module on narcotics.

**Law Enforcement Efforts.** While Iraq lacks a coordinated national anti-narcotics 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 sent test kits for narcotics to several police units. Training in how to use these kits is done by U.S. contractors. Several provinces have anti-narcotics units and have requested funding, training and equipment for forensics laboratories to assist them in enforcing the strict anti-narcotics 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) and the 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. DHS 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 USG provides some assistance to help the GOI develop counter-narcotics capacity. For example, State Department-INL-contracted experts assigned to MNC-I (Multi-National Corps-Iraq) conduct training for Iraqi Border Security Agents. DEA also provides assistance. DEA operates in a concerted region-wide manner through the Ankara Regional Office in Turkey. DEA efforts include:

establishing relations in the KRG (Kurdish Regional Government) between MNSTC-I (Multi-National Security Transition Corps-Iraq) and Kurdish authorities to develop operational cooperation, intelligence sharing, and investigative training; sharing intelligence and supporting Coalition initiatives such as MNF-W's (Multi-National Force-West) 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.

**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 FY-07 supplemental budget, and an additional \$6.2 million from the 2008 supplemental budget, to train Iraqi anti-corruption agencies. Thus far, none of the corruption investigations undertaken have involved narcotics.

**Agreements and Treaties.** Iraq 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. In March 2008, Iraq acceded to the UN Convention against Corruption and to the UN Convention against Transnational Organized Crime (UNTOC) but has not signed any of the UNTOC protocols. The 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 new government. The border area, where most of the smuggling occurs, continues to experience violence and instability. The Commander of the Iraqi Drug Squad in the northern Kurdish province of Sulaymaniyah reported 117 arrests for drug smuggling over the past two years. His squad sees opium, heroin, and cannabis coming over the border in mule trains, cars and trucks operated by Iranian gangs. He reports that the drugs are moved on to Turkey, where the opium is refined into heroin. From there, the drugs move on to Western Europe.

**Domestic Programs/Demand Reduction.** With its current focus on anti-insurgency 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 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.

**Drug Trafficking, the Insurgency, and Security Forces.** There is some evidence that insurgents use drug trafficking as a means of financing. Additionally, Coalition forces have reported that insurgent 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 kgs 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 kgs, and in 2007, stopped an additional three shipments of pseudoephedrine totaling 250,900 kgs. The International Narcotics Control Board (INCB) has set Iraq's legitimate annual ephedrine/ pseudoephedrine requirement at 1,400 kgs.

In March 2008, international law enforcement officials halted the shipment of 10,000 kgs of pseudoephedrine to a company in Iraq

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.

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

**Policy Initiatives.** The National Drug Intelligence Center conducted a thorough assessment of the situation in Iraq during 2008 and is scheduled to release a report on their findings in the early part of 2009. . To assist Iraqi maritime forces in readiness to patrol, the USCG sent two engineering teams to provide training in the areas of logistics and administration. They also sent teams to provided advanced outboard motor maintenance and small boat operations training

**The Road Ahead.** The USG will continue to support the training of the Iraqi Defense Forces, the Iraqi Police, the anti-corruption agencies, the Border Security 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 enforcement effort.

# Ireland

## I. Summary

The Republic of Ireland is not a transshipment point for narcotics to the United States, nor is it a hub for drug trafficking. 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 continued its upward trend. Seizures have also increased as domestic traffickers attempt to import drugs in larger quantities. The GOI's National Drug Strategy aims to reduce drug consumption significantly through a concerted focus on supply reduction, prevention, treatment, and research. Ireland is a party to the 1988 UN Drug Convention.

## II. Status of Country

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

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The GOI continued to implement the National Drug Strategy for 2001-2008. Its goal is to “to significantly reduce the harm caused to individuals and society by the misuse of drugs through a concerted focus on supply reduction, prevention, treatment and research.” Since the 2003 launch of a National Awareness Campaign on Drugs, substance abuse programs have become part of every school curriculum in the country. The campaigns feature television and radio advertising, and lectures by police, supported by an information brochure and website, all designed to promote greater awareness of and communication about drug issues. Regional Drug Task Forces (RDTF), set up to examine narcotics issues in local areas, were operational throughout the country. A new National Drugs Strategy for the period 2009-2016 is currently being developed. A comprehensive consultation process took place during 2008. It is expected that the Strategy will be finalized and launched early in 2009.

A national Awareness Campaign focusing on the dangers of cocaine misuse was launched in early 2008 by the Health Service Executive. The Department of Community, Rural and Gaeltacht Affairs allocated Euro 500,000 across Local and Regional Drugs Task Forces to develop locally based campaigns to dovetail with the national campaign. Increased funding of Euro 14.3 million under the Drugs Strategy was provided in 2008. 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 running costs for projects in existing areas and facilitated the expansion of the YPFSF into four new towns: Arklow, Athlone, Dundalk and Wexford. In October, 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.

Further progress was made towards full implementation of the agreed work programs of the ten RDTFs. The additional funding allowed for the full year cost of projects already in progress, as well as the start of additional projects this year. Euro 750,000 was allocated to support a range of rehabilitation measures across Task Force areas. The increased funding also provided for the continued implementation of the recommendations of the National Advisory Committee on Drugs report “An Overview of Cocaine Use in Ireland”. Euro 1.2 million was allocated across Task Force areas to develop new responses to tackle cocaine abuse and to strengthen and deepen existing

cocaine projects. Euro 2.3 million was allocated to 16 projects in RDTF areas not covered by the YPFSF. Applications were invited from the ten RDTFs for suitable community based, youth focused proposals.

The Dial-to-Stop Drug Dealing Campaign was launched in 2008. This initiative, including a confidential telephone line, involves a number of local/regional campaigns run through the mechanism of the Local/Regional Drugs Task Forces.

The 2006/2007 Drug Prevalence Survey: “Drug Use in Ireland and Northern Ireland” was published in October. Figures show that heroin use has stabilized in Dublin while increasing in other areas. Cocaine use has increased.

The Department of Community, Rural and Gaeltacht Affairs coordinated the Irish input into the preparation of the EU Action Plan on Drugs 2009-2012. A British-Irish Council summit on “Families & Drugs” was held in Dublin in February. A Ministerial sectoral group meeting on the “Misuse of Drugs” was held in London in November.

**Accomplishments.** Prosecutions increased in 2007, the majority of which were for drug possession, which has risen steadily since 2003, and accounted for 73.5 percent of the total drug offences prosecuted in 2007. The number of simple possession offences increased from 10,471 in 2006 to 14,033 in 2007.

The number of supply offences leading to a prosecution in 2006 was 2,525, representing 21.6 percent of the total number of offences prosecuted (Figures for 2007 are not yet available). Recorded headline drug offences in 2007 rose by 791 (21.8%). The largest offence type, *Possession of drugs for sale or supply*, increased by 595 (19.7%) while recorded *Cultivation, manufacture or importation of drugs* offences increased by 79 (58.5 %) 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 2008, the Irish Police confirmed that drug-related arrests remained roughly constant over the previous three years. There are normally 7,000-8,000 arrests annually, including approximately 450 arrests made by the Garda National Drug Unit (GNDU) each year. The GNDU’s arrests tend to include most of the large seizures, but local police also have had success. For example, the Irish Police, Irish Navy and the Irish Customs Service seized 1,875 kilograms of cocaine (valued at Euro 500 million; the largest ever seizure in the State) off the coast of Cork on November 5. The cocaine was discovered on, *Dances with Waves*, a ship not registered in any country or territory, and had been tracked from the Caribbean across the Atlantic until it was intercepted by Irish authorities. Three arrests, all British nationals, were made in relation to this ill-fated smuggling operation. The three are to be tried in 2009. Irish Police believe the drugs were not intended for the Irish market and were more likely destined for the UK.

Police sources said, contrary to widely-held perceptions, the value of cocaine seizures decreased in 2007, with a value of Euro 17.4 million, while the value of heroin seized increased to Euro 23.4 million. Sources said the rise in the quantity of heroin being offered for sale was directly related to the large opium crops in Afghanistan.

Police sources say the increase in quantities seized and arrests made are a function of enhanced efforts rather than an increase in narcotic use.

**A breakdown of the type and quantity of drugs seized by police in 2007 follows:**

**Particulars of drugs seized during 2007**

Source: Central Statistics Office

Drug	Quantity	Cases
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Alprazolam	217 tablets	16
Amphetamine	58,217 grams, 10,471 tablets	235
BZP**	203 tablets, 1.4 grams	43
Cannabis	763.1 kg	1,910
Cannabis resin	1,235.4 kg	3,166
Cannabis plants*	1,272 plants	100
2 C-B	2 tablets	1
Cocaine	1,751.8 kg *Approximately 1,500 kilograms of cocaine were the result of one seizure made in July 2007.	1,749
CPP**	57,420 tablets	12
Diamorphine (Heroin)	146.6 kg	1,698
Diazepam	71,483 tablets, 1,988 gram	166
Dihydrocodeine	358 tablets, 0.2 grams	16
DOB	5 tablets	1
Ecstasy MDMA	204,799 tablets, 13.3 kg	1,171
Ecstasy MDEA	7 tablets	2
Ephedrine	695 tablets, 47 capsules, 3.2 grams	11
Flunitrazepam (Rohypnol)	76 tablets	4
Flurazepam	3,608 capsules	24
Ketamine**	52.1 grams 2,082 tablets	28
Khat	Plant samples	2
LSD	140 units	13
Methadone	6,022 milliliters, 900 tablets	21
Methandienone**	4,094 tablets	18

Methylamphetamine	40.9 grams	9
Oxycodone	283 capsules, 263 tablets	2
Temazepam	4 tablets	3
Zopiclone**	2,218 tablets	23

\*The number of cannabis plants does not reflect the total number detected as only a sample of the plants are sent for analysis for practical reasons.

\*\*These drugs are not controlled under the Misuse of Drugs Acts, 1977 & 1984

In February, in a planned operation led by the Garda National Drugs Unit with drugs units in Naas and Newbridge, one and half tons of cannabis, with an estimated street value of Euro eleven million, was seized. In April, eight kilograms of cocaine was seized by officers from the Garda National Drug Unit and the National Criminal Intelligence Unit in Dublin city centre. Officers from the Garda Organized Crime Unit and the Clondalkin Drugs Unit discovered 20 kilograms of heroin in an industrial estate in Clondalkin, West Dublin in June. In July, in a joint operation with Customs officers, detectives from the Garda National Drugs Unit intercepted two cars on a transporter in Birr, County Offaly and seized six kilograms of methamphetamine (crystal meth). The interception was part of Operation Chestnut, an investigation set up to target Eastern European drug trafficking gangs and Nigerians who are focusing on the Irish market. (Note: In 2006 a total of only 10.2 grams of the drug was found in five separate seizures.) In August, as part of an operation by the Organized Crime Unit, the Garda National Drug Unit and Garda National Bureau of Criminal Investigation seized six kilograms of heroin in Dublin. An investigation headed by the Garda's Organized Crime Unit (OCU) seized 13 kilograms of heroin, with an estimated street value of Euro 2.6 million, in September. In October, cannabis valued at Euro 10 million, was seized entering Ireland by car ferry in Rosslare, County Wexford. In November, Garda seized heroin and cocaine with an estimated street value of Euro 2 million in a planned raid in Blessington, County Wicklow.

**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.** In July 2005, the United States and Ireland signed instruments on extradition and mutual legal assistance as part of a sequence of bilateral agreements that the United States is concluding with all 25 EU Member States. The instruments supplement and update the 1983 U.S.-Ireland extradition treaty and the 2001 bilateral treaty on mutual legal assistance (MLAT). The 2005 instrument also provides for searches of suspect foreign located bank accounts, joint investigative teams, and testimony by video-link. The U.S. has ratified these agreements. As of November 2008, the GOI had enacted legislation to bring the U.S.-EU MLAT and the U.S.-Ireland MLAT into force. In addition, the two countries have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force Ireland is a party to the 1998 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Ireland has signed, but has not yet ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption.

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

**Drug Flow/Transit.** Among drug abusers in Ireland, cocaine, cannabis, amphetamines, Ecstasy (MDMA), and heroin are the drugs of choice. A Council of Europe report on organized crime, published in January 2005, reported that Ireland had the highest rate of Ecstasy and amphetamine use in Europe and the second highest rate of cocaine abuse. The UN Office on Drugs and Crime (UNODC) World Drug Report 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.** There are 7,390 treatment sites for opiate addiction, exceeding the GOI's National Drug Strategy target of 6,500 treatment sites. The Strategy also mandates that each area Health Board have in place a number of treatment and rehabilitation options. In January 2005, the ten health boards were replaced by a single entity, the Health Service Executive (HSE), which manages Ireland's public health sector. Since September 2005, health care is now provided through four HSE regions and 32 local health offices. For heroin addicts, there are 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 1,579 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 2008, the United States continued legal and policy cooperation with the GOI, and benefited from Irish cooperation with U.S. law enforcement agencies such as the DEA. Information sharing between U.S. and Irish officials continued to strengthen law enforcement ties between the countries.

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

# Israel

## I. Summary

Israel is not a significant producer or trafficking point for drugs, but its domestic market for illicit narcotics is characterized by high demand. Compared with 2007, the Israeli National Police (INP) reported a 40% rise in new illicit narcotics-related cases in 2008. This increase is likely the result of increased resources and improved efforts by the INP in interdicting illicit drugs and not from a substantial increase in the domestic drug market. Israel's porous border with Egypt in the south and lucrative smuggling routes through Lebanon in the north make the drug trade an attractive and profitable venture for Israelis and others. The Israeli National Police (INP) report high availability of marijuana, hashish, Ecstasy/MDMA, cocaine, heroin and LSD in the Israeli domestic market. The intense security presence and surveillance along Israel's borders generally make it difficult for smugglers to bring drugs into the country, but demand in the market guarantees a profitable return for those determined to take the risk. Israel is not a significant transit country for drugs, although authorities intercept heroin transiting Israel from Jordan to Egypt. 2008 witnessed several large seizures of cocaine and other narcotics and an increase in resources to combat pharmaceutical crime. Israel is a party to the 1988 UN Drug Convention.

## II. Status of Country

Israel is not a major producer of narcotics or precursor chemicals. In a 2008 study, the INP estimated annual domestic proceeds from the sale of illicit drugs to be approximately U.S. \$1.5 billion. Officials are also concerned about the widespread use of Ecstasy and marijuana among Israeli youth, and say that juvenile usage mirrors trends in other Western countries. There is widespread concern about the abuse by minors of household items such as inhalants, and the availability of chemical analogs of banned substances not explicitly prohibited under the law.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The INP continued its general policy of interdiction at Israel's borders and ports of entry. The police concentrate specifically on the Jordanian and Egyptian borders, where the majority of heroin, cocaine and marijuana enter Israel. Israel's Pharmaceutical Crime Unit (PCU) in the Ministry of Health added an additional pharmacist in 2008 who rotates through ports-of-entry to lend expertise to the Israeli customs service in interdicting illicit pharmaceuticals or precursor drugs. Due to the success of this program, the PCU has requested additional money from the 2009 budget for a third pharmacist. In an initiative similar to the "DAWN" program in the US, the GOI is working to establish a network to increase monitoring of drug abuse by compiling data gathered from hospitals.

The Knesset, Israel's parliament, approved legislation allowing expanded testing measures of drivers who police suspect of driving under the influence of drugs and alcohol. New legislation allowing random saliva drug testing of professional commercial vehicle drivers is in its final stages of approval. The Knesset is also considering legislation prohibiting the manufacture, import, display, possession, or sale of any drug-related paraphernalia. Additionally, 15 new synthetic drugs (ATS) were added to Israel's Dangerous Drugs Ordinance.

**Law Enforcement Efforts.** In 2008, the INP established a new drug interdiction unit called "Magen" to patrol the Israeli-Jordanian border in the Dead Sea region. Increased drug enforcement and interdiction efforts led to increased amounts seized. The INP report that the main source of hashish has shifted from Jordan and Lebanon to Morocco and Afghanistan. Also, since the majority of Israel's Ecstasy or MDMA enters via sea, the police and customs units are paying greater attention to smuggling efforts at sea ports. The INP report about a 40% increase in the number of drug trafficking and smuggling cases for 2008 over 2007. Heroin and cocaine seizures increased dramatically in 2008, mostly due to large seizures that a few successful operations yielded. Building on changes in law that occurred in the

last couple of years, in 2009 the INP and PCU plan to take aggressive measures against drug dealers that operate in Israel's "kiosks", or small, 24-hour stands that sell tobacco and other convenience products throughout Israeli cities.

### Drug Seizures\*

<b>Cocaine (kg)</b>	
2008	132
2007	35
2006	42
2005	169
<b>Heroin (kg)</b>	
2008	307
2007	94
2006	70.3
2005	140
<b>Marijuana (kg)</b>	
2008	850
2007	1,465
2006	5,032
2005	10,000
<b>Hashish (kg)</b>	
2008	1,120
2007	734
2006	898
2005	1,022
<b>LSD (blotters)</b>	
2008	948
2007	1,932
2006	11,476
2005	2,880
<b>MDMA (Ecstasy tablets)</b>	
2008	103,790 2 kg powder
2007**	891,300
2006	112,985
2005	266,996
<b>Opium (kg)</b>	
2008	0.0
2007	0.0

2006	0.1
2005	8.4
<b>Amphetamines</b>	
2008***	88,885 tablets
2007****	0.0(kg)
2006****	8.7(kg)
2005****	7.2(kg)

\*2008 data represents seizures from January through November. Source of data: Israel National Police, Research Department.

\*\* Of the 891,300 Ecstasy tablets seized in 2007, 777,000 were seized from one container in the port of Haifa arriving from Europe.

\*\*\*80,000 of this number were tablets of Captagon seized in the Dead Sea region.

\*\*\*\*Seizures of Cathinone only. Availability of Cathinone diminished after it was banned under Israeli law, but authorities continue to pursue analogs of the drugs.

**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 2008, a number of public officials, including the prime minister, were under investigation for corruption-related offenses. Israel has signed, but not ratified, the UN Convention against Corruption. Israel does not have specific legislation for public corruption related to narcotics, but narcotics-related corruption is covered under its generic anticorruption legislation.

**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. A customs mutual assistance agreement and a mutual legal assistance treaty are also in force between Israel and the U.S. Israel ratified the UN Convention against Transnational Organized Crime in December 2006. Israel has been a member of the Commission on Narcotic Drugs in the UN Office on Drugs and Crime (UNODC) since 2003. Israel has signed but not yet ratified the UN Convention against Corruption. Israeli companies participate in UN operations Topaz and Purple to restrict the abuse of precursor chemical substances. Israel is one of 36 parties to the COE 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 citizenship and residents at the time of the commission of the offenses and allows limited inclusion of hearsay evidence in U.S. extradition documents. Israeli domestic statute of limitations in certain circumstances, however, may prohibit extradition of fugitives whose cases are more than ten years old. The application of Israel's statute of limitations now is being litigated before the Israel Supreme Court in an U.S. extradition request involving an alleged pedophile. In the 1980s, Israel refused to turn over the fugitive because, at that time, the 1962 convention and Israeli domestic law did not permit the extradition for the offenses charged. Once the treaty was amended by the Protocol, the case was re-filed in 2007. The Supreme Court is not expected to make a final ruling in the matter until sometime in 2009.

The U.S. also has a mutual legal assistance treaty with Israel. Although this relationship is very active, in many cases Israel has been slow in executing U.S. requests.

**Cultivation/Production.** The vast majority of drugs consumed in Israel are produced in other countries, though domestic cultivation of marijuana and hashish remains a small problem. From time to time, the police arrest clandestine farmers growing cannabis using hydroponic techniques. Though domestically produced analogs of Ecstasy/MDMA, dimethyl cathinone, and amphetamines were manufactured and available in many urban kiosks under a wide variety of ever-changing names, the PCU has plans to establish a program in the near future to counter this activity. Cathinone is extracted from the “khat” plant, which is legal in Israel and widely cultivated within Israel’s Yemenite and Ethiopian immigrant communities. Together with the INP, the PCU recently broke up a large Ritalin counterfeiting ring. The government expects indictments in this case sometime in 2009.

**Drug Flow/Transit.** The intense security presence and surveillance along Israel’s borders generally makes it difficult for smugglers to bring drugs into the country, though domestic demand ensures that Israeli citizens continue to take part in international drug trafficking networks in source, transit and distribution countries. Israel is not a significant transit country for drugs. While smugglers prefer the more porous borders with Egypt and Jordan where security is not as strong, Israeli military officials still report a sizeable incidence of smuggling in many of the Arab villages that straddle the Israeli-Lebanese border in the north.

2008 drug interdiction data for Israel indicate that Egypt is the country’s main source of marijuana, South America is the main source of cocaine, and MDMA enters primarily via sea. 2008 data strongly support the trend that began in previous years in which Morocco and Afghanistan have replaced Lebanon and Jordan as the Israeli market’s main source of hashish; the Egyptian border provides the primary point of entrance for the drugs. Israeli officials continue to see a trend in the use of Israel as a transit point for the flow of heroin from Jordan to Egypt. The Negev Bedouin tribes, using their knowledge of the desert terrain and their familial connections with Jordanian and Egyptian Bedouin, facilitate most of the heroin trafficking across Israel. The INP report that in 2008, 37 kg of heroin was seized on the Egyptian border, 115 kg on the Jordanian border, and 124 kg on the Lebanese boarder. The Israeli Bedouin trade the heroin in Egypt for cash, Moroccan hashish and marijuana, for which there is a large Israeli market.

**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. The IADA administers treatment programs targeted to special populations such as women, youth, new immigrants, homeless, co-morbidity patients and other specific segments of the population. Israel pursues a harm-reduction approach in conjunction with aggressive enforcement, offering counseling, sanitary services, food, and needle exchange at clinics distributed throughout the country. If addicts are willing, they are taken directly to treatment facilities, where drug use is curtailed and where patients have access to professional training and family therapy. Israel employs the use of commonly known drugs such as Subutex-buprenorphine, and Methadone in its treatment facilities and hospitals.

The IADA worked with other agencies such as the Israel Institute for Occupational Safety and Hygiene on the needs of special populations. Needle exchange programs were implemented in several cities to reduce harm to homeless populations and other programs were developed specifically targeting prostitutes. Israel established therapeutic communities focusing on rehabilitation of patients, and in particular, vocational rehabilitation. The IADA began developing culturally sensitive prevention programs for the Ethiopian and former Soviet Union immigrant communities. The IADA participated in and/or helped to facilitate regional law enforcement workshops organized by the UN, attended joint meetings with Israeli and Palestinian law enforcement officers, and began building bridges with neighboring Jordan by means of research trips.

In 2008, several training courses were developed and implemented with the key goal of enhancing and promoting human resource development in the field of alcohol and drugs. Two main groups targeted over the year, which have significant interaction and impact over youth, included medical personnel such as nurses, doctors and pediatricians, and new teachers and students of education. The IADA has outlined several objectives for 2009. They intend to expand awareness of drug abuse through development of comprehensive, multi-disciplinary alcohol prevention

programs. The IADA also plans to focus its attention on the illicit sale of designer drugs and sale of alcohol to minors. The IADA continues to advocate for a new, updated anti-drug law that would permit more immediate inclusion of dangerous substances into the Dangerous Substances Ordinance. Officials would like to explore programs on rehabilitation of clean addicts, in particular vocational rehabilitation. Enhancing international activities with the European Community and UN organizations and intensifying professional relations with the Palestinian Authority remain goals within the Israeli anti-drug community.

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

**Bilateral Cooperation.** Cooperation between Israeli and U.S. institutions dealing with illicit drugs is excellent. The DEA Country Office In Nicosia, Cyprus and Israeli officials characterize their cooperation as outstanding. The ITA also maintains direct cooperation with Immigration and Customs Enforcement offices in Rome, and has conducted joint anti-smuggling operations. There is a monthly bilateral exchange on major drug seizures in both countries. The Pharmaceutical Crime Unit also works directly with the DEA and sent representatives to a DEA-sponsored course on dual-use drug precursor diversion in June 2008. The PCU continues to provide intelligence in a precursor drug case of Israeli pseudoephedrine destined for an alleged methamphetamine lab in Africa.

**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, eradication, 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 INP continues to strengthen relationships between 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.

# 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/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, and hashish. Although Italy produces some precursor chemicals, they are well controlled in accordance with international norms, and are not known to have been diverted to any significant extent. Law enforcement agencies with a counternarcotics mandate are effective.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Italy continues to combat narcotics aggressively and effectively. In 2006, Italy adopted a tougher new drug law that eliminates distinctions between hard and soft drugs, increases penalties for those convicted of trafficking, and establishes administrative penalties for lesser offenses. All forms of possession and trafficking are illegal but punishment depends on the severity of the infraction. Stiff penalties for those convicted of trafficking or possessing drugs include jail sentences from six to 20 years and fines of over \$300,000. The law provides alternatives to jail time for minor infractions, including drug therapy, community service hours, and house arrest.

Italy has contributed an average of \$12 million to UNODC, over the last several years, making it one of the largest donors to the UNODC budget. Italy has supported key U.S. objectives at the UN Commission on Narcotic Drugs (CND), and chairs the Dublin Group of countries coordinating narcotics sector assistance projects for Central Asia.

**Law Enforcement Efforts.** From January 1 to September 30, 2008, Italian authorities seized 1,377.9 kilograms of heroin; 4,201.2 kilograms of cocaine; 31,476.3 kilograms of hashish; 3,638.7 kilograms of marijuana; 153,766 marijuana plants; 127,423 doses and 14.773 kilograms of amphetamines; and 7,768 doses of LSD.

In June 2008, a lengthy DEA and Italian Carabinieri investigation into an Ecstasy and cocaine trafficking organization operating in Italy and the U.S. led to the seizure of \$2.6 million in trafficker-owned assets by Italian law enforcement authorities. The investigation revealed this group was directing a complex scheme to launder millions of narco-dollars through money remitters, businesses and shell companies based in Italy, the U.S. and other locations.

In July—August 2008, a year-long joint investigation by DEA and the Italian Guardia di Finanza (GdF) dismantled a cocaine trafficking organization operating in the U.S. and Europe. The GdF seizure of 10 kilograms of cocaine in Milan revealed the cocaine transited through Los Angeles, California and led the identification of an organization responsible for polydrug trafficking activities in the U.S., Italy and Albania. The U.S. investigation led to the arrest of nine U.S.-based group members and the seizure of six kilograms of cocaine, one pound of methamphetamine, various weapons and the seizure of \$1.6 million in assets.

In August 2008, a multilateral investigation involving DEA offices in Italy, Colombia and Ecuador, the Italian Carabinieri, as well as Colombian and Ecuadorian authorities, resulted in the seizure of 100 kilograms of cocaine from a residence in Naples, Italy. This operation targeted a Naples-based Camorra clan responsible for smuggling large amounts of cocaine from South America into Italy via maritime cargo containers. The Carabinieri arrested the leader of the group, as well as other members of the organization, significantly disrupting the group's drug trafficking activities.

In September 2008, 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. During the initial phase of this investigation, 16 individuals were indicted on Italian drug trafficking and conspiracy charges. In mid-September 2008, ten other subjects were arrested in Italy and six were arrested in New York. Operation Reckoning received extensive media coverage in Italy and Europe, and highlighted DEA's efforts to assist Italian counterparts in targeting and dismantling 'Ndrangheta's international operations.

On October 16, Italian police arrested 70 people across the country suspected of drug trafficking and money laundering. Police made the arrests in the northern cities of Milan and Varese, as well as in several cities in the southern Sicily, Calabria, Puglia and Campania regions. 'Operation Tsunami', which began in 2004, uncovered two drug trafficking organizations, each with its own supply channels and extensive networks of drug pushers who reportedly operated in city squares and streets as well as nightclubs and other youth hangouts. The gangs reportedly had a monopoly over the trafficking and pushing of hashish and cocaine in several Sicilian provinces.

The fight against drugs is a major priority of the National Police, Carabinieri, and GdF counternarcotics units. The Italian Central Directorate for Anti-Drug Services (DCSA) coordinates the counternarcotics units of the three national police services and directs liaison activities with DEA and other foreign law enforcement agencies. Working with the liaison offices of the U.S. and western European countries, DCSA has 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 'Ndrangheta, the Naples-based Camorra, and the Puglia-based Sacra Corona Unita). During a two-year investigation leading to a major drug bust in early 2005, Italian officials confirmed that a number of these organized crime groups were linked to drug trafficking.

Additional narcotics trafficking groups include West African, Albanian, and other Balkan organized crime groups responsible for smuggling heroin into Italy; Colombian, Dominican, and other Latin American trafficking groups are involved in the importation of cocaine. Italian law enforcement officials employ the same narcotics investigation techniques used by other western countries. Adequate financial resources, money laundering laws, and asset seizure/forfeiture laws help ensure the effectiveness of these efforts.

**Corruption.** As a matter of government policy, Italy does not encourage or facilitate the illicit distribution of narcotics or the laundering of proceeds from illegal drug transactions. 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 has signed but not ratified the UN Convention against Corruption. Italy has bilateral extradition and mutual legal assistance treaties with the U.S. In 2006, the U.S. and Italy signed bilateral instruments on extradition and mutual legal assistance to implement the U.S.-EU Agreements on Extradition and Mutual Legal Assistance signed in 2003; Italy has yet to ratify these instruments. In fact, Italy is one of only three EU countries that have failed to ratify the new network of bilateral extradition and mutual legal assistance treaties with the U.S. The other two countries are Greece and Belgium.

**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 enroute to western and central Europe. A large percentage of all heroin seized in Italy comes via Albania. Albanian heroin traffickers work with Italian criminal organizations as transporters and suppliers of drugs. Heroin is smuggled into Italy via automobiles, ferryboats and commercial cargo. Albania is also a source country for marijuana and hashish destined for Italy. Italy maintains a liaison office in Albania to assist Albanians in interdicting narcotics originating there and destined for either Italy or other parts of Europe.

Almost all cocaine found in Italy originates with Colombian and other South American criminal groups and is managed in Italy mainly by Calabrian and Campanian-based organized crime groups. Multi-hundred kilogram shipments enter Italy via seaports, concealed in commercial cargo. Although the traditional Atlantic trafficking route is still in use, stepped-up international scrutiny and cooperation are forcing traffickers to use alternative avenues. Italian officials have detected traffickers using transit ports in West Africa where drugs are off-loaded to smaller fishing vessels that ultimately reach Spain and other Mediterranean destinations.

Cocaine shipments off-loaded in Spain and the Netherlands are eventually transported to Italy and other European countries by means of land vehicles. Smaller amounts of cocaine consisting of grams to multi-kilogram (usually concealed in luggage) enter Italy via express parcels or airline couriers traveling from South America.

Ecstasy found in Italy primarily originates in the Netherlands and is usually smuggled into the country by means of couriers utilizing commercial airlines, trains or land vehicles. A method used in the past by trafficking groups has been to provide thousands of Ecstasy tablets to couriers in Amsterdam concealed in luggage. The couriers then travel by train or airline to Italy; the EU's open borders make this journey somewhat less risky.

Hashish comes predominately from Morocco through Spain, entering the Iberian Peninsula (and the rest of Europe) via sea access points using fast boats. As with cocaine, larger hashish shipments are smuggled into Spain and eventually transported to Italy by vehicle. Hashish also is smuggled into Italy on fishing and pleasure boats from Lebanon.

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

**Domestic Programs/Demand Reduction.** The GOI promotes drug prevention programs using abstinence messages and treatment aimed at the full rehabilitation of drug addicts. The Italian Ministry of Health funds 544 public health offices operated at the regional level; the Ministry of Interior identified 720 residential, 200 semi-residential facilities, and 179 ambulatories. Of about 500,000 estimated drug addicts and 318,000 estimated eligible for treatment in Italy, 171,000 receive services at public agencies. About 62 percent of the total used cannabis or cocaine. 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. For 2006, the national, regional and local governments spent about 1.8 billion Euro for drug treatment 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 by President Bush 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 2008, 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 2007 to September 2008, DEA received approximately 74 samples of heroin, cocaine, and Ecstasy. DEA has expanded this program to the countries of Slovenia, Croatia and Albania. The sample collection from these countries and others in the Balkans is essential in determining production methods and trafficking trends that ultimately impact Italy.

DEA independently conducted drug awareness programs at international schools in Rome and Milan. DEA also provided training to Italian counterparts in the areas of asset forfeiture and drug law enforcement operations.

**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. While the volume of cocaine transit traffic remains lower than its sub-regional neighbors, it is worth noting that the cocaine seizure data from 2008 reflects a significant increase over both 2006 and 2007. In 2008, cooperation between Government of Jamaica (GOJ) and U.S. Government (USG) law enforcement agencies remained strong resulting in drug seizures, arrest of drug-traffickers, and the extradition of a drug kingpin and his co-conspirators. The GOJ's ambitious legislative anti-corruption and anti-crime agendas announced in 2007 and mid-2008 respectively remain stuck in parliament. In 2008 enforcement of the Proceeds of Crime Act and the Anti-trafficking law enacted in 2007 was less than hoped for. Jamaica is a party to the 1988 United Nations Drug Convention.

## II. Status of Country

The majority of the direct export of marijuana to the U.S. is through Jamaica's busy commercial and cruise ports, and convenient air connections. Consumption of cocaine, heroin, and marijuana is illegal in Jamaica, with marijuana most frequently abused. The possession and use of Ecstasy (MDMA) is controlled by Jamaica's Food and Drug Act and is currently subject to light, non-criminal penalties. In 2008, an increase in murder and other violent crime by gangs was fueled in part by the "ganja for guns" trade between Jamaica and its neighbors.

## III. Country Actions against Drugs in 2008

**Policy Initiatives/Accomplishments.** In 2008 the GOJ failed to pass and effectively implement key anti-crime, anti-corruption, anti-money laundering legislation. This included not establishing a new anti-corruption special prosecutor, not modifying the bail act, and not vigorously implementing the more expeditious seizure and forfeiture process that was enacted in 2007.

The manufacture, sale, transport, and possession of MDMA (Ecstasy), methamphetamine, or the precursor chemicals used to produce them, remains regulated by civil and administrative rather than criminal authorities. The GOJ also did not enact the initiative to permit extended data-sharing between U.S. and Jamaican law enforcement on money laundering cases through the Financial Investigative Division (FID) Act. Additionally, the GOJ's national forensics laboratory has a backlog of cases due to understaffing and lack of resources. Jamaica is not in full compliance with the Egmont Group requirements.

In 2008, the Ministry of National Security expanded its policy directorate in an effort to increase efficiency. In 2008, the GOJ expanded the vetting of senior police officers. This effort combined with other reforms as mandated by the GOJ-approved Police Strategic Review, should begin to turn around a police force that is plagued by corruption and inefficiencies.

The USG Container Security and MegaPorts (CSI) initiative began in late 2006. In 2008, construction began on a permanent facility for U.S. officers and their Jamaican counterparts. Pervasive corruption at Kingston's container and bulk terminals continue to undermine the CSI team's activities.

**Law Enforcement Efforts.** 2008 marked the first year of the new Police Commissioner's tenure and the beginning by the GOJ to implement reforms recommended in its strategic review of the force. The new Commissioner continues to face internal obstacles in his efforts to reform the police. The Commissioner and the GOJ are grappling with holistic reform at a time when murder and other violent crimes threaten to overwhelm the country. These criminal

organizations use proceeds to purchase weapons and further destabilize Jamaica. The U.S. is working cooperatively with the Organized Crime Division to shut down these organizations.

Despite death threats against several of its ministers, in 2008, the GOJ extradited drug trafficker Norris Nembhard and five indicted co-conspirators to the U.S. for prosecution. The very successful Operation Kingfish, a multinational task force (GOJ, U.S., United Kingdom and Canada) to target high profile organized crime gangs, celebrated its fourth anniversary in 2008. The new Police Commissioner combined his National Intelligence Bureau with Kingfish and Special Branch in an effort to gain efficiency. In years' past, Kingfish was becoming a catch-all investigative entity and worked on cases outside its original mandate. In 2009, Kingfish should return to its core mandate and prioritize the targeting of high-level criminals who command and control gangs in Jamaica. In 2008, the GOJ appointed a known reformer as the new Commissioner of Customs. Since his arrival a "no tolerance" policy against corruption has resulted in the removal or reassignment of a significant number of staff members and an increase in Custom's revenue by 25 percent. The new Commissioner intends to reinvigorate the Jamaican Custom's Contraband Enforcement Team (CET) which suffered for years under the previous Customs' leadership. Given that container traffic through the seaports is believed the primary method of transshipment of cocaine and cannabis it is critical to have a strong CET. In 2008, CET seized 168 kilograms (kg) of cocaine and 5,642 kg of cannabis at Jamaican air and seaports.

**Corruption.** No senior GOJ officials, nor the GOJ as a matter of 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. 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 in 2008, corruption ranked second to crime and violence as the area of greatest concern for Jamaicans. Corruption remains a major barrier to improving counternarcotics efforts. The Jamaica Defense Force investigates any reports of corruption, and takes disciplinary action when warranted in furtherance of its zero tolerance policy. A bill creating an Anti-Corruption Special Prosecutor remains stuck in Parliament despite the Government's legislative majority. 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. In mid-2007, the JCF established a new Anti-Corruption Branch headed by an internationally recruited police officer. Since 2007, the Branch has arrested seventy-one officers on corruption charges. The Branch's number one task is to target high-level officers 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.** The extradition treaty between the USG and the GOJ has been actively used, with the vast majority of cases involving requests to Jamaica. Jamaica and the U.S. have a Mutual Legal Assistance Treaty (MLAT) in place, which assisted 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, and the Inter-American Convention against Corruption.

**Cultivation/Production.** Exact cultivation levels for marijuana are unknown due to a lack of crop surveys. Marijuana is grown mostly in smaller plots in hilly and rocky terrain and along the tributaries of the Black River in Saint Elizabeth which for most parts is inaccessible to vehicular traffic. Eradication of marijuana was down in 2008, with 423 hectares eliminated, compared with 723 hectares eliminated in 2007. Jamaica uses manual eradication without the use of herbicides.

**Drug Flow/Transit.** GOJ security forces seized a total of 266 kg of cocaine in 2008. This is triple the amount seized in 2007 (80 kg) and double 2006's figure (109 kg). Some of the increase can be attributed to a reinvigorated effort to police the air and seaports by GOJ Narcotics police and DEA. In 2008, cocaine smugglers continued to use container

cargo transshipments, 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. Seizures of compressed marijuana remain as levels commiserate with 2006 & 2007. Marijuana traffickers continue to barter for cocaine and illegal weapons. To combat this trade, the GOJ created a special cell within Operation Kingfish called “Musketeer.”

**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 (funded by INL) enrolled 31 students and graduated 8 students in the 2007-2008 academic year. 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 little impact.

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

**Bilateral Cooperation.** There is robust cooperation between U.S. and GOJ officials. In 2008, the U.S. provided training and material support to elements of the JCF and JDF to strengthen their counternarcotics, and anti-corruption capabilities and improve the investigation, arrest and prosecution of organized crime. The U.S. assisted 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. In 2008, the U.S. Marshals opened 80 new cases and closed 132 cases involving U.S. fugitives. Jamaican authorities made 14 arrests, 15 extraditions and 8 deportations during the year. In mid-2008, the USG-funded, Kingston-based Airport Interdiction Task Force continued operations and was instrumental in the increase in cocaine seizures.

The GOJ participated in joint deployments with the USG in Jamaican waters during 2008 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. The JDF also continued to work with the USG’s Joint Interagency Task Force-South (JIATF-S) in 2008 to disrupt maritime trafficking. JDF and JCF elements participated in the DEA-led regional exercise “All-Inclusive.” JDF Coast Guard personnel participated in a number of maritime law enforcement, seamanship and specialized technical resident courses in the U.S. in 2008.

**Multilateral Cooperation.** In 2008 multi-nationals (GOJ, U.S., United Kingdom and Canada) shifted focus to assist the GOJ as it begins implementation of the 124 recommendations of the Police Strategic Review. An additional multi-lateral priority is to assist the Anti-Corruption Branch tackle corruption among senior police officers. The U.S. continues to support the Mini-Dublin Group, and reinvigorated cooperation with the UK and Canada to prevent duplication of efforts and ensure the most effective use of our combined counternarcotics resources.

**The Road Ahead.** Gang-led violent crime and corruption will continue to pose a significant threat to social stability in Jamaica. The GOJ is exploring legislation to criminalize participation in organized crime gangs. If the difficulty that the GOJ has experienced in 2008 to pass more modest anti-crime legislation is a prelude, passage of RICO-type legislation could be difficult. Passage of RICO or Anti-Corruption Special Prosecutor legislation is not enough, however. So that the GOJ can successfully investigate, prosecute and convict corrupt officials at all levels of government service, we encourage the GOJ to ensure that the Anti-Corruption Special Prosecutor, the JCF Anti-Corruption Branch and the FID are independent, fully resourced and backed by political will. 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 Jamaica Constabulary Force to ensure a professional non-corrupt organization. Finally, the GOJ is encouraged to support the Commissioner of Customs efforts to take action against endemic corruption throughout its customs and revenue service.

The GOJ has requested assistance from its multilateral partners with the creation of a regional forensics training program to increase its own ability to train forensic pathologists, lab technicians and improve throughput at its laboratory. Greater speed and accuracy of forensic testing would greatly assist the GOJ in investigating violent crime. To better track, and intercept narcotics and weapons being smuggled into and through Jamaica, the GOJ should work to improve its port, border, and passport security to allow for real-time data collection and profiling of offenders and vessels. The GOJ should also look to foster greater sub-regional cooperation with Hispaniola, and the Bahamas in an effort to collect better intelligence on the gangs that move contraband between their borders.

# Japan

## I. Summary

Methamphetamine abuse remains the biggest challenge to Japanese antinarcotics efforts, marijuana use is widespread and MDMA (Ecstasy) trafficking continues to increase significantly. Cocaine use is much less prevalent but still significant. According to Japanese authorities, all illegal drugs consumed in Japan are imported from overseas, usually by Japanese or foreign organized crime syndicates. In spite of legal and bureaucratic obstacles, Japanese law enforcement officials are becoming more proactive in addressing Japan's illegal drug distribution problem. Japanese Police have conducted several complex drug investigations during 2008, both independently and in cooperation with the U.S. Drug Enforcement Administration (DEA) Tokyo. Japan's efforts to fight drug trafficking comply with international standards; Japan is a party to the 1988 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. 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. There is little evidence of domestic commercial cultivation, though there are some indications of small scale processing of imported herbal cannabis. Japan is not a significant producer of narcotics. The Ministry of Health, Labor and Welfare strictly controls some licit cultivation of opium poppies, coca plants, and cannabis for research. According to DEA and the National Police Agency, 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.

## III. Country Actions against Drugs in 2008

**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, first announced in July 2003. This strategy includes measures to increase cooperation and information sharing among Japanese agencies and between Japanese and foreign law enforcement officials, promotes greater utilization of advanced investigative techniques against organized crime syndicates, and mandates programs to raise awareness about the dangers of drug abuse. In practice, information sharing with foreign law enforcement officials has been almost entirely one way, with much information provided to Japanese authorities and little shared by them. The Ministry of Health, Labor and Welfare added 30 more drugs to its list of controlled substances in 2006 with plans to add three more in 2008, but they have not yet (November 2008) been added.

**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 also has laws restricting the proactive use of informants, undercover operations, and controlled deliveries using a human courier. Proactive policing rarely occurs, and only when very strict legal and bureaucratic hurdles can be overcome. Although wiretapping remains infrequent, police are increasingly making use of legislation that took effect in 2003 authorizing the use of telephone intercepts. In addition, officials maintain detailed records of Japan-based drug trafficking, organized crime, and international drug trafficking organizations. Japanese authorities do attempt to engage in international drug trafficking investigations. Legal constraints, however, restrict them from passing useful and timely information of real assistance in international drug-trafficking

investigations. These same legal restrictions make it very difficult for police authorities to pro-actively investigate members of international drug cartels who operate in Japan.

The reduction in methamphetamine supply that began mid-2006 appears to have reversed. Law enforcement officials believe that Chinese traffickers using supplies from China and Canada have stepped in to fill the gap presumably created by the 2006 closure of several methamphetamine mega-labs in Indonesia, Malaysia, and the Philippines, as well as tightened security measures in the Sea of Japan. Methamphetamine prices have returned to their May 2006 levels, indicating a significant rebound in supply.

After a year of unremarkable interdiction results in 2006, increased efforts by customs officials produced dramatic results in 2007, and these continued to improve in 2008, particularly at Narita and Kansai International Airports. Given restrictive Japanese laws, these seizures result in little more than the arrest of the courier, and do nothing to attack the larger drug-trafficking organization. In the January through June 2008 period, Police and Customs Officials seized 58,966 MDMA tablets, 42.1 kg of methamphetamine, and 94.7 kg of marijuana (a 2.5 times increase over the same period of the previous year). There were no major methamphetamine seizures-the meth which was seized was seized in small lots- in the first quarter of this year, although there was an 8.8 percent increase in methamphetamine arrests between January and June 2008. Cannabis resin seizures for January through June were 8.8 kg, approximately 20 percent lower than the same period of the previous year. During the January through June period, a total of .9 kg of cocaine, and 6.2 kg of opium were seized. There were no heroin seizures in this period.

**Corruption.** There were no reported cases of Japanese officials being involved in drug-related corruption in Japan in 2008. 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 failed to agree on an anti-conspiracy bill for the fifth consecutive year. 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. The MLAT is being used with some regularity between Japanese and U.S. law enforcement. Despite verbal commitments, Japan has still not joined IDEC-a DEA sponsored group of professional drug law enforcement officers.

**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.

**Drug Flow/Transit.** Authorities believe that methamphetamine smuggled into Japan primarily originates in the People's Republic of China (PRC). This is substantiated by a five-fold increase in methamphetamine prices around the time of the Beijing Olympics. Other nations in Asia certainly contribute to the flow of methamphetamine into Japan, and should not be discounted. Most of the precursor chemicals for production though appear to originate in China, and most transshipment takes place through China. Malaysia and Indonesia have documented production of meth targeted on Japan, while evidence for the Philippines and Taiwan is largely anecdotal. The case for Burma and the DPRK is less clear. Drugs other than methamphetamine often come from these same source countries. Airport customs officials regularly make seizures of cocaine transiting from the United States. Authorities confirm that methamphetamine, MDMA, and marijuana are being imported in large quantities from Canada. Most of the MDMA in Japan originates in either Europe or China.

**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 anti-crime 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. During 2008, the USCG conducted Visit, Board, Search, and Seizure (VBSS) training for the JSDF.

**The Road Ahead.** DEA Tokyo 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, a first world country with the world's second largest economy and a capable and modern police force, an equal partner in international counter-narcotics 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. The Public Security Directorate (PSD) believes that the volume of drugs transiting through Jordan continues to grow. Historically, Jordanians do not consume significant quantities of illegal drugs, and the PSD knows of no production operations in the country. Statistics for the first 11 months of 2008 show an increase in total number of cases, arrests and drug abusers when compared to 2007. 2008 has also proven to be a record year for seizures of Captagon, a synthetic stimulant also known as phenethylamine, with over 14 million tablets seized. PSD attributes increases to Jordan's enhanced rehabilitation programs, increased border interdiction operations, better intelligence gathering, and continued strong cooperation between Jordan and neighboring countries, but it is also possible that the large increase in Captagon seizures is because there is more demand for the drug in Jordan than heretofore known or acknowledged. The drugs of choice among users arrested for drug possession in Jordan are cannabis and heroin. The majority of people arrested for drug related crimes ranges between 18 and 35 years old. PSD continues to see an increase in drug trafficking through its border regions, especially with Iraq, and drugs transiting Queen Alia International Airport (QAIA). Jordan is a party to the 1988 UN Drug Convention.

## II. Status of Country

According to statistics from the PSD-AND (Anti-Narcotics Department), there are currently no indications that Jordan will transition from a predominantly drug transit country to a drug producer. Jordan's vast desert borders make it vulnerable to illicit drug smuggling operations. Jordanian authorities do not believe that internal drug distribution is a substantial profit-making venture.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Jordan is continuing its drug awareness campaign focused at educating people of the dangers of drug use. This includes providing educational presentations in schools and universities throughout the country. The PSD-AND has created a program it calls "Friends of the AND." This program 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. Jordan is in its fourth year of producing cartoons aimed at younger children designed to dissuade youngsters from trying drugs. Jordan will take this program to the next level in the near future with anti-drug abuse movies directed at Jordanian youths. PSD publishes an anti-narcotics magazine, and maintains a website in English and Arabic for drug abuse awareness and prevention (<http://www.anti-narcotics.psd.gov.jo/English>). Jordan has also worked with the UNODC to provide drug prevention training.

**Law Enforcement Efforts.** Jordan's PSD maintains an active anti-narcotics department and has established excellent working relations with the U.S. Drug Enforcement Administration (DEA), Nicosia Country Office based. PSD-AND has seen an increase in cocaine and other drug trafficking through Jordan's International Airport and has increased interdiction efforts there. GOJ authorities continue to use X-ray equipment on larger vehicles at its major border crossings between Syria and Iraq, which netted numerous drug seizures in past years and continued to do so in 2008. This equipment has proven to be very effective. Seizures of Captagon tablets have increased since last year. As one result, recent Jordanian media coverage has highlighted Captagon seizures giving the perception of increased trafficking of this drug. PSD claims not to have observed any wide-spread use of the drug in Jordan and there are

some reports that insurgents in Iraq are widely using Captagon as a stimulant. The PSD reports that 85% of all seized illicit drugs coming into Jordan are bound for export to other countries in the region. Jordan's general drug traffic trends continue to include cannabis entering from Lebanon and more now from Iraq, heroin from Turkey entering through Syria on its way to Israel, and Captagon tablets from Bulgaria and Turkey entering through Syria on the way to the Gulf. But if a pattern in drug transit countries generally holds true in Jordan, there will be an increase in domestic abuse of drugs like Capatagon which seem to transit Jordan in such large quantities.

The majority of Jordan's drug seizures take place at the Jaber border crossing point between Jordan and Syria, although seizures from Iraq (Karama/Trebil border crossing) have risen significantly the past few years. For the last four years, the PSD has continued to observe an increase in trafficking of hashish and opium from Afghanistan through Iraq into Jordan. Jordanian authorities regularly cooperate with the relevant anti-narcotics authorities in the region. In 2007-08, Jordanian officials reported that they conducted 22 specific operations during which they coordinated efforts with Syrian and Saudi Arabian authorities.

### Drug Seizure Statistics

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#### Calendar Year 2004 2005

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Cannabis	1931.017	1485.477
Heroin	186.12	117.842
cocaine	32.97	.485
Hashish Oil	-	35.5
Captagon	9,774,002	11,158,083
Opium	21.9	3.5
Total Cases	1691	2041
Arrests	2514	4792
Abusers	2158	4027

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#### Calendar Year 2006 2007

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Cannabis	793.715	410.3
Heroin	131.3	43.119
Cocaine	5.26	7.474
Hashish Oil	14.5	-
Captagon	10,944,870	10,929,138
Opium	19.928	-
Total Cases	1973	2197
Arrests	3158	3707
Abusers	2577	2874

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#### Calendar Year 2008 (as of 17 November 2008)

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Cannabis	793.561
Heroin	22.577

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Cocaine	5.339
Hashish Oil	127
Captagon	14,005,005
Opium	-
Total Cases	2481
Arrests	4339
Abusers	3479

NB. Seizures are reported in kilograms (Captagon seizures are measured in number of tablets; weight measurements are not available for tablets). 2008 statistics include January through November only. 2004 through 2007 statistics cover the full year.

**Corruption.** Jordanian officials report no narcotics-related corruption investigations for 2008. 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.

In 2008 Jordan held the Transparency and Anti-Corruption Conference at a Dead Sea Conference Center. Columnist Jamil Nimri in Arabic daily Al-Ghad commented, "I conclusively say that we in the region have not advanced much on transparency and anti-corruption standards." He further stated "Let's now see how much the Anti-Corruption Commission will do to obstruct corruption and to investigate any actions or deals or projects that smell of foul play." Jordan also took part in the 3rd Conference of Anti-Corruption Organizations Union held in Kiev in October of 2008. Council member of the Jordan Anti-Corruption Commission Ali Dmour headed the Kingdom's delegation to Kiev. While the anti-corruption commission forwarded its first corruption cases for prosecution (non-drug related), most observers still believe that the anti-corruption commission is not effective enough.

**Agreements and Treaties.** Jordan is party to the 1988 UN Drug Convention. Jordan continues to remain committed to existing bilateral agreements providing for counter-narcotics cooperation with Syria, Lebanon, Iraq, Saudi Arabia, Turkey, Egypt, Pakistan, Israel, Iran, and Hungary. Jordan also cooperates with the UNODC and the European Commission through a number of projects funded by the EU.

**Cultivation and Production.** Jordan neither grows nor produces illicit drugs and there are no statistics regarding domestic cultivation or eradication. Existing laws prohibit the cultivation and production of narcotics in Jordan. These laws have been effectively enforced.

**Drug Flow/Transit.** Jordan remains primarily a narcotics transit country, though with a danger of increased consumption of drugs like Captagon transiting Jordan in significant volume. 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 flow through Jordan's International Airport is also on the rise. While law enforcement contacts confirm continued 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 (an outlet for producing countries) 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 training to effectively patrol and monitor Jordan's borders.

**Domestic Programs/Demand Reduction.** Jordan increased the scope of its programs on drug abuse awareness, education, and rehabilitation in 2008. Education programs target high schools, colleges, inmates, and religious institutions. Authorities continue to provide educational presentations in schools and universities throughout the country. As previously noted, Jordan created the "Friends of the AND" Program. Jordan also publishes a number of brochures and other materials aimed at educating the country's youth. Jordan's anti-narcotics 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 2008, AND conducted 872 awareness lectures in various institutions, organized 67 visits to AND, put on an anti-narcotics awareness play 5 times and actively participated in various fairs and media programs.

In conjunction with the UNODC, Jordan has strengthened its treatment and rehabilitation services for drug abusers in the country. The Jordanian Drug Information Network (JorDIN) was officially established in 2005 with help from the UNODC. The national treatment and rehabilitation strategy and coordination mechanism has proven effective, and Jordan looks to continued success in this strategy. A new, larger rehabilitation facility that will accommodate more patients is in the planning phase and PSD hopes to begin construction in the near future. PSD reports that it has treated 203 patients at its drug rehabilitation center in 2007 and thus far 172 in 2008. PSD also noted that another highlight of the center's success is the number of patients the Government of Lebanon has sent to Jordan for rehabilitation. The PSD notes that this is an indicator of the strong levels of cooperation between the Governments of Lebanon and Jordan in their anti-narcotics efforts. In December 2008, Jordanian Prime Minister Nader Dahabi remarked during a session at the Lower House of Parliament that PSD-AND has “intensive contacts, mainly with neighboring countries and is supported both on the official and popular levels.

#### **IV. USG Policy Initiatives and Programs**

**Policy Initiatives.** The DEA Nicosia Country Office, RSO Amman, and the PSD have an excellent working relationship. The DEA and the interagency Export Control and Related Border Security (EXBS) Program recently provided Jordan with additional equipment including 10 thermal eye imagers to help Jordan's Border security operations. The U.S. Coast Guard (USCG) provided residential training in shipboard damage control. The USCG has also provided Maritime Crisis Management training through its Mobile Training Teams (MITTS). There are several miles of Jordan's borders that are patrolled only by the PSD's Anti-Narcotics Department. In October 2007, EXBS provided PSD with a portable x-ray van for use in screening containers and vehicles at the Port of Aqaba. Jordanian Customs also uses a previously USG-donated X-ray van. This equipment primarily screens for weapons, but can detect density anomalies that may indicate the presence of drugs and/or other contraband. Other ongoing GOJ and 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 and to disrupt the flow of illegal drugs transiting through Jordan.

**The Road Ahead.** The USG expects continued strong cooperation with the Jordanian government in counter-narcotics efforts and related issues. According to Jordanian authorities the drug situation is still “under control” but they are mindful that they could face a more serious problem in the future. New smuggling trends and new types of drugs are offering new challenges. Cocaine comes to Jordan from South America via European airports bound for Israel and other countries in the region. In 2008, Jordanian authorities seized more than three kilograms in three different cases in which two Peruvian and two Argentinean couriers were arrested. Department of Defense-Military Assistance Program (DoD-MAP) in Jordan has initiated the first phase of a comprehensive border security initiative. The multi-million dollar project will strengthen Jordan's ability to secure its borders with enhanced technologies.

# Kazakhstan

## I. Summary

Kazakhstan is still affected by the expansion of international drug trafficking and continues to fight drug trafficking, focusing on improvements to legislation, prevention, and supply reduction. Law-enforcement agencies in Kazakhstan have focused their efforts on disruption of the trafficking route from Afghanistan, which is the main source of narcotics in Kazakhstan. Afghan heroin transported along the northern route supplies Kazakhstan's domestic market and transits Kazakhstan to Russia and onward to Europe. Kazakhstan continues implementation of two, large-scale programs to combat corruption and drug trafficking mandated by President Nazarbayev. Strengthening the borders, especially in the south, is a priority for the government. Kazakhstan has acceded to the 1988 UN Drug.

## II. Status of Country

Its geographic location, relatively developed transportation infrastructure, the openness of its borders with neighboring countries, and its social and economic stability have made Kazakhstan a major transit zone for narcotics and psychotropic substances. In 2008, the drug situation in Kazakhstan has been characterized by a decrease in the total number of registered drug-related crimes and a significant increase in the volume of seized drugs, including heroin.

The main factors influencing illegal drug use and sales in Kazakhstan are the expansion of Afghan production, the importation of synthetic drugs from Russia and Europe, and the presence of naturally-growing marijuana in Southern Kazakhstan. The main types of drugs illegally crossing into and through the country are Afghan opiates, synthetic drugs, and cannabis. During the first nine months of 2008, there was a significant increase in the volume of seized heroin (from 379 kilos to 1.5 metric tons, a 300% increase compared to the same period last year).

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** A law signed on June 26, 2008 by President Nazarbayev that amends the Criminal, Criminal Procedural, and Administrative Codes introduced tougher punishments for drug-related crimes, which is consistent with article 24 of the Narcotics Convention stipulating application of stricter measures than those required by the Convention. The new law increases the most serious penalty for drug-related crimes to life imprisonment. Because of the threat to Kazakhstani national security posed by narco-trafficking, the new law defines certain drug-related crimes as “especially grave” and, thus, life imprisonment is now available to sentencing judges in cases of trafficking in large quantities; participation in drug-related crimes as part of a criminal organization; drug sales in an educational institution and/or to minors; and sale or distribution of drugs resulting in death.

Article 319-1 of the Administrative Code penalizes entrepreneurs of entertainment facilities who do not take measures to stop the sale and/or consumption of drugs, psychotropic substances, and precursors on their business premises.

The amended counter-narcotics legislation is believed to have been a factor in the recent increase in apprehensions of narcotics abusers, including among heroin and opium abusers. The average price of heroin nearly doubled in the northern regions of the country and increased an average of 130% in the southern regions perhaps as a result of increased enforcement success.

The serious problem of seized drugs being resold by corrupt police was dealt with by introducing amendments to the Criminal Procedure Code allowing for the destruction of seized drugs more than the minimum amount necessary for evidence as soon as forensic testing is completed.

**Law Enforcement Efforts.** Kazakhstan actively fights narco-trafficking to and throughout the country. For example, special services share information with their colleagues from neighboring countries. The Border Guard Service has jurisdiction over trafficking across the border, while counter-narcotics operations in country are conducted by Ministry of Internal Affairs (MVD) units and the Committee for National Security (KNB), with the goal of ultimately arresting the leaders of trafficking rings.

All law-enforcement agencies combined reported 7,883 drug-related crimes, including 295 cases of trafficking during the first nine months of the year. A total of 23 tons of various drugs, including 200 kilos of synthetic drugs and psychotropic substances, were seized during that period, which is a 6.5% increase over the same period last year (21 tons, 787 kilos were seized during the same period in 2007). The total includes 1,514 kilos of heroin (nearly a 300% increase over last year's seizures of 378 kilos), 14 kilos of opium (a decrease of 92.9% from last year's 197 kilos), 327 kilos of hashish (a 74.7% increase), and 21,196 kilos of marijuana (a 3.6% increase over last year's 20,467 kilos).

Kazakhstani law-enforcement agencies have focused on conducting quality operations against entire cartels and not just the arrest of small couriers to increase seizure statistics. Over nine months, the MVD broke-up eight organized criminal groups, whose members committed 51 drug-related crimes. As a result of these operations, the police seized 48.763 kilos of drugs, including 37 kilos of marijuana, over 10 kilos of heroin, and one kilo of cannabis resin.

Two record seizures occurred during 2008. In March, the Customs Service seized 537 kilos of heroin at the Kairak border checkpoint on the Kazakhstani-Russian border utilizing a stationary X-ray machine. Two Russian citizens were sentenced to 13 years in prison as a result. The cargo was en route from Uzbekistan to Saint Petersburg. The drug couriers reportedly were paid \$8,000 to transport the heroin to Russia. The year's second large seizure was of 120 kilos of heroin by the MVD's Committee on Combating Drugs, in cooperation with the U.S. Drug Enforcement Administration and Turkish law enforcement.

The law enforcement agencies of Kazakhstan, Russia, Tajikistan and Uzbekistan, with the assistance of Afghanistan, broke up one of the largest Central Asian trafficking organizations, which transported heroin and opium through Central Asia to Russia. As a result of the multi-stage, three-year Operation "Typhoon," law-enforcement agencies opened 24 criminal cases and arrested 42 members of an international drug ring, including 14 Kazakhstan citizens. A total of 800 kilos of heroin and 100 kilos of opium were seized in four countries during the operation. As a result of the operation, all branches of the trafficking group were disrupted in participating countries. Traffickers working for the cartel transported drugs via two routes: from Shymkent (on the Kazakhstani-Uzbek border) through Taraz, Karaganda, Astana, and Petropavlovsk and from Shymkent through Taraz, Almaty, Taldy Korgan, and Ust-Kamenogorsk.

Law-enforcement agencies target nightclubs and other areas where drugs are sold. As a result of this strategy, law enforcement agencies in Astana reported 198 drug-related crimes during the first nine months of 2008. One hundred thirty-six of these crimes involved sales. The volume of seizures in Astana increased by 62.7% and the total amount of heroin seized in Astana has increased by more than 600%.

In accordance with Article 11 of the Narcotics Convention, Kazakhstan participates in controlled deliveries. During the first nine months of 2008, Kazakhstani law-enforcement bodies conducted 27 controlled deliveries, including 12 cross-border operations. Kazakhstan conducted five controlled deliveries jointly with colleagues from the Kyrgyz Republic and the Russian Federation and two operations with Tajikistan. These operations resulted in the seizures of 600 kilos of illicit drugs, including over 88 kilos of heroin.

As a result of the successful operations, drug prices have increased throughout the country. In Astana, prices have doubled to \$600 for a kilo of marijuana, \$5,000 for hashish, and \$10,000 for heroin. In Almaty, a kilo of marijuana is up to \$400 from last year's \$250. In Pavlodar, a kilo of heroin ranges from \$10,000 to \$15,000, an increase over last year's \$8,000.

In 2008, 5,756 people were detained for drug-related crimes (A decrease of 6.6% from last year). The number of women, minors, and repeat offenders committing drug-related crimes has decreased by 4.2% for women (from 684 to 655), 36.5% for minors (from 52 to 33), and 4.9% for repeat offenders (from 288 to 274). Convictions for drug-related crimes have also decreased from 5,850 to 5,326. Of those convicted, 575 were women and 31 were minors.

The Kanal-2008 (Channel) interstate operation was on September 15-23. The purpose of the operation was the detection and disruption of trafficking from Central Asia and Afghanistan and the dismantling of transnational organized criminal groups involved in trafficking. In Kazakhstan, the operation resulted in the discovery of 274 drug-related crimes, including 97 cases of sales and nine cases of trafficking, with the seizure of 1.4 metric tons of drugs, including 133 kilos of heroin.

**Corruption.** As a matter of government policy, Kazakhstan 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 trafficking. There were no cases of senior government officials engaged in the illicit production or distribution of drugs. However, there were several reported cases of corrupt police officers.

Two officers of the Criminal Police Unit and two officers of the Counter-Narcotics Unit in Southern Kazakhstan were sentenced to 10 to 12 years after having been convicted of the storage and sale of drugs and the abuse of their official position. As a result of an undercover KNB operation in January, the four officers were arrested for attempting to force a recently-released convict to sell drugs that had been previously seized for their benefit. The 2003 UN Convention on Corruption was ratified in May 2008.

In November, President Nazerbayev proposed that the fight against government corruption should be concentrated in one body. Currently, all state agencies are mandated to take measures to combat corruption internally.

**Agreements and Treaties.** Kazakhstan is a party to the 1998 UN Drug Convention, the 1961 UN Single Convention and its 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Kazakhstan is also a party to the UN Convention against Corruption, and the UN Convention against Transnational Organized Crime, and its three protocols. The United States and Kazakhstan signed the seventh Supplementary Protocol to the Memorandum of Understanding on Narcotics Control and Law Enforcement on August 29, 2008 to support demand reduction programs and the sixth Supplementary Protocol on September 29 to support border security, counter-narcotics and anti-trafficking in persons programs.

The law-enforcement bodies of Kazakhstan closely cooperate with the Agency of the Kyrgyz Republic on Drug Control, the Agency on Drug Control of the Republic of Tajikistan, the Federal Service of the Russian Federation on Drug Control, and the National Center on Drug Control of the Cabinet of Ministers of the Republic of Uzbekistan. The intergovernmental interagency agreements on cooperation in the area of combating drugs are the legal basis for this cooperation. These countries conduct joint operations and investigations, demand reduction events, special operations, exchange of operative information and methodological literature, working meetings, and other activities.

The pilot phase of the Central Asian Regional Information Coordination Center (CARICC) was launched on November 1, 2007, in Almaty. UNODC recruited the core staff for the pilot phase. CARICC has already arranged controlled delivery operations. Kazakhstan believes that CARICC will become an effective organization which will collect operational information and analyze it. Kazakhstan ratified the CARICC agreement on November 6, 2007 and, with the ratification of Tajikistan six days later, CARICC has the required ratifications for the agreement to enter into force. Turkmenistan and Kyrgyzstan had previously ratified the agreement. According to the terms of the CARICC agreement, signed by all of the countries of Central Asia, Russia, and Azerbaijan, the agreement officially enters into force 30 days after Kazakhstan receives the fourth ratification instrument.

CARICC has established professional relationships with Europol, Interpol, the World Customs Organization, and other professional agencies. DEA is opening an office in Almaty to allow for closer contact with both Kazakhstan and CARICC.

**Cultivation/Production.** A favorable climate in Kazakhstan contributes to the growth of wild marijuana, equisetum ephedra, and opium poppies. Such plants grow on over 1.2 million hectares in Almaty, Zhambyl, South Kazakhstan, Kyzylorda, and East Kazakhstan regions. The largest source of marijuana in Kazakhstan is the Chu Valley in the Zhambyl region. Marijuana with a high THC content grows naturally on an estimated 138,000 hectares in the Chu Valley. The approximate annual harvest is estimated to be as high as 145 thousand tons of marijuana, with an estimated 6,000 ton yield of hashish.

The government has considered various proposals to fight marijuana cultivation in the Chu Valley, including introduction of a quarantine zone in the region or establishing legally controlled industrial processing of wild marijuana.

Operation “Mak” (Poppy) is an annual operation conducted from May 25 to October 25 to combat the harvesting of illicit crops and disrupt drug cartels in the Chu Valley. During the operation, the Committee on Combating Drugs closely cooperates with the Border Guard Service of the Committee for National Security (BGS) and creates a security zone around the valley to prevent the movement of the crop out of the valley. Inter-agency mobile units also conduct patrols throughout the valley. As a result of the operation, law-enforcement agencies found 230 separate illicit crop cultivations, including 24 areas growing poppies and 206 areas growing marijuana over a total area of 11,079 square meters. Over 20 tons of drugs, including those being trafficked through the area, were seized during this year’s operation, including 50 kilos of heroin, 20 tons of marijuana, over two kilos of opium, and 74 kilos of hashish. The MVD registered 3,754 drug-related crimes, including 1,476 cases of sales and 107 cases of trafficking. The operation also resulted in the detention of 3,170 offenders. Despite the discovery of poppy cultivation, law-enforcement agencies have not yet discovered heroin labs in Kazakhstan. It is believed that the majority of the raw opium from the Kazakhstani poppies is smoked, chewed, or eaten in Kazakhstan. An average user chews or eats 5-10 grams of raw opium, per day.

On July 28, police closed a lab producing pervitine (methamphetamine hydrochloride) in Pavlodar (Northern Kazakhstan). Methamphetamine is included in the list of drugs, psychotropic substances, and precursors that are subject to control under Kazakhstani legislation. The lab was operated by a Russian citizen who learned to build and operate the lab from a fellow prisoner in Tolyatti, Russia while serving a two-year term for a drug-related crime.

**Drug Flow/Transit.** Despite the large amount of domestic production, Kazakhstan faces a much more serious threat from the transit of narcotics. As a result of the transit, the country faces an increasing problem with addiction. International experts estimate that 10%-15% of drugs trafficked through Kazakhstan remain in the domestic market.

The main types of drugs trafficked through Kazakhstan are Afghan opiates (heroin and opium), synthetic drugs (LSD and Ecstasy), marijuana, and hashish. Police discovered no labs producing heroin, LSD, or Ecstasy during 2008. The delivery and sale of synthetic drugs was disrupted by the KNB in the North Kazakhstan region, where 500 doses of Ecstasy from the Netherlands were seized. The price of one pill was estimated at approximately 15 Euro. In the Jamaika night club in Astana, the MVD detained a distributor of 50 Ecstasy pills, who was later convicted and sentenced to ten years in prison. Though the majority of Ecstasy seized in Kazakhstan came from Europe in past years, this year the MVD seized some Ecstasy that had been imported from Istanbul.

According to officers working at internal narcotics checkpoints, trucks traveling under the International Road Transport Convention (TIR) are being used to traffic narcotics through the country. Recent seizures in TIR vehicles have confirmed these suspicions. The TIR Convention was drafted to facilitate the international shipment of goods and was meant to simplify and harmonize administrative formalities. Article 5 of the TIR Convention stipulates that goods carried in previously inspected and customs sealed vehicles or containers shall not be subjected to examination

by customs officials en route. However, to prevent abuses, customs authorities may, in exceptional cases and particularly when trafficking is suspected, examine the goods.

Though there are definite economic advantages for countries from the Convention, such as avoiding long delays at the borders and physical inspection of goods in transit, it is clear that traffickers are exploiting the TIR Convention. Law-enforcement agencies on the border and inside the country have said that more truck scanners are needed to detect contraband in sealed trucks. However many enforcement officials are also clamoring for reconsideration of the rules of the TIR Convention, to allow for inspection of vehicles.

**Domestic Programs/Demand Reduction.** In order to address the serious issue of drug addiction in Kazakhstan, the MVD is working closely with the Ministry of Culture and Information, the Ministry of Health, and the Ministry of Education and Science to conduct demand reduction and prevention campaigns. The Ministries implemented a pilot project in September to detect drug consumption among university students. Law enforcement and medical personnel conduct drug tests at a university in Astana and forward the results to parents. They also conduct statistical analysis on the test results. The aim of the project is to raise awareness among the public, parents, teachers, and members of Parliament about the necessity for obligatory drug tests in educational institutions, including universities and secondary schools.

In the demand reduction area, interested agencies conducted over 4,500 events, including large-scale demonstrations, seminars, round tables, conferences, lectures, and sport competitions. A total of 270,000 people participated in these events. With the help of state agencies and the local administration, 2,600 clubs were established to encourage youth to lead a healthy life-style. An estimated 688,000 people have visited these clubs. Approximately 6,400 anti-narcotics pamphlets, TV commercials, and other events were sponsored during 2008 up until November.

Secondary schools in Kazakshtan include discussions of the dangers of drug use with students in their curricula, encourage students to seek help from social and psychological services, and work directly with parents when necessary. The Ministry of Education and Science also introduced special demand-reduction courses in the academic curricula at schools. As part of this program, experts in drugs, psychologists, and police deliver lectures to students.

Kazakhstan also conducts harm-reduction programs and needle exchanges. In accordance with the 2006-2010 program, those with AIDS from vulnerable populations receive contraceptives, educational materials, needle exchanges, and treatment of infections on a free confidential basis. Clinics and government and NGO hotlines deliver these services.

## IV. USG Policy Initiatives and Programs

**Bilateral Cooperation.** The International Narcotics and Law Enforcement Section (INL) of the U.S. Embassy worked with the United Nations Office on Drugs and Crime (UNODC) to strength the Rubezh-Narkotiki (internal narcotics) checkpoints. UNODC provides communications equipment to six posts throughout the country. Based on the results of an assessment of the Rubezh checkpoints, INL arranged a series of training events for personnel working at the checkpoints. To support the future sustainability of counter-narcotics training capacity, INL equipped a computer lab and provided conference and interpretation equipment to the Interagency Scientific and Analytical Counter-Narcotics Training Center in Almaty.

The International Organization for Migration (IOM) is the implementing partner in the project to strengthen the Kazakhstani side of the Kazakhstani-Russian border. IOM recently established a second Border Guard Training Center in Uralsk, Western Kazakhstan.

One of the major programs initiated in 2008 was a drug detection dog program with all law-enforcement agencies. INL funded the purchase of three dogs and sponsored the attendance of three Kazakhstani officers at a two-month

course at the Canine Center in Bad Kreuzen, Austria. The training of the first three dogs was meant to acquaint Kazakhstanis with the Austrian method of training dogs for the search of drugs and allow Kazakhstani and Austrian officials to exchange experience in this area. The Austrian method uses training approaches that minimize stress and conflict and maximize training work with the dogs. The training of instructors on site in Austria was followed by a series of interagency training programs in Kazakhstan. Through its grant to IOM, INL is renovating sections of the canine facility at the Military Institute of the Committee for National Security.

To increase border security capacity, INL continues its close cooperation with the Border Guard Service and the Military Institute of the Committee for National Security. The U.S. Embassy also provided drug detection equipment and training in its use to border posts. Two instructors of the Military Institute attended basic training at the U.S. Border Patrol Academy in Artesia, New Mexico. The USCG sent two teams to assist in the area of container inspection.

**The Road Ahead.** The United States will continue its cooperation with the Government of Kazakhstan to increase counter-narcotics capacity. INL will continue providing training in drug courier profiling, the use of newly provided equipment, and new operations techniques. In 2009, the focus will be on information exchange in the area of intelligence gathering.

The United States will also continue its cooperation with the Border Guard Service and provide technical assistance to checkpoints on the Kazakhstani-Russian border and will open an additional training center on the northern part of the Kazakhstani-Russian border.

In cooperation with the Military Institute, INL plans to send one instructor from the Institute to the U.S. Customs and Border Protection Academy and one canine instructor to a canine academy in the United States. The same program will work with the Military Institute to strengthen its canine capacity by providing equipment and technical assistance. INL plans to continue to support for the relationship between the Austrian Ministry of Interior's Canine Center and Kazakhstani canine centers.

Currently, law enforcement officers lack requisite English-language skills and are unable to communicate directly with specialized units in other countries. To solve this problem, INL will provide English-language training to cadets of the Military Institute and staff of specialized counter-narcotics units.

# 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 U.S. 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. There is also an emerging pattern of opiates trafficked from Kenya to the Indian Ocean islands of Seychelles, Mauritius, Madagascar and Comoros. Although government officials profess strong support for antinarcotics efforts, the overall program suffers from a lack of resources and corruption at various levels. 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, the majority of khat grown is for export to Somalia, Ethiopia and Yemen, and increasingly, but illegally, to the U.K. and The Netherlands. Multiple ton quantities of khat have reportedly been exported into the U.S. market as well. Kenya also serves as a transit country for large shipments of cocaine from South America destined for Europe; however, cocaine seizures were modest in 2007 at 18.8 kg compared to 23.5 kg seized in 2006. 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, and the Pharmacy and Poisons Board closely monitors imports and exports of precursor and licit drugs.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Counter narcotics agencies, notably the Anti-Narcotics Unit (ANU) within the Kenyan Police Service, depend on the 1994 Narcotic Drugs and Psychotropic Substances 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 and 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), the governmental organization charged with combating drug abuse in Kenya, was formally designated an Authority in June 2007 giving it greater legal standing and autonomy. In addition, its annual budget has been doubled. These changes are widely viewed as improvements that will lead to enhanced efficacy in the pursuit of its mandate. In May 2008, NACADAA published the National Strategy on Prevention, Control and Mitigation of Drug and Substance Abuse, 2008-2012 and the National Alcohol Policy.

In September 2008, the Nairobi-based UN Office on Drugs and Crime hosted a meeting for regional members of the Paris Pact Initiative. The Initiative facilitates counter narcotics cooperation and coordination among countries affected by the illicit traffic of opiates from Afghanistan. The meeting drew counter narcotics experts and policy makers from across Africa along with representatives of international drug law enforcement agencies and UNODC experts. Kenya called on all African countries to enact tougher legislation to combat drugs and substance abuse.

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 remain virtually nonexistent. Personnel turnover at the ports is high contributing to Kenya's limited capability for maritime interdiction. The ANU remains the focus of Kenyan antinarcotics 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. The number of ANU police officers has decreased to 90 from highs in the 130s. Malindi, an important coastal tourism destination and major narcotics transit site, has but one ANU officer.

**Law Enforcement Efforts.** In 2007, seizures of heroin declined from 136 cases involving 20.7 kg in 2006 to 94 cases involving 12.5 kg. (All statistics on drug seizures in this section reflect the period from January to December 2007 as provided by the ANU. The ANU compiles statistics regarding seizures annually; statistics for 2008 are not yet available. ANU arrested 98 people in heroin-related charges in 2007, down from 149 the previous year. Seizures of Cannabis and derivatives increased substantially from 10,280.5 kg in 2006 to 43,590.5 kg in 2007, although the number of persons arrested dropped from 5067 to 4618. The ANU conducts joint operations with the Kenya Wildlife Service, including aerial surveys in the area of Mount Kenya. However, there is no systematic program for detection and eradication of marijuana crops, and farmers are increasingly aware of techniques used by the ANU and often intercrop, effectively preventing detection. Kenyans account for the majority of the 4,743 persons arrested in 2007 for narcotics-related offenses, mostly for abuse or retail sale of cannabis. Tanzanians are the mules of choice for heroin and cocaine. Cocaine seizures remained constant at 7 cases, but 2007 netted only 18.8 kg versus 23.5 kg in 2006. Seizures of psychotropic substances increased, with Mandrax at the top of the list at 25 kg. Other substances seized include 52 tablets of Diazepam and 1334 tablets of abused pharmaceuticals.

In 2008, ANU forces discovered and dismantled a laboratory manufacturing illicit drugs and arrested three South Africans and two Kenyans. The case is pending in the courts. In 2008, five tons of Chinese pseudoephedrine destined for Tanzania and onward to super-labs in Mexico was seized during transshipment from Kenya to Tanzania. The shipment of pseudoephedrine transited Ethiopia before arriving in Kenya. The shipment was seized by Kenya customs authorities, with the assistance of the U.S. Drug Enforcement Agency, when an attempt was made to illegally move the transiting product from the port to an unsecured outside warehouse. There is close cooperation between the ANU and the Kenya Pharmacy and Poisons Board in coordination of seizures and implementing measures to ensure drugs and chemicals are not diverted.

**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. 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. The ANU was unable to provide statistics on the success of their crop eradication efforts. Routinely, when fields are found, the crops are uprooted and fields 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 amphetamines 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 spring 2006 (most from flights originating in West Africa) highlights the continuing drug trafficking problem in Kenya. While the arrests of drug "mules" may alert trafficking syndicates that enhanced profiling measures and counter narcotics 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 routes. 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 U.S. Reports indicate that poor policing along the East African coast makes this region attractive to maritime smugglers. An emerging 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.

**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. Heroin abuse is generally limited to members of the economic elite with a broader range of users on the coast. Cocaine is generally limited to urban centers. 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 May 2008, NACADAA published a National Strategy on Prevention, Control and Mitigation of Drug and Substance Abuse, as well as a National Alcohol Policy. 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, 2008 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 and community centers. Community associations and local activists promote peer counseling and provide training to volunteers. Of particular note is that all Kenyan civil servants now have clauses in their performance contracts relating to what they will do to counter drug abuse.

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

**Policy Initiatives.** The principal U.S. antinarcotics 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 U.S. seeks to accomplish this objective through law enforcement cooperation, the encouragement of a strong Kenyan government commitment to narcotics interdiction, and strengthening Kenyan antinarcotics and overall judicial capabilities.

**Bilateral Cooperation and Accomplishments.** USG bilateral cooperation with Kenya on antinarcotics matters is ongoing. The donation by the Department of State's Anti-Terrorism Assistance (ATA) program to the government of Kenya (GOK) of seven boats (coupled with training) will enable GOK multi-agency shallow water patrols along Kenya's coastline, which should significantly improve the capacity of the GOK to patrol and secure Kenya's coastal waters and assist drug interdiction efforts on the coast. ATA is also assisting with building Kenya's capacity to patrol points of entry to and in the Port of Mombasa by providing training and refurbishing existing patrol boats. The Department of Homeland Security's Customs and Border Control (CBP) office is assisting the Kenya Revenue Board (KRA) Customs Bureau in meeting the World Customs Organization (WCO) Framework of Standards to Secure 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 provided \$443,000 worth of inspection equipment to customs and other agencies in Kenya engaged in port/border security issues. CBP is also assisting the KRA in improving and expanding its Canine Enforcement Program. KRA is scheduled to procure four additional canines for its program from the U.S. in January 2009. In May 2008, a GOK delegation traveled to the US to witness CBP best practices pertaining to airport, seaport, land border, headquarters operations programs, and training facilities which they are now adapting 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 will provide training to Kenyan drug addiction counselors in the therapeutic communities model beginning in January 2009 as well as assist 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 The Association for Addiction Professionals (NAADAC). Certification training will be scheduled in January 2009. The U. S. Coast Guard sent four Mobile Training Teams (MTTs) to Kenya in 2008 covering training in small boat operations, coastal search and rescue operations, and leadership and management.

**The Road Ahead.** The USG will continue to take advantage of its good relations with Kenyan law enforcement on enhancing its operational capacity, and information sharing. USG will actively seek ways to maximize antinarcotics efforts both in Kenya and throughout East Africa. Perhaps most significantly, the USG will work with local, regional, and international partners to better understand and combat the flow of international narcotics through Kenya. The USG will also continue to expand our public awareness outreach to assist demand reduction efforts in Kenya.

# Kosovo

## I. Summary

Kosovo is primarily a transit point for heroin originating in Turkey and Afghanistan destined for Western European countries. Kosovo also has a small and reportedly growing domestic narcotics market. Kosovo faces challenges in its battle against narcotics trafficking: its borders are porous and there is almost certainly corruption among the Border Police and Customs officers. The Kosovo Police Service (KPS) continues its efforts to combat the drug trade, but it suffers from limited resources and the low priority of its counternarcotics branch. The Kosovo Government, led by the Ministry of Internal Affairs (MOIA) is in the process of drafting its national counternarcotics strategy.

Kosovo has not yet become a party to the 1988 UN Drug Convention. Its unique history under UNSCR 1244 as a United Nations-administered territory previously prevented it from entering into most bilateral, multilateral and international agreements, including the 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, 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 United States and the European Union continue to provide rule of law technical assistance, training, and equipment that will help Kosovo to combat narcotics trafficking more effectively over time.

## II. Status of Country

Kosovo is not a significant narcotics producer. The KPS has found cases of small-scale marijuana cultivation in rural areas, mostly in the form of marijuana plants mixed in with corn crops or cultivated in back yards. There is no evidence of large-scale illicit drug cultivation.

Kosovo is a transit point for Afghan heroin moving to Western Europe through Turkey and down the Balkan Route. The Kosovo Border Police is a young service lacking basic equipment, and narcotics traffickers capitalize on weak border controls in Kosovo. The Border Police patrol all border crossing points except two entry points in northern Kosovo, which are staffed by UNMIK and the NATO-led Kosovo Force (KFOR). The Border Police and KFOR jointly patrol the "Green Border," the area where there are no official manned borders or administrative boundary line gates. 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.

Neither the KPS nor UNMIK have found any direct evidence of narcotics refining laboratories or synthetic drug production in Kosovo. There have been reports of seizures of small quantities of precursor chemicals in Kosovo.

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

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Kosovo has made limited progress in counternarcotics policy initiatives in 2008. The country's national counternarcotics strategy is still in draft form. Previously, the MOH was in charge of drafting the strategy, but due to a policy shift in 2008, the MOIA took responsibility. An inter-ministerial conference with representatives from the Office of the Prime Minister, the MOH, and the MOIA was held on October 24 to begin the process of drafting the national counternarcotics strategy. Regional cooperation initiatives were limited to a Memorandum of Understanding (MOU) between the Kosovo Government and Albania that pledged to increase cooperation in combating organized crime. There were no attempts to restructure counternarcotics agencies, initiate new legislation, or encourage regional cooperation beyond the MOU between the Kosovo and Albanian Governments.

Individual ministries continued with their own efforts. 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. The MOH is currently expecting the final results from a UNICEF/WHO funded report on drug use by Kosovo youth. Additionally, in December 2007, the MOH compiled the National Strategy on Mental Health, which includes treatment and services for drug addicts, and it expects to implement the strategy in 2009.

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.** KPS counternarcotics officers face many challenges. Their resources are limited and counternarcotics is not a top priority for the Kosovo Government

From January to September 2008, the KPS confiscated 42.1 kg of heroin, 2.6 kg of cocaine, 12,642 individual marijuana plants, 40 grams of Ecstasy, and 12.4 kg of other narcotic substances. The KPS have found no evidence of synthetic drug production in Kosovo.

In 2008, the KPS arrested 257 people on narcotics charges and filed 144 narcotics-related cases, 122 of which were sent to the Prosecutor's Office. The remaining cases are still under investigation. According to KPS statistics, 96 percent of offenders were male. The KPS focused on major traffickers down to street pushers.

The KPS uses a wide range of investigative techniques, from information collection to interception and surveillance. In 2008 the KPS started conducting "buy-bust operations, which led to the arrest of street pushers. The KPS has also created an e-mail account for use throughout Kosovo to collect anonymous tips.

UNMIK focused its anti-drug efforts on intercepting drugs smuggled into Kosovo and preventing them from departing to third countries. UNMIK reported significant improvement in the exchange of information regarding organized crime with neighboring countries, Western European countries, Canada, and the United States.

**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.

The "Suppression of Corruption" law, passed in April 2005, is the prevailing legislation that directs anti-corruption 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 2008, the Anti-Corruption Agency investigated 103 cases, 35 of which were sent to the Prosecutor's Office. Twenty-five cases were dismissed as unfounded, and the rest remain under investigation. While the Agency has never

found any cases of narcotics related corruption, its representatives believe it is only a matter of time before these cases begin to appear.

In September, seven officials in the Customs Service were arrested and charged in connection with smuggling Viagra into Kosovo. There have never been any arrests for high-level illegal narcotics related corruption. While there is no evidence of systemic corruption in the KPS, Border Police, or Customs, there are reports of individual corruption, which officials are attempting to address. UNMIK alleges that widespread corruption exists within the KPS due to traffickers' greater resources and willingness to use threats. Cases reportedly involve officers turning a blind eye to narcotics trafficking or accepting bribes to allow narcotics to pass through borders. KPS officials see the potential for problems due to the officers' low salaries and lack of benefits, and they believe corruption exists in the regional counternarcotics offices.

In 2006 the Kosovo Government, the MOIA, and the Organization for Security and Cooperation in Europe (OSCE) inaugurated the Police Inspectorate of Kosovo (PIK), an independent body under the MOIA designed to promote police efficiency and effectiveness, hold police accountable for their actions, and investigate and punish serious misconduct. From January 1 to August 31, the PIK investigated 1,353 active cases; only two percent of the cases involved allegations of corruption, and only one case specifically pertained to drug related corruption. In that one case, the KPS conducted an undercover operation based on an informant's tip. In September this operation led to the arrest of a KPS officer in the act of allegedly selling 100 grams of cocaine. The matter is still under investigation.

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. Furthermore, UNMIK reportedly asserts that it still has full law enforcement authority over Kosovo and insists that it's the proper entity to make any extradition request. The United States, however, does not have a treaty with UNMIK and can not extradite to UNMIK. Thus, the matter of extradition remains unclear based on UNMIK's reported assertions.

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 52 countries (as of November 1) which have recognized Kosovo. Kosovo is not yet a UN member-state.

The Kosovo Government is currently prioritizing the most important international agreements for ratification but has not yet become a party to the 1988 UN Drug Convention, the UN Convention against Transnational Organized Crime, or the UN Convention Against Corruption. The Kosovo Government has reaffirmed its commitment to existing treaties signed on its behalf by UNMIK and the former Yugoslavia, including the extradition treaty originally signed between the United States and Yugoslavia.

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 KPS regularly meets with his Albanian counterpart. Additionally, Customs has memoranda of understanding with both Albania and Macedonia, and Kosovo law enforcement authorities report that they have strong working relationship with their Albanian and Macedonian counterparts.

**Cultivation/Production.** Kosovo is not a significant narcotics producer. The KPS 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 KPS and UNMIK officials have found no direct evidence of narcotics refining labs.

**Drug Flow/Transit.** Kosovo remains a transit point for heroin from Afghanistan, most of which is destined for Western European countries, including Switzerland, Germany, the United Kingdom, Italy, Norway, and Sweden. The KPS reports that the major transit points are Ferizaj/Urosevac, Mitrovice/Mitrovica, and Peje/Pec. There is conflicting information on who manages the drug trade. UNMIK reports that the drug trade is managed informally through regular travel by Kosovo citizens to Western and Northern Europe while visiting relatives. However, the KPS believes that the drug trade is now professionally managed by gangs and other criminals.

Most drugs illegally enter Kosovo overland from neighboring countries. Officials believe one major route is from Turkey, through Bulgaria and Macedonia. Another route from Turkey runs through Bulgaria and Serbia. There are reports of collaborative arrangements between Kosovo-Serb and Kosovo-Albanian criminal groups for drug trafficking. Both KPS and UNMIK Police believe there is a connection between drug trafficking and human trafficking.

Anecdotal evidence suggests the drugs are broken down into smaller quantities in Kosovo before heading to Western Europe. UNMIK officials report many small movements of narcotics, such as two to five kg on one person or 10 to 20 kg in a bag on a bus.

The 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, Border Police, or Customs agencies. The Border Police are attempting to acquire drug detection dog teams but have not yet secured funding. The MOIA is beginning the process of drafting a national counternarcotics strategy, and it intends to focus its efforts on combating organized crime.

**Domestic Programs/Demand Reduction.** The Kosovo Government is increasingly aware of the dangers of narcotics. 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. Non-governmental organizations assist with both education and treatment.

There are no reliable estimates for the number of drug addicts in Kosovo. "Labyrinth," an NGO that conducts drug awareness campaigns and runs treatment programs, is currently treating 600 clients in various stages of recovery from addiction. 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. There are approximately 120-140 addicts receiving out-patient treatment per 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.

Pristina University Hospital offers detoxification programs for motivated patients, but they report a high recidivism rate since many of the addicts are poor and unemployed. At the Hospital, some addicts receive anti-anxiety medication or anti-depressants to relieve withdrawal symptoms. The most severe, agitated patients receive anti-psychotic medication.

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.

Methadone is illegal at all public hospitals in Kosovo and is not prescribed at Pristina University Hospital. Methadone is, however, legal for private clinics and the NGO, Labyrinth, uses it as part of its rehabilitation program. Labyrinth reports a success rate of 12 percent using methadone to treat heroin addiction, and it attributes this low rate of success to the absence of a long-term maintenance program.

In October 2007, Pristina University Hospital presented a strategic plan addressing drug treatment for 2008 to 2013 to the Ministry of Health; it is still pending approval. 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.

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

**Bilateral Cooperation.** Kosovo cooperates with the United States on counternarcotics issues to the extent possible, but Kosovo's unique history of UN administration has hampered full bilateral cooperation in the past.

In 2008, the U.S. Department of Justice conducted training for prosecutors in the new Kosovo Special Prosecutors Office, which handles narcotics trafficking and other sensitive crimes. Projects included instruction on how to handle Trafficking in Persons cases and the Confiscation of Documents, as well as a course in Terrorism, Organized Crime, Interagency Decision Making, Consequence Management, and Border Management. In past years, the United States Government has provided technical assistance and equipment donations that directly or indirectly support counternarcotics work in Kosovo. In 2008, through the Export Control and Related Border Security (EXBS) program, the United States also donated a large amount of border security equipment, including x-ray machines, density meter kits, and other equipment. During the year, the United States Government funded and contributed the largest contingent of police officers (214) to UNMIK's international civilian police mission, which monitored and mentored KPS officers working on counternarcotics efforts.

**The Road Ahead.** Kosovo declared independence on February 17, 2008 and it has been assuming more and more of UNMIK's previous competencies since the country's new constitution came into force on June 15. The United States will continue to provide rule of law assistance to Kosovo for the foreseeable future. The EU is deploying a rule of law mission (EULEX) under the auspices of its European Security and Defense Policy (ESDP). USG-funded police, prosecutors, and judges will continue working in Kosovo as part of the EULEX deployment. The U.S. Government 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 KPS and Kosovo's criminal justice sector that directly and/or 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.

# 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 America. Experts estimate that 20 metric tons (20,000kg) of narcotics transit through Kyrgyzstan each year. The Government of the Kyrgyz Republic (GOKG) attempts to combat drug trafficking and prosecute offenders, but is constrained by limited resources. The GOKG 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. The GOKG recognizes that the drug trade is a serious threat to its own stability and is continuing efforts to focus on secondary and tertiary drug-related issues such as money laundering, drug-related street crime and corruption within its own government.

While the GOKG has been a supporter of counter-narcotics programs, it is still struggling to deliver a clear and consistent counter-narcotics strategy to either the Kyrgyz people or the international community.

## II. Status of Country

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

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** There were no new policy initiatives in 2008.

**Law Enforcement Efforts.** The Drug Control Agency (DCA) was established in 2003 with the Assistance and funding of the U.S. Government and UNODC. It has become a lead agency that coordinates all drug enforcement activities in the Kyrgyz Republic. To stop illegal transnational drug crime, the DCA continues to work with its counter-parts in Russia, Kazakhstan, Tajikistan, and Uzbekistan. In August 2007, 32 Kyrgyz law enforcement officers from the DCA, Ministry of the Interior, Customs Service and Border Guards were trained and completely outfitted with equipment to form the first four Mobile Interdiction Teams (MOBITS). The teams were deployed in September 2007 after the completion of five weeks of training. Their mission is to identify drug trafficking targets and seize any and all illicit narcotics. Their mobility allows these teams to travel into remote southern areas between fixed border posts along the Kyrgyz border with Tajikistan and Uzbekistan. As with the DCA, the MOBITS have suffered from a lack of effectiveness. Even after providing two in-country advisors residing in Osh with the teams, the teams have been unable to move forward. The next step for enhancing the MOBITS capability will be the introduction of in-country DEA agents working closely with the DCA and MOBITS.

In calendar year 2007, the DCA registered 87 seizures, but the quantity of drugs seized during each seizure diminished. As of September 30, 2007 the DCA had seized only 117kg of heroin, 26kg of opium, 673kg of marijuana, 5kg of Psycho-tropics and .33kg of hashish a negligible percentage for the volume of narcotics estimated to be trafficked through this country. For January to September 2008, drug seizures fell to extremely low levels: 55kg heroin, 27kg opium, 184kg hashish, 754kg marijuana and 295 pills defined as psychotropic substances. These statistics indicate almost a 50% reduction in heroin seized which is of grave concern and allows the most profit to the traffickers. Other substances such as marijuana, though illegal narcotics, do not pose the immense threat that heroin and opium do. In September 2008, a change in the DCA Director as well as the MOBITS commander became effective. This change resulted in several significant investigations that have resulted in the seizures of an additional 34kg of heroin and over 100kg of opium through November 2008.

**Corruption.** In 2008, four Kyrgyz law enforcement (MVD) officials were identified as participants in narcotics trafficking in Kyrgyzstan. In addition, the chief of the MVD Narcotics Investigation Branch was shot and killed. Corruption remains a serious problem and a deterrent to effective law enforcement efforts. The Kyrgyz DCA possesses a relatively good reputation, and its staff goes through a very thorough vetting procedure and receives substantial salary supplements from the UN/US counter narcotics project. The MOBITS Units are also vetted and receive a polygraph test, as do all DCA agents. 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.

**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 Kyrgyzstan, cannabis and ephedra grow wild over wide areas, especially in the Chui valley region, and around Lake Issyk-Kul. In the past, Kyrgyzstan used to be a major producer of licit opium, and was the Soviet Union's main source of ephedra plant for decades. However, with the skyrocketing of opium production in Afghanistan, it has become less risky and easier to import drugs from Afghanistan via Tajikistan than to produce them locally. The Kyrgyz government carries out yearly eradication campaigns against illicit crops.

**Drug Flow/Transit.** Due to a very limited and rudimentary transportation system, traffickers mostly utilize lengthy overland routes leading through Afghanistan's neighboring countries. A large part of the drugs smuggled through Central Asia in 2008 entered the region through Tajikistan. Together with Uzbekistan, Kyrgyzstan represents the main conduit for onward smuggling of opiates. In the last few years, trafficking activities have increased on the long and mountainous border between the Tajik Garm region and Batken in Kyrgyzstan. Onward smuggling through the Kyrgyz Republic takes drugs mainly to the Uzbek part of the Fergana valley, and across the Northern border into Kazakhstan.

**Domestic Programs/Demand Reduction.** Existing economic problems and budget constraints do not allow the Government of the Kyrgyz Republic to effectively address the quickly aggravating drug abuse and HIV/AIDS problem. Insufficient allocation of budget funds is hampering the prevention and treatment programs and training of professional staff. Although for the past few years funding for international financial and technical assistance programs to address HIV/AIDS problems in Central Asia has increased considerably, the Kyrgyz have devoted insufficient attention to the conceptual and strategic development of a modern drug treatment service capable of stemming drug abuse and/or a the HIV/AIDS pandemic. The programs for drug users in the Kyrgyz Republic are conducted by state institutions in partnership with civil sector organizations. UNODC also has a number of drug treatment assistance programs.

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

**Bilateral Programs.** During this last year, the DCA has lost some momentum in their quest to become a solid and respected law enforcement organization in the field of drug enforcement for the Kyrgyz Republic. Fortunately with the new leadership, DEA providing in-country assistance and an opportunity for getting this agency back on track, many achievements can be met in this coming year.

**Road Ahead.** The assistance of the Nebraska National Guard (NG) in providing assessment, training and guidance to the DCA has been invaluable. In August 2008, the Montana National Guard assumed this responsibility. Presence on the ground is of great value in forming working relationships with the DCA. Another initiative during 2008 was the assignment of two liaison officers (retired DEA Agents) to work with the MOBITS headquarters in Osh and to provide guidance, mentoring and technical assistance for the MOBITS teams. The most significant ongoing program in terms of funding is the MOBITS. This \$1 million project, funded by CENTCOM, will give Kyrgyz law enforcement entities the capability to strike against narco-trafficking anywhere in their country. The US will also urge DCA's adoption of a recommended policy to dismiss immediately any DCA employee who fails their polygraph. The US also urges a review of all narcotics trafficking investigations and tracking of all seizures and court cases as a result of those seizures.

# Laos

## I. Summary

The Lao People's Democratic Republic (Lao PDR) made tremendous progress in reducing opium cultivation between 2000 and 2008. Estimates by the USG (1,100 ha.) and UNODC (1,500 ha) of poppy cultivation in 2008 (no change from 2007) were at the lowest levels since 1975. However, the momentum of this effort is stalling, and gains remain precarious. Remaining opium poppy planting is generally in areas near borders with China, Vietnam, and Burma. This continued 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 expanded during 2008, but remain insufficient and ineffective in responding to the rapidly rising level of methamphetamine abuse which now affects virtually 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. Information exchanges between Lao enforcement and the U.S. Drug Enforcement Administration (DEA) led to some notable seizures and arrests in 2008, and indicate the potential for greater law enforcement effectiveness. Laos is a party to the 1988 UN Drug Convention.

## II. Status of Country

A new Lao PDR policy and program initiative ("National Drug Control Master Plan") was unveiled in November 2008. The crop control program was tentatively budgeted at \$44 million over five years, with the Lao PDR looking to the international community for most of the funding. Most donors, however, continue to focus primarily on rural poverty alleviation, food security, or sectoral-focused programming such as primary health care, agriculture, or institutional capacity building. Very few donors show significant interest in reducing illegal poppy cultivation or drug addiction. Higher prices for unprocessed opium (up from \$900 to \$1,400–\$2,000/kg), are driven by a reduction in supply, regional demand, and an increasing number of opium addicts. The opium addict population in Laos is now estimated at nearly 14,000, including some 5,000 relapsed addicts. Inhabitants of many villages in former opium growing regions face increasingly desperate circumstances. 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 prices have also increased 30% over 2007, which means poor villagers are hard pressed to purchase rice to make up for food deficits, now that opium income has sharply declined. These circumstances create significant incentives for resumption of poppy cultivation by growers and communities that had abandoned it. Only the provision of adequate medium to long-term rural development assistance, focusing on alternative development and addict rehabilitation, will enable the Laotian authorities to sustainably eliminate opium cultivation.

Methamphetamine and similar stimulants constitute the greatest current drug abuse problem in Laos. There are currently an estimated 60,000 ATS addicts, with about 200,000 occasional users; although the last survey was completed in 2004 by UNODC. ATS abuse, once confined primarily to urban youth, is becoming more common among rural peoples. 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, some involving violence, has increased significantly in recent years, in Lao cities, with much of the increase attributed by the Lao PDR to ATS-methamphetamine abuse. Methamphetamine in Laos is largely consumed in tablet form, but drug abuse treatment centers report admission of a growing number of users of 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. Unfortunately, none of these services have been very effective to date and major institutional capacity building and staff training are required.

Government health services are relatively good at opium addict treatment after 20 years of experience, but treatment of ATS addicts is just beginning and is sorely inadequate.

Heroin abuse in Laos, once limited to foreign workers and tourists, has emerged as a growing problem in highland areas bordering Vietnam. Injected heroin is in some areas 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 threat of HIV/AIDS and the associated risks of injectable drugs motivated the Lao National Commission for Drug Control and Supervision (LCDC) and the Ministry of Health to sign a Memorandum of Understanding for Cooperation in 2008. 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 2008

**Policy Initiatives.** Laos introduced two significant new drug control policy initiatives in 2008. The first was the passage, translation and dissemination of the new “Law on Drugs and Article 146 of the Penal Code”. The new Law is a far ranging document which addresses policy issues, social attitudes and family responsibilities, drug treatment, as well as traditional legal prohibitions and sentencing guidelines for a number of drug offenses. It is posted in English translation on the UNODC Laos website.

The second 2008 policy initiative was the issuance of the “National Drug Control Master Plan: A Five Year Strategy to Address the Illicit Drug Control Problem in the Lao PDR”. This draft document was developed by the LCDC, in consultation with UNODC, and presented to the international donor community for comment in mid November 2008. The Strategy summary is a comprehensive document which looks over the next five years and summarizes approaches and budget proposals for addressing the serious problems of drug crop control, demand reduction and law enforcement. The assistance requested from the international donor community 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) and \$9 million for improvements to the criminal justice system and law enforcement. The Lao government is hopeful that sufficient support from international donors will be forthcoming in order to implement its new drug control strategy. Without strong international donor support, Laos could revert to being a major opium producer, and risks becoming a center of regional and international drug trafficking with still weak law enforcement capacity.

**Law Enforcement Efforts.** The economic value of drug trafficking in Laos, both domestic-oriented and international or regional, was estimated in the National Drug Control Plan of 2008 to be between \$350–\$700 million or about 10% of the country’s estimated GDP of \$4 billion. In contrast, the relative contribution to GDP of the hydropower/electricity production was about \$147 million, mining was about \$252 million, and tourism was estimated at \$234 million. Increasing property crime, the growth of youth gangs, the 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 the Lao-Vietnamese border, especially gangs or groups that involve ethnic minority groups represented on both sides of the border, 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. The number of reported drug arrest cases rose in 2008 by 63 percent. Methamphetamine addiction and use is widespread and growing, while treatment regimens and services are ineffective.

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 less than 15 officers. 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.

This limited law enforcement presence in rural areas creates an obvious vulnerability to establishment of clandestine drug production or processing activities. There are persistent rumors of some methamphetamine laboratories operating in the northwest, but no confirmation. 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. As in many developing countries, Lao drug enforcement and criminal justice institutions have demonstrated a serious inability to investigate and develop prosecutable cases against significant drug traffickers without external assistance. Prosecutions that do occur almost exclusively involve street-level drug pushers or couriers. There were, however, several arrests of West Africans and other foreigners by Lao police (DCD) in late 2008 with significant quantities of cocaine and heroin in their possession. Successful collaboration between DCD and DEA on West African drug cases indicates potential for increased drug law enforcement effectiveness.

In December 2007, the Lao National Assembly passed a narcotics law, signed by the Prime Minister in early 2008, that defines what substances are prohibited and which pharmaceuticals are permissible for medical use. The new 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 may occur in some cases. The National Assembly and the Lao National Commission for Drug Control and Supervision (LCDC) are now working on implementing regulations for the new law. However, it will take some time and considerable effort to disseminate the law to the provinces and implement it in the criminal justice system.

**Corruption.** 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, long present in many forms, is at risk of increasing as the flow of illicit drugs and precursors in and 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. This is especially true in areas distant from central government oversight. 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.

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 is known 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 2008, Laos delivered no 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, but is not yet party 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. Laos is also a party to the UN Convention against Corruption.

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.** In 2008, opium poppy production in Laos remained relatively stable at between the USG estimates of 1,100 hectares (ha) and the 1,500 ha estimated by UNODC. Most of the remaining poppy cultivation observed in these surveys was encountered in remote areas of three Northern provinces: Phongsaly, Luang Namtha and Houaphan. Opium production, as estimated by UNODC, was roughly the same in 2007 and 2008. UNODC reported that its survey found a reported average price for opium in Laos of \$1,400/kg, nearly triple the \$550/kg reported in 2006. Some border areas reported prices as high as \$2,000 per kg. With the decline in estimated production and increasing price, UNODC estimates that Laos has now become a net importer of opium to supply its remaining population of nearly 14,000 opium addicts. Most opium produced in Laos is consumed domestically in northern border 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 3 percent of opium smokers are now converting to heroin, 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. Within some areas of the Lao-American Projects for opium poppy reduction in Houaphan, Phongsaly and Luang Prabang provinces from 1999-2006, growers themselves, or officials of their villages, carried out eradication of poppy as a condition of written agreements between villages and Lao PDR authorities that villages would cease production of opium. 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 it may employ compulsory poppy eradication in selected areas where alternative development programs are not available, or have not by themselves sufficed to reduce and eliminate poppy cultivation.

Although the 2008 UNODC opium survey results have yet to be announced officially in late 2008, the UNODC Resident Representative in Laos notes that the situation of the farm population that has depended primarily or exclusively on poppy cultivation remains "precarious" and that "the current reduction in cultivation is dependent on the existence and creation of appropriate and sustainable livelihood opportunities." However, UNODC reports that international donor support for such alternative development programs continues to diminish. UNODC has reported that many former opium growers survived the loss of income from opium only by consuming their savings, generally in the form of livestock and depleting local NTFPs (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. Continued diminution of support for developing alternative livelihoods among populations previously dependent on poppy cultivation creates a significant risk that some cultivation will resume.

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 possible 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 suggests a rapidly increasing 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 another, north to south all weather road, from Kunming (Yunnan, China) to Bangkok, have greatly 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.

**Domestic Programs/Demand Reduction.** Laos made some limited advances during 2008 in reducing the demand for and consumption of illicit drugs. Four new provincial drug addiction treatment facilities were constructed in 2007, but only one of these began offering any services in 2008. The operational costs and staffing of such provincial treatment centers are provided (or more often the case, not provided) by limited provincial budgets, so their capacity and effectiveness has been very limited.

In general, the 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, counseling and effective occupational therapy or training. 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 for pre-release preparation. A new U.S.-supported modern media campaign for national drug awareness will be implemented in early 2009 using hip hop music and youth oriented materials.

Estimates by the Lao PDR in 2007 indicate that the number of remaining opium addicts has stabilized at approximately 14,000, after years of steady decline. Many opium addicts may remain unreported. Recidivism after attempted treatment is estimated at approximately 45 percent, and information about follow-on rehabilitation is scanty. In 2008, the USG provided funding for the treatment and rehabilitation of these remaining opium addicts, working with the LCDC and UNODC.

## 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 2008, 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 began a pilot project with the LCDC administering village-based alternative livelihood programs (mainly crops and livestock) in three northern provinces. LENS also provided funding support for UNODC rural development programs in northern upland areas where poppy cultivation remains.

As poppy cultivation has declined, more U.S. counternarcotics cooperation has been devoted to demand reduction and law enforcement activities. During 2008, 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, as well as on a variety of national drug awareness and prevention programs. U.S. law enforcement assistance funds supported operational costs, training and equipment for DCD, provincial CNU's and the Lao Customs Department. Training was also provided to the Lao Prosecutors Office under the U.S. Department of Justice and INL 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 2008) in INL-funded regional training opportunities offered by the U.S. and Thailand at the International Law Enforcement Academy in Bangkok as well as the ILEA International program based in New Mexico. Bilateral cooperation in drug law enforcement improved significantly in late 2008, with DEA working with the Lao PDR on several joint investigations of international narcotics traffickers.

**The Road Ahead.** Laos' two-decade effort to sustainably eliminate opium poppy cultivation has made a good deal of 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 licit 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. This is the key role for continuing U.S. crop control assistance. The Lao PDR needs 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 must be enlarged and reinforced, and drug abuse treatment availability must be greatly enhanced.

Increased law enforcement cooperation with neighbors and other partners, building on some recent successes, is the most promising means 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 will provide operational expertise and help tie Lao law enforcement into broader channels of counter narcotics 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 will require both greater exertion of Lao political will and substantial and sustained support from development partners. Laos has made considerable progress in its counter narcotics efforts, but great challenges remain.

# Latvia

## I. Summary

Drug use in Latvia is characterized by continued prevalence of synthetics, though cannabis is also popular. Cocaine use has recently seen a significant upsurge even though the price is generally high. Recreational drug use continues its shift to synthetic stimulants due to their low cost. The Latvian government backs national information campaigns highlighting the dangers of intravenous drug use. There are no significant changes in narcotics use, market or price (although there is a tendency for prices to rise after a major drug seizure) in Latvia and most of this activity is concentrated in Riga Latvia is party to the 1988 UN Drug Convention.

## II. Status of Country

Latvia itself is not a significant producer of precursor chemicals, but Customs officials believe that a significant quantity of diverted “pre-precursors” originate in neighboring countries, such as Russia, Belarus, Lithuania, Estonia and Scandinavian 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 Russian organized crime groups, though Russia (specifically Moscow) is the most likely ultimate market. Cocaine use in Latvia is an increasing problem and its high price is no barrier to users. An exponential rise in the number of administrative cases for possession of small amounts of cocaine is the result of the combination of more effective police activity and an increase in use of the drug. Heroin is usually sold at “retail” only to people known to the seller and is generally not available in public places, though selling tactics and methods constantly change. Amphetamines are distributed in venues that attract youth, such as nightclubs, discotheques, gambling centers and raves. Organized crime groups also engage in both wholesale and retail trade in narcotics. Overall, recreational drug use has increased.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Latvia is in the final year of its State Program for the Restriction and Control of Addiction and the Spread of Narcotic and Psychotropic Substances, which was approved by the Cabinet of Ministers for the years 2005 to 2008. This national strategy lists as its priorities: reducing the spread of drug abuse, especially among young people; increasing the possibilities for rehabilitation and re-socializing for drug addicts; reducing crime related to drug abuse and distribution, as well as drug trafficking; eliminating and preventing the harm caused to the general development of the Latvian state by drug addiction and drug related crime. The Action Plan for the Restriction and Control of Addiction and the Spread of Narcotic and Psychotropic Substances for 2009, which has the same priorities as the State Program, has not yet been adopted but is before the Cabinet of Ministers for approval. One objective of the Action Plan is to ensure a transition period while the final evaluation of the State Program can be made. An outcome of this evaluation is the development of a new long-term policy planning document covering drugs and drug addiction in Latvia.

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

**Law Enforcement Efforts.** Drug related crime during 2008 rose 60 percent, from 1470 cases in 2007 to 2446 cases in 2008. In 2008 the total amount of narcotic and psychotropic drugs seized rose significantly more for some drugs, and markedly less for others. The amounts of ephedrine, heroine, and amphetamines, seized did not change significantly

from last year. LSD, poppy straw, cocaine and ecstasy amounts were much lower. Seized amounts of methamphetamines (in grams) rose by 300%. Substances controlled as prescription drugs were confiscated in significantly higher amounts over last year's numbers. Hashish experienced a spike, with seizure amounts twenty-eight times higher than last year. Cocaine use in Latvia is increasing at an alarming rate. Although the amount confiscated in 2008 is a decrease of over 50% from 2007, the number of administrative cases (arrests for possession of a small quantity for personal use) launched near the end of 2008 was 900 cases more than for the same time period in 2007. Peperzine, a newer drug from Western Europe, is on the EU controlled substance list and is expected to be added to the Latvian list in 2009. It is currently confiscated as misuse of a prescription drug. The marked improvement in seizures, according to an official in the Latvian State Police, is due to better experience among police officers and improved international contacts. However, because of low police salaries, law enforcement agencies are losing experienced staff to higher paying jobs and find it difficult to attract new recruits.

Money laundering continues to be a serious problem in Latvia, although authorities have passed numerous laws in an attempt to confront the issue. Most investigations into money laundering, however, are not connected to regional drug smuggling. The Latvian Police have a Financial Investigations Unit (FIT) that oversees money laundering cases within the country.

**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 found any senior-level Latvian officials to be involved in, encouraging, or facilitating narcotic crimes or the laundering of proceeds from illegal drug transactions. The USG also has no evidence of drug-related corruption at senior levels of the Latvian government. As a matter of government policy, Latvia does not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Latvia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. A 1923 extradition and a 1934 supplementary extradition treaty currently are in force between the U.S. and Latvia. The United States and Latvia are parties to a bilateral treaty on mutual legal assistance agreement which entered into force on September 17, 1999. The Republic of Latvia and the United States have ratified the new Extradition Treaty signed in Riga on December 7, 2005. The Protocol to the MLAT, also done pursuant to the U.S.-EU Agreement on this subject and signed on December 7, 2005 as well, has been ratified by both governments. The exchange of instruments to bring the treaties into force has not yet occurred. Latvia is a party to the UN Convention against Corruption, and to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms.

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

Latvia became a Schengen country on December 21, 2007, thus opening its borders to other Schengen states. 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 has been significant.

**Domestic Programs/Demand Reduction.** The current national strategy addresses demand reduction, education, and drug treatment programs. Since its passage by the Cabinet of Ministers, the following objectives have been achieved:

establishment of a co-ordination mechanism for institutions involved in combating drug addiction (involving eight ministries); holding educational events for teachers and parents, as well as updated educational materials and informative booklets; inclusion of information on drug addiction in school curriculums; establishment of a pilot program for teaching prevention of drug addiction, alcohol abuse and smoking; pilot programs on drug addiction for local governments; education programs for members of the armed forces; mechanisms for information exchange amongst relevant institutions; and an increase in the number of employees in the regional offices of the Organized Crime Enforcement Department under the State Police. Legislation and amendments to current legislation continue to be passed with the objective of further regulating and raising barriers to addictive drugs and activities.

In 2008 a short-term Drug Strategy was developed for 2009. It includes an evaluation of the 2005-2008 Drug Strategy. A plan for 2010-2013 will be established pursuant to that evaluation. Concerning interventions, in December 2006 a four-year UNODC project “HIV/AIDS prevention and care among injection drug and in-prison settings in Latvia, Estonia and Lithuania” began. Program focus includes substitution treatment, and increased coverage of harm reduction activities.

In addition to the State Narcotics Center, Latvia has established four regional narcotics addiction treatment centers in Jelgava, Daugavpils, Liepaja, and Straupe. There are rehabilitation centers in Riga and Rindzele, and youth rehabilitation centers in Jaunpiebalga and Straupe. 2007 data on drug treatment clients show a significant increase in the number of patients treated at in-or out-patient treatment programs. The number of those treated for the first time at out-patient treatment centers in 2007 has increased by 40% compared to 2006 (627 in 2007 and 443 in 2006). Data show that approximately every fifth problem drug or injection drug user sought treatment in 2007. Preliminary analysis indicates that the number of those treated at in-patient programs has increased by the same percentage as out-patient programs. One explanation of this increase is that methadone treatment coverage has increased as well as availability of a broader range of services to drug users, such as psychological or social counseling.

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

**Bilateral Cooperation.** The United States offers assistance on investigating and prosecuting drug offenses, corruption, and organized crime. 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. A USCG Mobile Training Team visited Latvia in 2008 and provided a course on Maritime Operations and Planning.

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

# Lebanon

## I. Summary

Lebanon is not a major illicit drug producing or drug-transit country. The Lebanese government reported increased but still not significant marijuana cultivation in 2008, and expanded drug use particularly among the young, due to greater availability and reduced price of most drugs sold in Lebanon. Lebanon has been unable to prevent illicit drug cultivation or to eradicate illicit crops before harvest in the fertile Beqaa Valley due to internal political conflicts that prevented security officials from mounting an eradication campaign. Since 2005 the Drug Enforcement Bureau (DEB) of the Internal Security Forces (ISF) of Lebanon has undertaken almost no crop destruction operations due to ongoing political crises and overstretched security commitments of the Lebanese Armed Forces (LAF), which provide the security for the drug enforcement police involved in crop destruction. Also, illicit crop cultivation remains an attractive option for some farmers due to a difficult economic climate and a lack of economically viable alternate crops. There is practically no illicit drug refining in Lebanon, and minimal production, trading or transit of precursor chemicals. Drug trafficking across the Lebanese-Syrian border continued in 2008, in large part due to the absence of effective border security along the long eastern border with Syria. Also, the UN peacekeeping force on the Lebanese-Israeli border, UNIFIL (the UN Interim Force in Lebanon), reports increased drug smuggling across the Lebanese-Israeli border in 2008. 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 (GOL) 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, methamphetamine, and other synthetics, such as MDMA (Ecstasy). The use of hashish and heroin continues to rise. Since there has been almost no eradication of marijuana used to make hashish since 2005, hashish is easy to obtain and readily available to the growing numbers of young users. Over the last few years, only small quantities of cocaine and heroin arrived in Lebanon to meet local demand. This fiscal year, however, Lebanese officials intercepted 61 kilograms of cocaine and 14.5 kilograms of heroin, a significant increase over the previous year's overall seizures of 3.5 kilograms of cocaine and 2.7 kilograms of heroin. Heroin use is small, but increasing, according to local officials. The government also reported increased abuse of synthetic drugs. Lebanon is not a major transit country for illicit drugs. Although most trafficking is done by small-time dealers rather than major drug networks, Lebanese citizens 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 stagnating economic situation in rural Lebanon, the lack of eradication campaigns and no effective investment in alternative crops continue to make illicit crop cultivation appealing to local farmers in the Beqaa Valley in eastern Lebanon. 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 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 2008

**Policy Initiatives.** The Ministry of Interior considers counter-narcotics a priority. The government has continued a vigorous campaign to discourage drug use by expanding public awareness on high school and university campuses, through media campaigns and advertisements.

**Law Enforcement Efforts.** No hashish eradication has taken place since 2005. In both 2006 and 2007, the Lebanese Armed Forces (LAF) was unable to provide the requisite security owing to their commitments in internal conflicts (the Israel/Lebanon war in 2006 and battle against Islamic militants in a northern Palestinian camp in summer 2007). In 2008 internal confessional conflicts and political tensions created a political vacuum, and no decision was made to approve the eradication. After political tensions eased, the ISF mounted a large policing operation in October 2008, supported by the LAF, in the fertile hashish growing region of the Beqaa. In a one-week period in October, the ISF arrested over 350 drug dealers and traffickers, apprehended 83 tons of hashish plants, 7.5 kilograms of processed hashish, and 1,700 kilograms of hashish seeds. The ISF continues to face armed and violent resistance by the 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 2.1 million tablets seized in November 2007, with the Gulf and Saudi Arabia believed to be the primary intended end-use market. Lebanese Customs officials intercepted a recreational vehicle carrying 1512 bottles of codeine-based cough medicine in the Beqaa Valley in October 2008. Also in October in Colombia, 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 2008. Several European and Arabian Gulf countries have drug enforcement liaison offices in Beirut with which local law enforcement authorities cooperate. The Internal Security Forces stated that from January to October 2008 they arrested 1,108 people for drug use and 699 for dealing, distribution, and smuggling.

**Corruption.** Corruption remains endemic in Lebanon in all levels of government, but the U.S. is unaware that government corruption is systematically connected with 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 counter narcotics forces is possible, there is no evidence of wide-scale corruption within the Judiciary Police or the ISF, which appear to be genuinely dedicated to combating drugs. On October 8, 2008, Parliament ratified 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 also is 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, but there has been an increase in marijuana cultivation for hashish production as many farmers appear to be resuming to plant illicit crops because they believe the crops will not be destroyed. In remote areas in the north where few other viable options exist, illicit crop production remains an attractive option. Lebanese police estimate that some 8,750 acres (3,500 hectares) of marijuana were planted this year in the Beqaa valley. Cultivation of poppies is negligible, according to Lebanese officials, and is estimated at less than 20 acres or 76,500 square meters.

**Drug Flow/Transit.** Coordinated through Interpol, joint Syrian-Lebanese anti-trafficking operations have continued since the Syrian withdrawal from Lebanese territory in 2005. The eastern border between Lebanon and Syria 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 resolution 1701 (2006) and particularly within the last year. The primary route for smuggling hashish from Lebanon during 2008 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 unenforced, law on drugs dictates that a National Council on Drugs (NCD) be established to provide substance abuse treatment, prevention, awareness, and a national action plan, but the NCD has not yet been formed. 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; Drug Enforcement Bureau 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. ON reports that its activities directly benefited 18,000 people in 2008.

There are several other organizations that provide prevention and treatment services. A drug rehabilitation center in Zahleh run by the Saint Charles Hospital and the Ministry of Health has 23 patients as of October 2008, whose ages vary between 15 and 47. The Center holds drug prevention conferences, assemblies and talks throughout the Municipality every two weeks, and runs weekly anti-drug 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 Sidon, Tripoli and the southern suburbs of Beirut. From January through October 2008, Skoun enrolled 120 patients for treatment, with almost 50 percent between the ages of 22 and 30. Skoun is the first treatment center in the Middle East to prescribe buprenorphine maintenance for opiate addicts and continues to lobby for buprenorphine's legalization with the Ministry of Health. With the aim of better implementing the 1998 law decriminalizing addiction and educating the criminal justice system in the benefits of treatment centers over drug addicts' imprisonment, 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 100 judges, 100 police investigators, 80 heads of police, 1500 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. JAD has 390 patients through October 2008, the average age of whom was 17. Jeunesse Contre la Drogue raises awareness of substance abuse and AIDS. 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 Lebanese Internal Security Forces to enforce the rule of law in Lebanon, 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.

**Bilateral Cooperation.** Bilateral cooperation has increased substantially with the FY 2008 opening of the State Department-INL Office at the U.S. Embassy in Beirut. The INL director manages the new U.S. Lebanon Police Program aimed at strengthening the capacity of the ISF to enforce the rule of law in Lebanon through provision of

training and equipment. The excellent working relations between the DEA Country Office in Nicosia, Cyprus, and ISF's Drug Enforcement Bureau were strengthened with three INL funded visits by DEA Nicosia officers in the course of the year. The first in-country DEA training will take place in December 2008, when 35 members of the DEB participate in DEA's Basic Counter-Narcotics course, funded by INL. A second training course in investigative techniques and Pen-Link training will occur early in 2009. INL is also funding donations of computers and investigative equipment to the DEB. USAID continued its program to empower Lebanese government, media, and civil society to fight corruption and assisted U.S. and local NGOs to promote transparency. USCG provided diesel engine maintenance training enabling maritime patrolling.

**The Road Ahead.** The U.S. Embassy in Beirut and DEA Country Office in Nicosia look forward to enhanced cooperation and coordination with the Lebanese government and the ISF. Benefiting from the increased USG funding to support the security forces of Lebanon, the Embassy and DEA intend to increase in-country training and investigative cooperation and provide necessary equipment for the under-funded ISF counter-narcotics unit. To ensure that all Lebanese security agencies with a counter-narcotics role are capable of carrying out their mandate, the Embassy and DEA will explore extending U.S. training in counter-narcotics 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 abuse, drug trafficking and organized crime. Lithuania is a party to the 1988 UN Drug Convention.

## II. Status of Country

According to the Narcotics Control Department (NCD), about 7.5 percent of Lithuanian people of 15-64 years of age said they had tried cannabis at least once in their lifetime. Although cannabis is the most popular drug, GOL and NGO experts consider the increasing use of synthetic drugs—amphetamines and Ecstasy—as the biggest problem. 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, 72 people died of narcotic or psychotropic substances in 2007, up by 10 persons from 2006. Two thirds of the casualties were accidental overdoses. The majority of drug victims (86 percent) were male.

In 2007, 318 persons applied to medical institutions for treatment of drug addictions. The number of patients overall was 5,700 at the end of 2007 (compared to 5,600 in 2006), 81 percent of these patients were men. 81 percent of those getting treatment had been abusing opiates. This percentage is unchanged from 2006.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Lithuania's Ministry of Interior, Ministry of Education and Science, Ministry of Health, Ministry of Justice, Ministry of Social Security and Labor, NCD (Narcotics Crime Division), police, and other institutions continued to implement the National Program on Drug Control and Prevention of Drug Addiction for 2004-2008. The objectives of the strategy are: prevention of drug abuse among young people, drug supply reduction, care for drug addicts, international and inter-institutional co-operation in the field of drug demand and drug supply reduction, and coordination at the local and national levels. Lithuania increased funding to the National Drug Prevention and Control Program from 14.6 million LTL (\$5.40 million) in 2006 to 16.2 million LTL (\$6 million) in 2007 and to 19.1 million LTL (\$7 million) in 2008. The Government will continue its commitment to fight drug use and has already drafted a new national program for 2009-2016.

**Law Enforcement Efforts.** In 2008, Lithuanian law enforcement officials recorded 1,391 drug related crimes, compared to 1,198 in 2007 and 1,393 in 2006. In 2007, Lithuanian Police seized 160 kilograms of marijuana, 86 liters of poppies and 6.4 kilograms of heroin. As of October 2008, police and customs in cooperation with other countries' law enforcement agencies had seized 83 kg of cannabis seeds, 6.5 kg of heroin, 5.2 kg of Ecstasy, and 20.153 kg of methamphetamines. Lithuanian authorities also seized small quantities (less than five kg. each) of, LSD, hashish, cocaine, hallucinogenic mushrooms, various psychotropic drugs, and other precursors.

Lithuania worked effectively with international partners to break up drug smuggling operations in 2008, making important seizures in cooperation with Belarusian, French, Norwegian, Swedish, Estonian, Latvian, Russian, and Polish law enforcement partners. For example:

In June, police seized over three kilograms of amphetamines in Lithuania, resulting in the arrest of two Latvian citizens, who had been trafficking drugs into Lithuania. The record drug haul had an approximate street value of 120,000 LTL (\$44,000).

In August, police found one kilogram of heroin on a train from Russia. The heroin, it was believed by the authorities, was intended for the Roma settlement on the outskirts of Vilnius, which is known as the country's largest area of drug abuse. This amount of heroin has a street-level value of 420,000 to 700,000 LTL (\$155,000 to \$259,000). A police source stated that the heroin shipment was the largest amount of this type of drug intended for distribution in Lithuania seized this year. The suspects (arrested on the train) face 10 to 13 years in prison for unlawful possession and smuggling of a large amount of a narcotic substance.

In 2008, police shut down one laboratory producing high-quality amphetamines, confiscating 50 kg of the drug in the process.

As of November 1, 2008, the Lithuanian court system adjudicated 657 drug-related cases and convicted 847 persons. Sentences for trafficking or distribution of drugs range from fines to thirteen years of imprisonment.

**Corruption.** The Special Investigation Service (STT) established in 1997, has coordinated the Government of Lithuania's National Anti-corruption 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 anti-corruption 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 protocols against trafficking-in-persons, migrant smuggling, and illegal manufacturing and trafficking in firearms. In addition, the two countries have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force. An extradition treaty and mutual legal assistance treaty are in force between the United States and Lithuania.

**Cultivation/Production.** Laboratories in Lithuania produce amphetamines for both local use and export, according to the Lithuanian Ministry of Interior. Law enforcement agencies regularly find and destroy small plots of cannabis and opium poppies used to produce opium straw extract for local consumption. As of October 2008, police, in cooperation with customs agents, eradicated Almost 24 square meters of poppies and 83.5 square meters of cannabis.

**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. Under the National Drug Prevention and Control Program, the Government financed a number of prevention and supply-and-demand reduction projects targeted toward "at risk" youth and their parents. The Government has also developed a drug prevention teaching program for parents and created the first prevention project "Entertainment Without Narcotics" targeted at public discos and nightclubs. The Government continued implementing

demand reduction programs and developed a classified information data base about persons who received these services. In 2007, authorities financed seven “harm reduction” projects including training for staff in these centers.

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

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

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

# Macedonia

## I. Summary

Macedonia is neither a major producer nor a major regional transit point for illicit drugs. The Government of Macedonia (GOM) made some progress in combating drug trafficking during 2008, although illicit drug seizures in Macedonia significantly decreased during the first nine months of 2008, compared to the same period of the previous year. Domestic use of illicit drugs continued to grow. Macedonian law enforcement authorities cooperated with regional counterparts, including the UN Mission in Kosovo (UNMIK), in counternarcotics operations. Such operations in some cases were hindered by ineffective interagency coordination and planning, although there were improvements in interagency coordination compared to the previous year. Macedonia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Macedonia lies along one of several overland routes used to deliver Afghan heroin (through Turkey and Bulgaria) to Western Europe. Hashish and marijuana produced in Albania travel along the same routes to Turkey, to be exchanged for heroin that is then moved to Western European markets. Synthetic drugs on the Macedonian market are smuggled in from neighboring Bulgaria and Serbia. Small amounts of marijuana are cultivated, mainly 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 appeared to increase in 2008. Seizures, however, were lower than in 2008. Macedonia produced licit poppy straw and poppy straw concentrate on approximately 500 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 2008

**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 a 2008–2012 Action plan for implementation. A new Law on Control of Narcotic drugs and psychotropic substances, effective September 2008, is expected to further improve drug enforcement.

**Law Enforcement Efforts.** According to MOI statistics, in the first nine months of 2008, criminal charges were brought against 268 persons (326 for Jan-Sept 2007), including eight (13 for Jan-Sept 2007) juveniles and one police officer. Those charges involved 221 actual cases of illicit drug trafficking, including 13 in the largest prison in the country, or a total of 61 cases less than in the same period of 2007. In 2008, police seizures of illicit drugs were significantly lower than in the previous year. Some MOI sources believe lower seizures are a result of Bulgaria and Romania's 2007 EU accession, which now allows traffickers who have crossed into Bulgaria from Turkey to move goods straight to western European markets, thus avoiding crossing two more borders. MOI sources claim that Macedonian territory, especially the northwestern areas, are more often used as a wholesale drug depot.

**The MOI reported the following quantities of drugs and psychotropic substances seized in the first nine months of 2008 (2007 figures are also Jan-Sept):**

Cocaine: 176 grams (compared to 486 kg in 2007)

Heroin: 26.1 kilograms (60 kg in 2007);

Marijuana: 10.6 kg (208 kg in 2007);

Cannabis: 268 plants (4413 plants the previous year);  
Hashish: 30 grams (851 grams in 2007);  
Raw opium: 12.2 grams (one kg opium seized in 2007); and  
Ecstasy: 290 pills (1,862 pills seized in 2007)  
Morphine; 12.1 kg

Customs Administration continued to strengthen its intelligence units and mobile teams. Police officials claimed cooperation with their Customs colleagues improved compared to past years.

**Corruption.** Corruption is widespread in Macedonia, with low salaries fostering graft among law enforcement officials and the judiciary, which remains weak. As a matter of policy and practice, the Government of the Republic of Macedonia does not encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions.

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

**Cultivation/Production.** Macedonia is neither a major cultivator nor producer of illicit narcotics. There are no reports of local illicit production or refining of heroin or illegal synthetic drugs. Only one pharmaceutical company in the country was authorized to licitly cultivate and process poppy for medicines. Authorized poppy production, some 500 hectares in 2008, 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 to present a challenge to authorities, although MOI sources reported only small quantities of the drug were cultivated, mostly for personal consumption.

**Drug Flow/Transit.** Macedonia is on the southern branch of the Balkan Route used to ship Afghan heroin to the western European consumer market. The quantity of synthetic narcotics trafficked to Macedonia in 2008 appeared to increase, largely due to their higher street price in Macedonia. Most synthetic drugs aimed at the Macedonian market originated in Bulgaria and Serbia, 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 2008, 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 2008, 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; one Macedonian officer graduated from the USCG's International Maritime Officers' Course. 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. Macedonia might also serve organized criminals as a "warehousing" base. The United States Government, through law enforcement training programs, will continue to strengthen the ability of Macedonian police, prosecutors and judges to monitor, arrest, prosecute, and sanction narcotics traffickers. In cooperation with EU and other international community partners, the U.S. will press for full implementation of the national counternarcotics action plan. USG law enforcement training agencies in Macedonia will 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.

# Madagascar

## I. Summary

Madagascar is a party to the 1988 UN Drug Convention. In accordance with this convention, the GOM adopted a law in 1997 to govern the cultivation, production, processing, and commercialization of narcotics, psychotropic substances and precursors. The Inter-ministerial Committee for the Coordination of the Fight Against Drugs (CICLD) developed a National Master Plan in 2003 for the fight against drugs and related criminal activities which focuses on both the supply and the demand sides. During the first half of 2008, the police and gendarmerie together seized 390,307 cannabis plants, and 7,634 kg of cannabis. The Malagasy government cooperates with the USG on anti-drug efforts.

## II. Status of Country

Madagascar is not a major drug trafficking country; however, it is an attractive transshipment point due to its location, poor port security due to limited resources, and lack of ability to effectively control its borders. Official sources report no manufacturing and distribution of synthetic drugs in Madagascar; however cannabis is grown widely in isolated parts of the island. Drugs transiting the country from East Africa and Central Asia are mainly shipped to the neighboring islands. There is no evidence of drug related corruption; however such corruption is widely believed to exist. Currently, there are no specific laws covering narcotics-related public corruption. The GOM has signed multilateral, bilateral, and regional anti-drug agreements.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2003, the GOM with the support of the United Nations developed the National Master Plan for the fight against drugs and related criminal activities. The CICLD has the lead in the implementation of this Master Plan. Actions being taken within the framework of this master plan concern the reduction of drug supply and demand. On the supply side, the efforts are focused on: the destruction of crops and the transformation of marijuana cultivation into alternative, legal cash crops; the dismantling of drug trafficker networks; and the strengthening of the capacity of the relevant authorities (customs, police, and gendarmerie) to enforce anti-drug laws. On the demand side, the efforts are focused on the prevention of drug abuse through presentation of training programs in primary and secondary schools, as well as at work and through the media. The improvement of drug addiction treatment is another goal of the plan.

**Law Enforcement Efforts.** In October 1997, Madagascar adopted the law 97-039 on the control of narcotics, psychotropic substances and precursors. This law criminalizes the cultivation of cannabis and mandates the destruction of all cannabis plants. This law also prohibits the production, processing, commercialization and transportation of psychotropic substances and precursors. Criminal sanctions including jail time and fines can be imposed in case of infringement. The Central Office against Narcotics (OCS), in collaboration with the National Police, Gendarmerie, Customs, Ministry of Health, Ministry of Trade and international partners, is in charge of law enforcement. In 2007, the National Police destroyed 8,601 cannabis plants, seized 2,277 kg of cannabis and 93.5 liters of cannabis oil, and arrested 315 persons. During the same period, the Gendarmerie destroyed 1,087,192 cannabis plants, seized 20,095 kg of cannabis and 7.5 liters of cannabis oil, and arrested 319 persons. During the first half of 2008, the police and gendarmerie together seized 390,307 cannabis plants, 7,634 kg of cannabis, 18.5 liters of cannabis oil, 150 g of heroin, and 200 g of hashish. Most drug trafficking moves by sea. In response, the GOM has strengthened controls at the main ports. The share of drug seizures made at sea is not available.

**Corruption.** It is difficult to directly relate corruption to drug trafficking. However, given the extent of marijuana cultivation, and observing circumstances in other countries where drug crops are cultivated and trafficking occurs,

many observers believe that government officials working at Malagasy ports or airports must facilitate shipment of drugs for bribes. Some confirmation of this thesis comes from seizures made by authorities in Mauritius and Mayotte on vessels coming from Madagascar.

There are no specific laws covering narcotics-related public corruption. 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. Law 97-039 criminalized money laundering related to narcotics-trafficking. There are no senior officials of the GOM engaging in, encouraging, or facilitating the illicit production or distribution of narcotic drugs or substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Madagascar is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention as amended by the 1972 Protocol, the 1972 UN Convention on Psychotropic Substances, the UN Convention against Corruption, and the United Nations Convention against Transnational Organized Crime, and its three protocols and the United Nations International Convention for the Suppression of the Financing of Terrorism. Under these treaties, the U.S. is able to submit requests for assistance. Although there is no bilateral extradition (or mutual legal assistance) treaty between the U.S. and the GOM, in 2004, the GOM extradited a fugitive to the U.S. pursuant to its domestic law. As a member of SADC since 2005, Madagascar should sign the SADC Protocol on the Fight against Drugs in the near future.

**Cultivation/Production.** Cannabis is the main drug produced in the country. It is found nationwide but it is difficult to estimate production due to the lack of appropriate data collection. The GOM does not use herbicide to destroy cannabis plants, but rather burns them.

**Drug Flow/Transit.** Drugs transiting Madagascar come from South Africa and Kenya, as well as Central Asia, and go mainly to Mauritius and La Reunion. Data on quantity flow is unavailable. Official sources report no manufacturing and distribution of synthetic drugs in Madagascar.

**Domestic Programs/Demand Reduction.** The Ministry of Health has put in place a sectoral policy regarding the fight against drugs which aims to prevent alcohol and drug addiction, particularly among youth. In collaboration with the Ministry of Education, the Ministry of Communication, and civil society, the government has organized conferences, training sessions, TV shows, and radio broadcasts to inform the population of the impact of drugs on health. The government has also tried to improve the treatment and rehabilitation of addicts at the three public hospitals and one private hospital in Madagascar. Several NGOs and associations also play an important role in the process. The medicines EQUANIL and ALDOL are frequently used for treating addicts undergoing withdrawal.

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

**Bilateral Cooperation.** The U.S. mission in Madagascar has worked with the police and gendarmerie to provide drug interdiction and eradication training as permitted by limited resources. In 2008, five Malagasy law enforcement officers were sent to USG-sponsored training sessions in Botswana to improve Madagascar's ability to control precursor chemicals. In addition, 42 gendarmes, police, and civilian officials attended customs and immigration training sponsored by DHS and AFRICOM in Madagascar.

**Road Ahead.** Malagasy officials, including the police, gendarmerie, the guard, and customs would benefit from additional anti-drug training.

# 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. Like other ASEAN states, the government continues promoting its "Drug-Free by 2015" policy. Malaysia's counter-narcotics officials and police officers have the full support of senior government officials, but instances of corruption hindered adequate enforcement and interdiction. 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 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 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, Singapore, China, and Australia. Ketamine from India is 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 2008, with a large methamphetamine laboratory seized in Southern Malaysia, and frequent police reports of ethnic Chinese traffickers setting up labs in Malaysia. Between January and July 2008, police encountered and identified 7,992 addicts, of whom 3,584 were new cases. Since 1988 the Malaysian Government cumulatively has identified 308,233 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 2008

**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 counter-narcotics 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 extremely rare, as they would require the defendant to receive a death sentence. Consequently, most major traffickers are placed in preventive detention.

**Accomplishments.** Malaysian authorities seized an operational methamphetamine laboratory in 2008, and had numerous other successful investigations, confiscating large quantities of methamphetamine, ketamine, and Ecstasy (MDMA). They have also initiated investigations of police corruption, in one case transferring an entire unit, and have

transferred numerous officers suspected of corruption. Some of these officers have been detained under the SPMA, while several others remain under investigation.

**Law Enforcement Efforts.** Police and Customs Officers arrested 41,146 people for drug-related offenses between January and July 2008, an increase of 26%. Enforcement officials continued to show successes in ATS-related seizures and have also recorded a higher level of heroin seizures than over the same period last year. The Royal Malaysian Police recorded a forty-six percent increase in confiscated property derived from drug related cases in 2007. Malaysian police are generally effective in arresting small-time drug offenders, but have shown limited success in arresting mid- to upper level syndicate members. The Royal Malaysian Police have acknowledged these shortcomings and have begun implementing training plans to improve their investigations and procedures. Prosecutorial successes and limitations are generally similar to those of police investigations. Accordingly, 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 decisions against major traffickers. In addition, there are limited sentencing alternatives if a subject is charged and convicted of drug trafficking. 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 also 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 2007-2008. Malaysia's Anti-Corruption Agency (ACA) investigated complaints filed against several senior police officers and one deputy cabinet minister for corruption involving known drug trafficking syndicates, including allegations of corruption concerning the release of suspects from preventive detention. The ACA's shortened investigations found no evidence to substantiate any of the allegations, and all parties remained in office.

**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 the 1971 UN Convention on Psychotropic Substances. It is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime (UNTOC) but has not signed any of the protocols to the UNTOC. Malaysia signed an MLAT with the U.S. in July 2006. The U.S.—Malaysian MLAT has not yet entered into force (as of November 2008). Malaysia also has a multilateral MLAT with the seven Southeast Asian nations of ASEAN, and also has an MLAT with Australia. The U.S.-Malaysia Extradition Treaty has been in effect since 1997.

**Cultivation/Production.** While there is no notable cultivation of crops used to produce U.S. controlled substances 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. All methamphetamine 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.

**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 into Kuala Lumpur International Airport (KLIA) for domestic use and distribution

to Thailand, Singapore, and Australia. Ketamine comes from Tamil Nadu, 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. 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 there are other cases in which traffickers sought chemicals to set up methamphetamine labs in Malaysia.

**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. Government statistics indicate that 6,968 persons were undergoing treatment at Malaysia's 28 public rehabilitation facilities as of July 2008, indicating over a 30% percent increase from last year. Another 32,696 persons were undergoing "in community" treatment and rehabilitation and are used as role models for relapse cases.

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

**Bilateral Cooperation.** U.S. counter-narcotics training continued in 2008 via the International Law Enforcement Academy (ILEA) in Bangkok and the "Baker-Mint" program sponsored by the U.S. Department of Defense. Baker-Mint aims to raise the operational skill level of local counter-narcotics law enforcement officers. In 2008, U.S. officials from the Department of Justice, DEA, and FBI presented a training workshop for Malaysian counter-narcotics investigators on intelligence analysis and other drug investigative techniques. The USCG trained boarding officers in Maritime Law Enforcement. In addition, senior Malaysian counter-narcotics officials traveled to the United States and visited DEA Headquarters and DEA's New York Field Division in an effort to expand their international cooperative efforts.

**The Road Ahead.** United States goals and objectives for the year 2009 are to improve coordination and communication between Malaysian and U.S. law enforcement authorities in counter-narcotics efforts. United States law enforcement agencies will utilize better coordination with Malaysian authorities to interdict drugs transiting Malaysia, and to follow regional and global leads. U.S.-funded counter-narcotics training for Malaysian law enforcement officers will continue and U.S. agencies will continue working with Malaysian authorities to improve Malaysia's investigative and prosecutorial skills. U.S. agencies are also seeking additional operational engagement of Malaysian counter-narcotics officials who have expressed an interest in greater regional cooperation.

# 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 several years 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, which Malta ratified in 1999. 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 upward trend in seizures of heroin, cocaine, Ecstasy, and cannabis resin 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 402,000 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, numerous illegal immigrants, 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 a recent increase in the proliferation of recreational drugs such as Ecstasy and also an increased use and trafficking of illicit drugs by persons under eighteen. Cultivation activity in-country is 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 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 2008

**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. In 2006, Malta and the U.S. finalized agreement on the Proliferation Security Initiative (PSI) Ship Boarding Agreement. Parliament passed the legislation necessary to implement the Ship Boarding Agreement and the Counter Narcotics Cooperation Agreement in November 2007. The agreement entered into force after the exchange of notes in December 2007.

**Law Enforcement Efforts.** Since the drug problem in Malta is not widespread, enforcement agencies are able to focus a large percentage of their resources on preventing the smuggling of drugs into Malta. Police and Customs personnel have had significant success through the profiling and targeting of suspected passengers transiting the airport. The Police and the Armed Forces 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 2008, the Courts ordered the freezing and/or seizure of cash and movable or immovable property of several persons found guilty of drug trafficking.

### 2008 Drug Statistics:

Drug Seizures (January 1–October 18, 2008):

A) Coca leaf	n/a
B) Cocaine	Kg 932.4g
C) Opium poppy straw	n/a
D) Opium gum	n/a
E) Heroin	8 Kg 132.8g
F) Cannabis:	
- Resin	22 Kg 460.31g
- Grass	11.1g
- Seeds	n/a
- Plants	11 plants
G) Other	

Police statistics also reveal the seizure of:

- 3,663 tabs of Ecstasy
- 5 micro-dots of LSD
- 230ml of methadone
- 0.5 of Amphetamine
- 20 Kg of Khat
- 2 tablets of Valium
- 3 tablets of Tryptizol

2008 Arrests (January 1—October 17, 2008):

Total—	487
Nationals	n/a
Foreign	n/a

**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 have since 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 handed prison sentences of four and three years, 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. Extraditions between the United States and Malta are currently covered by the Extradition Treaty between the United States and United Kingdom, signed on December 22, 1931, and made applicable to Malta on June 24, 1935. In May

2006, Malta and the United States signed a new extradition treaty pursuant to the 2003 U.S.-EU extradition agreement. In addition, the U.S. and Malta concluded a partial bilateral mutual legal assistance instrument governing only those issues regulated by the U.S.-EU Mutual Legal Assistance Agreement. The new extradition treaty and partial mutual legal assistance instrument are pending entry into force.

**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 trafficking through the Freeport. This should improve detection and 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. There are cases of heroin being smuggled into Malta hand-carried by visitors from North African countries (Libya and Turkey, in particular). Traditionally, Malta's drug problems involved the importation and distribution of small quantities of illegal drugs for individual use. In 2008, a Nigerian national was apprehended at the Malta International Airport (MIA) and later charged with importing drugs in cocaine-filled capsules in his stomach. A Libyan national was charged with importing 100g of heroin in capsules, while a Somali resident in London was charged with importing a considerable amount of Khat. A Libyan National was charged with conspiring to import three kilograms of heroin. A Nigerian residing in The Netherlands, together with four other persons was charged with conspiring to import six kilograms of cocaine. Malta has the world's eighth largest ship registry, which makes it a possible 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 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. A successful multi-national Search and Rescue Training Exercise was held on board the USCGC Dallas in August 2008. 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.

**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 want to battle the drug problem within their own country and benefit from close USG cooperation.

# Mexico

## I. Summary

Throughout 2008, the Calderon Administration continued the unprecedented efforts begun in December 2006 to stop the flow of drugs and curtail the power of drug cartels. The restructuring of security forces, coupled with the military's strong engagement in the fight to dismantle major drug trafficking organizations (DTOs), has proven to be effective. These efforts led to numerous arrests of key narco-traffickers, the discovery of clandestine drug laboratories, and a dramatic decline in the importation of methamphetamine and precursors into the United States. The Calderon Administration is courageously dealing with increased violence as DTOs resist and fight among each other.

Also unprecedented is the degree of cooperation between the Government of Mexico (GOM) and the United States on counternarcotics and law enforcement, as we jointly press to dismantle major DTOs and pursue money laundering cases. This cooperation entered a new phase with the passage of the Merida Initiative by the U.S. Congress, which, with the signing of a bilateral agreement on December 3, 2008, will provide Mexico with substantial assistance and bring U.S. and Mexican officials closer in a joint counternarcotics effort.

All of this progress, however, comes against a backdrop of continuing high levels of corruption and turmoil within Mexico's security and judicial bodies. Corruption throughout Mexico's public institutions remains a key impediment to successfully curtailing the power of the drug cartels. Mexico is party to the 1988 UN Drug Convention.

## II. Status of Country

Mexico is a major transit and source country for illicit drugs reaching the United States. It is estimated that as much as 90 percent of all cocaine consumed in the United States transits Mexico. It is a major source of heroin, methamphetamine and marijuana, as well as a primary placement point for the laundering of narcotics-derived criminal proceeds. Drug related violence continues to rise in Mexico, from approximately 2,700 deaths in 2007 to over 5,000 in 2008. Cross border linkages developed by drug cartels are used to move drugs into the U.S. and to bring guns into Mexico. U.S.-purchased or stolen firearms account for an estimated 95 percent of the country's drug-related killings. Mexican drug cartels are increasingly carrying out contract killings in the U.S. and have recently been involved in several high-profile kidnappings in major southwestern U.S. cities.

The increase in violence may be due to the success of President Calderon's aggressive anti-crime campaign which has broadly deployed the military in searches and regional security plans, while more effectively using tools such as extraditions. This has led to the arrest of important cartel leaders and narrowed the operating space of criminal gangs, who are now fighting among themselves for now diminishing profits. As a result, criminal gangs are now often in the control of more erratic and violent subordinates, leading to more killings and less predictable behavior. Trafficking organizations have also been effective at utilizing violence as a psychological weapon, intimidating political leaders, rival groups, and the general public.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In the midst of rising violence, President Calderon has remained steadfast, pushing for long-term reforms in the judiciary and security forces, while aggressively confronting the cartels in the short term. There were a number of noteworthy initiatives in 2008 as summarized below.

Professionalization of the Federal Police: The Secretary for Public Security (SSP) is leading efforts to restructure and improve the operational capacity of the federal police. He is striving to develop the means to vet his entire force, as

well as many units drawn from state and municipal police, to stem corruption. Other SSP measures include training of mid-level management personnel throughout SSP, as well as attempts to bring on-board an additional 8,000 investigative personnel by 2010.

Information Management: The SSP and the PGR are expanding nationwide investigative and prosecutorial case management data systems. The cornerstone of this effort is “Plataforma Mexico,” which was initiated in 2007 and eventually will establish real-time interconnectivity among all levels of police to support a national crime database. Thus far, data sharing agreements have been executed with all 31 states and the Federal District to support 154 operational nodes which will tie together state and local police units working with the Federal Police.

75-Point Plan: Public marches and rallies against violence led to a 75-point plan to aggressively reform public security institutions in order to retain grassroots support for a more secure and peaceful Mexico. The plan was developed in coordination with civic organizations and local politicians, with the full participation and support of President Calderon and his government, as well as the governors of all states and the mayor of Mexico City. Progress will be reviewed every several months.

Mega-Bases: The SSP has plans to develop ten “mega-bases” throughout the country to provide the federal police the mobility and operational capacity to respond quickly to events anywhere in Mexico. The first three bases, each equipped with a Blackhawk helicopter and an array of special units, are operational.

Security Sector and Judicial Reform: In June, the Mexican Congress passed constitutional reforms and legislation to overhaul Mexico’s judiciary and public security apparatus; implementing legislation is currently being considered in the Congress. Included in the reforms are provisions to introduce oral trials, plea bargaining and alternative case resolution methods, broaden asset forfeiture laws, and clarify the roles and organization of the police. President Calderon also appointed the highly respected Jorge Tello Peon as National Security Advisor, with the mandate to increase coordination between Mexico’s security forces and prosecutors.

Separating Addicts from Dealers: On October 2 the Calderon administration submitted a law to the Senate that would distinguish between addicts found with small amounts of illicit narcotics from dealers. The legislation requires that a person found in possession of less than 2 grams of marijuana, 50 mg of heroin, 500 mg of cocaine, or 40 mg of MDMA (Ecstasy) powder, will, after arrest, be given the option of voluntarily entering a drug treatment program in lieu of jail time. The offer does not apply if it is the person’s third offense, the arrest is made within 300 yards of a school or public park, or the arrest takes place during the commission of another crime. Failure to complete the program will put the offender back on the prison track.

**Accomplishments.** In 2008, the GOM substantially increased support for security forces and the justice sector, which enhanced Mexican counternarcotics enforcement actions, including the arrest of important drug traffickers. Major arrests include Alfredo Beltran Leyva and Jesus “El Rey” Zambada Garcia of the Sinaloa cartel, Reynosa plaza boss Antonio “El Amarillo” Gallarza Coronado and enforcer Jaime “El Hummer” Gonzalez Duran of the Gulf cartel, Eduardo Arellano Felix and Luis Romero, principals of the Arellano Felix organization, and Colombian trafficker Pedro Antonio Ramirez. The GOM supported an initiative of the Federal Commission for Protection Against Health Risks (COFREPRIS) to restrict the licit entry of methamphetamine precursor chemicals into the country, resulting in a significant decrease in the import of precursors from 2007-2008.

**Law Enforcement Efforts.** In 2008 Mexican law enforcement seized over 19 metric tons (MT) of cocaine, 1,650 MT of marijuana, 168 kilograms (kg) of opium gum, 192 kg of heroin, and 341 kg of methamphetamine. In most categories, this was a reduction by half from last year. U.S. law enforcement agencies attribute this reduction to better enforcement which has forced traffickers to seek alternate routes or alternative enterprises.

On July 16, the Mexican Navy intercepted a self-propelled semi-submersible (SPSS) in the Gulf of Tehuantepec in the eastern Pacific Ocean, which resulted in the seizure of 5.6 MT of cocaine.

As of November 12, 2008, GOM security forces had seized 39,437 illegal firearms, including the record-breaking seizure of weapons believed to belong to the Zetas of the Gulf cartel, and arrested 26,947 persons on drug-related charges – 26,571 Mexicans and 376 foreigners. According to the Attorney General's Office (PGR), 19 drug-processing laboratories were also dismantled in Mexico during 2008. DEA reports that five of these methamphetamine labs were classified as "super labs" (i.e., having a production capacity of 10 pounds or more per processing cycle).

**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. Corruption remains a considerable hurdle for Mexico in reforming institutions and confronting criminal gangs whose assets run in the billions of dollars. On October 27, Attorney General Medina Mora announced that five senior officials from the PGR's anti-organized crime unit (SIEDO) had been arrested for passing information to a major drug cartel. On October 31, Acting Federal Police (PFP) Commissioner Gerardo Garay Cardena resigned over allegations of his connections to the Sinaloa drug cartel; subsequently, he was arrested on corruption charges. Dozens more junior federal security officials have also been suspended or fired over corruption charges.

**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 the other. The United States and Mexico 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 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.

**Extradition and Mutual Legal Assistance.** During 2008, Mexico extradited a total of 95 persons, 24 of whom were wanted in the United States for narcotics trafficking or related money laundering offenses. Sixty-four were Mexican citizens. While extraditions are continuing at a significant pace, the process remains, at times, lengthy and complex. In addition to extraditions, Mexico regularly deports numerous US citizen fugitives to the United States. Mexican authorities, in cooperation with the U.S. Marshals Service and the Federal Bureau of Investigation, deported 172 non-Mexican fugitives to the United States to stand trial or serve sentences in 2008. Many of these fugitives were wanted on U.S. drug charges.

**Cultivation and Production.** In 2008, the Mexican military eradicated 15,756 hectares of cannabis, as compared to 22,348 hectares eradicated in calendar year 2007. The GOM reported eradicating 12,035 hectares of opium poppy as compared to 11,102 hectares eradicated in 2007. Eradication of cannabis has been on a steady decline since 2005 due to the realignment of responsibilities for aerial eradication within the GOM from the PGR to the SSP, the shifting of overall counternarcotics priorities to interdiction and the targeting of DTO leadership, and improved growing conditions.

**Drug Flow and Transit.** Drugs continue to transit Mexico via land, sea and air, although, based on seizures in Mexico and the Caribbean, in diminishing amounts. During 2008, a total of five "super" methamphetamine laboratories were located and destroyed – a reduction from 14 labs in 2007. A decrease in lab seizures may reflect a reduced availability of precursor / essential chemicals due to the regulatory controls put in place by the GOM that

make it more difficult to introduce such chemicals into Mexico and recent U.S. and Mexican law enforcement activities.

During 2008, Mexico had several significant seizures of pseudoephedrine tablets. The most significant occurred on September 17, when approximately 5.6 million 60 milligram (mg) pseudoephedrine tablets originating in West Bengal, India were seized at the Benito Juarez International Airport in Mexico City, Mexico.

**Domestic Programs/Demand Reduction.** Drug consumption in Mexico continues to have a negative impact on society, and drug use among youth is rising. In order to counter these impacts, the GOM continues to support several drug demand reduction programs. These programs include the National Council Against Addictions (CONADIC) and the National Network for Technological Transfer and Addictions (RENADIC), which have been designed to facilitate training and technical assistance for drug prevention and treatment. The GOM has designated \$70 million dollars of the \$205 million seizure from alleged drug trafficker Zhenli Ye Gon to establish 300 local offices that will be linked to RENADIC. Mexico's First Lady hosted a conference on addictions—"New Paradigms, New Solutions"—in October which drew over 3,000 participants from 40 countries.

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

**Bilateral Cooperation.** Bilateral counternarcotics cooperation continues to grow in scope and quality and will receive a major boost when the Merida Initiative is fully implemented. U.S. Government (USG) law enforcement personnel share sensitive tactical information with their vetted Mexican counterparts in real time, resulting in greater numbers of successful interdiction operations, and thousands of GOM law enforcement officers receive training through U.S. programs.

In May 2008, a Letter of Intent was signed by the commanders of SEMAR, U.S. Northern Command (NORTHCOM) and the USCG establishing a permanent bi-national working group on maritime safety and security laying the foundation for sustained and consistent cooperation and coordination in a variety of maritime mission areas. The working group advanced the process of integrating the diplomatic and operational channels for boarding requests with Mexico, which has already resulted in significantly more efficient operations. For example, the time required to obtain GOM approval for USG requests to board Mexican-flagged commercial vessels in international waters continues to be typically less than two hours, with approvals routinely received within an hour, compared to a response time of six to eight hours in the past. Coordinated efforts with the Mexican Navy have led in 2008 to Mexican seizures of over 20 MT of cocaine from maritime vessels. Occasionally, USG assets on the high seas have chased suspected smugglers into Mexican waters, where Mexican Navy assets continued the pursuit.

In 2008, the Bureau for International Narcotics and Law Enforcement Affairs' (INL) Narcotics Assistance Section (NAS) Professionalization and Training Program drew on interagency support from Department of Justice (DOJ) and Department of Homeland Security (DHS) agencies to provide 294 specialized training courses to 8,112 Mexican law enforcement and prosecutors at the federal and state level, with courses on criminal investigations, crime scene search and preservation of evidence, cyber-crimes, explosives and incendiary devices, highway and airport interdiction, and counterterrorism. The NAS Information Technology Program also provided over 130 specialized and advanced computer software application training courses to over 700 GOM programmers and engineers within the Mexican law enforcement community. Additionally, in partnership with the Attorney General's office, the USG through the U.S. Agency for International Development (USAID) provided training to Mexican state and federal investigators and prosecutors throughout Mexico to improve the justice sector.

The DHS Immigration and Customs Enforcement (ICE) Border Enforcement Support Team (BEST) program, implemented in 2006 to combat cross-border violence along the Southwest Border, continued to improve bilateral cooperation with Mexican law enforcement personnel. In 2008, US Customs and Border Protection implemented several bilateral programs with Mexico to enhance border and national security of both nations. For example, the

GOM provides airline passenger information to CBP through the Advance Passenger Information System (APIS). CBP also works closely with GOM counterparts concerning an overall bi-lateral strategic plan, as well as specific issues such as confronting border violence, terrorism, trafficking in persons, and providing expedited border crossings for pre-approved low-risk travelers.

Border security was further enhanced through the delivery of INL-funded equipment, including an x-ray minivan, 15 ion scanners (vapor tracers), 10 x-ray backscatter vans, and 68 non-intrusive inspection (NII) kits to Mexican Customs (SAT), as well as another five ion scanners to SSP for counternarcotics and counterterrorism operations. This equipment will greatly aid Mexican law enforcement agencies to detect and confiscate drugs, chemicals, explosives, weapons, laundered money, and other forms of contraband. The USG also provided equipment for anti-money laundering units, and computer servers for the “Plataforma Mexico” program.

The USCG also provided a variety of training to Mexican personnel during 2008, including Search and Rescue, leadership and management, marine engineering and maintenance, port security, small arms, and maritime law enforcement courses.

**The Road Ahead.** The U.S. will continue to support President Calderon’s efforts and jointly seek ways to more effectively utilize counternarcotics programs, intelligence, and judicial tools to confront drug trafficking organizations. The U.S. encourages Mexico to press forward with the legal and institutional reforms to its judicial system and security forces, and to continue its anti-corruption efforts. A comprehensive security and judicial system that ensures integrity at all levels will help ensure that advances in other areas are successful. The United States also encourages closer cooperation between our counternarcotics and border security forces in order to enhance intelligence and evidence sharing and effectively close smuggling routes.

For its part, the USG will offer significant cooperation in the coming year under the Merida Initiative—a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Mexico signed a bilateral agreement with the U.S. for Mérida Initiative assistance on December 3, 2008.

## V. Statistical Tables

## Mexico Statistics (2002-2008)

	2008	2007	2006	2005	2004	2003	2002
Opium							
Harvestable / Net Cultivation (ha)	6,900	-	5,100	3,300	3,500	4,800	2,700
Eradication (ha)	12,035	11,102	16,889	21,609	15,925	20,034	19,157
Potential Opium Gum (MT)	149	-	110	71	73	101	58
Potential Heroin (MT)	18	-	13	8	9	12	5
Cannabis							
Harvestable / Net Cultivation (ha)	8,900	-	8,600	5,600	5,800	7,500	7,900
Eradication (ha)	15,756	22,348	30,162	30,842	30,851	36,585	30,775
Net Cannabis Production (MT)	15,800	-	15,500	10,100	10,440	13,500	7,900
Seizures							
Cocaine HCl (MT)	19	48	21	30	27	21	12
Cannabis (MT)	1,650	2,194	1,902	1,786	2,208	2,248	1,633
Opium Gum (kg)	168	292	75	275	464	198	310
Heroin (kg)	192	298	351	459	302	306	282
Methamphetamine (kg)	341	932	753	979	951	751	457
Arrests/Detentions Total	26,947	19,384	11,579	19,222	18,943	8,985	7,055
Nationals	26,571	25,539	18,694	19,076	18,763	8,822	6,930
Foreigners	376	295	207	146	180	163	125
Labs Destroyed	19	32	31	39	23	22	13

\* The PGR National Center for Analysis, Planning and Intelligence against Organized Crime (CENAPI) provided statistics on eradication, seizures and arrests.

# Moldova

## I. Summary

Drug transit and drug-related crime rates in Moldova continue to increase. In 2008, Moldovan law enforcement seized unprecedented quantities of heroin and cocaine. Moldova does not produce a significant amount of narcotics or precursor chemicals itself. Despite the fact that widespread poverty makes Moldova a relatively unattractive market for narcotics sales, drug use within the country remains a concern. There was an increased use of heroin and Ecstasy (MDMA) in 2008. Moldova is party to the 1988 UN Drug Convention.

## II. Status of Country

Moldova is an agriculturally fertile nation with a climate favorable for cultivating marijuana and poppy, although annual domestic production of marijuana, after seizures and crop destruction, is estimated at just several hundred kilograms. Authorities regularly seize and destroy illicitly cultivated hemp and poppy plants. The market for domestically produced narcotics remains small, and is largely confined to the areas where drug crops like marijuana are cultivated. Moldova's proximity to the European Union, corruption, and the limited capacity of law enforcement resulted in the increased import of synthetic drugs and the increased smuggling of narcotic and psychotropic substances into Moldova in 2008. Investigations conducted in 2008 revealed a decreased number of cases involving narcotic substances of synthetic origin, such as methamphetamine, amphetamine, and Ecstasy (MDMA), as well as diverted licit opiates such as codeine. According to the Moldovan Ministry of Interior (MOI), domestic drug traffickers remain closely connected to organized crime in neighboring countries such as Turkey, Israel, Ukraine, Romania and Russia. Moldovan authorities also reported an increase in drugs produced in small-scale operations in homes. Control over the movement of licit narcotic and psychotropic substances, as well as precursors, is maintained by the permanent Drug Control Committee of the Ministry of Health.

## III. Country Actions against Drugs in 2008

**Policy Initiatives:** The Ministry of Interior is responsible for counternarcotics law enforcement. Its Anti-Drug Unit has 78 officers nationwide. The unit continues to strengthen its efforts to counter narcotics activity. Pursuant to its mission of curbing the threat of transnational crime, the Ministry of Interior established the Department of Operative Service in April 2006. This department was created to ensure effective cooperation among existing GOM law enforcement authorities in combating cross-border crime. Additionally, the Drug Enforcement Unit and other law enforcement agencies drafted a Common Action Plan to combat the trafficking of drugs (and precursors) by means of railway transport. This plan involved the Ministry of Interior, Information and Security Service, Customs Service, Border Guards Service and Ministry of Transportation and Roads. Moldova is also a party to the EU-funded Belarus, Ukraine and Moldova against Drugs (BUMAD) agreement, which aims to reduce the intensity of drug trafficking into and out of the countries on the periphery of the EU.

**Law Enforcement Efforts.** Moldovan authorities registered 1,747 drug-related cases in the first nine months of 2008, compared with 1,985 cases during the same period in 2007. In 96.7 percent of drug-related cases, a criminal investigation was initiated, with 70.9 percent of these cases going to trial. In 2008, 20.8 kg of poppy straw and 1,611 liters of liquid opium were seized through September, compared to 95 kg of poppy straw and 10 liters of opium seized for the same period in 2007. Marijuana seizures in 2008 constituted 151.4 kg, compared to 230 kg seized during 2007. Synthetic drug seizures also decreased significantly in 2008. In 2008, 170 Ecstasy pills were seized, compared to 31,265 pills in 2007. One ml of methamphetamine and 480 grams of amphetamine were seized in 2008, compared to 189 ml and 881 grams in 2007. Likewise, 200 pills of codeine were seized in 2008 versus 950 pills in 2007. LSD seizure, however, increased from 2 LSD saturated papers (2 doses) through September 2007, to 231 LSD saturated

papers (231 doses) during the same period in 2008. Through September 2008, the Drug Enforcement Unit's identification of drug distribution cases increased by 44.4%. In 2008, 104 crimes were detected, versus 72 for the same period in 2007. Of the 104 crimes of drug distribution this year, 21 were committed by the same criminal group. In 189 cases, extremely large quantities of drugs were seized (51 more than during the same period in 2007). Through September 2008, police detected 61 cases of illegal storage of psychotropic substances and 16 cases of smuggling of narcotic substances.

As a result of police action directed towards the identification and seizure of narcotic substances, over 300 kg of drugs were seized, an unprecedented amount. Seizures of heroin increased considerably in 2008 to 207 kg from only 1.676 grams last year through September 2007. This was primarily the result of one very large drug bust which took place only one block from the U.S. Embassy, where a single load of 200 kg of blocked heroin from Afghanistan was discovered. In 2008, 69 cases of illicit distribution of heroin were registered, compared to only 11 cases in 2007. In 2008, police identified and apprehended an international criminal organization which dealt in the smuggling, production and distribution of cocaine. As a result, 250 liters of coconut oil mixed with cocaine from Colombia and 5.5 kg of stand-alone cocaine were seized. Three clandestine laboratories were discovered with the equipment to extract, press, and pack cocaine. Weapons were also seized as a result of this operation. The exact quantity of cocaine that could be extracted from the coconut oil has not been determined, but about 25 kg is the best estimate. Moldova does not have the laboratory facilities to adequately process and analyze this haul. Moldova will need to invest significant resources in education, border control, and further law enforcement initiatives if it hopes to stem the growth of domestic drug use. Because of its entrenched poverty and the scarcity of government resources, significant additional government investment is unlikely. Moldova remains the poorest country in Europe.

**Corruption.** Corruption at all levels is systemic within Moldova. The Center for Combating Economic Crimes and Corruption (CCECC) is the law enforcement agency responsible for investigating corruption allegations, including those related to narcotics. The CCECC has been accused of political bias in targeting its investigations, although not in regard to narcotics cases. The GOM as a matter of policy does not encourage or facilitate the production or distribution of drugs or money laundering from illegal drug transactions. On October 9, 2007, the U.S. Millennium Challenge Corporation's Threshold Country Program officially launched its implementation phase in Moldova. With \$24.7 million in MCC assistance over two years, Moldova seeks to reduce corruption in the public sector through judicial reform. Moldova also plans health care reform, tax reform, customs reform, and reform of the police agencies and CCECC. The U.S. Department of Justice (DOJ) Office of Overseas Prosecutorial Development, Assistance, and Training has provided technical assistance and training for the CCECC, funded by the U.S. State Department. DOJ's International Criminal Investigative Training Assistance Program has also provided technical assistance and training to the MOI and Customs Department.

**Agreements and Treaties.** Moldova 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. Moldova is also party to the UN Convention against Corruption, and the UN Convention against Transnational Organized Crime and its protocols on trafficking in persons, migrant smuggling, and trafficking in illicit firearms.

**Cultivation/Production.** Each year, between June and August, the Ministry of Interior launches a special law enforcement operation called "Operation Poppy". This operation targets illicit poppy, hemp, and marijuana fields for eradication and reinvigorates other counter-drug efforts. As a result of Operation Poppy in 2008, 579 criminal cases involving the illegal cultivation of poppy and cannabis were initiated. The cases included the following: 445 cases of the cultivation of poppy plants (resulting in the eradication of 15,768 kg of marijuana in the field).

**Drug Flow/Transit.** Seizures of illicit narcotics in 2008 continue to indicate that Moldova remains primarily a trans-shipment country for narcotics. Information provided by the MOI indicates that two of the predominant heroin routes are from Ukraine through Moldova into Western Europe and from Turkey through Romania/Moldova into Russia and near-by states. The major cocaine route is from Colombia through Panama to Ukraine to Moldova then into Western Europe.

**Domestic Programs/Demand Reduction.** In 2008, the Ministry of Interior reinvigorated its efforts regarding the provision of social services and on strengthening the relationship between the police and society. The MOI and local NGO "New Life" organized a training program in "Creation and Development of Assistance Groups," covering the northern and southern regions of the country. MOI also organized a series of lectures at educational institutions in the country aimed at emphasizing the dangers of drug abuse to young people. Posters and brochures containing information about the consequences of drug use and ways to protect oneself from drug pushers' solicitations were distributed. The MOI publicized information about cases involving the apprehension and arrest of drug traffickers, by means of press conferences, television shows, high-profile media releases, and announcements on its internet site. In August 2008 and September 2008, the MOI augmented its collaboration with local public administrations by holding two working meetings which took place in different parts of the country. These meetings involved representatives of public administrations, education departments, health departments, NGOs, UN agencies, along with narcotics drug specialists, local council representatives, prosecutors, and local police. They discussed drug abuse prevention and counternarcotics activities. Private drug treatment is an option only for the wealthiest of drug abusers. The GOM and NGOs continue to provide information about narcotics and conduct some educational and media campaigns. Neither NGOs nor the government offer adequate drug treatment for those already addicted.

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

**Bilateral Cooperation.** Ongoing U.S. Government (USG) training and the provision of equipment are designed to improve the ability of Moldovan police to investigate and infiltrate organized crime and narcotics enterprises. The DEA's office in Vienna is responsible for drug enforcement assistance to members of Moldova's drug unit within the MOI. Direct communication between the DEA and MOI officers is common and mostly in the form of investigative or operational assistance. While incidents of corruption within the GOM are reported, the DEA has not encountered any instances of corruption in bilateral enforcement efforts. The USG also offers assistance in customs and border control, with programs specifically aimed at strengthening Moldovan border control. Although not specifically related to narcotics, these programs have a spin-off effect of reducing the flow of illegal goods through Moldova, including narcotics. 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. The USG supported visits to the U.S. for police, anti-corruption, and customs officers for various capacity- building and developmental programs. These programs focused on enhancing techniques related to combating corruption, money laundering, illicit drug trafficking, and organized crime. One officer from Moldova attended the USCG's Officer Indoctrination School in the U.S.

**The Road Ahead.** The U.S. and Moldova continue to work together through U.S. assistance programs to help improve the ability of Moldovan law enforcement to target the movement of illicit goods and persons through Moldovan territory.

# Mongolia

## I. Summary

Drug trafficking and drug abuse among Mongolians are not widespread but continue to increase and to draw the attention of the government. Mongolia's increasingly urbanized population is especially vulnerable to the growing drug trade. The government continues to implement the National Program for fighting Narcotics and Drugs, adopted in March 2000. The National Council, headed by the Chief of Police, coordinates implementation of this program. The program is aimed at preventing drug addiction, drug-related crimes, creating a legal basis for fighting drugs, implementing counternarcotics policy, and raising public awareness of the drug abuse issue. Rather than implement a rigid, inflexible national program, Mongolian leaders and lawmakers are maintaining a flexible approach that focuses on particular aspects of the drug problem. Mongolia is a party to the 1988 UN Drug Convention; there are no US-GOM law enforcement treaties in force.

## II. Status of Country

Mongolia's long, unprotected borders with Russia and China are vulnerable to penetration by drug traffickers. Police believe that most smuggled drugs come from China and are usually carried by Mongolian citizens. Illegal migrants, mostly traveling from China through Mongolia to Russia and Europe, also sometimes transport and traffic in drugs. The organized crime division of the Criminal Police reported in 2008 that drug-related crime is growing. Although organized crime does not yet have a significant presence in Mongolia, police and NGOs express particular concern that this could change if drug use in Mongolia continues to rise. The Government of Mongolia (GOM) has made the protection of its borders a priority. U.S.-sponsored projects to promote cooperation among the security forces have provided some assistance, as has training done in connection with these projects. A lack of resources and technical capacity, along with corruption in the police forces and other parts of government, hinder Mongolia's ability to patrol its borders, detect illegal smuggling, and investigate transnational criminal cases.

## III. Country Actions against Drugs in 2008

**Policy Initiatives/Law Enforcement.** The Mongolian government and law-enforcement officials have increased their participation in international fora focused on crime and drug issues. This is an encouraging development. Greater government participation in regional and international seminars on drug issues will be required if Mongolia is to stay current on drug trafficking trends. In September 2007, Mongolian police took part in a regional counternarcotics conference in Russia called "Channel 2007." During the event, the Mongolians reportedly provided their Chinese counterparts with information on African drug traffickers based in Beijing. Chinese law enforcement was later able to identify the group in question and take appropriate measures. In May 2008, the National Children's Center (NCC) and the Anti-Drug Center (ADC) NGO, with the participation of relevant government agencies and other NGOs, held a round table on the illegal drug situation in Mongolia. The primary concerns raised were the increase in drug use among young people, increased drug imports coming from China and from Russia, the wind-borne spread of wild cannabis from northern to central Mongolia, and the increasing incidence of wild cannabis simply taking root in unused mines, which could lead to intentional cultivation at such sites. The meeting delineated priorities for the future, including the training of psychologists who specialize in drug-related problems, the establishment of a national drug rehabilitation center (there is no such facility at present), and enhanced coordination between the government and NGOs, including additional funding for NGOs with experience organizing information campaigns to discourage narcotics use. Nationwide there are only 60 police officers who work on drug cases related to minors, or one officer for every 15,000 children. In June 2008, on the occasion of the International Day Against Drug Abuse and Illicit Trafficking, the government and NGOs arranged seminars across the country to raise public awareness of the drug problem.

From 1995 through June 2008, 208 people had been investigated in connection with the drug trade, 30 of whom were foreigners (primarily Russian and Chinese). Fifteen have been convicted and jailed. In the first six months of 2008, the investigations of three cases involving nine people commenced. In June 2008, five Mongolians were charged and convicted in a Chinese court of exporting drugs to China; they are now serving sentences of 12 to 15 years. No illegal drug lab was identified in Mongolia during the year. The Mongolian government is alert to precursor chemical trade and the potential for diversion.

**Corruption.** Mongolian internal corruption and related criminal activity are generally unrelated to narcotics trafficking. On September 7, 2007, the Anti-Corruption Agency (ACA), an independent governmental body with 90 employees, acquired investigative power previously held by police and prosecutors. The ACA compelled the country's top 252 officials, including all parliamentarians, Cabinet ministers and Supreme Court justices, to declare their assets and income. The weakness of the legal system and financial structures leaves Mongolia vulnerable to potential exploitation by drug traffickers and international criminal organizations, particularly those operating in China and Russia. In October 2007, a court in Ulaanbaatar imposed a ten-year sentence on Shatarbal Dugerjav, who had worked as a Counselor at Mongolia's Embassy in Bulgaria. In March 2005, Dugerjav was driving his car when a search by Bulgarian police found 138 kg of psychotropic drugs in the vehicle, allegedly bound for Turkey. 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. The GOM attempts to meet the goals and objectives of international conventions and treaties on drugs. The United States and Mongolia have in force a customs mutual legal assistance agreement.

**Drug Flow/Transit.** While drug use is not widespread, marijuana, the most commonly used illegal drug, grows wild in various parts of the country. Police said a growing number of Mongolians and foreign residents were harvesting and smoking the wild naturally-occurring cannabis. However, there were no reliable surveys on drug use. Cocaine, amphetamines, heroin and abused over-the-counter drugs were less common and less available than cannabis. Hashish is smuggled into Mongolia from China in small quantities.

**Domestic Programs/Demand Reduction.** Domestic, nongovernmental organizations work to fight drug addiction, including the use of commercial inhalants such as glue and aerosols by street children. International donors are working with the government to help Mongolia develop the capacity to address narcotics addiction among its population, and related criminal activities before they become an additional burden on Mongolia's development.

## 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 the implementation of its counternarcotics policies, including border protection, the Anti-Corruption Agency, and training and assistance for the Mongolian police.

# Montenegro

## I. Summary

Organized crime groups use Montenegro as a transit country for cannabis from Albania and Kosovo, and smaller amounts of other narcotics from the Middle East (heroin) and Latin America (cocaine), destined for the western Balkans and Western Europe. A small proportion of the smuggled narcotics is sold in the small but growing domestic market. The Government of Montenegro is implementing a comprehensive action plan against illegal drugs, and is seeking close law enforcement relationships with other states in the region. By using improved methods and additional technical capabilities in investigating drug trafficking, in cooperation with other countries, Montenegrin police disrupted several international smuggling operations. Montenegro became an independent state in June 2006, and is in the process of becoming a party to relevant international conventions and agreements. Montenegro is a party to the 1988 UN Drug Convention, as a successor state of the Union of Serbia and Montenegro.

## II. Status of Country

There were no reports of significant production of narcotics, precursor chemicals or synthetic drugs in Montenegro. The Government of Montenegro estimates that only a small percentage of the illegal drugs entering the country are for the domestic market, although the police and press report that domestic drug addiction rates have been rising. Information on illegal drug use is not systematically recorded, but authorities estimate that Montenegro has between 2,000 and 3,000 addicts. Heroin is the most prevalent drug on the local market, but the use of Ecstasy and amphetamines is on the rise. Crimes connected with narcotics also have increased, and currently 40 percent of all Montenegrin prison inmates have been convicted for narcotics-related offenses. Protection of its borders is a national priority for Montenegro. The United States and other international donors have supported efforts to tighten border controls. Recent U.S. donations of ocean and lake patrol craft have improved Montenegro's ability to curb water-borne smuggling.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** To position itself better for future EU accession, Montenegro is training more counter-narcotics investigators, procuring new equipment, and strengthening its inter-agency cooperation. In May 2008, the Montenegrin government issued the country's first National Strategy for Suppression of Drugs, along with a National Plan to implement that strategy. The government also plans to create a National Office, within the Ministry of Health, to coordinate the country's anti-drug efforts.

**Law Enforcement Efforts.** The Drug Smuggling Suppression Department within the Police's crime division is responsible for coordinating cooperation and exchange of information between nine counter-drug police units located through Montenegro, the Customs Administration, the Ministry of Justice, and Interpol. The Ministry of Interior (MUP) compiles data on narcotics seizures. The Customs Administration likewise continued to strengthen its capacities. Police officials assert that their cooperation with Customs has been effective. A new 6.5 million Euro Forensic Center at the Police Academy in Danilovgrad was opened on December 16. The Center should improve the capabilities of Montenegro's law enforcement agencies and help fight organized and the other forms of crime, including narcotics-related crimes. The U.S. donated approximately 540,000 dollars to help establish and equip the Center.

During the first nine months of 2008, police filed 338 criminal charges against 278 individuals for narcotics-related violations and made 280 seizures. Police estimated that the street value of confiscated drugs was about 2,305,000 Euros (equivalent to \$2,958,921).

Police seized:

- \* 201.8 kg of marijuana
- \* 21.6 kg of heroin
- \* 7.8 kg of cocaine
- \* 0.9 kg MDMA Ecstasy
- \* 0.1 kg amphetamine "speed"

Montenegrin police disrupted several international smuggling operations. Police cooperated actively with their counterparts in Australia, Germany, Serbia, Croatia, Bosnia and Herzegovina, Sweden, Norway, and Denmark. The investigations mostly focused on the organizers of criminal groups, users, street dealers, and border seizures; major narcotics dealers are rarely arrested. According to the Chief State Prosecutor's Office, during 2007 out of 453 cases reported by police, the prosecutor's office indicted 391 persons plus 420 continued cases from previous years, making a total of 811 indictments. During the same period, 320 persons were convicted for violations of Article 300 of the Criminal Code (related to production, storage, and sale of narcotics) and Article 301 (related to drug consumption). The duration of sentences for drug law violations in 2007 increased 32.84 percent in comparison to the previous five years.

**Corruption.** Corruption and the perception that corruption is tolerated are common in Montenegro, and affect both law enforcement and the judiciary. The Government attempts to identify, prosecute, and punish instances of official corruption, but does not specify whether the acts underlying specific disciplinary actions and prosecutions are narcotics-related or not. Laws that criminalize corrupt activities by government employees also address narcotics-related corruption. There were no fact based-reports of cases linking senior Government officials to the illicit narcotics trade, though one senior opposition leader claimed that the Government had links to a local "narco-cartel." The USG has no information to corroborate such allegations. Public confidence in the Government's ability to combat corruption remained weak. As a matter of government policy, the GOM does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Montenegro is a party to the UN Convention against Corruption.

**Agreements and Treaties.** As the successor state of 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 Transnational Organized Crime and its protocols against migrant smuggling, trafficking in persons, and trafficking in illicit firearms. The 1902 extradition treaty between the United States and the Kingdom of Serbia remains in force between the U.S. and Montenegro. Montenegro acceded to the UN Convention against Corruption in June 2006. Montenegro was admitted into Interpol in June 2006 and into the Southeast European Cooperative Initiative (SECI) in June 2008. In September 2008 Montenegro signed a strategic partnership with EUROPOL as a step towards full membership.

**Drug Flow/Transit.** Organized crime groups use Montenegro as a transit point for drug smuggling, due to the country's central location and its topography-both coastal and mountainous. Marijuana is believed to transit Montenegro by several well established overland routes in private vehicles, by foot, on mules, etc., smuggled from producers in Albania and Kosovo, en route to the Western Balkans and Western Europe (primarily Italy, Switzerland, Germany, and Scandinavia). Heroin from Afghanistan transits Albania and Kosovo and is smuggled to Montenegro in private vehicles before being transported further into Western Europe. Cocaine is smuggled by air and sea from South America (primarily Venezuela). The Montenegrin police report that the summer influx of tourists along Montenegro's coast has led to seasonal increases in use of illegal drugs.

**Domestic Programs/Demand Reduction.** The Institute for Public Health believes that drug use is on the rise, including among minors, but has no database to track the number of drug addicts. The number of drug-related crimes is reportedly increasing. In Montenegro there is only one psychiatric clinic for treating drug addicts, and the facility's

capacities are limited. Limited treatment and rehabilitation activities also are carried out in the hospitals in Podgorica and Niksic. Many patients also go for treatment to Belgrade at their own expense. On March 31, 2008 the Center for Re-socialization and Rehabilitation of Drug Addicts was opened in Podgorica. Government run prevention programs for primary and secondary schools and NGOs assist with some of these efforts. Community police officers visit the schools to educate students about the risks associated with drugs use. There were only a few NGOs in Montenegro during 2008 dealing with drug related issues.

#### **IV. US Policy Initiatives and Programs**

**Bilateral Cooperation.** MUP police and Customs officers continued to receive U.S. funded training in anti-organized crime operations and suppression techniques. The U.S. continued to provide training, technical advice, equipment and other assistance to the Customs and MUP border police units. Specifically, the USCG provided maritime boarding officer training through a mobile training team visit, and trained an officer at the International Maritime Officer Course in the U.S.

**The Road Ahead.** Accession to the EU and NATO remain Montenegro's primary foreign policy goals, providing a strong incentive to build up its criminal justice system to European standards. 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 rule of law in Montenegro, including suppression of narcotics trafficking.

# Morocco

## I. Summary

The Government of Morocco (GOM) has achieved significant reductions 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, international cooperation, 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 and has consistently ranked among the world's largest producers of cannabis, but its importance as a main source country for cannabis resin is declining. The 2008 United Nations Office on Drugs and Crime (UNODC) World Drug Report states that 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 18 percent in 2006. This statistic appears to indicate some success of the GOM's counter drug efforts as well as increased cannabis resin production in Afghanistan.

Cannabis remains primarily a European export 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 narcotics being produced in or transiting through Morocco reach the United States.

Cannabis cultivation is centered in the northern tip of the country, between the Rif Mountains and the Mediterranean Sea, and large segments of the population of that area participate in the cultivation. Approximately 760,000 Moroccans living in roughly 60 percent of villages in that area are 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. Nearly 50 percent of cannabis cultivation occurs in al-Hoceima, with the surrounding provinces of Taounate, Tetouan and Chefchaouen largely making up the rest of production. According to the GOM, the province of Larache has become a less important area for cannabis cultivation.

Morocco is also combating the growth in trafficking and consumption of "harder drugs," particularly cocaine. According to the GOM, South American drug smugglers are transporting increased amounts of cocaine through Morocco and onward to Europe.

Heroin and psychotropic 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 kg of pseudoephedrine), and the country neither serves as a known source nor transit point for diverted meth precursors.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Morocco's national strategy to combat drugs rests on the four pillars of: (1) interdiction, (2) eradication, (3) international cooperation, and (4) 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. Demand reduction efforts; however, have been weak, as GOM officials still consider this to be mainly a European issue.

Morocco's national drug strategy is augmented by an emphasis on a broader economic development approach and crop substitution. Moroccan officials, however, readily admit that alternatives are often a "hard sell" to farmers who can earn 18 times the earnings of a substitute crop such as barley by continuing to grow cannabis.

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 2009. Moroccan Ministry of Interior (MOI) has the goal to reduce cannabis cultivation to 12,000 ha by the year 2012. If this goal is accomplished, it will mean that Morocco will have reduced cannabis cultivation by 91% since it first started serious eradication efforts in 2003.

**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 cannabis and hashish on the local market.

	Cannabis	Hashish	Cocaine	Heroin	Psychotropic Drugs
2004	318 MT	86 MT	4 kg	1001 grams	168,257 units
2005	116 MT	96 MT	8 kg	5,335 grams	94,900 units
2006	60 MT	89MT	57 kg	714 grams	55,881 units
2007	209 MT	118 MT	248 kg	1,906 grams	55,243 units
2008 (January-September)	222 MT	114 MT	34 kg	6,325 grams	48,293 units

The GOM has deployed 11,000 personnel into the Rif mountains and throughout the northern coastal areas to interdict drug shipments, maintain counternarcotics checkpoints, and staff observation posts along the coast. The Moroccan Navy carries out routine sea patrols. 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, allowing GOM officials to seize a record quantity of 11 metric tons (MT) of cannabis resin in Tangier in December 2006. The Moroccan Navy used a similar scanner to seize 3 MT of cannabis resin in April 2008 alone. The GOM recently acquired another mobile x-ray scanner for use in the port city of Nador.

In 2008, Moroccan law enforcement arrested 28,896 individuals in connection with drug related offenses. Approximately 1,200 of these individuals were arrested for international drug trafficking of which 600 were foreigners, including 148 Spanish, 122 French, 21 Italians, 20 Dutch, and 12 Belgians. Arrests of traffickers at the seaports, and of arriving cocaine "mules" from Sub-Saharan Africa at the Casablanca airport are frequently in the news. In 2007, 93 kg of the total 248 kg of cocaine seized by the GOM was seized at the Mohammed V International Airport in Casablanca; the majority of the 84 smugglers were West Africans in transit to Europe. 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.

Of special note, an American citizen was arrested on May 7, 2008 by Moroccan officials for an alleged drug shipment. On June 15, 2008, he was sentenced to seven years in prison, fined \$1,200, and had his aircraft confiscated. The court also sentenced two Moroccan accomplices to prison terms of six and four years respectively, and acquitted two others.

**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 August 2006, authorities arrested senior government official Abdelaziz Izzou (the head of security at Morocco's royal palaces) for his cooperation with a major drug baron when he was head of the Tangier judicial police from 1996 to 2003. After a lengthy trial, Izzou received an 18 month prison sentence and had 700,000 MAD (approximately \$100,000) seized by the state in March 2008.

In December 2007, notorious drug baron Mohamed Taieb Ahmed (AKA "El Nene") escaped from prison in Kenitra with the assistance of local prison guards. Authorities re-captured "El Nene" in Spain in April 2008. For the role they played in the escape, Moroccan courts sentenced six Kenitra prison guards to prison terms ranging between two suspended months and four years on charges of forgery, corruption, and assisting a prisoner in escaping from custody. The GOM changed the management of its prison system and is also in the process of reinforcing prison security in response to this and other prison escapes in early 2008.

In January 2008, Moroccan authorities prosecuted three members of the gendarmerie (rural police) on corruption charges following a complaint made by an airline passenger traveling through the Agadir-Al Massira Airport. Moroccan police arrested the son of former Mauritanian president Khouna Ould Haidalla in July 2008 for attempting to smuggle 18 kg of cocaine. In October 2008, he was convicted and sentenced to seven years in prison.

During a speech in August 2008, King Mohammed VI called on the government to work actively to launch the Central Authority for the Prevention of Corruption. By the end of the year, the chairman and 40 members of the Authority had been named, and it was included in the annual budget. While the body will have only policy rather than enforcement responsibilities, the new chairman said he would forward to judicial authorities reports of corruption the Authority uncovered.

**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 55% from 134,000 hectares in 2003 to 60,000 hectares in 2008, due in part to an aggressive eradication campaign, carried out mainly by Gendarme and local authorities, according to GOM officials. Plans call for cannabis cultivation areas to decrease below 50,000 hectares in 2009. Cannabis resin production dropped 71% from 3,070 MT to 877 MT between 2003 and 2005. Morocco used the following methods to eradicate illicit crops: (1) crop-dusting via airplane, (2) mechanical and manual destruction of crops and (3) burning.

GOM officials report that during the first phase of the 2008 eradication campaign, they were able to eradicate a total of 4,376 ha of cannabis in the northern provinces. This includes 2,695 ha in Taounate, 985 ha in Chefchaouen, 130 ha in Tetouan and 565 ha in Larache.

In 2004, Morocco launched an awareness campaign for cannabis growers alerting them to the environmental dangers of cannabis cultivation to include 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 substitutions. Saffron cultivation and rose petal extraction are two examples of possible future economic substitutes for cannabis cultivation in the region. GOM officials report that since the 2004 awareness campaign started, there has been a 50% decrease in cannabis production in the Province of Taounate.

**Drug Flow/Transit.** Given its proximity to Morocco, Spain is a key transfer point for Europe-bound Moroccan cannabis resin where 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 confirmation of a significant diminution of cannabis products reaching these major European markets.

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. 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.

Latin American drug organizations have begun in recent years to exploit Morocco's well-established cannabis routes to smuggle cocaine and perhaps also heroin into Europe. Although the main African redistribution centers for cocaine from Latin America remain Sub-Saharan, including Ghana, Guinea, Guinea-Bissau and Nigeria, Morocco is increasingly being used as a transit country in a trend that can be expected to continue. In October 2008, the Colombian National Police seized a shipping container destined for Morocco with a declared cargo of aluminum roofing sheets but also containing 324 grams of cocaine.

Trans-national drug trafficking networks are a growing problem for Morocco. Although French and Spanish networks are more prevalent, Romanian drug networks appeared in Morocco for the first time in 2007 when 34 Romanian traffickers were arrested. There are initial indications of a Russian organized crime presence in Morocco, but no evidence thus far that it is engaged in narco-trafficking.

**Domestic Programs/Demand Reduction.** The GOM is concerned about signs of an increase in domestic cocaine and heroin use, but does not aggressively promote reduction in domestic demand for these drugs or for cannabis. Some media estimates suggest that as many as ten percent of adults regularly use cannabis, but the GOM does not currently have an effective system in place to measure and evaluate the situation. Morocco has established a program to train the staffs of psychiatric hospitals in the treatment of drug addiction. 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 use 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 monitor the flow of money from the cannabis trade.

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 2008. The DEA invited the Director of Morocco's Investigative Police Agency to participate as an observer in the July 2008 International Drug Enforcement Conference (IDEC) in Istanbul, Turkey. On October 15, 2008, the IDEC granted Morocco full voting member status. The USG is presently working to provide the GOM a DEA internet-based communication tool that will enable Morocco to communicate directly with other countries in the region as well as South American counterparts. This new communication system will allow real time exchange of intelligence information. In 2008, the U.S. DEA office in Paris was able to facilitate meetings and exchanges between the GOM and Colombian officials to discuss South American trafficking networks and the threat they pose to Africa.

USG training remains an important factor in Morocco's efforts to combat illegal narcotics. During FY 2008, the U.S. Government provided training to Moroccan police, gendarmes, and customs officials in the areas of (1) narcotics identification and testing (2) advanced U.S. Coast Guard boarding procedures, (3) fraudulent document detection and (4) customs and border issues. The GOM requested 2009 narcotics-related training assistance from the U.S. in the areas of airport interdiction, basic investigator techniques and money laundering

**The Road Ahead.** The endemic nature of the cannabis culture in Morocco will only be 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, together with the EU, 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. Some illicit drug shipments passing through Mozambique may also find their way to the United States and Canada. 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 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. While herbal cannabis for local consumption is produced throughout the country, seizure quantities and statistics from 2006 indicate higher levels in Maputo City, Manica, Sofala, and Cabo Delgado provinces. Limited amounts are trafficked to neighboring countries, primarily South Africa. Mozambique’s role as a transit country for illicit drugs and precursors continues to grow, and it is a favored point of disembarkation in Africa for trafficking to Europe because of its proximity to South Africa (the major market for illicit drugs) and weak law enforcement capacity at borders, major seaports, and airports. Southwest Asian producers ship cannabis resin (hashish) and synthetic drugs through Mozambique to Europe and South Africa. 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. Many traffickers are of Tanzanian or Pakistani origin. In 2008, there continued to be few reports of cocaine entering the country via couriers on international flights from Colombia and Brazil. Government authorities attribute the decrease to a change in tactics by traffickers and, to a lesser extent, more stringent police efforts at airports. However, they acknowledge that fewer reports may not represent a decrease in the overall amount of cocaine entering the country.

Government authorities have noted an increase in the use of heroin and Ecstasy among the urban population. The abuse of mandrax, which is usually smoked in combination with cannabis, continues to be a matter of concern for countries in southern Africa. Shipments of mandrax enter South Africa from India and China, sometimes after transiting Mozambique. South Africa dropped visa requirements for citizens of all six neighboring countries, further complicating interdiction and enforcement efforts.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Mozambique’s accomplishments in meeting its goals under the 1988 UN Drug Convention remain limited. Government resources devoted to the counter narcotics effort are meager, and little or no donor funds have been available in recent years. The Mozambican government carries out drug education programs in local schools in cooperation with bilateral and multilateral donors as part of its demand reduction efforts.

**Law Enforcement Efforts.** Mozambique's counter narcotics 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. Since 2005, a small, specialized police unit designed to strengthen efforts to fight organized crime, including narcotics trafficking, has operated at airports in provincial capitals. In 2006, Mozambican and Brazilian authorities signed a memorandum of understanding on principles in preparation for an eventual extradition agreement for convicted drug traffickers of drugs between their two countries. Through November 2008, cannabis seizures were 4,793kg, up from 4,638.26 kg in 2007, and 5.55kg of cocaine seized, up from 1.5kg in 2007. Due to alterations in trafficking procedures, and as interdiction efforts continue to improve at the Maputo airport, traffickers now use alternate airports, including those of Beira, Nampula, Quelimane, and Vilankulos. It is widely assumed that some illegal drugs enter the country by sea; the government relies on sporadic port inspections and under-trained border guards to police this source. Police reported that in 2008, 562 people were indicted for illegal drug trafficking and 107 were detained, of which 20 were tried, and 7 convicted of drug trafficking. On several occasions during the year, Mozambican authorities highlighted a severe lack of resources for destroying seized drugs, particularly hashish, cannabis, and cocaine.

**Corruption.** 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. There were no reports in 2008 that any senior government official engaged in such practices. While corruption is pervasive in Mozambique, the government continues its efforts to prosecute police and customs officials charged with drug trafficking offenses.

**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. Cannabis production registered an increase in 2008. Intercropping is the most common method of production. 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 drugs transiting Mozambique are based upon limited seizure data and the observations of Mozambique officials and UNODC officials. 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.

The Maputo corridor border crossing at Ressano Garcia/Lebombo is an important transit point to South Africa. Hashish and heroin are also shipped on to Europe; some hashish may reach Canada and the United States, but not in significant quantities. Arrests in Brazil, Mozambique, and South Africa indicate drug couriers trafficked cocaine from Colombia and Brazil to Mozambique, often through Lisbon, for onward shipment to South Africa. Nigerian and Tanzanian cocaine traffickers are reported to have targeted Mozambique as a gateway to the South African and European markets.

In 2007, 562 people were indicted for use or drug trafficking, against 669 in the previous year. This reduction is seen as a positive trend in the effort to implement control measures in the ports, airports and land borders, though the authorities recognize that they still lack financial resources and equipment means to that effect.

This is of particular relevance in light of the upcoming 2010 Soccer World Cup which will be hosted by South Africa. The Soccer World Cup will undoubtedly have major implications for Mozambique in view of its proximity to South Africa as well as the fact that it is hosting some national teams prior to the event. This enhances the importance of strengthening the capacity of Mozambique to address the security challenges, including the influx of drugs and other illicit commodities.

**Domestic Program/Demand Reduction.** The primary substances of abuse are alcohol, nicotine, and herbal cannabis. The Mozambican Office for the Prevention and Fight Against Drugs (GCPCD) reported in 2007 that the use of heroin, cocaine, and psychotropic “club drugs,” such as Ecstasy and mandrax, was increasing in Mozambique’s urban population. 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 received no treatment assistance from bilateral donors in 2008 and relies heavily on the prestige and influence of community leaders for implementation of their drug education programs. Despite an increase in the number of drug users, government funding and resources remain scarce (the GCPCD operated on a budget of approximately \$45,000 in 2007), which limits abuse and treatment options. The number of drug abusers seeking treatment has decreased from 1,436 in 2006 to 624 in 2007. This is also seen as the result of the prevention campaigns (6.8% increase in the number of activists since 2006) and improved inter-ministerial coordination. Programs assisting drug abusers are church and family based initiatives that reintroduce abusers into family and community settings. The Ministry of Health does not have any treatment programs to assist drug abusers; those seeking assistance are referred to a psychiatric hospital.

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

**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. The assistance included construction of a forensic laboratory and the supply of related forensic analysis equipment. Additionally, technical assistance programs at the police academy also focus on methods to foster better relations between the community and the police. USAID provides training support to the Attorney General’s Central Office for the Combat of Corruption (GCCC), formerly the anticorruption unit. In October 2007, a short-term regional legal advisor arrived to work with the unit and other judicial offices for a period of several months through the Department of Justice Overseas Prosecutorial Development Assistance and Training program. Also in October 2007, an assessment team from the State Department’s Office of Anti-Terrorism Assistance conducted an assessment to consider appropriate assistance levels for improving the capabilities of Mozambican security forces to combat terrorism. Part of this assessment included an evaluation of security capabilities at the land border station at Ressano Garcia, the Maputo seaport, and Maputo’s international airport. 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.** U.S. assistance in support of the GCCC will continue in 2008. Additionally, efforts to improve Mozambique’s border security capabilities continue. To build on the success of the initial training, the USG will sponsor additional basic and advanced border security courses for Mozambican border guards. The U.S. military has also provided shallow draft vessels for limited coastal security work in conjunction with USCG training on ship/vessel boarding and search and seizure techniques. DOD will train the Mozambican Navy on search and seizure techniques using those vessels.

The Government expects to finalize a \$17.4 million Strategic Plan on Illegal Drugs for 2009-2014 by the end of 2008. Without the regional cooperation needed to finance anti-drug efforts in Mozambique, implementation of the Strategic Plan is impossible. The GRM would benefit from the following: strengthened interdiction capabilities of border control officials stationed at airports, land-borders, seaports and coastal areas; provision of equipment and training to enhance expertise and capacity for drug law enforcement; and, training of officers from the GCPCD and anti-drug activists in the private sector, particularly NGOs, to support the rapid destruction of seized drugs and s creation of a reliable Criminal Data Base. The GRM should continue its focus on reducing corruption to ensure that progress with its narcotics control efforts continues.

# 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 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 running, trafficking operations. Customs and border controls remain weak, but international cooperation has resulted in increased narcotics-related indictments in Nepal and abroad. Nepalese officials claim the end of the Maoist insurgency in 2006 has slightly improved interdiction and monitoring efforts in previously inaccessible parts of the country, and the new Maoist-led government elected in 2008 has committed to improve overall law enforcement efforts. The Government of Nepal (GON) continues to push legislative efforts to increase control over the trafficking of precursor chemicals between India and China. Nepal is a party to the 1988 UN Drug Convention.

## II. Status of Country

Police confirm that production of cannabis is on the rise in the southern areas of Nepal, and that most is 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 Maoist-led government elected in 2008 has committed to enhance overall law enforcement efforts.

## III. Country Actions against Drugs in 2008

**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 is planning to amend the Act to incorporate provisions for psychotropic substances, demand reduction, treatment and rehabilitation.

In 2006, the Home Ministry updated the ten-year-old 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 mafia, the new 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 counter narcotics. As of November 2008, this Bureau has yet to be made functional. In addition, the National Policy restructured 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 oversee all narcotics control programs, law enforcement activities, and legal reforms.

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 another year. The government has not submitted scheduled amendments to its Customs Act to control precursor chemicals. All are under review by the Ministry of Law and Justice. Legislation on criminal conspiracy has not yet been drafted.

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.** The NDCLEU has developed an intelligence wing, but its effectiveness remains constrained by an insufficient budget, limited human resources and inadequate technological equipment. The NDCLEU and Nepal's customs and immigration services have improved coordination and cooperation. Narcotics officials admit that the destruction of areas of illicit drugs cultivation is not as effective as it could be; statistical data indicate a drop in 2007 and 2008 after an improvement in 2006 over 2005. As of August 2008, 105 hectares of cannabis cultivation were destroyed, compared to 211 hectares in 2007, 328 hectares in 2006, and 121 hectares in 2005. The NDCLEU reports that as of August 2008, 21 hectares of opium were destroyed. Data were unavailable for 2007; in 2006, 0.5 hectare (19 plants) of opium was destroyed.

Data available as of August 2008 indicate that by year-end, police may equal or exceed the number of arrests and drug seizures they made in 2007. From January-August 2008, police arrested 442 individuals (387 Nepalese citizens and 55 foreigners) on the basis of drug trafficking charges. In all of 2007, police arrested 617 individuals (550 Nepalese citizens and 67 foreigners). Local police made approximately 90 percent of the arrests in 2008, while the NDCLEU accounted for the remaining 10 percent. In the same time period, the NDCLEU and local units reportedly seized 7,478 kg of cannabis—approaching the amount seized in all of 2007 (8,093 kg) and more than twice as much as the amount of cannabis seized in all of 2006 (3,624 kg). The NDCLEU also seized 5 kg of heroin from January-August 2008, about a third of the amount seized in each of the two previous years. 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. The NDCLEU further reported the seizure of 1,739 kg in Nepal from January-August 2008. Most seizures of heroin and hashish in 2008 occurred along the Nepal-Indian border, within Kathmandu, or at Kathmandu's Tribhuvan International Airport (TIA) as passengers departed Nepal. The NDCLEU reported the seizure of 12 kg of opium through August 2008. The NDCLEU did not report the seizure of any opium in 2006 or 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. There are no US extradition or mutual legal assistance treaties between the U.S. and Nepal.

**Cultivation/Production.** Cannabis is an indigenous plant in Nepal, and cultivation of certain selected varieties is rising, particularly in the lowland region of the TeraI. There is some small-scale cultivation of opium poppy, but

detection is difficult since it is intercropped among licit crops. Nepali drug enforcement officials reported that 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 since 1997. 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 2008. 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, Europe, the U.S. and Canada. 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. Government officials report that 2008 maintained improvements from 2007 in stemming drug flow and transit through Nepal and better border security. Nevertheless, the NDCLEU says customs and border controls are weak along Nepal's land borders with India and China, while the Indian border is 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 GON, along with other governments, is working to increase the level of security at the international airport. The NDCLEU took the increase in arrests of Nepalese couriers in other countries as an indication that Nepalese 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-particularly Spain, the Netherlands and Switzerland. 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 GON has continued to implement its national drug demand reduction strategy in association with the Sri Lanka-based Colombo Plan, assistance from the United States, UNODC, donor agencies, and NGOs. However, budgetary constraints have limited significant progress.

#### 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 works with GON agencies to provide expertise and training in 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 Nepali customs service. The United States also will encourage the GON to enact stalled drug legislation.

# 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) despite the government's long-term strategy against the production, trade and consumption of synthetic drugs. According to the 2007 National Crime Squad (NR) report, the Expertise Center for Synthetic Drugs and Precursors (ESDP) received no reports of Ecstasy tablet seizures in the U.S. linked to the Netherlands in 2007, though this may be due to incomplete data. In July 2008, the Justice and Interior Ministers established the National Taskforce on Organized Hemp Cultivation to combat the criminal organizations behind cannabis plantations. 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. Dutch popular attitudes toward soft drugs remain tolerant. The Government of the Netherlands and the public view domestic drug use as a public health issue first and a law enforcement issue second. The Netherlands is a party to the 1988 UN Drug Convention.

## II. Status of Country

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

## III. Country Actions against Drugs in 2008

**Policy Initiatives:** Major Dutch Government policy initiatives in 2008 included:

During a Parliamentary drug debate in March 2008, Justice Minister Hirsch Ballin and Health Minister Klink promised to draft a new drug policy paper, which would include the government's view on Dutch drug policy over the next few years. The new drug report, which should be ready in 2009, will include the results of an assessment of Dutch soft drug policy over the past 30 years, and a comparison between Dutch and foreign drug policies. The Ministers also informed Parliament that they requested the State Institute for Health and Environment (RIVM) to study the risks of various kinds of drugs. The study, expected to be similar to a British study published in *The Lancet* of March 2007, should resolve whether or not the current classification system requires a revision. The study is expected to be completed in the spring of 2009.

### Cannabis

**National Taskforce on Organized Hemp Cultivation.** The taskforce, which is chaired by the public prosecutor's office, includes representatives of national and local governments, law enforcement services, energy companies, housing corporations, insurance companies, and tax services. The special focus will be on fighting criminal organizations behind the cannabis plantations. The taskforce is to draw up a program that will achieve a measurable

and visible reduction of large-scale hemp cultivation by the end of 2011. The establishment of the taskforce was announced in the government's policy plan to step up the fight against organized crime, which was submitted to Parliament in December 2007.

In October 2008, the Mayors of Bergen op Zoom and Roosendaal announced that they would close down all eight marijuana coffeeshops in their cities as of February 2009. The two cities, situated close to the Belgian border, attract a total of 1.3 million mostly Belgian and French drug tourists per year. The Mayors stated they want to end the policy of "tolerating" soft drug sales in coffeeshops as this causes an unacceptable level of public nuisance to local residents. Justice Minister Hirsch Ballin supported the closures noting that the decision fits in with the policy of cracking down on nuisances caused by drug tourists. Immediately following the announcement, Maastricht Mayor Leers called for a national summit on soft drug policy. He fears that if local governments continue to formulate their own policies, the drug problem will simply shift to other cities and worsen. According to Leers, drug tourism is not a local problem and cannot be solved locally. Leers noted that "the political impasse" between government coalition parties of Christian-Democrats (CDA) and Labor (PvdA) makes it impossible to implement necessary changes in the policy of tolerating soft drug sales and fighting problems associated with drug tourism. Although the Justice Minister's CDA party in fact opposes coffeeshops, the coalition parties agreed in the government accord of February 2007 that drug policy would not change over the next four years. According to Leers and other mayors, the inconsistent policy of allowing soft drug sales in coffeeshops, while banning cannabis cultivation (the so-called front-door/back-door controversy) makes law enforcement difficult.

In April 2008, the Maastricht administrative court ruled that the city government was not allowed to ban foreigners from buying cannabis in coffeeshops. In 2006, Maastricht began a trial project to offer local residents special access passes to coffeeshops. 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. A coffeeshop owner started a legal procedure against the Maastricht city council as a test case to assess whether the trial project was in line with EU law. 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 has appealed the verdict. In March, the administrative court also rejected Maastricht's plans to move eight of the 15 coffeeshops out of the city center to the outskirts, close to the Belgian border.

In June 2008, Interior Minister Ter Horst made available 900,000 Euros to intensify efforts against drug runners in the Maastricht area. The region has serious problems with primarily Dutch-Moroccan drug runners, who try to intercept tourists on the highway to take them to illegal drug premises. The money will be used to purchase mobile cameras for automatic license plate recognition.

According to the Justice Ministry, 77 percent of local governments currently apply the so-called "distance criteria," meaning that coffeeshops located within 250 meters of a secondary school or college of higher professional education must be closed. By 2011, all local governments should have enforced the "distance criteria."

In April 2008, Health Minister Klink sent Parliament an administrative measure banning sales and cultivation of fresh "magic mushrooms." The unpredictable impact of human consumption of hallucinogenic mushrooms and related risky behavior, and the fact that most EU countries also have such a ban in place were cited as the reasons for the ban. (Sales of dried hallucinogenic mushrooms were banned some time ago.) The administrative measure went into effect December 1, 2008. The number of incidents involving "magic mushrooms" has risen significantly over the past few years, particularly in Amsterdam, where the number of incidents rose from 55 in 2005 to 128 in 2006, and 149 in 2007.

A bill to ban so-called "grow" shops that sell, deliver, transport and manufacture equipment for cannabis cultivation will be submitted in the first half of 2009.

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 was roughly the same as the price of imported cannabis.

In September 2008, the Supreme Court granted a multiple sclerosis (MS) patient permission to grow his own cannabis for medicinal use. Home cultivation of cannabis is banned under the Dutch Opium Act, but doctors have been allowed to prescribe medicinal cannabis for chronically ill patients since 2003. The Health Ministry's Bureau for Medicinal Cannabis (BMC) buys the cannabis from two official growers. In the case of the MS patient, the prescribed type of cannabis did not improve his condition.

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 plate numbers of drug tourists are being exchanged.

### **Cocaine Trafficking**

The 100 percent controls on inbound flights from the Netherlands Antilles and Suriname continued in 2008, despite the dramatic decline in the number of cocaine couriers arrested at Schiphol airport. In August 2008, Justice Minister Hirsch Ballin promised Suriname support in combating drug trafficking. However, he emphasized that the 100 percent controls on inbound flights from Suriname would remain in place as long as Surinamese smugglers continue to be arrested (currently, an average of 50 per month). Netherlands-bound drug couriers increasingly appear to divert to the Dominican Republic, Peru and Mexico as a transit point for Colombian cocaine. According to a national police report, West African, particularly Nigerian, criminal networks are active in the Dutch cocaine market.

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

In June 2008, the National Crime Squad arrested three men suspected of having been involved in preparing the transport of 2,600 kilos of cocaine from Brazil to the Netherlands. The cocaine was found in spring 2008 in a warehouse near Sao Paulo.

In August 2008, under the Law Enforcement Detachment (LEDET) arrangement with the Royal Dutch Navy, a U.S. Coast Guard LEDET deployed aboard a Royal Dutch Navy vessel boarded a Panamanian freighter and seized 4,200 kilos of cocaine. The freighter was sailing from Venezuela to Europe.

In May 2008, the Utrecht court imposed prison sentences of up to 10 years on three main suspects and 10 co-defendants for organizing drug transport from Suriname. In March 2007, a Portuguese navy frigate spotted the crew of a yacht dump several hundred kilos of cocaine into the Atlantic Ocean. The yacht was tracked as it sailed on to Rotterdam, where the police found traces of drugs. Nine people were arrested, including three crew members.

### **Ecstasy**

The 2007 Crime Pattern Analysis on Synthetic Drugs and Precursors published by the National Crime Squad (NR) in April 2008 concluded that "the Netherlands continues to play an essential role in the synthetic drug market, despite the emergence of new producing countries such as Canada and Australia." (For more details on seizures, see section on cultivation/production.) A Dutch police liaison officer has been stationed in Canberra since early 2008 to help the Australian police fight Ecstasy trafficking.

In May 2008, an international investigation by the NR and the Australian federal police force into a large drug trafficking organization led to the arrest of several suspects in the Netherlands, Germany, Thailand and Australia. In the Netherlands, 12 people were arrested, including the main suspect. The syndicate is suspected of having smuggled ephedrine, the basic ingredient for methamphetamine production, from Pakistan to Australia and from Congo to Belgium.

### **Heroin**

According to the 2007 Crime Pattern Analysis on Heroin published by the NR in April 2008, the Netherlands appears to have developed into a distribution country for heroin markets in the UK, France, Spain and Portugal.

In June 2008, the National Crime Squad (NR) intercepted a truck in the city of Tilburg concealing 460.5 kilos of heroin in large batteries. The drugs, which had been shipped from Turkey, had an estimated street value of 11.5 million Euros. The investigation was carried out in close cooperation with German and Romanian police.

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

The Dutch Opium Act prohibits the possession, commercial distribution, production, import, and export of all illicit drugs. Drug use, however, is not an offense. The act distinguishes between "hard" drugs that have "unacceptable" risks (e.g., heroin, cocaine, Ecstasy), and "soft" drugs (cannabis products). Trafficking in "hard drugs" is prosecuted vigorously and dealers are subject to a prison sentence of up to 12 years. When trafficking takes place on an organized scale, the sentence is increased by one-third (up to 16 years). Sales of small amounts of cannabis products (under five grams) are "tolerated" (i.e., not prosecuted, even though technically illegal) in "coffeeshops" operating under regulated conditions (no minors on premises, no alcohol sales, no hard drug sales, no advertising, and not creating a "public nuisance"). Commercial production and distribution of cannabis is illegal and is vigorously prosecuted.

In May 2007, the Netherlands became a full member of DEA's International Drug Enforcement Conference (IDEC) and they are expected to participate in all IDEC conferences. Most recently they participated in the 2008 IDEC conference in Istanbul, Turkey.

In 2008, DEA and the KLPD conducted joint clandestine laboratory training. DEA personnel traveled to The Hague for specialized training on MDMA clandestine laboratories and KLPD officers were provided specialized training on methamphetamine labs. This training took place at Europol headquarters in The Hague. In addition, Dutch authorities provided equipment to the DEA Academy to set up an operational MDMA lab for use in training DEA agents and other U.S. law enforcement officers at the DEA Training Academy in Quantico, Virginia.

All foreign law enforcement assistance requests continue to be sent to the IPOL (International Network Service), 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 permitted better coordination during ongoing enforcement actions, such as controlled deliveries and undercover operations. Under Dutch law enforcement policy, prosecutors control most aspects of an investigation. Dutch police officers must get prosecutor concurrence to share information directly with foreign liaison officers even on a police-to-police basis. This can hamper the quick sharing of information, which could be used proactively in an ongoing investigation. However, the quick sharing of police-to-police information is improving as a result of the increased access for DEA agents with NR units. 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 some investigative actions via MLAT

(Mutual Legal Assistance Treaty) requests. A number of MLAT requests have been made to the Dutch government; however, due to the amount of time taken by the authorities to approve these requests, certain operations have been adversely affected. Recently, Dutch officials indicated that their Justice Ministry may be able to "streamline" certain aspects of the approval process.

Drug Seizures	2006	2007
Heroin (kg)	984	519
Cocaine (kg)	10,581	10,478
Ecstasy (tablets)	4,118,252	8,430,043
Ecstasy (powder and paste)(kg)	664	1,319
Synthetic drug labs	23	15
Amphetamine (kg)	632	2,805
Amphetamine (tablets)	38,077	1,391
Methamphetamine (kg)	0	9.8
LSD (doses)	22,599	20,033
LSD (tablets)	2,482	217
Methadone (tablets)	11,559	4,753
Cannabis resin (kg)	4,622	9,948
Marijuana/"Nederwiet" (kg)	6,641	5,473
Hemp plants	1,570,006	851,510
Dismantled hemp plantations	5,201	5,242

(Source: KLPD National Police Force)

**Corruption.** The Dutch Government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. No senior official of the Dutch Government engages in, encourages or facilitates the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions. Press reports of low-level law enforcement corruption appear from time to time but the problem is not believed to be widespread or systemic. In June 2008, five employees of a state prison were suspended by the Justice Ministry on suspicion of drug trafficking to Germany.

**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 against Transnational Organized Crime and its protocols on trafficking in persons and migrant smuggling. The U.S. and the Netherlands have fully operational extradition and mutual legal assistance agreements (MLAT). All 27 EU member states, including the Netherlands, have signed bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. The U.S. has ratified all and all EU countries except Belgium, Greece, Ireland and Italy have also ratified these agreements. None have entered into force.

**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 Daniel,

more than 80 percent of illegally cultivated "Nederwiet" is exported. According to a report by the National Police Force, 5,247 cannabis plantations were dismantled in 2007, about the same as in 2006.

According to the 2007 National Crime Squad (NR) report, the Expertise Center for Synthetic Drugs and Precursors (ESDP) received no reports of Ecstasy tablet seizures in the U.S. linked to the Netherlands in 2007, though this may be due to incomplete data. The number of Ecstasy tablets seized in the Netherlands totaled almost 8.5 million in 2007 compared to 4.1 million in 2006. The increase was attributed partly to two major seizures of 1.1 million tablets and 2.5 million tablets in Haarlem and Veldhoven, respectively. According to the 2007 NR report, 2007 MDMA seizures around the world that could be associated with the Netherlands totaled more than 18.3 million tablets and 35 kg of MDMA powder, as compared to 5.7 million tablets and 72 kilos of MDMA powder in 2006. MDMA (powder and paste) seizures in the Netherlands rose from 664 kilos in 2006 to 1,319 kilos in 2007, the equivalent to over 13 million Ecstasy tablets. The NR also reported seizing 20,033 LSD paper trips, 493,800 MCPP tablets, and 9.8 kilos of methamphetamine in 2007. The number of dismantled production sites in the Netherlands for synthetic drugs dropped to 15 in 2007 from 23 in 2006. Of the 15 production sites dismantled, 5 were for amphetamine and 2 were for Ecstasy production, and 6 were meant for tableting.

According to the NR report, only 1,391 amphetamine tablets were seized in 2007 compared to 38,000 tablets in 2006. In 2007, there were no seizures of amphetamine tablets abroad that could be linked to the Netherlands, whereas in 2006 there was a record haul of 92,277 tablets. One of the more notable seizures of 2007 was the record discovery in the Netherlands of 2,805 kilos of amphetamine powder. According to the NR report, the figures demonstrate how greatly the picture changes from year to year. The NR seized almost no BMK and PMK chemical precursors in 2007. However, signals from criminal circles indicate that PMK and BMK are readily available for synthetic drug production. The NR concluded that investigation agencies are still unaware of the smuggling methods and routes.

**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. The Netherlands is a member of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon, which should bolster EU capacity to protect its southwestern flank. Cocaine seizures in the Netherlands in 2007 amounted to 10,478 kilos compared to 10,581 kilos in 2006. Of the 2007 seizures, more than 4,000 kilos were seized in the port of Rotterdam. Some 4,443 kilos were seized at Schiphol, of which 3,112 kilos from passengers and 1,332 kilos in air cargo. Because of stronger controls at Schiphol, traffickers have diverted to other European airports or alternative routes. The government has expanded the number of container scanners in the Port of Rotterdam and at Schiphol airport. Controls of highways and international trains connecting the Netherlands to neighboring countries have also been intensified.

**Demand Reduction.** The Netherlands has a wide variety of demand and harm-reduction programs, reaching about 80% of the country's 24,000-46,000 opiate addicts. The number of opiate addicts is low compared to other EU countries (about 3 per 1,000 inhabitants); the number has stabilized over the past few years; the average age has risen to 40; and the number of overdose deaths related to opiates has stabilized at between 30 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 2007 National Drug Monitor, out-patient treatment centers registered some 6,544 cannabis users seeking treatment for addiction in 2006, compared to 6,100 in 2005. The number of opiate addicts seeking treatment dropped significantly from almost 18,000 in 2005 to 13,000 in 2006, and the number of cocaine users seeking help dropped slightly from 9,800 in 2005 to 9,600. About 54 percent of addicts seeking help for cocaine problems are crack cocaine users. According to a study by the Trimbos Institute published in June 2008, drug use among high school students again dropped in 2007. About 17 percent of students queried admitted having used cannabis and eight percent admitted having used cannabis during the previous month. Past-month use of hard drugs was less than one percent in 2007.

Below are the latest available statistics on drug use among the general population ages 15-64, 2001 and 2005 of percent reporting life-time (ever) use and last-month/current use.

	Life-time use		Last-month use	
	2001	2005	2001	2005
Cannabis	19.5	22.6	3.4	3.3
Cocaine	2.1	3.4	0.1	0.3
Heroin	0.2	0.6	0.0	0.0
Amphetamine	2.0	2.1	0.0	0.2
Ecstasy	3.2	4.3	0.3	0.4

(Source: National Drug Monitor 2007, Trimbos Institute)

**Prevention.** Drug prevention programs are organized through a network of local, regional and national institutions. Programs target schools in order to discourage drug use among students, and use national mass media campaigns to reach the broader public. The Netherlands requires school instruction on the dangers of alcohol and drugs as part of the health education curriculum. The "healthy living" project developed by the Trimbos Institute continues to run in about 55 percent of Dutch elementary and secondary schools. At the request of the Health Ministry, the Trimbos Institute each year carries out drug information campaigns. The 24-hour national Drug Info Line of the Trimbos Institute has become very popular. In September 2008, the public prosecutor's office published a newsletter warning young people about the effects of drug use.

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

**Bilateral Cooperation.** U.S. and Dutch law enforcement agencies maintained excellent operational cooperation, with principal attention given to countering the Netherlands' role as a key source country for MDMA/Ecstasy entering the U.S. The U.S. Embassy in The Hague has made the fight against the Ecstasy threat one of its highest priorities. Dutch law enforcement has dramatically improved its acceptance of controlled delivery operations with the DEA, but continues to resist use of criminal undercover 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 "Next Steps" commitments to jointly fight drug trafficking. DEA The Hague has also noted improved and expedited handling of drug-related extradition requests. The Netherlands provides warships under the tactical control of Joint Interagency Task Force South to support efforts to stop the flow of narcotics in the Caribbean. A Dutch Liaison Officer, seconded to the JIATF South staff, also assists in coordinating Dutch support to JIATF South counternarcotics operations. 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 of the Netherlands for the establishment of a FOL (for U.S. enforcement personnel) on Aruba and Curacao became effective in October 2001. Since 1999, the Dutch Organization for Health Research and Development (ZonMw) has been working with the U.S. National Institute on Drug Abuse (NIDA) on joint addiction research projects.

**The Road Ahead.** U.S.-Dutch bilateral law enforcement cooperation is expected to intensify in 2009, particularly through DEA's access to the NR units. During the bilateral "Next Steps" law enforcement consultations in The Hague in October 2007, the U.S. and the Netherlands agreed to continue operational cooperation in international drug trafficking investigations.



# Nicaragua

## I. Summary

Nicaragua is a maritime and land transshipment route for South American cocaine and heroin smuggled to the United States. Despite an ineffectual, corrupt, and politicized judicial system, the Government of Nicaragua (GON) continues to make a determined effort to combat domestic drug abuse and the international narcotics trade plaguing its country. Despite a lack of resources and technical capabilities, collaboration between law enforcement and military components resulted in an increase in drug seizures and trafficker disruptions from 2007. During 2008 the GON seized approximately 19.5 metric tons (MT) of cocaine, and also recorded the first seizure of pseudoephedrine in Nicaragua. 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 maritime conveyances. For DTOs, Nicaragua's strategic geographic location features the Atlantic and Pacific Oceans hugging its eastern and western coasts and the north-south Pan American highway, running the length of the country.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2008, the GON began implementation of the Penal Code passed in 2007 by the National Assembly to address some of the legal weaknesses in Nicaragua's efforts against money laundering and terrorism financing. The new Code contains language establishing money laundering as a crime independent of drug trafficking, imposing stiffer penalties, and establishing terrorism financing as a crime. In 2008 the legislation to create an independent Financial Investigative Unit (FIU) was stalled for a fourth year due to Nicaraguan National Assembly concerns about accountability and possible political interference in the operations of the proposed new unit. The Nicaraguan National Assembly plans to continue discussions on the FIU legislation in 2009.

A delegation of Nicaraguan legislators, NNP legal experts, and representatives from the office of the Nicaraguan Superintendent of Banks were sponsored by the USG to attend a regional anti-money laundering conference in Panama. The conference also offered the participants a chance to meet with FIU directors from around the region to discuss the current anti-money laundering regime in Nicaragua and consult on the possibility of creating a Nicaraguan FIU.

The Drug Enforcement Administration (DEA) and the Bureau for International Narcotics and Law Enforcement Affairs (INL) worked jointly with the NNP to expand the size and operations of a GON Vetted Unit within the Nicaraguan National Police (NNP). The unit, comprised of NNP agents of diverse law enforcement background, training and experience, is charged with conducting investigations of international drug trafficking and money laundering organizations operating in Nicaragua. This unit has worked closely with newly formed anti-corruption units in the Attorney General's office as well as with other vetted units in the region in coordinating cross-border counternarcotics operations.

**Law Enforcement Efforts.** During 2008, Nicaraguan law enforcement officials seized approximately 19.5 MT of cocaine and 52.84 kilograms of heroin, and arrested 136 drug traffickers. The National Police also seized over \$4.7 million in U.S. currency and denied 109 traffickers assets worth over \$9 million. For the first time ever, Nicaraguan authorities also seized pseudoephedrine (18,000 dosage units) as it was being smuggled out of the country.

In 2008, Nicaraguan law enforcement and military entities made a concerted effort to facilitate greater exchange of information and closer coordination of operational ventures. Despite these efforts, however, inter-agency rivalries between civilian and military narcotics interdiction personnel hampered cooperation.

**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 is a pervasive and continuing problem in law enforcement and the judiciary. The continued politicization of the Nicaraguan judiciary, especially in the Nicaraguan Supreme Court, is a worrisome impediment to serious law enforcement undertaking in Nicaragua. 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. A U.S.-Nicaragua extradition treaty has been in effect since 1907. Nicaragua does not extradite its nationals, but occasionally will domestically prosecute its nationals for crimes committed outside Nicaragua. Nicaragua's commitment to domestic prosecutions, however, has been inconsistent. Nicaragua is a member of the Caribbean Financial Action Task Force (CFATF), which has sent a team to investigate the country's failure to comply with the requirements outlined in its most recent country report. 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, the Inter-American Convention on Mutual Assistance in Criminal Matters, and the Inter-American Convention against Corruption. In 2001, Nicaragua signed the consensus agreement on establishing a mechanism to evaluate compliance with the Convention. Nicaragua also ratified the Inter-American Mutual Legal Assistance Convention in 2002, an agreement that facilitates sharing of legal information between countries. Nicaragua signed the Caribbean regional maritime counternarcotics agreement in 2003, but has not yet taken any action to bring it into force.

**Cultivation/Production.** Marijuana cultivation continues to take place mostly in the mountainous areas of Nicaragua (Metacarpi, Esteli, Jinotega, Boaco, and Nueva Segovia). Local cultivation is directed towards domestic consumption. During 2008, the National Police seized 81.77 kilograms of marijuana, a comparatively insignificant amount for the size of the country and documented growing regions. Exact cultivation and eradication figures are unknown because cultivation is not large enough in scale to merit the devotion of scarce law enforcement resources to the issue.

**Drug Flow/Transit.** Cocaine continues to be the drug trafficked in the largest quantities through Nicaragua. Cocaine is trafficked from the southern part of the country in large quantities via land, air, and maritime routes. Once the shipments reach and/or enter national territory, they are often stored in warehouses (bodegas) and farms in the coastal and interior areas of Nicaragua before being moved out of the country towards final destinations. The preferred method to smuggle cocaine out of the country is in hidden compartments in tractor-trailer trucks and private vehicles.

On the maritime front, the aggressiveness of Nicaraguan authorities has forced drug trafficking organizations to alter their smuggling routes. While in 2007, the vast majority of the maritime interdictions and seizures conducted by the Nicaraguan Navy and National Police occurred on the Pacific coast, in 2008 drug trafficking organizations strengthened and redirected their efforts towards Nicaragua's Atlantic region, which is plagued by high unemployment, lack of infrastructure, and inadequate law and maritime enforcement resources. This makes it an ideal haven for Mexican and Colombian narcotics trafficking organizations seeking vulnerable territory to exploit. With this pendulum shift in illicit activity, the Nicaraguan Navy proactively patrolled their territorial waters and aggressively deployed their limited assets to respond to tactical information provided by US law enforcement agencies. This assertive maritime posture and coordination with US law enforcement agencies resulted in the seizure of over 9 MT of cocaine; approximately half of 2008 cocaine seizures. Of the nine documented maritime events, eight occurred on the Atlantic coast. In response to the continued high flow of narcotics through the Atlantic Coast region, the USG

supported the construction of a new pier and barracks for the maritime interdiction forces on Corn Island. The GON also plans to refurbish police buildings and expand NNP presence on both Big Corn Island and Little Corn Island.

While drugs continue to transit northbound out of Nicaragua, currency continuously moves southbound through the country. The majority of the seizure of \$4.7 million in U.S. currency occurred at border crossing checkpoints. All the currency seized was in U.S. dollars with one exception, a seizure of \$24,000 EUROS (equivalent to \$48,000). GON and USG intelligence also indicates that the Managua International Airport continues to be utilized as a transshipment point for heroin and cocaine being smuggled to the continental United States and Europe as well as currency being smuggled into the country.

**Domestic Programs/Demand Reduction.** The Drug Abuse Resistance Education (D.A.R.E.) Program, established in Nicaragua in 2001, continued to be implemented on the Atlantic coast in 2008. The USG also worked with the NNP's Department of Juvenile Affairs to evaluate and expand a pilot effort for the Second Step (Segundo Paso) demand reduction/at-risk youth program which is designed for younger children. Drug consumption in Nicaragua remains a growing problem, particularly on the Atlantic coast, where the increase in narcotics trans-shipment during recent years has generated a rise in local drug abuse. The Ministries of Education and Health, the NNP, and the Nicaraguan Fund for Children and the Family (FONIF) have all undertaken limited demand reduction campaigns to schools.

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

**Bilateral Cooperation.** The U.S. continues to support Nicaragua's efforts in interdiction, as well as encouraging it to undertake more fundamental challenges to corruption and money laundering. During 2008, 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 (with ties to drug trafficking and money laundering crimes only) and money laundering. The USG continued support to the Nicaraguan Navy by finishing the refurbishment of three large naval boats and providing engines, spare parts, and maintenance for several smaller patrol boats for maritime interdiction on both the Atlantic and Pacific coasts. The USG also provided training in maritime law enforcement, small boat operations, maintenance and logistics, engineering and leadership to the Nicaraguan Navy in 2008.

**The Road Ahead.** The USG hopes to continue its fruitful working relationship with the Nicaraguan military and law enforcement institutions and would encourage the GON to address issues that hamper its counternarcotics efforts. The continued politicization of the Nicaraguan judiciary at the highest levels is a worrisome impediment to serious law enforcement undertaking in Nicaragua. The GON should professionalize and de-politicize the judiciary and the Prosecutor General's office. The GON should also pass and implement stronger statutes to combat corruption, strengthen anti-money laundering controls, create an independent and effective FIU, and create an effective methamphetamine precursor control regime.

For its part, the USG will provide significant support in the coming year under the Merida Initiative—a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# Nigeria

## I. Summary

Nigeria is a major trafficking hub in West Africa. Afghan heroin and South American cocaine transit Nigeria on their way to markets in Europe, and the U.S. Heroin transiting Nigeria has a significant impact on the United States. More recently, there is clear evidence from seizures at Abuja and Lagos' main international airports that Nigerian criminal organizations are sending numerous low level drug carriers or "mules" to Europe, especially to Spain. Typically these mules ingest about a kilo of cocaine and try to smuggle it to their destination. Many have been apprehended as a result of the use of modern scanning equipment donated to Nigeria by the U.S. State Department anti-drug assistance program.

Nigerian Organized criminal networks are a major factor in moving cocaine and heroin worldwide. Many of these organizations are not based in Nigeria, but there is good evidence that large quantities of both cocaine and heroin transit Nigeria on their way to markets in the West. In addition to drug trafficking, some of these organizations are also engaged in advance-fee fraud, and other forms of fraud against U.S. citizens and businesses. These include document fabrication, illegal immigration, and financial fraud. Their ties to criminals in the United States, Europe, South America, Asia, and South Africa are well documented. 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 under/unemployment, contribute significantly to the continuation and expansion of drug trafficking. 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 have provided both an incentive and mechanism for criminal groups to flourish, and for Nigeria to emerge as a major drug trafficking hub.

In Nigeria, the only drug that is being cultivated in significant amounts domestically is Cannabis Sativa (marijuana). Nigerian-grown marijuana is Nigeria's most common drug of abuse and is exported to neighboring West African countries and to Europe, but not in significant quantities to the United States. Nigeria is a party to the 1988 UN Drug Convention.

## II. Status of Country

The National Drug Law Enforcement Agency (NDLEA) is responsible for enforcement of laws against illicit drug. 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 are represented at Nigeria's international ports of entry, joint operations between them are virtually non-existent. A missing ingredient partially explaining the dearth of apprehensions of major traffickers or the absence of consistent interdiction of major shipments of contraband is interagency cooperation. 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 2008

**Policy Initiatives.** Nigeria's counter narcotics policy is based on the National Drug Control Master Plan (NDCMP), which has been in place since 1998. 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 of these 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. This year, in part because of the involvement of the NDLEA itself in advocating for a more generous budget, NDLEA is supposed to receive upwards of the NAIRA (Nigeria's currency) equivalent of \$55 million for the budget year, of which more than 410 million will be for capital expenditures.

**Law Enforcement Efforts.** The 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, increasing numbers of drug couriers are being apprehended at Abuja International Airport. The agency continues to successfully apprehend individual drug couriers transiting these airports, but there are all-but no arrests of major drug traffickers. An essential factor in the increased arrests of couriers has been the installation of Digital Body scanners donated by the US State Department's anti-drug assistance project. These "body scanners" have been in operation at Lagos, Kano, Port Harcourt and Abuja International Airports since approximately March of 2008. Many observers believe that if Nigeria introduced a vigorous anti-drug enforcement regime at its five major seaports, they, too, would yield significant results in drug seizures.

As noted above, Nigeria's own number one drug of abuse is marijuana. In June 2008, the NDLEA seized 80 metric tons of cannabis in Ibadan. In the past year, NDLEA continued to emphasize a high-profile campaign to destroy the annual Cannabis Sativa crop before it can reach domestic drug abusers. In addition to a significant number of acres of cannabis publicly destroyed on site where it is grown, a total of one hundred and sixty seven metric tons (167) of hard drugs of which cannabis constituted the largest proportion (over 95%) has been burnt during the on-going campaign. Between October 2007 and September 2008, the various NDLEA commands apprehended approximately 4,240 narcotics suspects and seized 293.8 MT of cannabis, 279 kg of cocaine, 10.3 kg of heroin, and 259 Kg of synthetic drugs.

Although Nigeria's main drug problem locally remains cannabis, cocaine has now emerged as one of Nigeria's most challenging drug abuse problems. At least some share of the cocaine being seized in Nigeria seems to have been refined in West Africa, not trafficked as cocaine from Latin America. Drug traffickers take advantage of lax enforcement in Nigeria and some of the other countries of West Africa to "warehouse" bulk quantities of drugs, until they can be trafficked to developed country markets by myriad, low level drug mules, employed by traffickers. Moreover, trafficking drugs is made easier because it is so difficult to effectively police Nigeria's extensive borders due to their porosity and the cultural links between border communities living in different countries along both sides of land borders.

In the past year, the NDLEA prosecuted 1,239 drug suspects, which resulted in 1,231 convictions and 8 acquittals. In addition, a significant number of vehicles used to commit crimes have been seized by NDLEA.

Unfortunately, attempts by the NDLEA to apprehend and prosecute major traffickers and their associates often fail. Sometimes the failures are traceable to the lack of capacity of NDLEA itself to successfully assemble a case against the higher echelons of sophisticated organized criminal gangs. Other times the problem is with Nigeria's courts, which are subject to intimidation and corruption.

NDLEA is attempting to improve its capacity to investigate and prosecute complex crime through training. NDLEA has requested that the National Assembly amend Nigeria's basic narcotics law to provide a more strict and effective punishment for major traffickers by requiring a minimum sentence of 5-years in jail with no option for a simple fine. NDLEA wants a new provision for the seizure of a foreign offender's passport, during any pre-trial period. NDLEA is also trying to keep track of the foreign travel of certain individuals suspected of involvement in narcotics trafficking. About 826 people were monitored between January and June 2008 for various reasons during traveling to drug source countries. Nigerian enforcement also can petition the court to withdraw a suspected foreign drug trafficker's residence permit for Nigeria, and expel him or her from Nigerian territory.

Asset seizures from narcotics traffickers and money launderers, while permitted under Nigerian law, have never been systematically utilized as an enforcement tool, although some convicted traffickers have had their assets forfeited over the years. In 2008, approximately \$85,470 in domestic currency equivalent has been seized and investigations are ongoing on 14 other cases. NDLEA also points to seizure of foreign currencies totaling \$1,937,478 some of which represents stolen money, counterfeit US dollars, money orders and Travelers' Cheques.

**Corruption.** Corruption plays a major role in drug trafficking around the world, and this is almost certainly true in Nigeria, as well. The large illicit proceeds from drug trafficking empower traffickers to use widely prevalent small and large scale corruption to protect their operations. There are laws against corruption in Nigeria and the Nigerian authorities can point to several indictments, including one lodged against a former Chief of the Nigerian Drug Law Enforcement Agency itself, as evidence of their attempts to enforce the law. The Government of Nigeria does not, as a matter of government policy, encourage or facilitate illicit drug production, nor is it involved in laundering the proceeds of the sale of illicit drugs. Still, the frequent reports in domestic and foreign media that high-level corruption in Nigeria, especially among government officials at the state and national levels, goes on unpunished contributes to Nigeria's reputation as a center of many forms of crime, including narcotics crime.

**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, which was made applicable to Nigeria in 1935, is 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 on January 14, 2003.

The Government of Nigeria continues to work on a mechanism to process U.S. extradition requests expeditiously, but currently has failed. The only U.S. drug extradition request pending has been pending since June 2004. Currently, a dedicated prosecutorial team handles all U.S. extradition cases before a specifically designated High Court judge. Nigerian law still affords the defendant many options to delay/confuse proceedings, especially interlocutory objection proceedings, which allow defendants to raise objections that are litigated to conclusion first before the main case can proceed.

**Cultivation/Production.** Cannabis is the only illicit drug produced in any significant quantity in Nigeria; it is cultivated in all 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 into 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. While Nigeria remains Africa's drug transit hub, there are indications that the preferred methods of trans-shipment have changed. The NDLEA unit at Lagos' Murtala Mohammed International Airport conducts select searches of passengers and carry-on baggage, but they do not conduct 100 percent searches, preferring to focus on travelers who fit a profile as a possible drug courier. The efforts of NDLEA have been bolstered by the donation of Digital Body Scanners by the USG. The scanners have ensured that drug couriers face a significant likelihood of detection at the international airports. The scanners enabled Nigerian law enforcement to perform a quick, non-invasive search of suspected drug traffickers and to locate illegal drugs. The U.S. also purchased three additional scanners and four new drug/explosives-detecting "Itemizers" for use at Nigeria's international airports in Abuja, Kano, Lagos and Port Harcourt. The procured equipment allows Nigerian law enforcement personnel to improve identification and detection capabilities, especially as it regards drug couriers transiting Nigeria's airports. Nigeria's sea ports and land borders remain extremely porous and efforts should be made to increase interdiction efforts at these locations.

**Domestic Programs/Demand Reduction.** Local production and use of cannabis has been a problem in Nigeria for some time; however, according to the NDLEA and NGOs, the abuse of harder drugs (e.g., cocaine, heroin) seems to be on the rise. Heroin and cocaine are readily available in many of Nigeria's larger cities. The Directorate Demand Reduction carried out public awareness campaigns in various commands of the Agency nationwide. Workshops and seminars have been conducted to address the effects of drug abuse and trafficking in Nigerian society. The NDLEA counseled and rehabilitated 1,586 drug abuse clients during 2008. NDLEA has also made 35 referrals to private counseling centers which have approximately 106 existing clients undergoing counseling and treatment. The NDLEA has conducted a public survey to collect and analyze drug abuse data. The basic conclusion of the analysis indicates that younger unmarried males, not surprisingly, topped the list of drug abusers. In addition, the survey found that cannabis remains the most frequently abused drug in the country. The Nigerian Government is financing a planned \$42,735 Drug Abuse Public Awareness program in 2009. This program will cover the whole country. This commitment is a sign of the Nigerian Government's efforts to increase the level of dangerous drug awareness among Nigerians in order to reduce involvement of Nigerians in drug abuse and narcotics trafficking.

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

**Policy Initiatives.** U.S.-Nigerian counter-narcotics cooperation focuses on interdiction efforts at major international entry points and on enhancing the professionalism of the NDLEA and other law enforcement agencies. The State Department Bureau for International Narcotics and Law Enforcement Affairs (INL) Assistance Program country office in Nigeria along with the Drug Enforcement Agency (DEA) works closely with the NDLEA and other narcotics-related agencies to help train Nigerian law enforcement so that they can better coordinate, plan and implement internal and regional interdiction operations. The U.S. Coast Guard provided residential training to 10 students focused in the following areas: professional military education, search and rescue, gunners mate, machinery technician and electricians mate. At all levels, USG representatives enjoy excellent access to their counterparts and there is an evident desire on both sides to strengthen these relationships.

**The Road Ahead.** Nigeria's own federal funding for Nigerian law enforcement agencies remains insufficient and erratic in its disbursement. This inadequate budget execution and lack of consistency affects the planning of actions on the part of these agencies, and creates an impression that there is little commitment on the part of government authorities to effective law enforcement. Unless the Nigerian Government remedies this situation, very little progress will be made quickly, and none sustained over the long term. It will require strong and sustained political will and continued international assistance for any Nigerian government to confront these difficult issues and bring about meaningful change.

U.S. government counternarcotics assistance to Nigeria since February 2001 now totals over \$3 million. Despite some successes the Nigerian National police remain grossly mistrusted by the Nigerian population and organized crime groups continue to exploit that mistrust by preying on citizens throughout the country.

NDLEA officers are also frequently poorly trained. Consequently, NDLEA has mandated that all its officers undergo re-training at the basic level and mid-level before qualifying for promotion under the new promotion scheme.

The U.S. government will continue to engage Nigeria on the issues of counternarcotics, money laundering and other international crimes. The underlying institutional and societal factors that contribute to narcotics-trafficking, money-laundering and other criminal activities in Nigeria are deep-seated and require a comprehensive and collaborative effort at all levels of law enforcement and government. Progress can only be made through Nigeria's own sustained effort and political will, and the continued support of the international community.

# North Korea

## I. Summary

Drug trafficking with a connection to the Democratic People's Republic of Korea (DPRK, or North Korea) appears to be down sharply. There have been no instances of drug trafficking suggestive of state-directed trafficking for six years, but there still is insufficient evidence to say for certain that state-sponsored trafficking has stopped at this time. Small-scale trafficking along the DPRK-China border continues. In March 2007 the DPRK acceded to the three drug conventions.

## II. Status of Country

There were no confirmed instances of large-scale drug trafficking involving the DPRK or its nationals during 2008. Anecdotal evidence suggests that small-scale trafficking and drug abuse in the DPRK itself and along its border with China continue. The China-DPRK border region is the only area in the world where there are continuing reports of drug trafficking involving DPRK nationals. Most reports indicate small-scale trafficking by individual North Koreans who cross the border into China. In some cases there are reports of slightly larger-scale trafficking by locally prominent individuals.

## III. Country Actions against Drugs in 2008

**Law Enforcement Efforts.** Most of the reports about drug trafficking along the China-DPRK border emerge only after the individuals involved are apprehended. There is no evidence of a central role for DPRK state institutions in organizing the trafficking, as had emerged regularly in the past. This past trafficking activity frequently occurred in Japan during the mid- to late nineties and continued until a 2003 incident in Australia involving the "Pong Su," a DPRK cargo vessel involved with the delivery and seizure of a large quantity of heroin. In fact, it appears that both China and the DPRK have tried to discourage such trafficking through law enforcement efforts and information campaigns on both sides of the border. For example, the DPRK increased the penalty for possession of narcotics in excess of 300 grams (10.6 oz.) to execution in March of 2008, and a DPRK Health Ministry official has been quoted extolling the effectiveness of the DPRK's drug control regime in press reports. An atmosphere of lawlessness, however, remains along this border as individuals who wish to leave the DPRK can apparently do so through payments to guides or so-called "snakeheads." At the same time, other DPRK goods, such as copper wire and scrap iron, continue to be smuggled into China for profit.

Reports of non-narcotics-related acts of criminality suggests 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 reporting 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 all but certain 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 recent Supernote seizures in San Francisco, and a very large Supernote seizure in Pusan, South Korea. 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 issued new notes.

**Agreements and Treaties.** In March 2007, the DPRK became 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.

**Cultivation/Production.** It has been alleged that illicitly grown poppies are cultivated in the DPRK, with the opium converted into heroin and then trafficked by state organs for profit. However, it has never been possible to confirm such illicit cultivation, and there has not been a heroin trafficking incident with a DPRK connection for many years. At least some poppy is grown licitly under supervision in the DPRK for medicinal use. There are several factories in the DPRK that could produce 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.

Nevertheless, since almost six years have passed since the last seizure of drugs anywhere in the world with a clear link to a DPRK state entity, it appears possible that the DPRK has abandoned its involvement in drug trafficking. The Department has no evidence to support a clear finding that state trafficking has either stopped or is continuing. The absence of any seizures linked to DPRK state institutions, especially after a period in which such seizures involving very large quantities of drugs occurred regularly, does suggest considerably less state trafficking, and perhaps a complete end to it.

On the other hand, the continuing large-scale traffic in counterfeit cigarettes from DPRK territory suggests that enforcement against notorious organized criminality is lax. It is also possible that a lucrative counterfeit cigarette trade has replaced a riskier drug trafficking business as a generator of revenue for the DPRK state.

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

It is likely, but not certain, that the North Korean government has sponsored criminal activities in the past, including narcotics production and trafficking. There has been no evidence for almost six years that North Korea continues to traffic in narcotics; however, giving rise to a reasonable presumption that state-sponsored drug trafficking from the DPRK might well have been halted.

# Norway

## I. Summary

Norway's illicit drug production remained insignificant in 2008. Norway tightly controlled domestic sales, exports and imports of precursor chemicals, limiting the potential for synthetic drug production ever to emerge in Norway. In the first half of 2008, the number of drug seizures increased by around 5 percent. Cannabis accounted for 45 percent of the total number of seizures, followed by amphetamines and methamphetamine (some 21 percent) and benzodiazepines (15 percent). Other drugs made up about 20 percent of the seizures. Norway had seen a drop in number of seizures and volume of heroin seized in the last few years, but so far in 2008, there has been an increase. According to drug enforcement authorities, cocaine has a wider distribution than ever in Norway. The total volume of cocaine seizures doubled in 2007 and has remained stable in 2008. The police continued to step up efforts to track and intercept drugs in transit through Norway. Norway is a party to the 1988 UN Drug Convention.

## II. Status of Country

Norwegian illicit drug production remained insignificant in 2008 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. 2008 saw a police crackdown on small-scale illicit production of cannabis. However, Norway remained a significant market and transit country for drugs produced in Central/Eastern Europe, North Africa and elsewhere.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The Norwegian Ministry of Health and Care Services continued its narcotics and alcohol abuse treatment and prevention reform program in 2008, publishing several policy documents and brochures dealing with narcotics and alcohol abuse and their treatment (e.g., *Drugs and Alcohol in Norway*). The Ministry reiterated in reports that the national government, represented by the regional health enterprises, has the ultimate responsibility for treatment and prevention of narcotics and alcohol abuse. The Ministry acknowledged that the principal aim of state centralization of drug treatment policy is to provide improved and uniform health and counseling services for drug and alcohol abusers countrywide.

In May 2007, the Ministry opened a national electronic database on drugs and alcohol prevention and treatment to serve as a guideline for local governments. In 2008, 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. The rationale for the injection rooms is to remove the pressure on drug addicts to feed their addictions by crime and to provide addicts with sterilized injection needles in a controlled environment. The rooms have been criticized in the local press for encouraging drug abuse. At a World Forum Against Drugs conference in September 2008, Norway received criticism for not adhering to the UN's Convention on Narcotics. The International Narcotics Control Board's Annual Report concludes that Norway fails to fully respect important international treaties on the fight against drugs. Furthermore, the Norwegian government has received criticism for using methadone in the treatment of heroin addicts.

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 premises behind current narcotics policy and propose any appropriate long-range policy changes.

In 2008, the Norwegian Police Directorate (PD), a part of the Ministry of Justice and Police, continued to enforce the PD's 2003-2008 counternarcotics action plan, with narcotics police following up by carrying out an increasing number of countrywide and border drug raids. The 2003-2008 action plan carried forward plans and initiatives to meet the objectives of the 1988 UN Drug Convention. A new counternarcotics action plan is currently being drafted, and scheduled to be announced in 2009. The PD has at its disposal modern equipment (e.g., one helicopter; 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 the last 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, possibly indicating a long-term downward trend in heroin abuse in Norway. 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 mapping system aimed at detecting new abuse patterns. The so called "Early Warning System" has been introduced in the big towns of Bergen, Oslo, and Drammen and it is primarily aimed at youth and young adults. Indicators are compiled, and officials seek contact with affected youths and subcultures, with the objective of identifying and responding to any emerging drug abuse issues.

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

**Law Enforcement Efforts.** According to statistics compiled by the Norwegian police crime unit (KRIPOS), the total number of drug seizures in the first half of 2008 increased by 5.5 percent to an estimated 12,470 cases from 11,816 in the first half of 2007. The police and customs agents said they continue to focus attention on drug "wholesalers" rather than individual abusers. Of the seizures made in 2008, cannabis accounted for 45 percent, amphetamines and methamphetamine 21 percent, benzodiazepines 15 percent, and other drugs accounted for 20 percent of total seizures. The number of khat seizures is moderately up, while the number of Ecstasy seizures has gone down steadily the past years. The numbers and volume of Gamma-Hydroxybutyric acid (GHB), a drug associated with date rape, remains low, but is considered a problem in some rural districts.

In 2007 (the most recent year for which figures were available), the number of persons charged with narcotics offenses was 29,000—somewhat lower than in 2006. 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.

In 2008, there was a significant seizure of the benzodiazepine drug, *phenazepam*, in North Trondelag county. 28,500 *phenazepam* tablets and 1.7 kilo *phenazepam* with a purity rate of 87-90 percent (equivalent to 1.5 million tablets) were seized in this one seizure. This seizure alone accounted for more than all the *phenazepam* seizures in the previous record year 2002.

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

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

migrant smuggling and illegal manufacturing and trafficking in firearms, and the UN Convention against Corruption. Norway has an extradition treaty and customs agreement with the U.S.

**Cultivation/Production.** The number of cannabis plants seizures increased significantly in 2008. Norwegian police cracked down on organized cultivation and production of cannabis in and around Oslo. The police seized approximately 300 kg 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 KRIPOS, the 2008 inflow of illicit drugs remained significant in volume terms with amphetamines, cannabis, heroin, and benzodiazepines. Most illicit drugs enter Norway by road or ferry from other European countries, the Baltic states (e.g., amphetamines), Russia (e.g., methamphetamine), Poland, the Netherlands, Belgium, Germany, Morocco via Spain, Central Asia, Afghanistan, the Balkans and other countries in Eastern Europe. In the past, some drugs have been seized in commercial vessels arriving from Europe and Central/South America. The influence of outlaw motorcycle gangs, such as Hells Angels and Bandidos, remains significant in Norway. Such groups are regularly involved in the distribution of methamphetamine, heroin, and cocaine, which they acquire from Albanian, Serbian and Montenegrin traffickers.

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

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

**Bilateral Cooperation.** DEA officials in Denmark regularly 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. One Norwegian Coast Guard officer attended the USCG's International Maritime Officers' Course.

**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.

# Pakistan

## I. Summary

Pakistan remains a major transit country for opiates and hashish moving to markets around the world and precursor chemicals moving into neighboring Afghanistan, the world's largest producer of opium poppy. Pakistan is also a major narcotics producing country with cultivation of poppy still over 1000 hectares. In 2008, Pakistani forces have engaged the militants along the border with Afghanistan, particularly in the Bajaur Agency of the Federally Administered Tribal Areas (FATA). Militant groups have challenged the forces throughout FATA and are encroaching into the settled areas of the North-West Frontier Province (NWFP), such as the Swat valley and the settled district of Peshawar, the provincial capital. Fighting in these areas adversely effected Pakistan's efforts against poppy cultivated in Pakistan, and reduced seizures of opiates moving through Pakistan sharply. The joint Narcotics Affairs Section and GOP Narcotics Control Cell poppy survey of 2008 indicated that 1,909 hectares (ha) of poppy were cultivated in 2008 (about one percent of the cultivation in Afghanistan). Poppy cultivation levels in 2007 were 2,315 ha and in 2006 1,908 ha. In 2007, 614 ha were eradicated, bringing harvested poppy down to 1,701 ha. In 2008, poppy eradication was not conducted because both the Frontier Corps and Tribal Levies in FATA were engaged in operations against militants.

National counternarcotics efforts are led by the Anti-Narcotics Force (ANF) under the Ministry of Narcotics Control. In general, counternarcotics cooperation between the GOP and the United States has solid foundations and a record of accomplishment, but there remains a systemic lack of willingness/capacity to exploit investigative leads. In addition, Pakistan's five-year Master Drug Control Plan, promised since 2006, has languished, and once again failed to emerge in 2008. There were some significant drug and precursor seizures on the Makran coast during 2008. U.S. assistance programs in counternarcotics and border security continue to strengthen the capacity of law enforcement agencies and improve their access to remote areas where much of the drug trafficking takes place. Heroin seizures in 2007 at 11 MT of heroin were down sharply from 2006 (-70%) and at 15 MT, opium seizures increased sharply and were up by almost 92 percent. During 2008, Pakistani law enforcement agencies seized a combined total of 5.3 MT of heroin (including morphine base), 8.7 MT of morphine, 125 MT of hashish, and 18 MT of opium were seized. 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

## 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 tried to exploit this tension by resuming poppy cultivation. In the tribal belt, where militant activity is a continuous threat, 1,847 ha were cultivated this year, down from 2,315 ha in 2007. Under these circumstances, and given the lack of eradication and enforcement capacity resulting from deployments of thousands of Frontier Corps forces to North and South Waziristan, the net harvest of only 1,907 ha (one percent of Afghanistan's 2007 crop) for the entire country, demonstrates that the long-standing GOP campaign against increased poppy cultivation is being sustained even when the threat of eradication does not materialize. On the other hand, with cultivation of poppy still near all-time highs in neighboring Afghanistan, modest cultivation in Pakistan might simply represent reflect the over-supply of opium in the region.

Opium production in neighboring Afghanistan continues at record levels in excess of world demand but is down from 2007's all-time high. Given the huge supply within Afghanistan, Pakistan remains a significant transit country for heroin, morphine base, opium, and hashish, and is a conduit to Iran, the Arabian Peninsula, East Asia, and Africa by land and sea. The U.S.-funded Border Security Program, which began in 2002, is building GOP interdiction capabilities along the 1600-kilometer Afghan border, as demonstrated by drug seizures in 2008 by border security

forces such as the Frontier Corps Baluchistan. However, successfully interdicting drug shipments is difficult given the difficult 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'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 Pakistan has up to four million drug abusers in the total population of 170 million (2.4 percent). Accurate figures for drug abuse do not exist, but better estimates are now available thanks to UNODC's 2006 National Assessment on Problem Drug Use in Pakistan. The study estimated that there were 628,000 (up from 500,000 in 2000) chronic opiate abusers and identified a new trend of injecting narcotics, which raised concerns about HIV/AIDS. The UNODC survey reveals that the number of chronic heroin abusers has increased and that the numbers of injecting drug users has doubled in the last 6 years from 60,000 to 125,000, with implications for hepatitis and HIV infection rates.

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, but there is no indication that Pakistan is a source country for these precursor chemicals. The impressive seizure of 14 MT of acetic anhydride at the port of Karachi in March 2008 was not followed up by the investigative agency, which failed to develop promising leads. Some progress has been made in determining the routes and methods used by traffickers to smuggle chemicals through Pakistan into Afghanistan. Most Afghan labs are in Helmand province near the Baluchistan border or in Nangahar near the Khyber Agency in the NWFP. 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 2008

**Policy Initiatives:** As of the end of 2008, the Drug Control Master Plan is still waiting for approval by the Cabinet. Publication of the national plan was anticipated in early 2007, and delay in its release is a concern. The plan should identify interdiction strategies, agency responsibilities, and inter-agency coordination as well as training and equipping requirements for attacking drug supply and demand. The Ministry of Narcotics Control, in coordination with UNODC, continues to work on the plan. The GOP also seeks to regain "poppy-free" status, which it had secured from the United Nations in 2001, by enforcing a strict "no tolerance" policy for cultivation. Federal and provincial authorities continue anti-poppy 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 Khyber Agency, where the majority of Pakistani poppy continues to be harvested, prevented full realization of the GOP's goal to be "poppy-free" in 2007-2008. Of course, as long as Afghanistan is producing some 90 percent of world opium and Pakistan just one percent of Afghan production, even success in totally eliminating the small amount of poppy cultivation presently occurring in Pakistan would not appreciably impact the world, or even the regional picture.

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 and Excise, the police, and the Airport Security Force (ASF). The GOP approved significant personnel expansions for the ANF, the FCB and FCN, and the FCONS in 2006 and 2007. The ANF now has over 2000 personnel. The Pakistan Coast Guard has started using anti-drug cells (or units) to better coordinate and execute counternarcotics operations.

**Law Enforcement Efforts:** In 2007, GOP law enforcement and security forces reported seizing 10.9 MT of heroin/morphine and 15.3 MT of opium. Also, 93.8 MT of hashish was seized in this time period. During 2008, Pakistani law enforcement agencies seized a combined total of 5.3 MT of heroin (including morphine base), 8.7 MT of morphine, 125 MT of hashish, and 18 MT of opium were seized.

According to the ANF, in 2007, all GOP law enforcement authorities reported arresting 50,100 individuals (48,724 cases) on drug-related charges for 2007. The ANF itself had 1,702 cases pending, 1,187 from 2006 and 515 new cases through September 2007. Of that total there were 301 convictions through October 1, 2007. (Figures for 2008 are not yet available). 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, wealthier defendants. To date 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.

Since many strong cases were reversed on appeal, in an effort to address those reversals, the ANF has hired its own special prosecutors. The ANF also added additional attorneys as part of its expansion. The DEA continues to advance the concept of conspiracy investigations with the ANF to target major traffickers. Through September 30, 2007, drug traffickers' assets totaling Rs 110.8 million rupees (about \$1.8 million) remained frozen.

In 2005, former Prime Minister Shaukat Aziz approved 1,166 new positions for the ANF with the first group of 600 graduating in mid-2007. The GOP also approved an increase of 10,264 personnel for the Frontier Corps Baluchistan to increase their capacity along the border with Afghanistan and Iran. In 2000, the DEA vetted and funded the ANF Special Investigative Cell (SIC) to target major drug trafficking organizations operating in Pakistan. Each vetted investigator undergoes a thorough screening and a five-week training course at the DEA training facility in Quantico.

**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), a Pakistani agency tasked with investigation and prosecution of corruption cases (not only narcotics-related), reports that it received 13,722 complaints of corruption in 2006, of which it investigated 701 cases and completed 241 cases. The investigations resulted in 165 arrest warrants and 46 convictions. NAB recovered Rs.930 million rupees (almost \$15.5 million) from officials, politicians, and businessmen in 2006 through plea bargains and voluntary return arrangements.

**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. The United States provides counternarcotics and law enforcement assistance to Pakistan under a Letter of Agreement (LOA). This LOA provides the terms and funding for cooperation in border security, opium poppy eradication, narcotics law enforcement, and drug demand reduction efforts. There is no mutual legal assistance treaty 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 U.S. and Pakistan have an extradition agreement that is carried out under the terms of the 1931 U.S.-U.K. Extradition Treaty, which continued in force after Pakistan 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 for 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 judicial disinterest caused in part by the continuing lawyers strike, inexperience of GOP public prosecutors, an interminable appeals process that tolerates defense-delaying tactics, and corruption.

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.

**Cultivation/Production:** Through interagency ground monitoring and aerial surveys, the GOP and USG confirmed that Pakistan's poppy harvest decreased by roughly 400 ha in 2008. In 2008, Pakistan cultivated 1,907 ha, compared to cultivation of approximately 2,315 ha in 2007. The actual number of hectares harvested increased 206 ha to 1,907 due

to the inability to mount any eradication effort. Based on the GOP's methodology for determining poppy crop yield, which estimates that approximately 25 kg of opium are produced per hectare of land cultivated, Pakistan's potential opium production was approximately 47.6 MT in 2008.

Cultivation in the "non-traditional" areas in NWFP remained almost completely contained this year, 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 FCN are combating an aggressive militancy, including elements of al-Qaida. FC force concentrations in North and South Waziristan mean that there are no troops available to combat poppy cultivation in Khyber, Bajaur, and Mohmand, where 1,729 ha of poppy were cultivated. Ground monitoring teams continue to observe, particularly in Khyber, a trend of increased cultivation within walled compounds to prevent eradication.

**Drug Flow/Transit:** Although no exact figure exists for the quantity of narcotics flowing across the Pakistan-Afghan border, the ANF estimates that 36 percent of illicit opiates exported from Afghanistan transit Pakistan en route to Iran, Western Europe, the Middle East, the Arabian Peninsula, Africa, and East Asia. The UNODC's Afghanistan Opium Survey 2008 notes that 157,000 ha of poppy were cultivated in 2007. The total combined cultivation of 350,000 ha in 2007 and 2008 in Afghanistan almost certainly means more opiates transiting Pakistan and probably escalating domestic drug abuse in Pakistan. The GOP is alert to the possibility that law enforcement efforts in Afghanistan could push drug trafficking organizations (DTOs) and labs into Pakistan. Many of the 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, Pakistan and Afghanistan form an opium/heroin production system where Pakistan provides significant financing; while Afghanistan provides cultivation/refining sanctuaries.

Much of the poppy produced in Afghanistan is smuggled through Pakistan to more lucrative markets in Iran, the Arabian peninsula, and onward to Europe, including Russia and Eastern Europe. The balance goes to North America and to Southeast Asia where it appears to supplement opiate shortfalls in the Southeast Asia region. Couriers intercepted in Pakistan are en route to Africa, Nepal, India, Europe, Thailand, China, Bangladesh, Sri Lanka, and the Middle East (especially the United Arab Emirates (UAE)).

Pakistani law enforcement notes that precursor chemicals such as acetic anhydride are most likely smuggled through UAE, Central Asia, China, South Korea, and India to Pakistan, then on to Afghanistan in mislabeled containers that form part of the Afghan transit trade. Ecstasy, buprenorphine (an opiate adapted for use in the treatment of opiate addiction), and other psychotropics are smuggled from India, UAE, and Europe for the local Pakistani market. Small amounts of cocaine smuggled into the country by West African DTOs have also been seized.

Afghan opiates trafficked to Europe and North America enter Pakistan's Baluchistan and NWFP Provinces 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 United Arab Emirates via the Arabian Sea. Some 40 MT of hashish were seized in the spring of 2008 by law enforcement on the Makran coast, in cooperation with Joint Task Force 150 in the Persian Gulf. 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-kg 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 kg seizures, which are now typical. Other methods of shipment include inside false-sided luggage or concealment within legal objects (such as cell phone batteries or carpets), 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 GOP, in coordination with the UNODC, completed a drug use survey, which was published in 2007 and was based on data gathered in 2006. The survey indicates that Pakistan has approximately two to three million drug addicts, with around 628,000 opiate abusers. The 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 HIV is 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 these diseases have the potential to spread rapidly. The age of first use is 18 years and the initial drug of choice is cannabis (hashish); 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. The GOP views addicts as victims, not criminals. Despite the perseverance of 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 increase drug use awareness. In 2008, ANF organized USG-funded seminars for religious leaders in each provincial capital. The USG funded several NGOs in their efforts aimed at drug awareness and treatment and rehabilitation. The first such program supports a drug treatment center in Peshawar via the Colombo Plan, extending an already-successful program with a local NGO. The second program included support to a Karachi-based NGO to set up and operate a drug treatment/rehabilitation center and to organize awareness campaigns on drug abuse prevention with schools, youth groups, industries/ workplaces, and communities. There are several other USG-supported treatment/education programs.

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 hashish and opiates 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 with America's larger goals of defeating the insurgency on the Pak-Afghan border and preventing terrorist safe-havens in the FATA and Baluchistan. To achieve these objectives the US 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 inhibits further cultivation. The United States is also working to increase the interdiction 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 build GOP cooperation in the extradition of narcotics fugitives and to encourage enactment of comprehensive money laundering legislation. The United States is also focusing on streamlining 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 anti-smuggling capabilities of law enforcement agencies, including the Customs Department, the Frontier Corps, and the National Police, and the Maritime Security Agency (MSA). In coordination with CENTCOM, the U.S. Coast Guard is assisting in the procurement of patrol vessels for the MSA and is seeking other opportunities to improve MSA's drug interdiction capabilities.

**Bilateral Cooperation:** The United States, through the State Department-funded Counternarcotics Program and Border Security Project, provides operational support, commodities (e.g., vehicles, radios, and body armor), and training to the ANF and other law enforcement agencies. Under the Border Security Project, the USG has built and refurbished 64 Frontier Corps outposts in Baluchistan and NWFP, and another 62 Levy (tribal police force) and 11 Frontier Constabulary outposts in the NWFP. Construction of 1423 km of roads in the border areas of the FATA is complete, and ongoing construction of 266 km continues to open up remote areas to law enforcement. Since 1989, the State Department also has funded construction of more than 547 km of counternarcotics program roads in previously inaccessible areas, facilitating farmer-to-market access for legitimate crops while providing authorities access for poppy eradication. The Department has implemented over 971 development projects to provide water and electricity to remote areas and to encourage alternative crops in Bajaur, Mohmand, and Khyber Agencies. Alternative crop programs were extended into Kala Dhaka and Kohistan in 2006, where this year seven kilometers of new road were completed and 45 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.

In September 2008, an INL-funded Resident Legal Advisor position was created at the U.S. Embassy in Islamabad. The RLA will institute training for prosecutors in coordination with USAID's Rule of Law efforts. The training will develop and improve advocacy skills, police-prosecutor cooperation, prosecutorial ethics, and management of the prosecutorial function. This program will be coordinated with NAS's police training and assistance to ensure that police investigations provide the material needed by prosecutors and that the 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) provides significant benefits to counternarcotics efforts and also serves to advance our Border Security objectives. DEA provides operational assistance and advice to ANF's Special Investigative Cell (SIC) to raise investigative standards. The Department of Defense began providing assistance to the Pakistan Coast Guards to improve the GOP's counternarcotics capabilities on the Makran Coast.

**The Road Ahead:** The United States will continue to assist the GOP in its nation-wide efforts to eliminate poppy, to build capacity to secure its borders, to conduct investigations that dismantle drug trafficking organizations, to increase convictions and asset forfeitures, and to reduce demand for illicit drugs through enhanced prevention, intervention, and treatment programs. Implementation of these strategies will require GOP perseverance in strict enforcement of the poppy ban and eradication efforts, development of an indigenous drug intelligence capability, improvements in the prosecution and resolution of court cases, GOP interagency cooperation, more effective use of resources and training, and enhanced regional cooperation and information sharing.

## V. Statistical Tables

### Drug Crop—Opium Poppy

a) Cultivation: 2008—1,909 ha; 2007—2,315 ha; 2006—1,908 ha; 2005—3,147 ha; 2004—6,600–7,500 ha; 2003—6,811 ha

b) Harvested: 2008—1,909 ha; 2007—1,701 ha; 2006—1,545 ha; 2005—2,440 ha; 2004—3,145 ha; 2003—3,170 ha

c) Eradication: 2008—none; 2007—614 ha; 2006—363 ha; 2005—707 ha; 2004—4,426 ha; 2003—3,641 ha

### Seizures:

a) heroin (including morphine base): 2008—5.3 MT; 2007—10.9 MT; 2006—35.3 MT; Jan-Nov 2005—24 MT; 2004—24.7 MT; 2003—34 MT

b) opium: 2008—18 MT; 2007—15.3 MT; 2006—8.0 MT; Jan-Nov 2005—6.1 MT; 2004—2.5 MT; 2003—5.4 MT

c) hashish: 2008—125 MT; 2007—93.8 MT; 2006—110.5 MT; 2005—80 MT; 2004—136 MT; 2003—87.8 MT

**Illicit Labs Destroyed:** No labs have been destroyed to date.

**Arrests (total):** 2008—31,330; 2007—50,100; Jan-Oct 1, 2006—34,170; Jan-Nov 2005—33,932; 2004—49,186; 2003—46,346

# Panama

## I. Summary

By virtue of its geographic position and well-developed maritime and transportation infrastructure, Panama is a major logistics control and trans-shipment country for illegal drugs to the United States and Europe. Major Colombian and Mexican drug cartels as well as Colombian illegal armed groups use Panama for drug trafficking and money laundering purposes. The Torrijos Administration has cooperated vigorously with the U.S. on counternarcotics operations. In 2008, seizure levels remained very high with 53 metric tons (MT) of cocaine having been seized. U.S. support to Panama's counternarcotics efforts, including developing an effective community policing model to help control a nascent gang problem, is crucial to ensure fulfillment of agency missions. Panama is a party to the 1988 United Nations Drug Convention.

## II. Status of Country

Panama's geographic proximity to the South American cocaine and heroin producing countries makes it an important transshipment point for narcotics destined for the U.S. and other global markets. Panama's four major containerized seaports, the Pan-American Highway, a rapidly growing international hub airport (Tocumen), numerous uncontrolled airfields, and relatively unguarded Atlantic and Pacific coastlines all facilitate drug movement. Smuggling of weapons and drugs continues to take place, particularly between Colombia and the isolated Darien region, the Azuero peninsula and the sparsely populated Caribbean coastal areas. The flow of illicit drugs has contributed to increasing domestic drug abuse and gang violence, and Panamanian authorities attributed the majority of murders to revenge killings between traffickers. 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 2008

**Policy Initiatives.** The Torrijos Administration is strongly committed to counternarcotics and anti-crime cooperation with the United States. Panama participated in the U.S.-Central American Integration System (SICA) security dialogue. In 2008, Panama passed a law reforming the criminal system from a written (inquisitorial) system to a largely oral (accusatorial) system, which will be implemented over several years. The GOP merged the National Air Service (SAN) and the National Maritime Service (SMN) into a unified "Coast Guard"-type service to be called the National Aero-Naval Service (SENAN). The merger became official on 22 November and will require substantial investment by the GOP to become fully operational. The GOP also separated the frontier police from the National Police (PNP), creating an independent National Frontier Service (SENAFRONT). Early in 2008, another reform folded the Technical Judicial Police (PTJ) into the National Police Investigative Division, creating the new Division of Judicial Investigations (DIJ). A separate intelligence directorate known as the Police Intelligence Division (DIP) still remains and performs a separate function under the PNP. Forensic investigation responsibilities remained with the Public Ministry and Attorney General's office. In 2008, Panama, for a second straight year, carried out a successful table-top exercise (Panamax Alpha) to address asymmetrical threats to the Panama Canal.

**Accomplishments.** Panama seized 53 metric tons (MT) of drugs in 2008, including 51 MT of cocaine and 2 MT of marijuana. While this is lower than 2007 levels, last year's numbers include one 20-ton seizure made by the USCG on a case developed in Panama. Police also seized over \$3 million in cash linked to drug trafficking and confiscated \$1.5 million from 42 bank accounts. Drug Enforcement Administration (DEA)-monitored statistics for 2008 also indicate seizures of 17 kg of heroin, and 126 arrests for international drug-related offenses.

**Law Enforcement Efforts.** Several USG-supported Government of Panama (GOP) vetted units were fortified with equipment and increased personnel in 2008. The newly-created SENAN cooperates with U.S. Coast Guard (USCG) requests for ship registry data and provides officers to serve aboard USCG cutters as “ship riders,” allowing the USCG to patrol Panamanian waters. The SENAN also provides excellent support for counternarcotics operations within its limited means, including patrolling and photographing suspect areas, and identifying suspect aircraft. In 2008, under the bilateral agreement with Panama, the U.S. Coast Guard was able to remove over 5.8 metric tons of cocaine from Panamanian flagged vessels. Counterdrug cooperation with Panama has been solid and remains vital to ensuring continued success. In 2008, the Government of Panama staffed the U.S.-funded Guabala checkpoint (inaugurated in early 2006) on the Pan-American Highway, and the national police deployed mobile road blocks throughout the country targeting land based movements of drugs.

**Corruption.** The Government of Panama 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. President Torrijos's administration, through its National Anti-Corruption Commission, which is charged with coordinating the government's anti-corruption activities, continued to audit government accounts and launch public corruption investigations. Several government ministries established transparent, automated procedures to minimize opportunities for corruption (e.g., for registering a business, or preparing a shipment for export). Despite the Torrijos Administration's public stance on corruption, few high-profile cases, particularly involving political or business elites, have been acted upon.

A USG-funded "Culture of Lawfulness" program, designed to encourage officers to fight against corruption within the police, has produced 10 trainers within the National Police and will continue to train officers in 2009. This program is being combined with an aggressive effort to implement a community policing program with the PNP.

**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 2008, Panama surrendered nine fugitives to the United States; seven of them were for narcotics charges. A Customs Mutual Assistance Agreement and a stolen vehicles treaty are also in force. In 2002, the USG and GOP concluded a comprehensive maritime interdiction agreement. Panama has bilateral agreements on drug trafficking 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 and the Inter-American Convention Against Corruption. 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, exists in Panama, particularly in the Pearl Islands.

**Drug Flow/Transit.** Panama remains an important hub for the transit and distribution of South American cocaine and heroin. Drugs are moved in fishing vessels, cargo ships, small aircraft, and go-fast boats. Drug-smuggling aircraft utilize hundreds of abandoned or unmonitored legal airstrips for refueling, pickups, and deliveries. Panama's coastlines are used to store drugs for continued shipment towards Mexico and to store fuel and supplies for go-fast boats making the runs. Couriers transiting Panama by commercial air flights also moved cocaine and heroin to the U.S. and Europe during 2008.

**Domestic Programs/Demand Reduction.** Various programs have U.S. sponsorship such as DARE programs for the Panama National Police, Youth Crime Watch for the Roberto Boutet Foundation, Young People Building a Better World for the White Cross Foundation and an Integral Prevention Education Program for the Pride Foundation.

## 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 ensuring strict enforcement of existing laws. The Narcotics Affairs Section (NAS), Department of Homeland Security (DHS), Office of Defense Cooperation (ODC) and USCG provided resources for modernization and upkeep of SMN and PNP vessels and bases, and assisted the newly-created SENAN with training personnel and maintaining key aircraft for interdiction efforts. In 2008, the USG provided training and operational equipment and support to the multi-agency Tocumen Airport Drug Interdiction Law Enforcement Team. NAS coordinated training for the DEA and ICE vetted units, as well as the quick response motorcycle team (“lynx” unit) in Tactical Law Enforcement procedures, internal affairs and Anti-Corruption investigations and crowd control procedures.

NAS and CBP continue to organize operational evaluation teams of Border Patrol Agents who work in the border areas with National Police. NAS continued to develop a major law enforcement modernization project with the PNP to develop its police leadership and implement community-based policing procedures. The program focuses on many pillars including proven community policing tactics, expansion of existing crime analysis technology, and promotion of managerial change to allow greater autonomy and accountability. NAS provision of computers, office equipment, and other operational equipment will help the counternarcotics units achieve their goals.

**Bilateral Cooperation.** In 2008, the Torrijos Administration continued to sustain joint counternarcotics efforts with DEA and USCG, and worked to strengthen national law enforcement institutions with assistance from NAS. Maritime cooperation continued to be excellent. The U.S. Coast Guard provided training to SMN and APC personnel on waterside port security, maritime law enforcement, and port security-vulnerability assessments.

**The Road Ahead.** The USG encourages Panama to devote sufficient resources to enable its forces to patrol land borders along Colombia and Costa Rica, its coastline, and the adjacent sea-lanes, and to increase the number of arrests and prosecutions of major violators, especially in the areas of corruption and money laundering. The USG will continue to offer the GOP expertise and resources to strengthen Panama's ability to safeguard its citizens, confront drug traffickers, and ensure that law enforcement efforts are anchored in democracy. The USG will also continue to support law enforcement modernization through improved equipment, maintenance, strategic planning, decentralization of decision making, and community-oriented policing philosophies.

For its part, the USG will provide significant support in the coming year under the Merida Initiative—a partnership between the governments of the United States, Mexico, Central America, Haiti and the Dominican Republic to confront the violent national and transnational gangs and organized criminal and narcotics trafficking organizations that plague the entire region, the activities of which spill over into the United States. The Merida Initiative will fund a variety of programs that will strengthen the institutional capabilities of participating governments by supporting efforts to investigate, sanction and prevent corruption within law enforcement agencies; facilitating the transfer of critical law enforcement investigative information within and between regional governments; and funding equipment purchases, training, community policing and economic and social development programs. Bilateral agreements with the participating governments were in the process of being negotiated and signed at the time this report was prepared.

# Paraguay

## I. Summary

In 2008, the Government of Paraguay, through its National Anti-drug Secretariat (SENAD), continued its efforts against illegal narcotics trafficking. SENAD seized locally-grown marijuana and Andean cocaine which transits Paraguay en route to Brazil and other Southern Cone countries. With renewed political support from the new Lugo administration, which ended 61 years of Colorado Party rule, SENAD captured drug traffickers linked to Brazilian drug trafficking organizations and made important inroads into fighting new threats posed by international ephedrine trafficking. The new Lugo Government has expressed interest in reversing Paraguay's status as a major drug transit country. Paraguay is a party to the 1988 UN Drug Convention.

## II. Status of Country

Paraguay is the largest producer of marijuana in South America, and its marijuana, which has high tetrahydrocannabinol (THC) content, is cultivated throughout the country. Marijuana in Paraguay is primarily trafficked for consumption in neighboring countries, and is not trafficked to the United States. Paraguay remains a major transit country for Andean-sourced cocaine destined primarily for Brazil, other Southern Cone markets, Europe, and Africa. The extensive land border with Brazil facilitates many types of illicit activities, including drug trafficking. Endemic public corruption in Paraguay, along with limited government controls, is a contributing factor to Paraguay's standing as a major drug transit country. Despite SENAD's efforts, the GOP's ability to fight narcotics trafficking is hampered by budget constraints, weak laws, and pervasive corruption.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** President Fernando Lugo, who assumed office August 15, named Retired Police Commissioner Cesar Damian Aquino as the new SENAD director. President Lugo pledged during his campaign to fight narcotics, corruption and other illicit activities in Paraguay.

In August, Director Aquino reorganized SENAD to improve the institution's efficiency, naming a single Director of Operations to eliminate potential conflicts in a chain-of-command containing multiple directorships with equal authority. SENAD focused its efforts on major drug trafficking organizations and their assets. SENAD was dealt a major setback, however, when the Senate rejected a bill that would have made SENAD an autonomous institution with the power to regulate its agents independently. The measure had passed the Chamber of Deputies. Currently, SENAD officials are considered civil servants, rather than law enforcement agents, and are not issued weapons, though many carry personal weapons. The rejected legislation would have given SENAD agents the legal status of law enforcement agents. SENAD worked to professionalize its agents through training, but was unsuccessful in its efforts to augment the current SENAD force of 165 agents by an additional 30 recruits.

**Law Enforcement Efforts.** In 2008, SENAD seized a record 172 metric tons (MT) of marijuana. Cocaine seizures were substantially lower than previous years at 277 kilograms (kg).

SENAD arrested 419 persons, including several well-known Brazilian drug traffickers from the Comando Vermelho and First Comando Capital (PCC) drug trafficking organizations. SENAD expelled 17 individuals and facilitated the extradition of two persons to Brazil and one to Argentina.

Paraguayan authorities reported a new trend in ephedrine trafficking from South America through Paraguay to Mexico where it is reportedly processed into methamphetamine destined for the US market. This year, SENAD seized 127.36 kg of ephedrine, including the detention of a Mexican national in possession of 45 kg of ephedrine.

In the last year SENAD conducted a series of marijuana eradication operations in the departments of Amambay and Canindeyu, destroying 1,724 hectares of marijuana with an estimated weight of over five million kilograms.

**Corruption.** As a matter of policy, neither GOP policy nor senior GOP 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. Nevertheless, corruption and inefficiency within the Paraguayan National Police (PNP), the broader judicial system, and other public sector institutions negatively impact SENAD operations. Combating official corruption remains a daunting challenge for the GOP, but the Lugo administration has already brought several corruption cases against public officials.

**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 GOP is also a party to the UN Convention against Transnational Organized Crime and its two protocols (Trafficking in Persons and Migrant Smuggling), the UN Convention against Corruption, the Inter-American Convention against Trafficking in Illegal Firearms, the Inter-American Convention against Corruption and the Inter-American Convention against Terrorism. The GOP also signed the OAS/CICAD Hemispheric Drug Strategy. Paraguay has law enforcement agreements with Bolivia, Brazil, Argentina, Chile, Venezuela, and Colombia. An extradition treaty between the United States and Paraguay is in force and the 1987 bilateral letter of agreement under which the United States provides counter-narcotics assistance to Paraguay was extended in 2008. Paraguay is also a signatory to the 1992 Inter-American Convention on Mutual Assistance in Criminal Matters.

**Cultivation/Production.** The UN estimates that Paraguay produces 5,900 MT of marijuana per year—more than half the marijuana grown annually in all of South America. The crop is primarily cultivated in the departments of Amambay, San Pedro, Canindeyu and Concepcion and harvested year-round. Marijuana production has dramatically increased in recent years, spreading to nontraditional rural areas of the country. There are approximately 6,000 hectares under cultivation throughout the country, according to UN and SENAD estimates.

**Drug Flow/Transit.** Paraguay continues to be a major transit country for cocaine from Bolivia, Peru, and Colombia. Only a small portion of the cocaine that transits Paraguay is destined for the United States. According to SENAD, traffickers are encouraged by the lack of controls along Paraguay's vast, porous border. Every year, 30-40 MT of cocaine are transshipped to Brazil and other Southern Cone markets, as well as to Europe, Africa, and the Middle East. The northwestern part of the country is poorly monitored, making that region an attractive staging area for transshipments of drugs, weapons, and other contraband. Paraguayan authorities report a new trend in ephedrine trafficking from South America to Mexico and the United States.

**Domestic Programs/Demand Reduction.** SENAD's drug prevention program includes educational workshops for Paraguayan children. SENAD has the principal coordinating role under the "National Program against Drug Abuse" and works with the Ministries of Education and Health and several non-governmental organizations (NGOs) on program development, implementation and dissemination. The USG supports SENAD's limited budget for demand reduction and its program has been concentrated in central Paraguay. A pilot prevention program introduced in 2007 in Pedro Juan Caballero has helped SENAD expand its drug abuse prevention program, and the Lugo government has expressed intent in further expansion. During the current school year SENAD sponsored 425 workshops, directly reaching 10,617 students, parents, and teachers. SENAD also distributed 1,741 informational pamphlets to teachers and counselors during workshops.

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

**Bilateral Cooperation.** Working with the GOP, USG programs and policies in Paraguay focus on disrupting drug trafficking organizations and instituting stronger legal and regulatory measures to combat drug trafficking and money laundering. The GOP uses U.S. assistance to support SENAD's operations, including its base of operations in Pedro Juan Caballero and its canine program. U.S. assistance also provides support for SENAD operations in the northwestern town of Mariscal Estigarribia. The USG funded the participation of 50 new SENAD agents in a Basic Drug Enforcement Training Seminar which taught the knowledge and skills required to identify drug traffickers, to initiate and to develop investigations. The USG funded a five-week Sensitive Investigative Unit (SIU) program in Quantico, Virginia which trains DEA foreign counterparts to work on sensitive bilateral investigations. SENAD is one of only a dozen foreign counterpart agencies to obtain this training. The USG provided operational support and equipment to Paraguay's intellectual property operational unit (UTE), as well as training seminars on intellectual property issues. The USG continued to provide a Resident Legal Advisor (RLA) to assist GOP efforts to pass and implement effective laws to combat money laundering, intellectual property theft, and terrorist financing.

**The Road Ahead.** The new Lugo administration has expressed interest in reversing Paraguay's status as a major drug transit country and as the largest producer of marijuana in South America. To do so, the GOP must focus its efforts on major narcotics trafficking organizations operating in Paraguay. The USG encourages the Lugo administration to allocate additional resources to law enforcement agencies and implement legal tools to facilitate investigations, the seizure and forfeiture of assets and prosecution of major offenders. New anti-money laundering legislation will take effect July 16, 2009, and will provide an important tool for law enforcement agencies. The GOP also needs to draft asset seizure and forfeiture laws, pass the new criminal procedure code pending before Congress, and implement in 2009 the new penal code signed into law in 2008.

# Peru

## I. Summary

Peru remains the world's second largest producer of cocaine and is a major importer of precursor chemicals used for cocaine production. In 2008, the Garcia Government consolidated gains in the eradication of illicit coca cultivation in the Upper Huallaga Valley by exceeding its coca eradication goal of 10,000 hectares for the second year in a row, and pressed forward on interdiction, including targeting precursor chemicals. The Government of Peru (GOP) promulgated additional decrees against corruption, money laundering, and other forms of organized crime. The GOP also implemented security measures against violent attacks against personnel engaged in eradication and interdiction efforts. Peruvian forces seized nearly 28 metric tons (MT) of cocaine in 2008 and destroyed record numbers of cocaine labs. The change in government in October 2008 did not alter Peru's commitment to full cooperation on counternarcotics matters. 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 Upper Huallaga Valley (UHV), coca growers, incited by their leaders, at times engaged in violent acts to resist eradication during 2008. Remnants of the terrorist group Shining Path (Sendero Luminoso—SL), reliant on drug trafficking for funding, were reportedly responsible for ambushing and killing police and military personnel in the UHV and the Apurimac and Ene River Valleys (VRAE); as well as threatening eradication workers and other government authorities and alternative development teams. In 2008, one eradication worker was wounded by a booby trap, and another was wounded as he strayed outside of an eradication site security perimeter. Since 2006, 26 Peruvian National Police (PNP) officers and one CORAH (Control and Reduction of Coca in the Upper Huallaga) employee have been killed in SL attacks.

CORAH implemented security measures to prevent and minimize the possible impact of violent attacks. Counter and anti-explosive measures reduced exposure and neutralized located improvised explosive devices. An internal accord with Peruvian Army elements stationed in the Huallaga valley provided additional security for eradicators. Coca growers' efforts to gain support for sit-ins, road blocks, and forcible eviction of eradicators were ineffective.

According to Catholic University's Institute for International Studies (IDEI), approximately four million Peruvians are reported to use up to 9,000 metric tons of coca leaf each year for such "licit" purposes as chewing the leaves, or brewing leaves for tea; however, IDEI estimates that over 90 percent of this 'licit' coca cultivation is actually directly diverted to narcotics trafficking. It is estimated that about 60,000 Peruvian families (a relatively small percentage out of the greater than 29 million total population) is involved in growing, processing coca leaf, and trafficking cocaine hydrochloride (HCl), and cocaine base. In various public forums, coca growers' leadership promoted the legal uses and benefits of coca leaf. Despite this, polls show greater public understanding of the close linkage between illegal coca cultivation and the negative impact of drug trafficking on Peru.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In July the Peruvian Congress passed laws against organized crime, drugs, and terrorism and also strengthened the provisions of the Precursor Chemical law of 2004. The Attorney General's Office (Public Ministry) continued to strengthen its prosecutorial capacity for drug cases by increasing staff and enhancing training to improve investigative and procedural skills. In 2008, the Garcia Administration promulgated additional decrees against corruption, money laundering, and other forms of organized crime. The new Criminal Procedure Code (CPC), enacted in 2007, continued to be implemented across the nation with the final regions scheduled to come on line by 2010. As part of the Ministry of Justice's Anti-Corruption Plan, the section of the CPC which applies to public corruption came

into effect nation-wide in 2008. The Public Ministry created a new prosecutor's position to handle all money laundering cases not related to drug-trafficking. Also, new legislation came into effect in 2008 requiring all members of the Financial Investigation Unit to sign a Standards of Conduct document. Finally, in July 2008, President Garcia signed a defense pact with President Lula of Brazil and President Uribe of Colombia to jointly patrol rivers and expand regional cooperation on borders. This will help limit the cross-border activities, including drug trafficking of illegal armed groups such as the FARC and the SL. The change in government in October 2008 did not alter Peru's commitment to full cooperation on counternarcotics matters.

**Accomplishments.** The GOP disrupted the production and transshipment of cocaine through operations on land, sea, and air, seizing more than 16.2 metric tons (MT) of HCl and 11.7 MT of cocaine base as of December 15, 2008. Eradication helped tamp the number of hectares of illicit coca cultivation, although denser coca planting is evident and efficiency of extracting alkaloid among some traffickers has increased from 44 percent to 72 percent, according to the Drug Enforcement Administration (DEA) studies. The GOP also investigated and dismantled major drug trafficking organizations (Valdez in Pucallpa) and shut down drug-processing sites in coca-growing areas. The Peruvian National Police (PNP) Directorate of Antinarcotics Agency—DIRANDRO destroyed 1,225 cocaine-production laboratories, including 19 cocaine HCl and 1,206 base laboratories in the UHV and the VRAE; and 2,119 MT of dry and macerated coca leaf by in 2008.

**Law Enforcement Efforts.** Actions by Peruvian authorities in August and September led to the arrests of two important SL collaborators, one was considered a major SL financier and drug trafficker, the other was considered a prominent SL recruiter. In September, the Supreme Court upheld the conviction and 20-year sentence of drug "Kingpin" Fernando Zevallos. In October, authorities detained the mayor of the eastern city of Pucallpa on charges of laundering proceeds from drug trafficking, and began proceedings to seize assets valued at more than \$200 million.

In 2008, Peru continued to strengthen police capacity east of the Andes. Nine-hundred-thirty-five new police officers, including 76 women, with a 3-year commitment to serve in counternarcotics units, were trained at U.S.-supported police academies. The curriculum in these academies was extended from 12 to 26 months in compliance with Peruvian regulations. Related to this, 842 students also attended PNP pre-Academies that train qualified local police recruits. By the end of 2008, approximately 2,000 anti-drug police were operating in the source zones.

The PNP also continued to operate basic training academies collocated with DIRANDRO police bases at Santa Lucia, Mazamari, and Ayacucho. An increase of DIRANDRO personnel in source zones has contributed to more effective and sustained eradication and interdiction operations. The PNP is also reinvigorating the anti-drug police Special Operations Group, including a special Jungle Operations Training Course established in Mazamari for junior officers.

Despite these efforts, traffickers continued to adapt to counter-drug strategies and tactics, experimenting with new delivery and production methods.

**Maritime/Airport Interdiction Programs.** Peruvian agencies involved in maritime and airport counter-drug enforcement were responsible for approximately 13 metric tons of cocaine seized nationwide. An additional 2 metric tons were seized in third countries based upon research and alerts conducted by the joint Peruvian Customs (SUNAT) and National Police Manifest Review Unit (MRU). SUNAT personnel examined an average of 9,500 containers per month nationwide, compared to 3-4 per month less than two years ago. Interdiction efforts at Peru's international airport resulted in the detention of 190 internal carriers (mules).

SUNAT continued to emphasize training and utilization of non-intrusive inspection (NII) technology, at the Port of Callao and the international airport. Using XRAY Container Scanners, SUNAT inspected more than 116,000 export seagoing containers in 2008. Use of NII technology expanded to the southern frontier city of Tacna, with the deployment of a Body Scanner for screening suspect "mules" crossing into Chile. In 2008, SUNAT concentrated efforts to interdict illicit money transported through the international airport and domestic flights, resulting in the seizure of nearly one million dollars. In addition, SUNAT improved the security of cargo at the Port of Callao with a

camera system used to provide Peruvian law enforcement full situational awareness at the port. SUNAT now uses container and cargo electronic manifests for the Port of Callao and the Port of Paita (Peru's second leading port), and is in the final stages of completing electronic manifests for all air-cargo leaving the international airport.

SUNAT also augmented its drug detection canine force and, in collaboration with DIRANDRO, formed and trained a Dive Unit to conduct underwater counternarcotics operations and ship-hull inspections.

**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. The Comptroller General has submitted a bill to modify the Asset Forfeiture Law to include corruption of public officials as a predicate offense. The GOP closed the National Anti-Corruption office inaugurated in 2007, dispersing the responsibilities among several Ministries. In October 2008, Luis Valdez, the mayor of Pucallpa, of one of the largest eastern cities was arrested and charged with narcotrafficking and money laundering. He is currently in custody awaiting trial.

**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.

**Extradition and Mutual Legal Assistance.** The United States and Peru are parties to an extradition treaty that entered into force in 2003. Peruvian law requires individuals to serve sentences in Peru before being eligible for extradition. Among the pending U.S. extradition and provisional arrests, eight are related to narcotrafficking, and four have been approved; surrender is pending completion of judicial and penal processes in Peru. One subject of an extradition request remains at large, but three were extradited to the U.S. on December 10. The GOP has assured the USG that drug traffickers will be extradited upon completion of their Peruvian judicial and penal processes.

**Cultivation and Production.** The official U.S. Government estimate for 2007 indicated that 36,000 hectares of coca were under cultivation in Peru, a 14 percent decrease from 2006. This would potentially produce an annual harvest of approximately 43,500 MT of oven-dried coca leaf, enough to potentially produce 210 MT of pure cocaine, and 235 MT of export quality cocaine. Successful interdiction and eradication actions eliminated nearly one quarter of Peru's potential production of cocaine in 2008.

During 2008 the GOP continued eradication operations in the Upper Huallaga Valley, clearing out remaining coca in San Martin Department and beginning a much awaited program in Huanuco Department. During the year Coca growers' and their leadership pressured the Government of Peru (GOP) to halt or limit eradication, but their disarray made the protests more a distraction than an effective impediment to counternarcotics efforts. Day-to-day coordination among drug police, aviation components, and eradicators permitted eradication to continue at an optimum pace. As of December 15, based on the Embassy Lima Cocaine Production Averted Formula calculation, CORAH prevented the production of approximately 77 metric tons of cocaine.

**Drug Flow/Transit.** Cocaine HCl continues as the principal illicit drug product in Peru, with traffickers utilizing large-production laboratories and caletas (storage areas) to prepare and store this product. They transported cocaine base/HCl products from coca production zones, primarily in the Upper Huallaga and Apurimac Valley regions, to Peru's coastal and border areas for further processing and distribution.

Cocaine is exported from Peru to Bolivia, Colombia, Ecuador, Chile, Brazil, Europe, the Far East, Mexico, and the U.S. via maritime conveyances and commercial air flights. U.S. law enforcement agencies and their host nation counterparts from Australia, Hong Kong, Japan, Malaysia and Thailand report of Peruvian cocaine trafficking/transportation organizations operating in the Far East. In addition, cocaine HCl is shipped to Argentina, Bolivia, Brazil, Chile, and Ecuador via land routes, where it is subsequently exported to consumer markets in the United States and Europe.

Colombians and Mexicans were frequently found to be involved in Peru in drug transportation operations of multi-kilogram and multi-ton loads headed to Colombia, Mexico, and the Caribbean. Drug intelligence and investigations also detected clandestine airstrips along Peru's neighboring borders and in coca cultivation areas.

Maritime smuggling of larger cocaine shipments is becoming the primary method for transporting multi-ton loads of cocaine base and HCl.

**Opium Poppy.** Though limited, the reported presence of opium poppy cultivation in Peru, continues to raise international concerns. Opiate trafficking in Peru, including opium poppy cultivation, the production of opium latex, and suspected morphine, may be predominately concentrated in the northern and central parts of the country. Opium latex and morphine moved overland north into Ecuador and/or Colombia, for conversion to heroin and subsequent export to the United States and Europe.

In 2008, the PNP eradicated approximately 16 hectares of opium poppy and seized 171 kilograms of opium latex. The PNP reported instances of opium latex, intercepted at Jorge Chavez International Airport, being couriered by "drug mules" and/or mailed to European destinations.

**Demand Reduction.** The USG funds local NGOs in the development of 11 community anti-drug coalitions (CAC) targeting poor, at risk, communities in Lima. The CAC model emphasizes the participation of all sectors of the community in long-term, sustainable activities to reduce drug use. The CACs have proven effective in addressing community specific drug demand issues especially among youth.

The GOP, through its drug policy entity DEVIDA, engages in various media campaigns to inform public opinion, NGOs do most of the work in terms of education, research, and 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 use in the regions outside of the major cities has increased steadily without a comparable increase in government sponsored treatment and prevention programs. Statistics indicate that there is a growing incidence of use among university students who report their first exposure and use of drugs occurred when they entered university, not before.

Public opinion has changed its perceptions about coca cultivation and the complicity of coca growers in drug trafficking, particularly when studies show that 90 percent of the coca leaf grown in Peru is made into narcotics. 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. Recently, Environment Minister Antonio Brack stated that drug trafficking had destroyed nearly two million hectares of forest in Peru, that isolated protected areas are invaded for the purpose of coca cultivation, and that precursor chemicals used to process narcotics pollute water sources and alter hydro-biological resources.

**Alternative Development (AD) Program.** At the close of the sixth year of the alternative development program, more than 756 communities have renounced coca cultivation and continue to participate in the alternative development program. Over 49,000 family farmers have received technical assistance on 61,000 hectares of licit crops (cacao, coffee, African palm oil, etc.). With many of these long term crops now entering their most productive years, the alternative development program has expanded business development activities to link AD producers to local and world markets at optimum prices. In 2008, sales from AD assisted organizations reached nearly \$13 million in San Martin, Huanuco, and Ucayali.

The increase in counternarcotics police allowed the PNP to sustain interdiction and eradicate in previously "no-go" areas that have witnessed violent resistance in the past. CORAH workers focused their efforts in San Martin, where USAID's Alternative Development (AD) program has been in place since 2002. 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. Extended dialogue and the strong will of these communities eventually overcame the challenges. The direct link between AD and eradication is successfully reducing coca cultivation and is a model for further progress against illicit cultivation.

Coordination between CORAH and USAID programs continued, including the return of eradication activities by CORAH to AD communities where there were residual pockets of coca cultivation. Growers in the 78 communities that signed no-replanting agreements are feeling the economic impact of AD assistance, as their licit crops have now gone through a harvest cycle and are starting to demonstrate improved productivity. Tocache serves as an example to other communities that viable alternatives to coca exist, reducing resistance to eradication and increasing acceptance of alternative development.

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

**Policy Initiatives.** U.S. assistance to Peru focuses on strengthening governance and creating space for legal activities in isolated areas where drug traffickers and terrorists operate, using aggressive eradication, interdiction, and chemical control to reduce drug production; coupled with alternative development efforts geared 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 their quality of life (and not just that of United States citizens) is degraded by drug-trafficking.

**Bilateral Cooperation.** In 2008, the USG continued to work with the GOP on counterdrug operations in the major drug source zones of the UHV and the VRAE. The PNP received USG assistance to increase police presence and their operational productivity 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. Embassy support, DIRANDRO commanders and field personnel received specialized counternarcotics courses, including U.S. Special Forces Training, Colombian and Bolivian Police Jungle Schools, and refresher courses in advanced airport drug interdiction and chemical field testing. 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 participated in drug enforcement strategy conferences to address drug trafficking along its borders, such as the joint chemical diversion—Operation Seis Fronteras. 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. At the September 2008 evaluation conference, participants chose Peru as the host country for Phase XI of Seis Fronteras in 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 in Air Force of Peru (FAP) locations in Lima, Pucallpa, and Iquitos.

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. Since 2005 the FAP Joint Anti-Drug C-26 Air Squadron, supported by NAS, has conducted CN reconnaissance and airlift east of the Andes. The C-26 Forward Looking INFRA-RED (FLIR) was used to map suspected clandestine runways in Peru and update the status of known airstrips. The FAP C-26s provide critical overhead real time coverage for eradication workers, eradication police, and army personnel in the field. The installation in 2008 of a visual spectrum mapping camera in the C-26 program will provide imagery of coca fields to aid in planning eradication operations in the UHV (Upper Huallaga Valley).

**The Road Ahead.** The USG encourages the GOP to continue its focus on core commitments to eradication, interdiction, and alternative development to reduce coca cultivation and cocaine production. The GOP's five-year counternarcotics plan reflects this 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. The GOP should continue its efforts to expand counternarcotics police presence east of the Andes to 2,700 personnel by late 2010. This will provide needed capacity to improve security and stem drug flows at air and seaports. Successful conclusion of negotiations on maritime operational procedures for counterdrug and migrant interdiction initiated in 2006 would be a positive step forward consistent with Peru's efforts on other counternarcotics fronts

## V. Statistical Tables

### Peru Statistics (1999-2008)

Coca	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Net Cultivation* (ha)	TBD	36,000	42,000	34,000	27,500	29,250	34,700	32,100	31,700	34,700
Eradication (ha)	10, 143	11,057	10,137	8,966	7,605	7,022	7,134	6,436	6,206	14,733
Leaf: Potential Harvest 3 MT)	TBD	67,645	50, 000	56,300	48,800	41,000	49,000	42,500	42,000	41,000
HCl: Potential (MT)	TBD	210	245	240	230	245	280	255		
<b>Seizures</b>										
Coca Leaf (MT)**	2,119**	1,858**	14.6	11.3	7.6	11.5	7.1	6.4	9.0	14.7
Coca Paste (MT)	11.7	7.5	5.1	4.5	6.4	4.3	10.4	6.2	1.6	7.2
HCL (MT)	16.2	7.9	14.1	11.7	7.3	3.5	4.1	2.9	2.8	4.2
Combined HCL & Base (MT)	27.9	15.4	19.2	16.2	13.7	7.8	14.5	7.1	4.4	11.4
Arrest/Detentions	10,383	11,197	7,633	11,260	10,149	10,608	13,158	13,343	2,836	15,557
Labs Destroyed	1225	650	724	1,126	821	964	238	72	97	51
Cocaine HCl	19	16	11	22	11	9	0	0	0	0
Base	1205	627	713	1,104	810	955	238	72	97	51

\* Based on CNC estimates

\*\* In 2007 the basis of reporting coca leaf seizure was shifted from dry leaf to include macerated leaf.

# Philippines

## I. Summary

The drug problem in the Philippines remains significant, despite the continued efforts of Philippine law enforcement authorities to disrupt major drug trafficking organizations and dismantle clandestine drug laboratories and warehouses. The Philippines faces challenges in the areas of drug use and production, law enforcement, corruption, and drug trafficking. There is widespread use of illegal drugs nationwide, although national statistics on drug use are inaccurate, according to the Chairman of the Dangerous Drug Board (DDB). As evidenced by drug seizures in 2008, the Philippines continued to be a producer of methamphetamine and marijuana.

While the scope of the drug problem is immense, the government had some successes in enforcing counternarcotics laws, including a large methamphetamine seizure made from a speedboat in Subic Bay, northwest of Manila, and the dismantling of a large clandestine laboratory in northwest Luzon in cooperation with the Philippine National Police (PNP). Enforcement remains a high priority for the administration of President Gloria Macapagal Arroyo and the Philippine Drug Enforcement Agency (PDEA) as the lead counternarcotics agency. As a relatively new agency, the PDEA's effectiveness remains hampered by a lack of investigatory discipline, leading to the dismissal of cases for insufficient evidence. There are also coordination problems with other agencies, and trained investigative staff is inadequate to the scale of the problem.

Corruption of police and other public officials remains an obstacle to better law enforcement; over 60 police officials were relieved from duty during the year for their alleged involvement with a clandestine laboratory. Pending whistleblower legislation, if passed, could help to fight corruption. The Philippines' vast stretches of unpatrolled and sparsely inhabited coastline across more than 7,000 islands make it an attractive narcotics source and transshipment country for traffickers, including terrorist and insurgent organizations. Illegal drugs and precursor chemicals also enter and leave the country through seaports, economic zones, and airports. Children are often used as street drug runners because of the difficulty in prosecuting them when they are caught in possession of illegal drugs. The Philippines is a party to the 1988 UN Drug Convention.

## II. Status of Country

The Philippines continues to have a significant drug problem, based on quantitative data of the number of arrested drug traffickers, high-volume seizures of dangerous drugs, regular diversion of controlled precursors, and essential chemicals, as well as the number of clandestine laboratories identified and dismantled. A recent survey by the Philippine National Police (PNP) shows illegal drug usage is the fourth most pressing law enforcement problem in the Philippines. However, the DDB chairman announced that the Philippine infrastructure to fight illegal drugs is in place and implementation is proceeding as planned. The DDB reported in previous years that there are an estimated 6.7M illegal drug users in the Philippines, but the chairman acknowledged in 2008 that the estimate was based on a flawed methodology and is likely much larger. The DDB intends to conduct a more thorough survey in early 2009.

The Philippines' poorest regions, such as Mindanao, have the highest percentage of methamphetamine abusers. Crystal methamphetamine, locally known as "shabu," continues to be the drug of choice in the Philippines and is consumed by all demographics. Information from the 2008 United Nations (UN) World Drug Report indicates the Philippines has the world's highest estimated annual methamphetamine prevalence rate (6 percent). UN reports state that the problem is underreported by Philippine authorities, who claim seizures of clandestine laboratories have reduced supply, increasing the price of methamphetamine. However, it is more likely that price increases are driven by increased cost of foreign precursor chemicals rather than local law enforcement efforts. The current price of methamphetamine has doubled from 5,000 pesos per gram in 2007 (\$106) to 10,000 pesos in 2008 (\$212), with a street value of 10M to 12M pesos per kilo. Prices in the northern Philippines are higher than in central and southern Philippines, probably due to

higher lab-to-market transportation costs, since clandestine labs are concentrated in the south, particularly in Mindanao. The price increase is likely driven by what the market will bear, rather than a shortage of supply; law enforcement agencies report no shortage of available methamphetamine.

Methamphetamine is clandestinely manufactured in the Philippines. Precursor chemicals are smuggled into the Philippines from the People's Republic of China, India, and Thailand. There were 264 local drug trafficking groups in 2008, compared with 220 in 2007. According to the DDB, there were three known transnational criminal drug organizations operating in the country in 2008, compared with eight in 2007. The decrease in the number of known criminal drug organizations is a result of their project-based system of operations. The criminal drug organizations dismantle individual groups after completing an operation to avoid detection or apprehension and then form new organizations. Chinese and Taiwanese drug trafficking organizations remain the most influential foreign groups operating in the Philippines and control domestic methamphetamine production. Methamphetamine producers continue to compartmentalize production in diverse locations to prevent detection and to allow drug syndicates to produce large quantities during a production cycle. This sophisticated technique is employed by Chinese and Taiwanese drug trafficking organizations and may indicate a departure from the previous mega-lab production technique, which relies on quick production to avoid detection. Philippine authorities are also investigating five significant domestic organizations.

While Chinese criminal organizations continue to establish and operate many methamphetamine clandestine laboratories, investigations have revealed that Muslim traffickers, many affiliated with separatist groups, are the main distributors of methamphetamine in the Philippines. Insurgent activity in Mindanao facilitates methamphetamine production, according to DDB and local government sources, thus increasing availability within the Muslim community. There are widespread reports that methamphetamine is produced in laboratories in areas controlled by Muslim rebels, who use profits to fund their operations. There is also anecdotal evidence that rebel fighters take methamphetamine to combat lack of sleep and inadequate food intake, as well as to enhance aggression and withstand pain. Law enforcement investigations revealed that the Abu Sayyaf Group (ASG) and elements of the Moro Islamic Liberation Front (MILF) are directly involved in the smuggling, protection of methamphetamine production, and transportation of illegal drugs to other parts of the country and across Southeast Asia. The Philippines is a source of methamphetamine exported to Australia, Canada, China, Japan, Malaysia, South Korea, and in relatively small quantities to the U.S. (including Guam and Saipan).

The Philippines produces, consumes, and exports marijuana and it is currently the second most used drug in the country. Much of the cultivation of marijuana is in mountainous regions, often in government-owned areas inaccessible to vehicles. The ease of marijuana re-planting after eradication efforts by Philippine law enforcement makes marijuana eradication a never-ending operation, and official reports indicate an increase in the number of marijuana plantations in the Autonomous Region in Muslim Mindanao (ARMM). Elements of the Moro National Liberation Front (MNLF), the MILF, and the ASG earn funds by providing protection for marijuana cultivation and smuggling operations as well as participating in local distribution operations. 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, as well as some eastern parts of Mindanao. Most of the marijuana produced in the Philippines is for local consumption, with some smuggled to Korea, Japan, Malaysia, and Taiwan.

Methylenedioxy-methamphetamine (MDMA or Ecstasy) is commonly used in Metro Manila night clubs and bars by young, affluent members of Philippine society. Multiple Philippine law enforcement agencies are conducting active investigations of MDMA sales. The demand for ketamine in the Philippines is low. 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. The PDEA reported seizing 51 million pesos (\$1,085,000) worth of ketamine in 2008.

### **III. Country Actions against Drugs in 2008**

**Policy Initiatives.** The administration of President Gloria Macapagal Arroyo continues to concentrate on the full and sustained implementation of counternarcotics legislation and the positioning of the PDEA as the lead counternarcotics agency. The Government of the Republic of the Philippines (GRP) 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. The PDEA is a relatively new agency; it graduated its second class of 196 new agents and swore in a third class of 200 during the fourth quarter of 2008. The National Bureau of Investigations (NBI) also contributes to the narcotics fight.

As part of its demand reduction strategy, DDB continues to create sector-specific programs and activities to reach youth through an effective anti-drug campaign. 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. DDB has submitted to the Senate a draft amendment to a law that would reduce the opportunity for drug traffickers to use children in illegal drug trafficking. The amendment would change the definition of children, for the purpose of drug trafficking only, to persons below the age of nine (9) instead of eighteen years of age.

In order to frustrate the rapid replanting of harvested marijuana, the DDB has developed alternative livelihood programs, and initiated a pilot program of silk production in the Cordilleras in Northern Luzon, where 70 percent of the country's marijuana is cultivated. The DDB is replicating this program in Cebu in central Philippines, the second largest area of marijuana cultivation.

Prosecuting a typical narcotics case takes four years, on average. In 2008, three clandestine laboratory operators arrested in 2004 were sentenced to life imprisonment. 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 December, after a meeting with a concerned elected official and a local religious leader, President Arroyo ordered the reopening of a clandestine lab case from La Union province, reversing a November decision by the Department of Justice to dismiss charges against the accused. To improve the judicial process for drug offenses, the DDB conducted a series of joint seminar-workshops for law enforcement, prosecutors, and judges throughout 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. DDB established a toll-free telephone hotline in 2008 for citizens to report drug trafficking tips and complaints about alleged abuses by PDEA and other counternarcotics law enforcement agencies.

**Law Enforcement Efforts.** Counternarcotics law enforcement remains a high priority of the GRP, according to government pronouncements, although lack of resources continues to hinder operations. The PDEA, with its roughly 250 agents and 200 more in training, nearly all of whom began law enforcement careers in the past two years, can have only limited impact in a country of nearly 90 million people. Limited PDEA cooperation with the Department of Justice (DOJ), PNP, and NBI hinders progress in law enforcement. Helping to fill the enforcement gap, international support has had significant impact. Philippine Law enforcement officials believe that continued ILEA and JIATF-West training for law enforcement and military personnel has helped make interdiction operations more efficient and effective. GRP law enforcement agencies continued to target high-profile drug traffickers and clandestine drug labs in 2008. Significant successes included a series of seizures of clandestine laboratories and warehouses in Luzon, Visayas, and Mindanao. PDEA reports that in 2008, authorities seized 1471 kilograms of methamphetamine, valued at \$17.6 million; 10 kilograms of ketamine, valued at \$1 million (at \$106 per gram); 2,525 kilograms of processed marijuana leaves and buds, valued at \$1.3 million; 4.8 million plants (including seedlings), valued at \$23.5 million; 798 tablets of Ecstasy, valued at \$19,950 (at \$25 per tablet); and \$9 million worth of chemicals and precursors. So far, from January to September, 2008, the Philippine authorities claimed to have seized total narcotics worth approximately \$52.6 million and arrested 6,589 individuals for drug related offenses. By comparison, in 2007 Philippine authorities seized \$58.3 million in narcotics and arrested 10,293 individuals. The Philippine authorities dismantled six clandestine laboratories and four warehouses in 2008 and dismantled 106 marijuana plantations.

In May 2008, Philippine authorities seized 744 kilograms of methamphetamine that was smuggled by "go-fast" boats in Subic Bay, northwest of Manila. The estimated potential street price of the methamphetamine was \$8.9 million (at \$12,000 per kilogram). The counterfeit cigarette trade from Subic Bay was used to conceal methamphetamine trafficking activity. In July 2008, the PDEA, working closely with the PNP, dismantled a large clandestine laboratory in northwest Luzon. PNP officials told the media that the equipment and essential chemicals seized could have facilitated the production of 180 tons of methamphetamine; however, no precursor chemicals (ephedrine or pseudoephedrine) were seized, so no accurate estimate of the lab's output potential was possible. A lack of investigatory discipline has impeded the PDEA's effectiveness, while the forced assignment of 18 previously convicted-but-pardoned military officers as mid-level PDEA supervisors has lowered the agency's morale. Premature arrest of suspects has led to numerous case dismissals due to lack of sufficient evidence for prosecution. In November, for example, a judge at a Zamboanga City Regional Trial Court ordered the release of a Chinese national for lack of sufficient evidence for his role in a Zamboanga clandestine laboratory. Investigations are rarely continued after the initial arrests and seizures because of a lack of awareness of the significance of circumstantial, testimonial, and documentary evidence. Co-conspirators, frequently at the upper levels of DTO therefore have little fear of subsequent arrest by the PDEA. A lack of administrative oversight and inadequate fiscal controls promote inefficiency and corruption within the agency. Unit directors have unaudited discretion over operational funds disbursed from headquarters, and corruption sometimes prevents funds from reaching field agents, who often have to use personal funds to undertake drug sting operations. In turn, some agents may seek to recoup their spent personal funds through irregular means.

In addition to employing the pardoned mutineers, the Philippine Drug Enforcement Agency has replaced many experienced law enforcement officers at the Regional Director/Service Director level with active duty military officers, in the ranks of Major, Lt. Colonel, and Colonel. This apparently violates the Philippine Constitution just as it would in the US (Article 16 Section 5 Paragraph 4 of the Philippine Constitution mirrors the US Posse Comitatus Act, 18 U.S.C. § 1385, forbidding the use of military personnel in law enforcement capacities), despite claims that the officers' orders were endorsed by the Office of the President and so are exempt from Constitutional concerns. The military officers are often forceful leaders, but have no training in civilian law enforcement or court procedures. Cases produced by their offices/teams are frequently dismissed by PDOJ for lack of evidence and violations of defendants' rights, leaving the arresting officers potentially liable for civil suit, PDOJ/judicial chastisement, etc. For the loss of the cases, PDEA leaders often blame prosecutors rather than improving internal procedures. The PDEA Director General's public feud with the Secretary of Justice over one of these cases, known in the Philippine media as the "Alabang Boys" case, has quickly infected relations between PDEA and PDOJ nationwide; PDEA agents bringing cases to PDOJ are now treated with suspicion and contempt by prosecutors and court staff. This severely harms the morale of young PDEA agents who have been trained to do cases the right way, but whose military supervisors frequently don't give them time or resources to do so. Continued use of untrained military officers in the role of law enforcement supervisors will adversely affect the ability of PDEA to enforce drug laws, and lends support to the argument for making the PNP and NBI Drug Task Forces permanent and relatively autonomous from PDEA.

Early in 2008, a fire broke out at the PDEA Headquarters parking lot in a stack of shipping containers used for evidence storage. The fire was caused by spontaneous combustion of flammable, toxic chemicals seized from clandestine drug laboratories which had been stored for years in the containers. The PDEA continues to lack standardized, written guidelines for evidence collection and submission procedures. Two experienced PDEA laboratory directors with knowledge of such procedures were dismissed from their positions in 2008. PDEA agents lack means of movement and communication on the job. Personal vehicles are often used for surveillance, and communication between officers is generally by text message on personal cell phones. Few radios are available for team members to share observations or call for assistance.

PDEA has accelerated its recruitment and training timeline for new agents, although the large number of students per class impedes the training's effectiveness. The two most recent classes consisted of approximately 200 students, but the training facilities were designed for a maximum of 100 students. In the 2007-2008 class, half the students were

issued weapons during training, and they were able to practice firing only a small number of live rounds. PDEA lacks a training program for brand new law enforcement supervisors, nor do they have a comprehensive in-service training program.

The Foreign Terrorist Organizations (FTOs) Abu Sayyaf Group (ASG) and New People's Army (NPA) are directly linked to drug trafficking activity. PNP officials believe elements of the ASG are engaged in providing security for marijuana cultivation, protection for drug trafficking organization (DTO) operations, and local drug distribution operations, particularly in Jolo and Tawi-Tawi. Philippine police and military officials report that the ASG continues to provide protection for major drug trafficking groups operating in the Sulu Archipelago, as well as local drug trafficking activity in exchange for cash payments that help fund their operations. Many ASG members are drug users themselves. Likewise, NPA cadres throughout the country earn money to feed their members by providing protection to drug traffickers and marijuana growers.

**Corruption.** Corruption continues to be a problem among the police, judiciary, and elected officials and poses a significant challenge to Philippine law enforcement efforts. The GRP has criminalized public corruption in narcotics law enforcement through the Comprehensive Dangerous Drugs Act, which clearly prohibits GRP officials from laundering proceeds of illegal drug actions. During the fourth quarter of 2008, the PNP made arrests of lower ranking police officers and high level politicians on corruption charges. In August 2008, over 60 police officials were relieved from duty pending investigation for their involvement in the protection of a clandestine laboratory in northern Luzon. In addition, five new PDEA agents in 2008 were summarily dismissed on corruption charges. Congressional investigations were underway in January 2009 to examine allegations of corruption in the Philippine DOJ's dismissal of a case against drug suspects in PDEA custody. Both the PNP and PDEA have internal affairs divisions to address corruption. Pending legislation, the Whistleblower Act, would enable individuals to come forward with information regarding corrupt government officials or employees without fear of physical or other retaliation. The Philippine Presidential Anti-Corruption Council received a large grant from the Millennium Challenge Corporation in 2008, much of which was given to PDEA to hire approximately 400 agents and support personnel and fund their basic agent training program. 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 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 protocols against trafficking in persons and smuggling of migrants, 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. In October 2008, the PDEA Director General signed a Memorandum of Agreement with his Indonesian counterpart to share real-time drug intelligence through U.S.-funded intelligence fusion centers in both countries.

**Cultivation/Production.** DDB reports that there are at least 67 marijuana cultivation sites spread throughout the mountainous areas of nine regions of the Philippines, compared with PDEA's estimate of 60 sites in 2007. Using manual techniques to eradicate marijuana, various government entities claim to have successfully uprooted and destroyed 4.8 million plants and seedlings in 2008, compared with 2.5 million plants and seedlings in 2007. PDEA stated that number of marijuana plantation increased by 242 percent from 2007 to 2008, although data to corroborate this figure were not released.

**Drug Flow/Transit.** The Philippines is a narcotics source and transshipment country. Illegal drugs and precursor chemicals enter and leave the country through seaports, economic zones, and airports. The Philippines has more than

7,000 islands and 36,200 kilometers of coastline. Vast stretches of the Philippine coast are unpatrolled and sparsely inhabited. Busy seaports, often privately operated with limited customs and law enforcement controls, an under-funded Coast Guard with inadequate authorities, along with thousands of miles of open coastline, 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.** The Comprehensive Dangerous Drugs Act of 2002 includes provisions that mandate drug abuse education in schools, the establishment of provincial drug education centers, development of drug-free workplace programs, the implementation of random drug testing for secondary and tertiary students; mandatory drug testing for military and law enforcement personnel, driver's license, and firearm license applicants; and other demand-reduction classes. Abusers who voluntarily enroll in treatment and rehabilitation centers are exempt from prosecution for illegal drug use. Southern Mindanao enjoys a robust and effective, though under-funded, Drug Abuse Resistance Education (DARE) program in both public and private elementary schools. In 2008, there were 1,371 new admittances and 376 re-admittances to drug rehabilitation centers. A joint effort headed by the DDB is currently in its planning stage to fight drug use by a demand reduction strategy, while continuing the pursuit against drug cultivation and production. This includes improving drug rehabilitation programs. In 2008, there were four new rehabilitation centers in ARMM, Region 2, Region 12, and in CARR.

#### 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 the Philippine counternarcotics efforts with training, intelligence gathering and fusion, and infrastructure development. In July 2005, the DEA Manila Country Office and 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). These outstations are intended to serve as regional collection points for information about drug smuggling and other maritime security issues and provide actionable target information that law enforcement agencies can use to investigate, interdict, and prosecute criminal organizations.

**The Road Ahead.** The USG plans to continue work with the GRP to promote law-enforcement institution building and encourage anti-corruption mechanisms via JIATF-West programs, as well as ongoing programs funded by the Department of State (INL and S/CT, and USAID). Strengthening the bilateral counter-narcotics 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 2008, no significant changes were made in legislation. Compared to 2006, public expenditures on counternarcotics programs decreased in 2007. Polish law enforcement agencies have been successful in breaking up organized crime syndicates involved in drug trafficking, yet trafficking activities continue to become more sophisticated and global in nature. According to mid-year statistics provided by the Polish National Police (PNP), drug-related crimes have decreased since Poland's accession to the European Union's Schengen zone, which the PNP attributes to better information sharing via the EU's Schengen Information System. Police officials acknowledge that their statistics probably do not reflect the full scale of narcotics transiting through Poland, which according to anecdotal information appears to be constant or even slightly on the rise. Cooperation between USG officials and Polish law enforcement has been excellent and Poland's EU accession in 2004 accelerated GoP diligence on narcotics policy.

## III. Country Actions against Drugs in 2008

### Policy Initiatives.

**Budget:** The 2007 expenditures on the National Program for Counteracting Drug Addiction totaled approximately 136.5 million PLN (approx. \$58 million). 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. Starting in 2007, this figure excludes Police Headquarters and Central Management Board of Prison Service expenses, partially explaining the large decrease in expenditures from 2006 expenditures of 321 million PLN (approx. \$137 million). The National Health Fund's 2007 expenditures rose for the first time since 2004 by 2 million PLN from the 2006 level. **Legislation.** There have been no major changes in legislation. The Ministry of Health continues to seek to enact its National Plans on HIV and AIDS. 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. 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. Demand reduction programs are managed by the Health Ministry's National Bureau for Drug Addiction (NBDA) and provincial and municipal governments, and are intended to 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 PNP mid-year statistics, since Poland's December 2007 accession to the EU's Schengen zone, drug-related crimes committed in Poland have dropped by 22 percent. The PNP attribute this drop to better access to information from the Schengen Information System. However, anecdotal information indicates that Poland's role as a transit nation has remained more or less constant or might even be on the rise. More comprehensive analysis of the impact of Schengen is not expected to be available until 2009. Poland works with Interpol and EUROPOL to combat transnational narcotics trade. Poland also cooperates with several neighboring countries on counternarcotics programs, including Project Eagle, a 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. From the beginning of 2008 through the end of October, the PNP closed down 10 amphetamine labs.

In 2007, 27,936 suspects were identified as being involved in drug-related crimes, including 2,945 underage suspects, and over 63,007 drug-related crimes were registered. 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 stem the flow of narcotics from Pakistan to Western Europe. In July, the Polish daily newspaper 'Rzeczpospolita' reported that new routes for transporting cocaine and marijuana from Africa through Poland into Western Europe had emerged. There were indications of the emergence of a shipment route for hashish from Morocco to Poland: in April 2007 Dutch Border Guard's seized a 44 million PLN (approx. \$19 Million) drug shipment destined for Poland, and in May 2007 CBS arrested four people suspected of smuggling 1.5 tons of hashish from Morocco to Poland.

**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 on Drugs in Lisbon. 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. Poland has signed bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. The U.S. and Poland have ratified these instruments. None have entered into force.

**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 2007 ranged from 15 to 40 PLN (\$6.50 to \$17) per pill and can be bought wholesale for 8 PLN (\$3.40). 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 2007, 85 drug-free residential facilities were in operation, and 13,000 addicts were successfully treated in 2006. An additional 169 outpatient clinics were in operation. In 2007, three new methadone programs were launched, bringing Poland to 15 active substitution treatment programs offered in 1230 centers around the country. Notwithstanding the extensive treatment programs, a gap exists between prison substitution programs and general programs which can lead to addict relapse. In 2007, 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 2008, 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 5.2 metric tons in the first six months of 2007 to 2.6 metric tons during the same period in 2008. In the first half of 2008, seizures of heroin increased from 40 kilograms in 2007 to 49 kilograms in 2008. Hashish seizures increased significantly from 15.1 metric tons in the first half of 2007 to 24.4 metric tons in the first half of 2008. U.S.-Portugal cooperation on drugs has included high-level visits to Portugal by U.S. officials and experts, and consultations on the newly established Maritime Analysis Operations Center for Narcotics (MAOC-N), located in Lisbon. Portugal is party to the 1988 UN Drug Convention.

## II. Status of Country

Drug smugglers 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 enter Europe in smaller, harder to detect packages. South America remains the source of cocaine arriving in Portugal, usually transited through Brazil and Venezuela. For hashish, primary source countries were Moroccan hashish, 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 2008

**Policy Initiatives.** Portugal decriminalized drug use for casual consumers and addicts on July 1, 2001. The law makes the "consumption, acquisition, and possession of drugs for personal use" a simple administrative offense. In 2007, the Portuguese Parliament approved a law allowing police to test drivers' saliva for driving under the influence of narcotics and/or alcohol. If the road-side sample is positive, drivers must then undergo a blood test at a health 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 (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 and the other entities are units of the Ministry of the Interior. According to a 2007 semi-annual report prepared by the PJ, the Portuguese law enforcement forces arrested 2,550 individuals for drug-related offenses in the first six months of 2008 as "traffickers/consumers." Of those arrested, 80% were Portuguese citizens, but the foreign nationals arrested include citizens from Cape Verde (229), Guinea Bissau (50), Brazil (36), Angola (30), and Spain (23). The 2007 PJ semi-annual report indicates a significant decrease in the cocaine seized in the first half of 2007 compared to the first half of 2006. Cocaine seizures fell by 45% from 5.2 metric tons to just 2.6 metric tons in the first half of 2008. Also over the first six months of 2008, compared to the same timeframe in 2007, hashish seizures jumped by 60% to 24.4 metric tons, Ecstasy seizures increased to 64,361 pills and heroin seizures increased to 49 kilograms. PJ's first semester report on 2008 activities notes the seizure of over 1 million Euros in cash, plus the equivalent of over 12,000 Euros in foreign currency, and 344 vehicles, 1,565 cell phones, and 114 weapons.

- On May 14, 2008, GNR officers seized 4.4 metric tons of hashish in Cabanas de Tavira, Portugal. Most hashish seized in Portugal is intended for the Portuguese market, although some does go to Spain.
- On June 26, 2008, Portuguese Judicial Police (PJ) seized 199 bales of hashish, weighing 6 metric tons, off the southwestern coast in a Portuguese fishing boat.

**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. Although this treaty does not cover financial crimes, drug trafficking or organized crime, certain drug trafficking offenses are deemed extraditable in accordance with the terms of the 1988 UN Drug Convention. In addition, Portugal and the U.S. have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force.

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

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

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

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

In April 2008, U.S. Director for the Office of National Drug Control Policy, John Walters, visited Portugal and met with Portuguese law enforcement, health, and NGO officials to discuss the narcotics problem in Portugal.

A USCG mobile training team provided maritime law enforcement training in Portugal in 2008, delivering an advanced boarding officer course.

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

# Romania

## I. Summary

Romania is not a major source of illicit narcotics. However Romania continues to serve as a transit country for narcotics and lies along the well-established Northern Balkan route to move opiate derivatives such as opium, morphine base and heroin from Afghanistan to Central and Western Europe. Within Romania, the overall levels of drug use remained relatively stable, with some fluctuations. In 2008, for example, the number of injected-drug heroin abusers decreased but the use of synthetic, recreational drugs increased among segments of the country's youth. The average age-group of drug users is 14-25, with a 5-to-1 ratio of boys to girls. Metropolitan Bucharest is the key area for both drug traffic and use. Programs targeting heroin and synthetic drug users significantly increased in scope. Police and government authorities modernized their data collection methods and recorded increases in the amount of drugs seized. Romania is a party to the 1988 UN Drug Convention.

## II. Status of Country

Romania lies along what is commonly referred to as the Northern Balkan route, and therefore is a transit country for narcotics. This route has multiple branches. Heroin and opium move from Southwest Asia, principally Afghanistan, through Turkey, Ukraine and Bulgaria, Moldova and Romania and onward toward Central and Western Europe. Synthetic drugs and cocaine, as well as heroin precursor chemicals, also flow from Western Europe through Romania eastward; entry points are through Bulgaria, Serbia and Ukraine. The Balkan route generally involves transit by autos and by sea in containers. Cocaine, for example, is smuggled by sea directly from Spain. Marijuana and heroin are the primary drugs consumed in Romania. Among the country's youth, MDMA (Ecstasy) is increasingly consumed in homes and in nightclubs. Some government authorities believe consumption will increase as Romania continues to integrate into Europe.

## III. Country Actions against Drugs in 2008

**Policy initiatives.** Romania continues to build an integrated system of prevention and treatment services at the national and local level. Forty-seven Anti-Drug Prevention and Counseling Centers are spread throughout the country with one in each of the 41 Romanian counties and six in Bucharest. The General Directorate for Countering Organized Crime and Anti-Drug (DGCCOA), a law enforcement body that is part of the Romanian Police, operates throughout the country. Joint teams of police and social workers carry out educational and preventative programs against drug consumption. The National Anti-Drug Agency (ANA), a government agency with the mandate to combat drug use, spends approximately 70 percent of its budget on prevention programs and works with 1500 volunteers nationwide. Romania continues to play an active role in the Anti-Drug task force of the Bucharest-based Southeast European Cooperative Initiative's Regional Center for Combating Trans-Border Crime (the SECI Center), as well as the Southeast European Prosecutors Advisory Group (SEEPAG).

**Law Enforcement Efforts.** In the first six months of 2008 the total amount of drugs seized increased over 250 percent from the same period of the prior year. From January through June, Romanian authorities seized 441.4 kilos of illegal drugs, including 324 kilos of heroin, 105.5 kilos of cannabis and 50,163 amphetamine and derivative pills. Cocaine is found in smaller amounts in Romania, and seizures usually do not exceed several kilos per year. Within this relatively small scale of cocaine seizure activity, the amount of cocaine seized has decreased significantly from 2007 to 2008. During the first half of 2008, 2,221 persons were investigated for drugs and precursor trafficking, possession and consumption. Of these, 397 persons were indicted and 275 were held in preventative arrest. The number of individuals investigated and indicted was 17 percent fewer than the first half of 2007. The Romanian courts convicted 256 individuals, including eight minors. Of these, 255 received prison sentences, although approximately

half of them were paroled or had their sentences conditionally suspended. Law enforcement activities are expanding. The ANA has developed closer relationships with counterparts in the countries around Afghanistan and those comprising the Balkan routes. Data collection techniques are improving but challenges remain, such as the need to improve communication between relevant agencies and the inadequacy of budget support.

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

As a matter of government policy, Romania does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. 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 the 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. Bilateral instruments related to the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements were concluded in 2007; they have been ratified in both countries, but have not yet entered into force. Romanian legislation on precursor substances is consistent with that of the European Union. Romania is a party to the UN Convention against Transnational Organized Crime and its three protocols, and the UN Convention against Corruption.

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

**Drug Flow/Transit.** Illicit narcotics from Afghanistan enter Romania by land from Ukraine, Moldova and Bulgaria, and by sea through the Black Sea port of Constanta. Once in Romania, the drugs move either northwest through Hungary or west through Serbia. Destination countries are primarily Germany, Austria, the Netherlands and Switzerland. The Balkan Route also includes transshipment of drugs eastward through Romania. Cocaine, for example, is smuggled by sea, directly from Spain. Romania also is becoming an increasingly important route for the transit of synthetic drugs and precursor chemicals from Western and Northern Europe to the East. Some Romanian authorities believe that as the economy grows, drug traffickers will become more aggressive.

**Domestic Programs/Demand Reduction.** Although drug use remained relatively stable within Romania, the authorities appear to be paying greater attention to the problem. Programs targeting heroin and synthetic drug users increased in scope; the National Drug Agency (ANA) estimates that 70 percent of its budget is allocated to prevention programs. ANA reports that the number of injecting-heroin abusers decreased, but officials are concerned that urban Romanian youth are increasingly using synthetic, recreational drugs in private, hard-to-reach places, such as homes and nightclubs. The average age-group of drug users is 14-25, with a 5-to-1 ratio of boys to girls. Synthetic drug use is thought to be especially on the rise in Transylvania, but Metropolitan Bucharest remains the center for both drug consumption and traffic. A 2007 study identified 35,000 to 40,000 users in the capital region. ANA reports it attracted several million dollars in external funding, but its programs remain hampered by resource constraints. Drug prevention programs were initiated in cooperation with local authorities, NGOs, religious organizations and private companies. Detoxification programs exist in some local hospitals, but treatment is limited. Four new rehabilitation centers are planned. A program of probation, based on the American model, was introduced in part as an attempt to separate drug users from those convicted of violent crimes.

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

**Bilateral Cooperation.** In 2008, Romania benefited from U.S. financial assistance to the SECI Center for Combating Trans-border Crime, which more broadly supports the twelve participating states in the Balkan region and focuses in part on the narcotics trade. U.S. funding consisted of: (1) approximately \$1.4 million sent in 2007 by the U.S. Department of State for 2007-08 programs, and (2) approximately \$175,000 in financial support and equipment donations by the FBI. 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 from the DEA is 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 representative assists in coordinating narcotics information sharing, maintains liaison with participating law enforcement agencies, and coordinates with the DGCCOA 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.

**The Road Ahead.** DEA has increased its presence in Romania by assigning a Supervisory Special Agent and Supervisory Intelligence Research Specialist to the SECI. The two new positions will complement and strengthen the already solid relationship between DEA and Romanian Authorities, which up to now had been maintained and developed by DEA personnel assigned to Athens, Greece. The additional presence will enhance bilateral and multilateral cooperation and partnership, which will result in continued joint successes in international drug trafficking investigations. The United States stands ready to assist Romania and nearby countries in meeting the growing challenge of drug trafficking and abuse.

# Russia

## I. Summary

Trafficking in opiates from Afghanistan and their abuse continue to be major problems facing Russian law enforcement and public health agencies in 2008. The Federal Drug Control Service (FSKN) estimates (March 2008) that 5.1 million Russians (3.6 percent of a population of 143 million) take drugs on a regular basis. Russian officials estimate that about 10,000 people die annually of drug overdoses and another 70,000 deaths are considered drug-related. There are estimates that nearly 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.

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

## II. Status of the Country

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

## III. Country Actions against Drugs in 2008

**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. Since its creation the FSKN has stressed the importance of attacking money laundering and other financial aspects of the drug trade. The money laundering division of the FSKN cooperates closely with the Ministry of the Interior (MVD), the Federal Security Service (FSB), and the Federal Customs Service (FTS), but its main partner is the Federal Service for Financial Monitoring (FSFM).

The FSKN has also continued its efforts to implement effective monitoring of the chemical industry. Prior to the creation of FSKN, precursor chemicals and pharmaceuticals were governed by a patchwork of regulations enforced by different agencies. Production, transportation, distribution, and import/export of controlled substances now require licensing from FSKN. Both FSKN and MVD routinely report large seizures of precursor chemicals. However these seizures are usually made for regulatory reasons and are not connected with clandestine drug production.

Russia is a producer of several precursor chemicals including the amphetamine precursor benzyl methyl ketone (aka Phenyl-2-Propanone or P2P), the heroin precursor Acetic Anhydride (AA), and the precursor Gamma-butyrolactone (GBL), a precursor in the production of Gamma-hydroxybutyric acid (GHB). In Russia, the production and

distribution of GBL is licensed. According to FSKN officials, there are five chemical plants in Russia that have the capacity to produce AA, though at the present time only one of them is actually doing so (Dzerzhinsk, Russia).

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 anti-narcotics policy, to coordinate the activities of various government agencies, and to participate in international drug enforcement cooperation efforts. The Committee is chaired by the FSKN Director and is comprised of seven federal ministers, 14 heads of federal services, a Ministry of Foreign Affairs representative, vice speakers from the Duma and the Federation Council, and other officials. The Committee has met twice in 2008: January 23 and March 5. Anti-narcotics commissions have been established at the regional level and are headed by the heads of regional administrations.

The FSKN has been given authority to station drug liaison officers in foreign states to facilitate information sharing and joint investigations. To date, FSKN personnel have been stationed in Afghanistan, the United States, and Kazakhstan. The FSKN has indicated its intent to assign personnel to Austria, China, Belarus, Germany, Iran, Kyrgyzstan, Poland, Tajikistan, Ukraine, and Uzbekistan as well. The FSKN has said, too, that its drug liaison officer in Kazakhstan will work with the Central Asian Regional Information and Coordination Centre (CARICC), which is being established by the UN Office on Drugs and Crime and will be based in Almaty, Kazakhstan. CARICC will serve as a regional focal point for communication, analysis and exchange of operational information in “real time” on cross-border crime, as well as a center for the organization and coordination of joint operations. CARICC includes Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. In September 2008, President Medvedev stated that Russia, too, would benefit from membership in CARICC. However, at the time of this report, Russia has yet to join.

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 2008. These training courses assist Central Asian police entities in combating major heroin trafficking organizations.

On December 6, 2007, President Putin signed into law a bill amending the criminal code to criminalize imports into Russia of synthetic analogs of narcotic substances, to shift the authority to investigate such offenses from the Customs Service (FTS) to FSKN, and to stiffen the penalty from a fine to seven years in prison.

**Law Enforcement Efforts.** Through September 2008, the MVD registered 180,196 crimes related to illicit drug trafficking, in which they identified 83,491 perpetrators, and 114,974 of these cases were referred for prosecution.

The following table reflects total drug seizures in Russia for the timeframes established below: MVD for the period January–June 2008, FSKN for the period January–August 2008, and FTS for the period January–September 2008 (most figures are in kg):

Substance	MVD	FSKN	FTS
Hashish	379.2 (+7.4%)	767	242.1
Marijuana	4,047.6 (+78.8%)	8,752	243.3
Poppy Straw	None reported	709	None reported
Opium	15 (+.3%)	148	45
Heroin	396.9 (+7.7%)	1,091	658.7

Cocaine	26.1 (+.5%)	None reported	44.4
Psychotropic substances	193.1 (+3.7%)	163	None reported
Precursor chemicals	None reported	None reported	9,200
Synthetic drugs	81.6 (+1.6%)	84	2,185 units

### DRUG PRICES

<i>Average Drug Prices Reported by Russian MVD in 2008</i>		
DRUG	PER GRAM	PER KILOGRAM
Heroin	\$50.00	\$7,000.00–\$20,000.00
Opium	\$25.00–\$33.00	\$5,000.00
Poppy Straw	N/A	\$287.00
Marijuana	\$4.00–\$10.00	\$1,000.00
Cocaine	\$80.00–\$250.00	\$35,000.00–\$60,000.00
MDMA	\$23.00 tablet	
Hashish	\$18.00	\$8,148.00

Note: The figures in the table above are an average of prices from 23 different Russian regions, and as such, vary considerably.

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% 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

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 admits that it may be synthesized in Russia as well. The FSKN also reports encountering 3-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.

Cocaine abuse is not widespread, but is increasing. Disposable incomes in Russia have risen steadily over the past few years, while cocaine prices have remained static, making the drug more affordable to a growing number of potential users. Cocaine is easily obtained in Moscow and St. Petersburg. Cocaine is frequently brought into Russia through the ports of St. Petersburg, and to a lesser extent Novorossiysk. Sailors aboard fruit carriers and other vessels operating between Russia and Latin America (especially Ecuador) provide a convenient pool of potential couriers. From March through December 2008, the Russian FTS, working with the Russian FSB, made eight seizures of cocaine totaling 164.4 kilograms from cargo ships docked at the port of St. Petersburg. The majority of the ships had 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 122 kg of cocaine in 2008. These seizures involved Latvian, Ukrainian and Russian crewmembers aboard banana vessels smuggling multi-kilogram cocaine shipments from South America to St. Petersburg.

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

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

A joint U.S.-Russian (DEA and FSKN) investigation into the internet sale of steroids from Russia to over 400 customers in the United States was successfully concluded in late 2007. Over \$350,000 and 75 kilograms of steroids were seized at the scene of a search warrant in Moscow, with six drug trafficking organization (DTO) members being arrested. According to the FSKN, two rogue Russian customs agents (FTS) were arrested for facilitating the DTO's overseas shipments.

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

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

**Corruption.** 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 law enforcement were made public in 2008, including the arrest and conviction for illicit drug trade of two police officers in Gelendzhik, Russia, one of them the Deputy Police Chief; the arrest for drug smuggling in the Leningradskiy Oblast, St. Petersburg of a senior police officer with the Vasileostrovsky District; the

arrest of a senior police operative with the Vyborgskiy District; the arrest of the Deputy Chief of the Kirovskiy District; and the arrest of a senior operative with the St. Petersburg Police. In Vladivostok, the Deputy Head of the Leninskiy District directorate of internal affairs was arrested for selling three kilograms of heroin. 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 will stand trial for abuse of power, accepting and paying bribes, illegal wiretapping and money laundering. In October 2008, a deputy chief of a department of FSKN was charged with abuse of power under Article 286 of the Criminal Code of the Russian Federation for misappropriation of about two million rubles allocated for the publishing of anti-drug promotion materials. There is no indication that these charges in these two cases were drug-related.

**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 Convention against Corruption and the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling.

The GOR has signed over 30 bilateral agreements on counternarcotics cooperation including a Memorandum of Understanding with the U.S. Drug Enforcement Administration to enhance bilateral cooperation to combat illegal drugs and their precursor chemicals. In October 2007, the Russian FSKN and the European Union's Monitoring Centre on Drugs and Drug Addiction signed a Memorandum of Understanding to promote the exchange of information and technical expertise on the use of illegal drugs. In July, 2008, the Russian Federal Customs Service (FTS) signed a bilateral agreement on counter-narcotics cooperation including a Memorandum of Understanding with the U.S. Drug Enforcement Administration to enhance bilateral cooperation to combat illegal drugs.

**Cultivation/Production.** There are no official statistics on the extent of opium cultivation in Russia, and the USG has no evidence to suggest that more than 1,000 hectares of opium are cultivated. There are small, illicit opium poppy fields ranging in size from one to two hectares in Siberia, in the Central Asian border region, and in the Omsk-Novosibirsk-Tomsk area. Typically the opium fields are small backyard plots or are located in the countryside concealed by other crops.

Cannabis grows wild throughout Russia (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.

Every year, Russian authorities carry out the "Operation Poppy" eradication effort throughout Russia, aimed at illicit cannabis and poppy cultivation. The partial data below indicate the extent of the 2008 MVD effort:

		Area (m2)	Amount (kg)
2008	Cannabis	59,837,886	

	Opium Poppy	11,347	
	Other plants	Not reported	
	Total	59,863,260	
Wild		Area (m2)	Amount (kg)
	Cannabis	67,164,886	
	Opium Poppy	Not reported	
	Other Plants	Not reported	
	Total	67,164,886	

The largest single marijuana seizure in 2008 was a grow operation uncovered in the Krasnodarsk Region of Russia, bordering the Black Sea, just north of Sochi. A total of 763 kilograms was recovered. In 2007 officials reported stepped-up efforts to eradicate cannabis being grown on national park land around Sochi, the site of the 2014 Olympic Winter Games.

**Drug Flow/Transit.** Opiates (and hashish to a lesser degree) from Afghanistan are smuggled into Russia through the Central Asian states along the “Northern Route.” An estimated 10-20 percent of Afghanistan’s annual heroin production (which is estimated at 600-800 MT/year) is moved along this Northern Route. 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.

An example of the volume of opiates being smuggled along the Northern Route into Russia were the seizures of 389 kilograms of opium in Tajikistan in May, 2008; 568 kilograms of heroin in Uzbekistan in February 2008; 537 kilograms of heroin in Kazakhstan (just south of the Russian border near Kurgan) in March 2008; 332 kilograms of heroin in Chelyabinsk in March 2008; and several more loads under 150 kilograms seized along the route from Afghanistan to Moscow.

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.” Operation Canal’s operations are bi-annual, weeklong interdiction ‘blitzes’ during which extra personnel are stationed at critical junctures on the Russian border and in Central Asia to conduct increased searches of suspected drug smugglers and inspections of their vehicles for drugs, drug proceeds and precursor chemicals. In 2008, the first phase of Operation Canal took place in September. It included observers from Azerbaijan, Syria, China, Estonia, Latvia, Lithuania, Romania, the U.S., Uzbekistan, and Ukraine, as well from the OSCE, UNODC, INTERPOL and the Eurasia Anti-Money Laundering Group. As a result of this weeklong operation,

the Russian FSKN reported that law enforcement agencies from the CSTO seized 973.6 kilograms of heroin, 4,360.6 kilograms of hashish, 40.8 kilograms of synthetic drugs, 625 weapons, 25,588 rounds of ammunition, and 4,843 kilograms of precursor chemicals. The reported totals from Phase II, held in November 2008, included drug amounts seized in parts of the world not applicable to the identification of smuggling trends in Russia and the 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. Therefore, the cultivation, smuggling and sale of this drug in Russia will likely continue unabated, despite law enforcement efforts.

**Domestic Programs/Demand Reduction.** Russian authorities are attempting to implement a comprehensive counter narcotics 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. FSKN is tasked with demand reduction among its other responsibilities and has begun conducting public awareness campaigns. In 2006, the FSKN and National Health League launched a preventive program, called “Health Wave—Take Care of Yourself,” aimed at children’s health and prevention of drug addiction in four cities (Samara, Saratov, Volgograd, and Astrakhan). Between June 1 and 26, 2008, the FSKN carried out a country-wide public awareness campaign named “Report Where Death is On Sale” during which hotlines were established to collect citizen’s reports on drug dens and drug dealers. According to FSKN, the hotline received more than 5,000 calls and the campaign resulted in the initiation of over 500 criminal cases and about 1,000 administrative cases.

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. These programs have been tested in Orenburg (one of the top ten regions most affected by HIV/AIDS in Russia) and Ivanovo (the eighth poorest oblast in Russia) and have been expanded to Irkutsk and Sakhalin, two oblasts on the key drug trafficking routes. The peer-to-peer program encourages youth to discuss the impact of substance abuse and introduces life skills to avoid drug use. Healthy Russia’s program reached almost 60,000 youth with substance abuse and HIV prevention messages in 2008.

USAID partner Population Services International (PSI) reached over 7,000 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.

According to the FSKN, in February 2007, there were 400,000 officially registered drug addicts in Russia’s treatment centers. However, a Human Rights Watch study (November 2007) concluded that the effectiveness of treatment offered at state drug treatment clinics “is so low as to be negligible” and constitutes a “violation of the right to health.”

New models of cognitive therapy are being implemented in treatment centers in St. Petersburg, but substitution therapy (such as programs using methadone or buprenorphine) has not been fully explored, and remains illegal and

politically sensitive. The U.S. National Institutes of Health has begun work with Russian research facilities in St. Petersburg to explore alternative drug treatment regimens acceptable to the GOR. A sign of progress is that the MOH has requested a special report on medication-assisted drug therapy (MAT). This past year two study tours to the U.S. were arranged by USAID-partner, the American International Health Alliance, that brought medical and substance abuse clinicians to New Haven, Connecticut to observe the drug rehabilitation programs. Additionally, in 2008, a number of high level conferences and workshops were devoted to HIV/AIDS and substance abuse, particularly injecting drug use. The USAID partner, TransAtlantic Partners Against AIDs, along with the UN Office on Drugs and Crime and other partners supported a conference on HIV and substance abuse that included discussions on guidelines for care and treatment for substance abusers and international best practices such as medication assisted therapy. Additionally, in June of this year, UNAIDS assisted the Government of Russia in hosting the 2<sup>nd</sup> European Conference on HIV/AIDS, which again provided an opportunity for the international community to express support for methadone or other MAT programs in Russia. Resistance to methadone continues at senior levels of the Ministry of Health and Social Development and the FSKN. In the past year, a few Russian experts who have advocated publicly for MAT have even come under investigation. However, information sharing at international conferences, such as those hosted in Russia, demonstrates measured progress as well.

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

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

**Bilateral Accomplishments.** In 2002, the U.S. through the Bureau for International Narcotics and Law Enforcement Affairs (INL) negotiated a Letter of Agreement (LOA) with the GOR allowing direct assistance to the GOR in the area of counternarcotics and law enforcement assistance. Three on-going projects under the terms of the 2002 LOA continue into the present. They include the "Southern Border Project," an effort that will eventually lead to the establishment of drug interdiction units along the Russian-Kazakh border in the Siberian cities of Orenburg, Chelyabinsk, Omsk, Saratov and Kurgan; the "Northwest Customs Project," which provides technical assistance to the Federal Customs Service in St. Petersburg and Kaliningrad; and the "Southern Seaports Project," which includes technical assistance to the Federal Customs Service at the Caspian and Black Sea seaports of Astrakhan, Novorossiyk and Sochi. 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, through the North Pacific Coast Guard Forum, works with the Russian Northeast Border Guard to track and interdict vessels involved in the illegal transport of goods in the North Pacific and Bering Sea. USCG units coordinate these activities daily through an email based, dual language reporting system.

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

# 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 has caused increased arrests and SAG policy responses, including a new 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 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 Saudi Arabian Government (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 2008. 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 thorough 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, 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% 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%) 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% of those incarcerated for drug-related offenses are "socially rejected" upon release from prison. According to other sources, 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 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. Each hospital has 200 beds and the Qassim clinic has 50 beds for male inpatients. Al-Amal Hospital in Riyadh has a 6-bed ward for female inpatients. 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 2008. Hospitals officials say that 13 new mental health and addiction hospitals will be built throughout the country.

Saudi 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. Patients vary in age from lower teens to the elderly, but Ministry of Health (MOH) officials claim 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 50 percent patient recidivism rate. 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 reportedly 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 2008

**Policy Initiatives.** The lead agency in Saudi Arabia's drug interdiction efforts is the Ministry of Interior, which has over 40 overseas offices in countries representing a trafficking threat. Specifically, the SAG has five drug liaison offices in Nigeria, Lebanon, Thailand, UAE (Dubai), and Pakistan. 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 two 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 Jordan, Turkey, and Syria. As a matter of policy, the government also continues to block internet sites deemed to promote drug abuse.

The General Directorate for Combating Narcotics (General Directorate) coordinates SAG efforts across Ministries. The women's branch was established in 1988 and has approximately 40 female employees.

The National Anti-Drug Committee 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. The Committee chose 200 former drug addicts and dealers to take part in the 2007 *hajj*. 2008 has seen a marked increase 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.

**Law Enforcement Efforts.** The year 2008 saw increased reporting on the efforts of Saudi Arabian border guard units, or Frontier Police. Anti-drug units within the Frontier Police were reported to have played a significant role in drug-interdiction campaigns along the borders. In addition, Minister of Interior Prince Nayef stated on April 9 that in the course of the Kingdom's anti-drug campaigns, "more than 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 anti-terrorism 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.

The SAG announced this year that approximately 3% 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 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 that 60% 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 USG-sponsored training programs and are receptive to enhanced official contacts with the Drug Enforcement Agency (DEA). Saudi Arabia is part of the International Counternarcotics Office in Cairo that works closely with U.S. counternarcotics agencies.

DEA Cairo provided SAG officials several leads on potential trafficking. Most leads were developed in Pakistan and passed by DEA Islamabad to DEA Cairo.

**The Road Ahead.** The U.S. will continue to explore opportunities for additional bilateral training and cooperation with Saudi counternarcotics and demand reduction officials.

# Senegal

## I. Summary

Counter-narcotics enforcement officers of the Senegalese government are increasingly concerned about the rise in cocaine trafficking through Senegal. Cocaine comes directly from South America transiting Senegal on its way to markets in Europe. There were also reports of cannabis originating in South Asia and utilizing Senegal as a transshipment point to Europe and Canada. Senegal remains concerned about the production and trafficking of cannabis, but to a lesser extent, given the explosive rise in cocaine seizures in West Africa. Senegal's 2005 money laundering statute and the establishment of a financial intelligence unit has had a limited impact on the seizure of bulk cash. Despite the apparent lack of success, CENTIF-Senegal's Financial Intelligence Unit understands the growing problem and is working hard to address it. Senegalese authorities have been under pressure from European nations to curtail illegal immigration to the EU and the subsequent bilateral assistance to combat immigration may also disrupt narcotics trafficking. Continuing education of its population about the dangers of drug abuse and strict enforcement of drug laws remain cornerstones of Senegal's counter-narcotics goals. Senegal is a party to the 1988 UN Drug Convention.

## II. Status of Country

While trafficking of all types of drugs, including heroin, cocaine and psychotropic substances, exists in Senegal, cannabis production and trafficking continued to defy most enforcement efforts. Southern Senegal's Casamance region is at the center of the cannabis trade. It is generally acknowledged that a portion of apparent agricultural development in this region is illicit cannabis cultivation. Police are reluctant to undertake greater enforcement efforts against cannabis cultivation in the Casamance for fear of hampering the ongoing efforts to establish peace.

Senegal, along with other West African countries, serves as a transit country for traffickers due to its location, infrastructure and porous borders. Because of a decline in the U.S. cocaine market, increase in the European market, and rise of the Euro compared to the dollar, South American traffickers have increased the use of low governance areas in West Africa, including Senegal, as transit zones. Senegalese, European and UN Office of Drugs and Crime (UNODC) efforts to tighten security at the maritime ports are still in the development phase. In general, drug enforcement efforts remain under-funded and undermanned, allowing the illegal cannabis trade and trafficking in harder drugs, including cocaine, to continue.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Senegal continues to improve their national plan of action against drug abuse and the trafficking of drugs. Multidisciplinary in its approach, Senegal's national plan includes programs to control the cultivation, production and traffic of drugs; to inform the population of the dangers of drug use; and to reintroduce former drug addicts into society. Full implementation of this plan remains stalled due to funding constraints. Periodic efforts to improve coordination have been hampered because of insufficient funding. The Senegalese National Assembly passed a uniform common law and issued a decree against money laundering. As a member of ECOWAS, Senegal has recognized the importance of cooperation between West African countries to combat cocaine trafficking. Specifically, Senegal borders Guinea-Bissau and Guinea, two countries with significant cocaine trafficking problems. In November, 2008, Senegal participated in the fifteen country ECOWAS conference in Praia, Cape Verde. During the conference, the ECOWAS members discussed the various narcotics problems facing West Africa. Currently, ECOWAS is preparing a West Africa strategy which will be agreed to and signed by each participating country.

**Law Enforcement Efforts.** There is no comprehensive GOS policy for systematic destruction of domestic cannabis or prevention of transshipment of harder drugs. Enforcement efforts are sporadic and uncoordinated. Although no significant changes were made to law enforcement strategies, "L'Office Central de Repression du Traffic-Illicite de Stupefiants" (OCRTIS) seized more than expected. Dakar's position on the west coast of Africa and the presence of an international airport and seaport make it an enticing transit point for drug dealers. The Port of Dakar and the Leopold Sedar Senghor International Airport are the two primary points of entry/exit of drugs in Senegal. An increasing amount of narcotics, often cocaine, is being trafficked through Senegal by vehicle and boat from countries to the south of Senegal including Guinea Bissau and Guinea.

Given limitations on funding, training and policy, there is only limited ability to guard Senegal's points of entry from the transiting of drugs through Dakar. Drug enforcement agents are posted at the international airport, but they lack the training and equipment to systematically detect illegal drugs. The airport authority's efforts to attain Federal Aviation Administration (FAA) Category One certification have resulted in the tightening of security procedures and more thorough passenger luggage screening. Presumably, this has had the positive outcome of discouraging drug trafficking through the airport. UNODC is developing a multi-agency program (Customs, Gendarmes and Ministry of Interior Police) for screening and controlling container shipments. Although the USG sponsored the establishment of a Financial Intelligence Unit, with an in-country U.S. Treasury Department advisor, the unit has not been specifically targeted against traffickers. European assistance efforts to combat illegal immigration, particularly to Spain, which have provided maritime patrol capabilities to Senegal, may also serve to inhibit the trafficking of narcotics.

2007's cocaine seizure represents a regional success story in West Africa, but the amount of hard drugs seized by police in Senegal is relatively small by international standards. Due to weak enforcement efforts and inadequate record keeping, it is difficult to accurately assess the real drug problem in the country. Police lack the training and equipment to detect drug smuggling. Historically, Senegal has undertaken few cannabis eradication efforts. As previously mentioned, police forces are constrained in their efforts to eradicate cannabis cultivation in the southern part of the country because of a long-term insurgency.

### Drug Seizures

DRUG	2006	2007
Opium	None on record	0
Cannabis	1,585 kg	5,138kg
Cocaine	27.7 kg	2,507kg
Methamph.	None on record	0
Heroin	168 gm	680 gm
Hashish	8395 kg	0
MDMA	N/A	N/A

**NB. Figures for Senegal's drug seizures are compiled from separate reports generated by the Ministry of the Interior and the Ministry of Defense. Final statistics for 2008 are not yet available.**

**Corruption.** Corruption is a problem for narcotics law enforcement all over Africa, but the USG is unaware of any narcotics-related corruption at senior levels of the Senegales government. In 2004, the National Commission against

Non-Transparency, Corruption and Misappropriation of Funds, an autonomous investigative panel, was created. The efficiency of the commission's efforts remains an issue in Senegal. The GOS 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. No senior GOS officials that we are aware of engage in, encourage or facilitate the illicit production or distribution of such drugs or substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Senegal has several bilateral agreements with neighboring countries to combat narcotics trafficking, and has signed mutual legal assistance agreements with the United Kingdom and France in efforts to combat narcotics trafficking. Through cooperation with other members of the West African Economic and Monetary Union (WAEMU or UEMOA), a uniform common law against money laundering exists. Senegal is also a party to the Economic Community of West African States (ECOWAS) protocol agreement, which includes an extradition provision. Traffickers and their organizations are subject to asset seizures, imprisonment and permanent exclusion from Senegal if convicted. Senegal 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. Senegal is also a party to the UN Convention against Corruption and the UN Convention against Transnational Crime and its three Protocols.

**Cultivation/Production.** Although cannabis cultivation in Senegal is not a large problem in relation to global rates of cultivation, it could become a serious domestic drug problem for Senegal itself. Efforts to eradicate cannabis cultivation in the Casamance region have improved slightly as military forces increased their presence and activities during 2008.

**Drug Flow/Transit.** According to the Chief of OCRTIS, the trend in the amount of illicit drugs transiting through Senegal continues to increase. OCRTIS is monitoring the transshipment of hashish and cocaine through Senegal. The U.S. is not a destination point for these drugs.

**Domestic Programs/Demand Reduction.** NGOs, such as the Observatoire Geostrategique des Drogues et de la Deviance (OGDD), have taken the lead in public education efforts. OGDD continued a program that began in 2001. The first phase involved a campaign of information targeted at cannabis cultivators, arguing that the land had greater potential if it were used for purposes other than drugs, that drugs were bad for the environment and health, and that drugs were degrading the economy. Village committees have been established to convey the above information to sensitize people to the problems associated with drug use. The focus of the second phase of the program is to encourage farmers to substitute alternative crops for drugs on their land. Due to funding constraints, however, implementation of this part of the program has been impeded. Other associations for the prevention of drug abuse are in the process of elaborating a program of drug prevention under the auspices of the International Committee for the Fight against Drugs, which is managed by the Ministry of the Interior.

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

**Bilateral Cooperation.** USG goals and objectives in Senegal are to strengthen law enforcement capabilities in counter-narcotics efforts. The USG is in the sixth year of continued training of the technicians at the National Drug Laboratory that was founded with basic drug analysis equipment and training provided by State INL, working with the Department of Justice.

**The Road Ahead.** The USG will continue to work closely with the Senegalese government to improve the capacity of its narcotics law enforcement officers to investigate and prosecute narcotics crimes.

# 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 limited enforcement, treatment, and rehabilitation programs; however, corruption and a lack of resources seriously impede interdiction efforts. The largest bust in the nation's history netted over 700 kg of cocaine in July, causing the government to place considerable focus on developing strategies to curb the growing drug trafficking problem coming direct from Latin America. However, overall Sierra Leone made limited efforts to combat the increasing drug flow in 2008, hampered by resource issues and the lack of operational sophistication. Sierra Leone-U.S. law enforcement coordination on the narcotics issue increased in 2008, with potential for further engagement in the future. Interagency coordination among Sierra Leone's law enforcement entities is a challenge, due in part to a historic lack of trust among them. The creation of the Joint Drug Interdiction Task Force will hopefully ameliorate this problem until the National Drug Control Agency, established by the 2008 National Drug Control Act, is operational. Sierra Leone is a party to the 1988 UN Drug Convention.

## 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 sub-regional neighbors such as Guinea, though recent reports indicate the UAE via Accra as another destination. Lungi International Airport in Freetown is one focus for traffickers, though reports indicate that small, unmarked air strips throughout the country are also used. 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 is cultivated in Sierra Leone and used regularly here. Law enforcement officials are concerned that narcotics rings are growing in size and influence. Major drug traffickers have been reported to pay local accomplices in kind with hard drugs in near-by countries; this practice could contribute to a domestic addiction problem in Sierra, should it be adopted there. Diversion of precursor chemicals is not a problem.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In the wake of the major July cocaine bust of 700 kilos, the government quickly took steps to enact a comprehensive law, the National Drug Control Act, 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 to serve as the focal point on policy issues and investigations. The new law also defined stricter penalties for all charges, contained mutual legal assistance provisions, and authorized a budget appropriation to support prevention and control activities. While the new Act is a positive step for Sierra Leone, harmonizing its legislation with international standards, some critics argue that the new law was rushed through to provide a visible response to the July cocaine case, and will soon need further amendment. Offenses by legal "persons", i.e., corporations and provisions for complicit or insufficiently responsible commercial carriers, and in addition the sections on forfeiture and foreign assets have been identified as areas needing either new or strengthened drafting. The Act also fails to adequately address prevention measures and treatment options for addicted drug abusers. Revising the law to address deficiencies may be undertaken as early as 2009.

The new Drug Agency is in the nascent stages of development, with the government providing only approximately \$125,000 budget allocation for FY 2009 for non-salary expenses. Officers are expected to be seconded from the Sierra Leone Police (SLP) in 2009 to work for the new Agency, but equipment expenses and other needs will challenge its ability to effectively enforce the law.

Government of Sierra Leone representatives participate in 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 trends.

**Law Enforcement Efforts.** Sierra Leone law enforcement agencies cooperated to combat narcotics trafficking through the Joint Drug Interdiction Task Force, which was established in February, 2008. The Task Force includes representatives from the SLP, Office of National Security (ONS), Republic of Sierra Leone Armed Forces, Immigration, Civil Aviation Authority, Anti-Corruption Commission, and the National Revenue Authority. Intelligence organizations research and follow-up leads generated by their own contacts and from other agencies, involving the police's enforcement divisions for investigations and operations. The July 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 in sharp contrast to the response to similar incidents in neighboring countries. Currently designed as a responsive, rather than pro-active, entity, the Task Force can call on up to 22 officers from both the SLP and ONS if another serious incident arises. It will continue to be the primary government body responsible for narcotics-related crimes until the new National Drug Control 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 expense of 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 SLP between January and October, 2008, recorded seventeen seizures of cannabis and cocaine, netting approximately 10,602 kg of the former, and 743.5 kg of the latter. The majority of these seizures took place in and around Freetown, and though records indicate that charges were laid as a result of these seizures, information on convictions is unavailable. Twenty-one people were charged with various offenses surrounding the July case, though only 17 are facing narcotics charges in the High Court. There were no narcotics-related extraditions to or from the United States in 2008.

**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 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 are on trial for charges related to the July cocaine bust. A number of defendants may face corruption charges under the 2008 Anti-Corruption Act following the current trial on the drug charge's conclusion.

**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 in 2001, it has yet to ratify it.

**Cultivation and Production.** Cannabis is widely cultivated and consumed locally. The Sierra Leone Police identified and destroyed a number of cannabis farms in 2008, and intend to ramp-up these efforts in 2009. Though cannabis is sent to other markets, the vast majority of what is grown is sold locally. One “joint” costs approximately 1,000 Leones, (33 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, approximately 25kg of cannabis was interdicted between Sierra Leone and the UK. The cannabis was concealed in two separate shipments of fresh and frozen vegetables.

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, as well as hand-luggage searches, 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 the cracks due to imperfect detection efforts and corruption.

**Domestic Programs/Demand Reduction.** The National Drug Control Agency, 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 intends to increase 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 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 USG'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, especially in-country, is a priority that will hopefully begin to be addressed in 2009.

**The Road Ahead.** The July bust put an impossible-to-ignore spotlight on Sierra Leone's increasing role in narcotics trafficking. Though efforts had already been underway to strengthen the government's ability to combat the illicit drug trade, the bust served as a catalyst for the year's major policy initiative—enacting the National Drug Control Act. While this is a positive step forward, limited funding to effectively enforce the law will be 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 Leone 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 necessity for Sierra. The government's quick actions immediately following the bust implied great political will to begin to address the problem, but the level of commitment may wane as public interest in this

specific, well-publicized case diminishes. 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.

# 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 2008, 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, and included legislation authorizing asset seizure. Serbia's drug laws are adequate, but strategic coordination among law enforcement and judicial bodies is problematic. While Serbia realized record-setting successes with drug interdictions and seizures, organized crime groups still exploited Serbia's inadequate border controls to transship heroin, cocaine, marijuana, and synthetic drugs. A small amount of smuggled narcotics remains in Serbia for domestic consumption. As Yugoslavia's successor state, the Republic of Serbia is party to the 1988 UN Drug Convention.

## II. Status of Country

Serbia is primarily a transit country for the movement of narcotics, although law enforcement did recently uncover two synthetic narcotics labs near Belgrade. Serbia's porous borders make the country attractive for transit. Heroin and marijuana are the most prevalent narcotics, transported from Central Asia along the Balkan Route. There is also an increase in cocaine moving along the Balkan route, according to the Customs Administration Enforcement Directorate. Increasingly, Serbian organized crime groups are smuggling drugs from South America directly to Western Europe, bypassing Serbia, according to the Interior Ministry's Drug Smuggling Suppression Department. The Serbian government estimates that relatively small amounts of narcotics remain in the country for domestic consumption.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Serbia's Parliament passed a set of laws in October 2008 to enhance Serbia's law enforcement's efforts to combat narcotics smuggling, organized crime, and corruption. The package of laws includes a law to regulate immigration and movement of people through the country, an asset seizure law, and a law creating a new Anticorruption Agency. The Finance Ministry is drafting a Customs Service Law to reorganize the Customs Administration, provide clearer links to law enforcement agencies and prosecutors, and enable Customs officers involved in investigations to testify in court. (Currently Customs does not have law enforcement authority and cannot testify in court or continue investigations after drug seizures.) The Justice Ministry is drafting a new Criminal Procedure Code that would enable prosecutor-led investigations, plea bargaining, and the use of special investigative techniques such as wire tapping. The government has developed an Integrated Border Management Initiative to improve coordination among the agencies involved in border control. There is as yet no central oversight of the initiative, but individual agencies have begun implementation.

**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, the Finance Ministry's Customs Administration, the Interior Ministry's Border Police, and the Interior Ministry's Drug Addiction Suppression Department. While these agencies report generally good operational cooperation, there is no government-wide coordinating body that addresses law enforcement efforts.

The Drug Smuggling Department continues to develop a database for crimes, arrests, and seizures related to heroin, cocaine, marijuana, synthetic drugs, and chemical precursors.

Serbia hosts law enforcement liaison officers from Bulgaria, Romania, Croatia, Italy, Australia, and other countries in the region. The Interior Ministry conducts joint investigations with Bosnia-Herzegovina, Slovenia, and Croatia and provides intelligence to Western European countries, which aids in seizures in those countries

Serbia interdicted a record amount of narcotics in 2008. The Customs Administration seized approximately twice as much heroin and cocaine from January to July 2008 as it seized during the same period in 2007. Law enforcement seized 14.4 kg of heroin at the Merdare border crossing with Kosovo in November 2008. In October 2008, law enforcement seized 265 kg of marijuana at the Montenegro border, Serbia's biggest marijuana seizure in the past decade. The Drug Smuggling Suppression Department shut down two amphetamine labs located near Belgrade, in December 2007 and March 2008.

From January to June 2008, the Drug Smuggling Suppression Department and Customs Administration Law Enforcement Directorate made 3,379 drug seizures, including 410 kg of marijuana, 114 kg of heroin, 9.5 kg of cocaine, 1,006 tablets of Ecstasy, 45,976 other narcotic tablets, and small amounts of other drugs. The Interior Ministry reports that all Interior Ministry agencies made 2,043 seizures from July to October 2008, including 850.7 kg of marijuana, 60.7 kg of heroin, 750 grams of cocaine, 650 grams of other drugs, and 6,939 tablets. According to the Customs Administration, the price of heroin on the street remains the same this year, suggesting that these seizures are not affecting domestic availability.

Under Article 246 of the Criminal Code, Production, Distribution, and Possession of Narcotics, 2,978 individuals were tried and 2,811 were convicted in 2007. Arrests and prosecutions for 2008 are approximately the same as in recent years, according to the Justice Ministry. Defendants are usually drug users, street dealers, or couriers. Few major narcotics dealers ever appear in court. Most prosecutions (nearly 80% in 2007) are for possession, which carries more lenient sentences, than for production or distribution (18% of cases in 2007). Most sentences are light or suspended, or are for monetary fines or community service instead of jail time. Moving "up the food chain" from street pushers to the individuals behind them will require more strategic cooperation among agencies, according to the OSCE. Law enforcement agencies believe that pending legislation enabling prosecutor-led investigations, to replace investigative judges, will improve trial outcomes.

The government is prosecuting drug dealers at the head of the operation in one of the synthetic lab cases and has arrested the dealers in the other case, pending trial.

**Corruption.** Corruption within Serbia's law enforcement agencies responsible for counter narcotics remains a problem, in large part due to low pay. In a major corruption investigation in 2006, 3% of Customs enforcement officials were arrested and removed from their posts. Customs has replaced those individuals with new officers. Parliament passed a law on October 23, 2008 establishing a new Anticorruption Agency, an independent state body that will implement the National Anticorruption Strategy.

No evidence exists that the Serbian government encourages 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 protocols against trafficking in persons, migrant smuggling and trafficking in illegal firearms. Serbia has cooperative agreements with Slovenia, Croatia, and Bosnia and Herzegovina on issues relating to cross-border narcotics trafficking. Serbia signed a trilateral agreement with Romania and Bulgaria for counter-narcotics 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.

**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. Heroin grown and processed in Afghanistan is smuggled through Turkey, Bulgaria, and Kosovo into Serbia, and onward into Western Europe. The Customs Administration estimates that 5 -10 % of heroin stays in the country, but Serbia primarily serves as a transit point. Large amounts of marijuana and increasing amounts of cocaine also transit Serbia along the Balkan route. The Customs Administration reports an increasing number of individuals traveling by air from Central Asia to Serbia via Eastern Europe carrying ingested packages of cocaine. There is a decrease in cocaine transiting from South America. The Drug Smuggling Suppression Department believes that Serbian organized crime groups are bypassing Serbia and smuggling cocaine directly from South America to Western Europe. There is an increase in trafficking of synthetic drugs and precursors.

**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 not mandatory and individual schools choose whether to participate. The Serbian government and the Belgrade city government conducted a Drug-Free Month public awareness campaign in June 2008 with the support of UNODC, UNICEF, WHO, the Serbian Red Cross, and Serbian anti-drug NGOs. The National Network for the Fight against Drugs, a network of anti-drug NGOs, maintains a website with information about drug addiction and prevention. The Commission for the Fight against Drugs, composed of the Ministries of Health, Education and Sport, Interior, Social Welfare, and Justice, is developing a National Strategy for the Fight against Drugs which focuses on prevention.

The Health Ministry is developing a database to include information from other ministries to compile better data on the number of drug users. The Health Ministry estimates there are between 30,000 and 100,000 drug users in Serbia. 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. Drug rehabilitation programs include psychologists and social workers to provide life skills for social reintegration.

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

**Bilateral and Multilateral Cooperation.** The Serbian Government works closely with the United States and EU countries to reform and improve its law enforcement and judicial capacity. 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 counter-narcotics activities in Serbia, including the Department of Justice (ICITAP), Department of Homeland Security, Department of Defense, Department of the Treasury, and Department of State. The Departments of State and Justice (OPDAT) have also been instrumental in supporting the Special Courts for Organized Crime and War Crimes. The programs are aimed at professionalizing the police and customs services, improving the ability of Serbia to prosecute corruption and organized crime, including money laundering and illicit trafficking, and increasing the ability of the judiciary to effectively address serious crime. A USCG mobile training team visited Serbia in 2008 and provided a basic small boat operations course.

**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 additional progress in Serbian judicial and law enforcement reform, including tougher sentences for major narcotics dealers and more coordination among enforcement agencies and prosecutors to combat organized crime. Serbia also needs to improve its demand reduction programs.

# Singapore

## I. Summary

The Government of Singapore (GOS) enforces stringent counter-narcotics policies through strict laws—including the death penalty and corporal punishment—vigorous law enforcement, and active prevention programs. Singapore is not a producer of precursor chemicals or narcotics, but as a major regional financial and transportation center it is potentially an attractive target for money launderers and those engaged in drug transshipment. Singapore is widely recognized as one of the least corrupt countries in the world. Corruption cases involving Singapore's counter-narcotics 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 2007, there was no known production of illicit narcotics or precursor chemicals in Singapore. While Singapore itself is not a known transit point for illicit drugs or precursor chemicals, it 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 Checkpoint Authority (ICA) keep data on in-transit or transshipped cargo unless there is a Singapore consignee involved in the shipment.

According to GOS figures, in 2007 authorities arrested 2,166 drug abusers, compared to 1,218 arrests in 2006. The increase in arrests by the GOS most likely does not represent an increase in narcotics trafficking, but rather the result of an August 2006 amendment to the Misuse of Drugs Act (MDA) that added buprenorphine hydrochloride, the active ingredient in the opiate-substitute, Subutex, used in addiction treatment as a Class A controlled drug, and subsequent enforcement action by the Singapore Central Narcotics Bureau (CNB). According to GOS statistics, in 2007 the number of first-time drug offenders increased from 477 arrests in 2006 to 520 arrests in 2007. In 2007 repeat drug offenders also increased with 1,661 arrested, compared to 741 arrested in 2006. Similarly, and consistent with previous years, abusers of synthetic drugs, including methamphetamine, MDMA, Erimin-5 buprenorphine hydrochloride and nimetazepam, comprise 63 percent of total drug abusers. The most significant increase is registered in the number of heroin abusers. In 2006 heroin offenders accounted for only 9.7 percent of total drug abusers, but this increased to 31 percent of total drug abusers in 2007. Conversely, decreases were observed in the number of MDMA, Ketamine and Nimetazepam abusers in 2007.

## III. Country Actions against Drugs in 2008

**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. Singaporean 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. Since 1999, individuals testing positive for consumption of narcotics have been held accountable for narcotics consumed abroad as well as in Singapore.

Singapore has continued efforts to curb synthetic drug abuse, of which Ketamine is the most prevalent. Amendments to the Misuse of Drugs Act in 2006 designated Ketamine as a Class A Controlled Drug and increased penalties for

trafficking accordingly. An individual in possession of more than 113g 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.

Additional amendments to the Misuse of Drugs Act also established long term imprisonment penalties for repeat synthetic drug abusers. 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, first introduced in 1998, is considered a contributing factor in curbing the country's heroin use.

The Misuse of Drugs Act now classifies buprenorphine, the active ingredient in Subutex, as a Class A Controlled Drug. Unless dispensed by a licensed physician or practitioner, the importation, distribution, possession and consumption of Subutex is a felony offense. Subutex, first introduced by the Ministry of Health in 2000, is a heroin substitute clinically used in the detoxification/rehabilitation of heroin addicts. Drug abusers were found to be abusing Subutex by mixing it with other drugs, mainly Dormicum, a prescription sleeping pill. Buprenorphine was the most commonly abused drug in Singapore in 2006, involved in more than one-third of total narcotics offenses.

**Law Enforcement Efforts.** As noted above, arrests for drug-related offenses increased 43.7 percent, from 1,218 arrests in 2006 to 2,166 arrests in 2007, a reflection of new enforcement measures under the amended Misuse of Drugs Act. These statistics include persons arrested for trafficking, possession, and consumption of illegal drugs. The majority of drug-related arrests in 2007 were of abusers of buprenorphine, at 38 percent, followed by heroin at 31 percent. Abuse of synthetic drugs including Ecstasy, methamphetamine, Ketamine and nimetazepam accounted for 26 percent of drug arrests. Singapore recorded no cocaine-related seizures or arrests in 2007. Of the total arrests, 520 involved new drug abusers.

In 2007, authorities carried out 31 major enforcement operations which dismantled 27 drug syndicates. A majority of these arrests were conducted during sweeps of drug distribution groups, which were 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.

Singapore's CNB seized the following quantities of narcotics in 2007: 17.2 kg of heroin; 30.3 kg of cannabis; 7,029 tablets of MDMA; 1.48 kg of crystal Methamphetamine; 518 tablets of tablet Methamphetamine; 4.6 kg of Ketamine; 24,881 Nimetazepam tablets; and 3,435 buprenorphine tablets.

**Corruption.** Singapore's Corrupt Practices Investigation Bureau (CPIB) actively investigates allegations of corruption at all levels of government. 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. The CNB is charged with the enforcement of Singapore's counter narcotics 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. In addition Singapore has a domestic Extradition Act that authorizes extradition to a foreign country for violations "listed" in the statute, including "drug trafficking" and offenses related "to benefits derived from...drug trafficking." Singapore and the United States signed a Drug Designation Agreement (DDA) in November 2000, a mutual legal assistance agreement limited to drug cases. Singapore has signed mutual legal assistance agreements with Hong Kong and ASEAN. Singapore ratified the UN Convention against Transnational Organized Crime on August 28, 2007 but has not signed any of its protocols. Singapore has signed, but has not yet ratified, the UN Corruption

Convention. In April 2006, Singapore amended domestic legislation to allow for mutual legal assistance cooperation with countries with which they do not have a bilateral treaty.

**Cultivation/Production.** There was no known cultivation or production of narcotics in Singapore in 2007.

**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 GOS statistics during 2007, at the maritime Port of Singapore shipping tonnage reached 1,459 million gross tons (GT). This represents an increase of 11 percent from the 1,315 million GT record set in 2006. Given the extraordinary volume of cargo shipped through the port, it is highly likely that some of it contains illicit materials, although Singapore is not a known transit point for illicit drugs. 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 transshipped cargoes involving illicit narcotics shipments in 2007. 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, jeopardizing Singapore's position as the region's primary transshipment port.

However, Singapore has increased its scrutiny of shipped goods, primarily as part of an enhanced posture to combat terrorism and control the proliferation of weapons of mass destruction (WMD) and their precursors. Singapore became the first Asian port to join the Container Security Initiative (CSI) in 2003, under which U.S. Customs personnel prescreen U.S.-bound cargo. Singapore also participates in other counterterrorism-related programs such as the Proliferation Security Initiative and the Megaports Initiative. Singapore's export control law went into effect in 2003, and it is implementing an expanded strategic goods control list that took effect in 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 2007, Changi International Airport handled 36.7 million passengers, a 4.8 percent increase over 2006 figures. 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 the need for documentation or 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.

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. At the same time, the GOS has toughened anti-recidivist laws. As noted above, three-time offenders face long mandatory sentences and caning. Depending on the quantity of drugs involved, convicted drug traffickers may be subject to the death penalty, regardless of nationality.

## IV. U.S. Policy Initiatives

**Bilateral Cooperation.** Singapore and the United States enjoy good law enforcement cooperation, in particular under the Drug Designation Agreement. Under the terms of Designation Agreements, 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 seized and forfeited drug-related funds with the United States. In 2007, approximately 45 GOS law enforcement officials attended training courses at the International Law Enforcement Academy (ILEA) in Bangkok on a variety of transnational crime topics.

**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 significantly higher seizures of wet cannabis, pervitine, and psilocin (psychotropic mushrooms) in calendar year 2007 as compared to 2006. Slovakia is a party to the 1988 UN Drug Convention.

## II. Status of Country

Interest in synthetic drugs, especially pervitine and Ecstasy, 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 attribute the rising interest in synthetic drugs to their low price, accessibility and the greater effect they provide in comparison to more traditional stimulants such as cocaine. Cannabis is the most commonly abused narcotic in Slovakia. Local cannabis production is on the increase, especially hydroponically grown cannabis with sharply increased THC content. Police believe consumer interest in hydroponically grown cannabis, attributable to experience with higher-THC varieties imported from Western Europe, has driven growth in this sector. Officials report the market for heroin and cocaine is saturated. Supplies remain high and prices 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 before reaching Slovakia. For all drugs, regional differentiation in consumption is diminishing. Pricier narcotics, including cocaine and heroin, remain modestly more prevalent in the wealthier west, but officials describe narcotics use generally as a concern across the whole territory.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2005, the National Program for the Fight against Drugs 2005-2008 was adapted into actions plans for relevant ministries and regional authorities in accordance with the "Action Plan of the EU for the Fight Against Drugs." At the same time, the Slovak Republic Government Office issued an instruction setting out the activities of regional authorities in the field of narcotics, and unifying procedures for establishing regional coordination commissions for narcotics issues. County Councils were abolished as from October 1, 2007, and their duties and functions were delegated to district councils, which are organized according to the same geographic areas but which are appointed by provincial self-governments.

**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 2007, Slovak authorities pursued 2,390 criminal cases involving illegal narcotics. Heroin—212 cases involving seizure of 2.15 kg of powder, and 49 cases involving seizure of 12.8 ml of solution. Cannabis—1,257 cases involving seizure of 166.1 kg of dry herb, 8 cases involving seizure of 154 kg of wet herb, and 32 cases involving seizure of 469 g of hashish. Cocaine—15 cases involving seizure of 278.4 g of powder. Methamphetamines—677

cases involving seizure of 1.3 kg of powder, and 24 cases involving seizure of 6.17 ml of solution. MDMA—44 cases involving seizure of 1,464 tablets, and 1 case involving seizure of 0.32 g of powder. MCPP—2 cases involving seizure of 2 tablets, and 1 case involving seizure of 0.32 g of powder. Amphetamine—1 case involving seizure of 9 tablets, and 3 cases involving seizure of 1.6g of powder. Psilocin (mushrooms)—8 cases involving seizure of 39.8 g of mushrooms. Ephedrine—13 cases involving seizure of 11,108 tablets. Pseudoephedrine—20 cases involving seizure of 35.1 g of powder, and 1 case involving seizure of 3 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. 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. None have entered into force.

**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 tetrahydrocannabinol (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 4 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 and Austrian markets. The precursor for its production, in a powder form, was mainly imported from the Czech Republic. Precursors in the form of tablets were mainly imported from Hungary and Turkey. Locally available OTC medicines, as well as OTC imports from Hungary and Austria, were also used for the production of pervitine. Slovak authorities concluded that Modafen, Nurofen and Clarinase were the most commonly abused domestically available OTC inputs. As of January 1st, 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. In response to profit motives and fears of prosecution, 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. Until November 1, 2007, MCPP was not included on the list of the controlled substances and its import was not criminal. MCPP is now on the list of controlled substances but now, like other narcotics and psychotropic substances, its import, export, production and distribution are criminal offenses. 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 Central 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 Program for the Fight against Drugs (NPFDD) 2004-2008 is primarily directed at activities to reduce drug demand. The National Strategy also defines key ministries for the implementation of prevention, including the Ministry of Education, Ministry of Health and Ministry of Labor, Social Affairs and Family. Drug-use prevention is an integral part of the education process at schools. Positions for Drug Prevention Coordinators have been created at many schools, and Pedagogical and Psychological Counseling Centers have been established in each district. Since 2006, these centers have included programs that focus 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 DEA Office in Vienna shares information with the Slovak Police Presidium on operational issues of mutual interest, and has offered training for Slovak counterparts in the past.

**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 neither a major drug producer nor a major transit country for illicit narcotics. The Government of Slovenia (GOS) is aware that Slovenia's geographic position makes it an attractive potential transit country for drug smugglers, and it continues to pursue active counternarcotics policies. Slovenia 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, though a branch of the "Northern Route" through Ukraine and Poland is more popular. The June 2008 seizure of 98 tons of acetic anhydride, a processing agent used in making heroin, is the largest seizure of the agent in Slovenian enforcement history. Cannabis was the leading confiscated drug in 2008, as it was in 2007. 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. Two relatively large seizures of cocaine in June and July reflect the continued European trend toward cocaine use. Drug abuse is not yet a major problem in Slovenia, although authorities keep a wary eye on heroin abuse, due to the availability of the drug. Data on national programs to prevent drug use and reduce demand are unavailable due to an ongoing effort at the Ministry of Health to overhaul its statistical databases.

## III. Country Actions against Drugs in 2008

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

**Law Enforcement Efforts.** Law enforcement agencies seized 1772 tablets of Ecstasy in the first 10 months of 2008 compared with 783 in the first 11 months of 2007. In 2008 authorities seized slightly more than 120 kg of heroin, compared to slightly less than 59 kg of heroin seized in 2007. In addition, police netted a little more than 245 kg of marijuana in 2008, compared to just over 118 kg of marijuana in 2007. Police also seized 4,949 cannabis plants in the first ten months of 2008, compared to 8,254 cannabis plants seized in 2007. Through mid-October police seized over 169 kg of cocaine, compared to only 4 kg seized in the same period in 2007. Police also seized approximately 2kg of amphetamines and slightly more than 400 individual tablets of amphetamines in the first 10 months of 2008, compared to 0.75 kg 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 very uncommon.

**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.

**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. These programs include drug treatment. The Ministry of Health is in the process of upgrading its databases and altering its methodology for tracking drug abuse and treatment, so no statistics for 2008 are currently available.

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

**Bilateral Cooperation.** Slovenian law enforcement authorities have been willing and capable partners in several ongoing U.S. investigations. DEA's office in Vienna has regional responsibility covering Slovenia and maintains a professional relationship with anti-narcotics officers within the Ministry of the Interior.

**The Road Ahead.** Based on the high quality of past cooperation, the USG expects to continue joint U.S.-Slovenian law enforcement investigation cooperation into 2009.

# South Africa

## I. Summary

South Africa is in a better position than much of the African continent to fight domestic and international drug trafficking, production, and abuse, but is facing serious problems with violent crime. 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 (the world's fourth largest according to the South African Institute for Strategic Studies), most of which is consumed in the Southern African region, but at least some of which finds its way to Europe (primarily the UK). It also may 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 has also become a significant transit country for precursor chemicals. According to the Organized Crime Threat Analysis prepared by the South African Police Service (SAPS) Annual Report 2007-2008 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 UN Drug Convention.

## II. Status of Country

As the most prosperous and democratic country on the continent, South Africa attracts migrants from elsewhere in Africa. The country's 1800 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. The sanctions busting practices, so 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, UK) as well as consumed in South Africa itself. LSD is imported from Holland. 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 Bolivia and Peru goes through Colombia to Brazil and Argentina, then to South Africa via Portugal or Angola or directly to Johannesburg. To curb this trafficking, especially as the 2010 World Cup approaches, South Africa needs increased international cooperation and assistance in the effective use of international controlled deliveries and training.

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, but some shipments destined for Canada and possibly the

United States have been detected. 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 has reported 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 (“tik” in South Africa) 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. Police officials recently reported that the use of tik in the Western Cape is growing at the rate of 300 percent year-on-year. This increased use of methamphetamine is “strongly linked to gang culture on the Cape Flats.”

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** Combating the use of, production of, and trafficking in illicit narcotics remains an important component of the anticrime agenda of the South African Government (SAG). As a practical matter, however, the SAG tends to target its limited anticrime resources on serious, violent and domestic crime. South Africa has one of the world’s highest rates of murder and rape. 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. The Cabinet interagency “Justice Cluster” works to help coordinate the law enforcement and criminal justice system’s response to those challenges. The Narcotics Bureau was integrated into the police organized crime units in 2003. The loss of this specialized drug enforcement experience has impeded counter-narcotics progress. Another blow was the 2008 elimination of the Directorate of Special Operations of the National Prosecuting Authority (popularly known as “The Scorpions”), an elite unit created to investigate fraud that later expanded into drug investigation. The Central Drug Authority maintains and updates as necessary the “national drug master plan.” Other SAG agencies involved in counter narcotics 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 2007/2008 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.** The number of detected drug-related crimes, according to the annual SAPS Report was 104,689 in 2007. Additional enforcement successes were reported in the press. For instance: In May 2007, SAPS seized cocaine worth Rand 60 million at the OR Tambo International Airport in Johannesburg bringing the total value of cocaine seized at that airport over the last two years to between Rand 200 million and Rand 300 million. SAPS conducted 10 international controlled deliveries this reporting period—one from Pakistan, two from India, three from

the UK, one from France, one to Lesotho, one to Brazil and one to the UK. 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 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 protocols against trafficking in persons, migrant smuggling and illegal manufacturing and trafficking in firearms. The U.S. and South Africa have bilateral extradition and mutual legal assistance agreements in force. All extradition matters in recent years, however, have been put on hold because of appeals raised by fugitives challenging the validity of the U.S.-South African extradition treaty. On January 21, 2009, the South African Constitutional Court ruled that the treaty was valid. Government officials have indicated that they intend to move quickly on the pending extradition cases. Both countries have also signed, a Letter of Agreement on Anticrime and Counter-narcotics 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 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 smokable 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. SAPS reports that between January and September 2007 the chemical monitoring program to prevent the diversion of chemicals for the manufacture of illicit drugs checked 295 import notifications of precursors to South Africa.

A total of 1,468 export notifications of precursors were forwarded to relevant foreign authorities during 2007, which is a 64 percent increase over 2006. This apparent increase in exports is at least partially due to the SAPS’ increased reporting and South Africa’s lead role in the production of pharmaceuticals in Africa. 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 was the third-largest non-U.S. importer of pseudoephedrine and the fourth-largest non-U.S. importer of ephedrine in 2006. The latest Global Trade Atlas (<http://www.gtis.com/gta/>) statistics indicate South Africa’s imports of ephedrine in 2003 were 5703 kilograms and increased in 2004 to 11,185 kilograms, and again in 2005 to 14374; there was a sharp decline to 7,175 Kg in 2006, and the trend continued down in 2007, with only 2325 kg imported. Even more significant, imports of pseudoephedrine in 2003 to South Africa were 3,840 kilograms in 2003 and exploded in 2005 to 91,400 kilograms. In 2006 and again in 2007, pseudoephedrine imports fell precipitously to about 10,000 Kg. The imports are reportedly for use by the domestic pharmaceutical industry, which markets both locally and regionally. While the South African Police Service’s Chemical Control Program is by far the most progressive in Africa, the potential for diversion of this ephedrine and pseudoephedrine is 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. During the course of the past year, DEA’s office in Pretoria has participated with South African authorities on a number of investigations involving methamphetamine precursors with the potential to impact the United States.

**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. SAG treatment facilities and non-government drug rehabilitation agencies have seen their budgets for treatment cut the last few years. 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 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 Safety and Security 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, under the slogan “Ke Moja” (“No Thanks, I’m Fine!”).

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 are 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). These NGOs are partly funded by State Department narcotics assistance. “Peer” counselors, trained by KHULISA within the prison system, 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 DEA, FBI, DHS/ICE (Immigration & Customs Enforcement), the Secret Service, and the State Department's Security Office successfully cooperate with their South African counterparts. 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 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). However, reports continue to indicate 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 Pusan is one of the region's largest ports, makes South Korea an attractive location for illegal shipments coming from countries which are more likely to attract a contraband inspection upon arrival. 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. 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).

## III. Country Actions Against Drugs 2008

**Policy Initiatives.** In 2008, 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' role in the treatment, protection, and study of drug-addicts. 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 ten months of 2008, South Korean authorities arrested 8,283 individuals for narcotic violations of which 6,120 individuals were arrested for psychotropic substance use and 814 persons for marijuana use. ROK authorities seized 17.2 kg of methamphetamine. Ecstasy seizures decreased from 18,151 tablets (for the first nine months of 2007) to 273. South Korean authorities seized 65.4 kg of marijuana, which is an increase from the 19.6 kg seized during the first nine months of 2007. South Koreans generally do not use heroin; and cocaine is used only sporadically, with no indication of its use increasing.

**Corruption.** There were no reports of corruption involving narcotics law enforcement in the ROK in 2008. 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 counter narcotics 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. 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.

**Drug Flow/Transit.** Few narcotic drugs originate in South Korea. The exportation of narcotic substances is illegal under South Korean law, and none are known to be exported. However, the ROK does produce and export the precursor chemicals acetone, toluene, and sulfuric acid. Transshipment 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 have been limited by the fact that the vast majority of transiting shipping containers never formally enters ROK territory. 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 (12.8 kg and 13.9 kg respectively in the first ten months of 2008) transported 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.

#### 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 the diversion of precursor chemicals in South Korea and in the Far East region. In 2008, the DEA Seoul Country Office organized, coordinated, and hosted a one-week training seminar on Airport Interdiction. This training was co-hosted by the Korea Customs Service (KCS). 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 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 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 and an important market for cocaine imported into Europe from South and Central America. Although the Madrid government in 2008 declared that cocaine consumption is no longer on the increase, 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 (20 percent of all European consumers live in Spain). Sixty-three percent of patient admissions to Spanish emergency rooms for drug consumption were due to cocaine consumption, and 47 percent of the people admitted in treatment/rehabilitation centers were cocaine users. Among EU nations, Spain is also the number one consumer of designer drugs and hashish, with 25 percent of Spaniards 15 to 24-year-olds having consumed hashish in the last year. Spanish National Police, Civil Guard, and Customs Services, along with autonomous regional police forces, maintained an intense enforcement operational tempo during 2008. Spanish security services carried out increased law enforcement operations throughout Spain. As of the end of September, they were on target to seize more than twice as much heroin in 2008 than in the previous year while seizures of hashish and ecstasy also appeared likely to increase. As of the end of September, the Spanish security services appeared on track to seize less cocaine in 2008 than they did in 2007.

The Spanish government ranks drug trafficking as one of its most important law enforcement concerns and Spanish drug enforcement continues to maintain excellent relations with U.S. counterparts. The United States continues to improve the current excellent bilateral and multilateral cooperation in law enforcement programs it has with Spain, as symbolized by joint operations to arrest key drug traffickers and a series of visits this year from high-level USG officials, such as the Commandant of the U.S. Coast Guard and several Congressional delegations. Spain is a party to the 1988 UN Drug Convention.

## II. Status of Country

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

Spain also faces a sustained flow of hashish from its southern neighbors, Morocco and Algeria. Maritime smuggling of hashish across the Mediterranean Sea is a very large-scale business. Spanish police continued to seize multi-ton loads of Moroccan hashish, some of which is brought into Spain by illegal immigrants. In an effort to prevent this, Morocco and Spain created in November 2008 a joint working group to study drug-smuggling routes from the former country to the latter. The majority of heroin that arrives in Spain is transported via the "Balkan Route" from Turkey, although Security Forces in 2008 have noticed recent 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. However, the Ecstasy trafficking trend has been to use cities in Spain as transshipment points for small shipments to the U.S. to foil U.S. Customs inspectors who are wary of packages mailed to the U.S. from Belgium or the Netherlands.

Spain's pharmaceutical industry produces precursor chemicals; however, most precursors used in Spain to manufacture illegal drugs are imported from China. There is effective control of precursor shipments within Spain from the point of

origin to destination through a program administered under the Ministry of Health and Consumer Affairs' National Drug Plan, known by its Spanish acronym of PNSD.

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** The PNSD provides overall guidance and strategic directives for Spain's national policy on drugs. In 2008, Spain concluded its first-ever National Drug Plan, which covered the years 2000 to 2008. The strategy, approved in 1999, expanded the scope of law enforcement activities and permitted the sale of seized assets in advance of a conviction and allowed law enforcement authorities to use informants. The strategy also outlined a system to reintegrate individuals who have overcome drug addictions back into Spanish society. The strategy also targeted money laundering and illicit commerce in chemical precursors and calls for closer counternarcotics cooperation with other European and Latin American countries.

During 2008, Spain also drafted its new PNSD for 2009-2016, which it formally unveiled on November 12, 2008. This new plan—which still needs to be approved by the Congress—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.

In October 2008, the Ministry of Health and Consumer Affairs released a report claiming that consumption of cocaine had stabilized after it decreased in 2007 for the first time since 1994. Overall, 3 percent of the Spanish population regularly consumes cocaine. Spain is a UNODC Major Donor and a member of the Dublin Group, a group of countries that coordinates the provision of counternarcotics assistance.

In March 2008, the International Narcotics Control Board (INCB), the independent and quasi-judicial monitoring body for the implementation of the UN's international drug control conventions, congratulated Spain for its 2007-2010 Action Plan to Fight Cocaine Consumption, a plan that has an annual cost of 7 million euros. The INCB report urged countries with cocaine consumption problems similar to Spain, such as the US, UK, Italy and Denmark, to follow the Spanish example. The report also highlighted that cocaine consumption in Spain has doubled in the last 10 years among the general population (from 1.8 percent to 3 percent), and quadrupled among the Spanish youth (from 1.8 percent to 7.2 percent).

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

Large-scale cocaine importation in Spain is principally controlled by Colombian drug traffickers, though Galician organizations also play an important role in the trafficking of cocaine into and within the country. Hashish trafficking continues to increase, as does the use of the drug in Spain. Many of the more significant seizures and arrests this past year were a direct result of the excellent cooperation between the U.S. DEA Madrid Country Office and Spanish authorities. For example, in September 2008, the Spanish National Police and the Civil Guard, working with the DEA, arrested Colombian national Edgar Vallejo Guarin in Madrid. Also known as "Beto the Gypsy", Vallejo Guarin was one of the most wanted drug traffickers in the world and the subject of a \$5 million reward by the US Government for information leading to his arrest. Spanish authorities recorded several large seizures of cocaine in 2008. For example, a Venezuelan-flagged ship with 3,600 kilos of cocaine was stopped in June by the Spanish IRS. Another operation in July ended with the seizure of 1,500 kilos of cocaine in a sailing boat on its way to Bilbao from South America.

Hashish trafficking is controlled by Moroccan, British, and Portuguese smugglers and, to some extent, nationals of Gibraltar and the Netherlands. Spanish Civil Guard investigations have uncovered strong ties between the Galician mafia in the northwest corner of Spain and Moroccan hashish traffickers. Hashish continues to be smuggled into Spain via commercial fishing boats, cargo containers, fast Zodiac boats, and commercial trucks. Spanish authorities also recorded several large hashish seizures in 2008. For example, in September authorities intercepted 1,110 kilos of hashish, arresting three people. In August, seven tons of hashish were seized in two boats near the Balearic Islands and six people were arrested, and the same month another two operations seized roughly 2.5 tons of hashish each in Malaga. In July, several operations seized more than 25 tons of hashish.

Spanish law enforcement officials have detected a worrying rise in the amount of heroin trafficked through the country in recent years. On August 1, 2008 Spanish police seized a sailboat in Sitges, just south of Barcelona, with 316.5 kilos of heroin, more than the entire amount of heroin seized in 2007. Heroin smuggled into Spain originates principally in Afghanistan and transits Turkey on the way to Spain; it is usually smuggled into Spain by commercial truck or private vehicle through the “Balkan Route” or from Germany or the Netherlands.

Seizures:	2001	2002	2003	2004	2005	2006	2007	2008 (Tentative)
Heroin (kg)	631	275	242	271	174	454	227	484 (as of September 30 2008)
Cocaine (MT)	34	18	49	33	48	47	38	25 (As of September 30 2008)
Hashish (MT)	514	564	727	794	670	451	653	567 (As of September 30 2008)
Ecstasy (pills x 1000)	860	1,400	772	797	573	408	491	488 (As of September 30 2008)

**Corruption.** Spain’s Organized Crime Intelligence Center (CICO) coordinates counternarcotics operations among various government agencies, including the Spanish Civil Guard, National Police, and Customs Service. Under their guidance, law enforcement cooperation appears to function well. Spain does not encourage nor facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. There is no evidence of corruption of senior officials or their involvement in the drug trade, but there have been isolated cases involving corrupt law enforcement officials who were caught facilitating drug trafficking. For example, the Chief of Police in El Molar and two Civil Guards in Guadalix de la Sierra were arrested in an operation to combat drug trafficking in the Autonomous Community of Madrid. Another case in 2008 involved the dismantling of a drug-dealing and illegal immigration network that operated out of Madrid’s Barajas airport. Forty-seven people, including a Police Deputy Inspector, were arrested. In April 2008, the Chief Inspector for Organized Crime of the Malaga Police Office was arrested, along with another five people. They were accused of stealing money from drug dealers to buy drugs and sell them later.

**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, and the two countries have also signed a Customs Mutual Assistance Agreement. Spain 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. None have entered into force.

**Cultivation/Production.** Coca leaf is not cultivated in Spain. However, there has been concern in recent years that clandestine laboratories in Spain and some West African countries have been established for the conversion of cocaine

base to cocaine hydrochloride. Some cannabis is grown in country, but the seizures and investigations by Spanish authorities indicate the production is minimal. Opium poppy is cultivated licitly under strictly regulated conditions for research, and the total amount is insignificant. Spain has been added to the list of nontraditional countries authorized to export narcotic raw materials (NRM) to the United States. This change replaced the former Yugoslavia with Spain. It allows 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. DEA information suggests a developing trend for Colombian cocaine to be sent first to Africa and then smuggled northward into Spain. This year has seen a significant increase in the number of “swallower mules” detained in Nigeria en route from Latin America to Spain. Spanish police report that the country’s two principal international airports, Madrid’s Barajas and Barcelona’s El Prat, play expanding roles as the entry point for much of the cocaine trafficked into and through Spain, and there continues to be a substantial number of body cavity smugglers arriving by air. Those two airports are also 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. Spain remains a major transit point to Europe for hashish from Morocco, and Spain’s North African enclaves of Ceuta and Melilla are principal points of departure. Spanish law enforcement has disrupted many drug shipments through its use of the Integrated External Surveillance System (Spanish acronym SIVE), deployed on its southern coast. The Spanish Civil Guard initiated the SIVE system to control the growing flow of illegal maritime drug trafficking, mainly African hashish, especially around the coasts of Cadiz and Malaga.

**Domestic Programs/Demand Reduction.** The national drug strategy identifies prevention as its principal priority. In that regard, the government continued its publicity efforts targeting Spanish youth. 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 provide treatment programs for drug addicts, including methadone maintenance programs and needle exchanges. Prison rehabilitation programs also distribute methadone. The government contributes over 4 million euros to assist private, nongovernmental organizations that carry out drug prevention and rehabilitation programs.

In November 2008, the Delegate of the Government for the National Drug Plan announced that several hospitals would administer, over a 12 month period, a vaccine against cocaine addiction to a number of volunteers to study its effects prior to its approval by the European Medicine Agency, which is expected in 2009.

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

**Bilateral Cooperation.** The United States continues to improve the current excellent bilateral and multilateral cooperation in law enforcement programs it has with Spain, as symbolized by a series of visits this year from high-level USG officials, such as the Commandant of the U.S. Coast Guard and Congressional delegations. Bilateral cooperation in 2008 built upon a strong foundation from the previous year, when DEA coordinated with the Spanish government to host the annual IDEC conference in Madrid—the first time IDEC was held in Europe. On November 8, 2008, Spain’s Council of Ministers approved the extradition to the U.S. of Colombian drug dealer Vallejo Guarin. DEA continues to work very closely with its Spanish law enforcement counterparts, which has resulted in numerous successful joint investigations. DEA also has conducted training courses in undercover operations and financial investigations for its Spanish counterparts, which were very well received by the Spaniards. The U.S. urges Spain to

become a leader among EU member states in the fight against narcotics and is pleased to see that Spain in 2008 assumed the rotating leadership of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon.

**Road Ahead.** With drug traffickers targeting Spain in a major way and its government reaching out to the U.S. for collaboration, the U.S. will continue to coordinate closely with Spanish counternarcotics officials. Spain will continue to be a key player in the international fight against drug trafficking and seeks to maintain momentum from its successful hosting of the IDEC Conference in 2007. The U.S. and Spain are natural partners in Latin America, and are intent on developing a partnership there for the benefit of Latin America as well as Spain and the U.S.

# 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. In early 2005, the U.S. government strengthened its relationship with Sri Lanka on counternarcotics issues by offering training for the Sri Lanka Police. Sri Lanka is a party to the 1988 UN Drug Convention, ratifying key legislation 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 continue 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 increasingly Ecstasy.

## III. Country Actions against Drugs in 2008

**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. The PNB recruited more officers, resulting in increased investigations and interdictions. In early 2006, a special court was established to try drug cases with minimal delays. 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. The Colombo Plan Drug Advisory Program, a regional organization, pledged its assistance to the government and non-government agencies in their efforts to combat illicit drugs. The program regularly provides advice relating to reducing the demand for drugs to NGOs and government agencies including the National Dangerous Drugs Control Board, Customs, PNB and the Ministry of Social Welfare. Over the past year 34 drug treatment practitioners in Galle and an additional 28 in Colombo have been trained on preventing relapse for those in recovery. Three new drug treatment centers opened for female addicts in Nawadiganthaya, Urapola and Nittambuwa.

**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 South Asian Association for Regional Cooperation (SAARC) and the United Nations Office of Drugs and Crime (UNODC) on regional narcotics issues. SAARC countries met in Maldives in early 2004 and agreed to establish an interactive website for the SAARC Drug Offense Monitoring Desk, located in Colombo, for all 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. The SAARC Drug Offences Monitoring Desk (SDOMD) is co-located within Colombo's PNB. The SDOMD Anti-drug officials based in India and Pakistan regularly share information with the SDOMD, though other SAARC countries reportedly do not maintain such regular contact with the SDOMD desk.

**Law Enforcement Efforts.** The PNB continued to cooperate closely with the Customs Service, the Department of Excise, and the Sri Lankan Police to curtail illicit drug supplies in and through the country. As a result of these efforts, over the last 12 months GSL officials arrested 9,825 persons on charges of using or dealing heroin and 33,848 persons on cannabis charges. Police seized a total of 30.5 kg of heroin. Police also seized 37,310 kg of cannabis from late

2007 through late 2008. In addition, in response to slowly increasing Ecstasy usage in upscale venues in Colombo, the PNB made six Ecstasy-related drug arrests.

Apart from its Colombo headquarters, the PNB has one sub-unit at the Bandaranaike International Airport near Colombo, complete with operational personnel and a team of narcotics-detecting dogs. Greater vigilance by PNB officers assigned to the airport sub-station led to increased arrests and narcotics seizures from alleged drug smugglers. A planned new PNB substation at the Colombo port has not opened yet for lack of space.

**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 2008. 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 ratified conventions, passing the Drug Dependent Persons Treatment and Rehabilitation Act in October, 2007 and the Conventions Against Illicit Traffic in Narcotic and Psychotropic Substance Act in 2008. 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. A U.S.-Sri Lanka extradition treaty has been in force since January 12, 2001.

**Cultivation/Production.** Some cannabis is cultivated and used 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.

**Drug Flow/Transit.** Some of the heroin entering Sri Lanka is transshipped to other markets abroad, including Europe. In the last year, 10 Sri Lankans were arrested in India and the Maldives on drug charges. Sri Lanka's coast remains highly vulnerable to transshipment of heroin moving from India.

Police officials state that the international airport is a major entry point for the transshipment of illegal narcotics through Sri Lanka. There is no evidence to date that synthetic drugs are manufactured in Sri Lanka. Police note that the Ecstasy found in Colombo social venues is likely imported from Thailand.

**Domestic Programs/Demand Reduction.** The National Dangerous Drugs Control Board (NDDCB) established task forces in each regional province to focus on the issue of drug awareness and rehabilitation at the community level. Each task force works with the existing municipal structure, bringing together officials from the police, prisons, social services, health, education and NGO sectors. The GSL continued its support, including financial, of local NGOs conducting demand reduction and drug awareness campaigns.

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

**Policy Initiatives.** The 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, which conducts regional and country-specific training seminars, fostering communication and cooperation throughout Asia. Towards that end, the U.S. Coast Guard provided residential training to Sri Lankan officers in the areas of International Crisis, Command and Control, as well as residential training in Seaport Security.

**Road Ahead.** The U.S. government will follow up on its commitment to aid the Sri Lankan police in its transition to community-focused policing techniques. This will be accomplished with additional assistance for training. The U.S. also expects to continue its support of regional and country-specific training programs.

# 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. The Government of Suriname (GOS) does not have the capacity to adequately control its borders. Inadequate resources, limited law enforcement training, the absence of a law enforcement presence in the interior of the country, and lack of aircraft or patrol boats, allow traffickers to move drug shipments via land, sea, river, and air with little resistance. As in 2007, there were no major drug seizures in 2008, but GOS efforts to eliminate major local narcotics organizations and to crack down on clandestine airstrips within Suriname have forced traffickers to shift tactics and in some cases to move operations to neighboring countries. Suriname is a party to the 1988 UN Drug Convention, but has not implemented legislation regarding precursor chemical control provisions to bring itself into full conformity with the Convention.

## II. Status of Country

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, a complicated and time-consuming bureaucracy, and overburdened and under-resourced courts. Cocaine from South America, destined primarily for Europe, Africa, and, to a lesser extent, the United States is transshipped through Suriname. 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, in 2008, Suriname participated in a training seminar with Colombian counterparts and experts to learn how to identify precursor chemicals.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The National Anti-Drug Council and its Executive Office renewed its mandate from the Ministry of Health in June 2008 to continue to coordinate implementation of the National Drugs Master Plan (2006-2010) that covers both supply and demand reduction and includes calls for new legislation to control precursor chemicals. Since 2007, national support has been broadened by involving Non-government Organizations (NGOs) and civil society in the implementation of the plan. The participatory approach was institutionalized by incorporating the Business Association, religious groups, and regional sites set up by the National Anti-Drug Council.

**Accomplishments.** In 2008, the GOS seized 228.1 kilograms (kg) of cocaine, 123 kg of cannabis, 785 MDMA (Ecstasy) tablets and 3,346.4 grams of heroin. While 2008 seizures were on par with previous year, the GOS Ministry of Justice and Police and law enforcement institutions' continued targeting large trafficking rings, (with direct links to South American and European rings), and its expanding cooperation with regional and international partners could yield improved results. USG law enforcement intelligence shows that traffickers have changed their routes and methods of operations in response to GOS efforts. The drug trafficking organizations (DTOs) have moved their landing strips further into the interior and changed trafficking tactics, such as using one landing strip for a very short period of time and then moving to another strip. The continuing GOS crackdown against clandestine airstrips within Suriname has also forced traffickers to develop new routes for transiting drugs. USG law enforcement intelligence shows a possible trafficking shift from Suriname to Guyana as the cost per kilogram in Suriname is now higher than in Guyana. Costs per kilogram in Suriname have risen due to an increase in security costs for shipments. In 2008, a total of 582 people were arrested for drug-related offenses.

**Law Enforcement Efforts.** In 2008, law enforcement officials noted a slight decrease in the number of drug mules arrested from 99 in 2007 to 66 in 2008. Traffickers continued the use of postal services to mail packages containing household items or foodstuff (ginger roots, noodles and syrup) laced with or containing narcotics. There was a notable increase of African nationals arrested at Suriname's Johan Adolf Pengel airport carrying narcotics intended for Africa (transported via the Netherlands). The most significant arrest trend in 2008 was the arrest of several members of different Surinamese music entertainment groups. These persons were arrested at Amsterdam's Schipol Airport after inspection showed they had ingested cocaine pellets. In 2008, GOS law enforcement agencies arrested 66 drug couriers, the majority of whom who had ingested cocaine pellets. In June, the GOS stepped up its enforcement efforts at the Johan Adolf Pengel International airport by installing luggage scanning equipment. Drug mules who evaded detection in Suriname were subsequently arrested at the airport in Amsterdam, which, in 2004, implemented a 100 percent inspection of all passengers and baggage arriving on all inbound flights from Suriname.

**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 narcotraffickers 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.

The GOS demonstrated some willingness in 2008 to undertake law enforcement and legal measures to prevent, investigate, prosecute, and punish public corruption. In October, for example, acting on a tip that drugs would be transported from Nickerie to Paramaribo, police stopped a car driven by an off-duty police officer. The off-duty officer resisted arrest and was shot and killed by his colleagues. Police found 50 kilograms of cocaine in the officer's car. Two other police officers were arrested on narcotics charges in separate cases in September.

**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. 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. During 2008, the U.S. made both formal and informal requests for assistance to Suriname. Suriname has worked with the in-country DEA office and has provided, and attempted to provide, information and evidence to assist U.S. investigations and trials.

Officials from Suriname, the Netherlands Antilles, and Aruba met in June. The three countries share intelligence on judicial and criminal matters and evaluated and expanded this cooperation. In May, Suriname and Guyana made the "Nieuw Nickerie Declaration," to combat transnational crime between the countries. The declaration said they had agreed to advance cooperation regarding narcotics, money laundering, trafficking in persons and weapons. 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. Suriname is an active member of the Inter-American Drug Abuse Control Commission of the Organization of American States (OAS/CICAD), to which it reports regularly. Suriname publicly announced its candidacy for the CICAD vice chair position in 2009-2010 in late 2008. Suriname has signed agreements with the United States, Netherlands and France that permit law enforcement attachés to work with local police.

**Cultivation and Production.** There is little data on the amount of cannabis under cultivation in Suriname, 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. There are also indications that the illicit drug flights are increasingly moving to Guyana. Narcotics shipments are then transported by ground through the Nickerie District into Suriname. Cocaine shipments that enter Suriname via small aircraft land on clandestine airstrips that are cut into the dense jungle interior and 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 and by destroying several clandestine airstrips in 2007 and 2008. European-produced Ecstasy is transported via commercial airline flights from the Netherlands to Suriname.

Drugs exit Suriname via numerous means including commercial air flights, by drug couriers and concealed in small private planes. The bulk of the cocaine movement out of Suriname to Europe and Africa is via commercial sea cargo. Traffickers move hundreds of kilograms, concealing it either in cargo, containers, or in the vessels. Small fishing vessels also carry drugs out to sea and transfer them to large freight vessels in international waters. Well-concealed cocaine is off-loaded at the destination port as legitimate cargo, while kilograms in block form, are packaged in bundles of 50 to 100 kilograms, and then off-loaded in international waters to smaller boats prior to entering port. The government has no coast guard or maritime capability to interdict drug traffickers at sea.

**Domestic Programs/Demand Reduction.** In 2008 the National Anti-Drug Council (NAR) established one new regional site in Saramacca for anti-drug activities, bringing the number of its active sites to three across the country. These sites were used as a base for data collection, analysis and recommendations based on trends, and drug awareness activities for the local communities. The NAR also organized a host of activities for the 2008 International Day Against Drugs, including a presentation of an anti-drugs song by primary school children, a poster competition at the youth detention center, a film presentation, distribution of drug information at community centers and via the mass media, and other activities. The NAR also coordinated training sessions for counselors working on prevention issues.

A 2007 CICAD-funded survey on alcohol and drug abuse in secondary schools in Suriname showed that among the 2,066 students surveyed the most common drugs used are alcohol, followed by cigarettes, tranquilizers, and marijuana. Less than 1 percent of the students use other substances such as heroine, hashish, opium, morphine, cocaine, and methamphetamines. The highest prevalence rate can be found in the age group 17 to 20 years, and most of them (19 percent) live in the capital city Paramaribo. The results of this study were analyzed in 2008, and will be made public on February 6, 2009.

## 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 2008, the GOS and Guyana made the "Nieuw Nickerie Declaration" to advance cooperation on transnational crime as a follow-on to the 2006 "Paramaribo Declaration," which provided a framework to establish an intelligence-sharing network, coordinate, and execute sting operations, destroy clandestine airstrips and

tackle money laundering. In December 2008, the Ministry of Justice and Police co-hosted (with the Embassy of the Republic of France in Suriname) a regional counternarcotics and money laundering seminar for law enforcement and police attaches.

In 2008, the United States provided training and material support to several elements of the national police to strengthen their counternarcotics capabilities. The Drug Enforcement Agency (DEA), office in Suriname provided counternarcotics training to several units of the Korps Politie Suriname (KPS). DEA also arranged for some KPS officers to take part in a larger U.S. military provided training course on interdiction, and provided operational assistance for the course. In 2008, DEA also provided technical assistance to the KPS in narcotics and money laundering investigations. The "Paramaribo Declaration" set forth several tenants of understanding among the participating countries, and in 2008 the DEA took actions to enhance the cooperative actions between the participating countries. The USCG provided resident training in leadership, crisis and command control and professional development.

**The Road Ahead.** The United States encourages the GOS efforts to continue to pursue major narcotics traffickers and to dismantle their organizations, and to build on and strengthen its regional and international cooperation to date. The GOS should continue 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 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, to monitor and protect its porous borders and vast interior with a radar detection system and adequate air support. With regard to enhancing its interdiction at the principal airport and border crossings, the GOS should 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 2008 did not change significantly from 2007. Amphetamine and cannabis remain the most popular illegal drugs. Cocaine has an increasing impact and police report a larger influx of it into the country. Total heroin and Ecstasy usage did not change from 2007, although the abuse of anabolic steroids rose. The quantity of Internet ordered narcotics increased in 2008. To combat these trends, law enforcement and customs entities have been active in several domestic and international counter-narcotic projects in the last year.

The majority of narcotics in Sweden originates in South America, West Africa, Eastern Europe, and Afghanistan and is smuggled via other EU countries. In 2008, authorities made a large bust of illegal drugs sold over the Internet. 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 industrial narcotics laboratories and residentially-produced narcotics are mainly for personal use. Sweden is a party to the 1988 UN Drug Convention.

## II. Status of Country

Relative to other European countries, Sweden (both government and society) is highly intolerant towards illegal drugs. Sweden places strong focus on prevention and education. According to government statistics, 10 percent of the adult population (15-75 years old) has tried drugs at some point during their lives, and the number of drug users is twice as high among men as among women. In line with results first reported in 2007, 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 2007 and 2008).

The National Institute of Public Health notes an increase in drug-related deaths in 2008; the average number of narcotics-related deaths is 300 per year. Last year's drop in the death rate, attributed by authorities to the increased use of Subutex, a synthetic opiate used for maintenance of heroin addicts during detoxification and treatment, did not continue into 2008. Drug-related deaths rose during 2008. According to police reports, Sweden is both a destination and transit country for amphetamines.

The government-sponsored Organization for Information on Drugs and Alcohol (CAN) reports that the overall number of young people who have used drugs recently remains comparable to that of 2007. The percentage of high school students (15-16 years old) who claim to have been offered drugs decreased to 19 percent in 2008, compared to 20 percent in 2007. High school aged boys who claim to have tried drugs increased one percentage point to seven percent; the corresponding statistic for high-school aged girls remained at five percent. Approximately 60 percent of those who try drugs for the first time do so with cannabis. Amphetamines and Ecstasy are the second and third most commonly used drugs.

There are regional differences in drug use. The use of narcotics is predominately concentrated in urban areas, but is 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 approximate equivalent of \$200; today the street price is \$80 and it continues to decrease. The shift from heroin to cocaine among some addicts is attributed to this relative

price decrease and indications point towards an increased influx of cocaine. 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, have lead to a price decrease. Distribution is handled by different ethnic groups, such as from West Africa. Law enforcement entities note that West African networks, once heavily involved with heroin smuggling, now cooperate with South American smugglers in the cocaine trade.

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. German citizens also smuggle cannabis from Germany to Scandinavia.

National Drug Policy Coordinator Björn Fries stated that the use of khat is an insufficiently acknowledged drug problem in Sweden. 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 hired more personnel with in-depth knowledge of khat and intend to propose to change the law to reduce the possession amount of khat that is legally punishable.

In July, the government decided to classify the drug DMX (Dextrometofan) as a narcotic. Overdoses of the drug killed seven people during 2008.

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

### III. Country Actions against Drugs in 2008

**Policy Initiatives and Accomplishments.** The Mobilization Against Drugs (MOB) Task Force and the National Drug Policy Coordinator positions were terminated during the year. The government's National Action Plan on Narcotic Drugs 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. The government has established an investigative commission to review current narcotics legislation and to make recommendations on how to strengthen it. The commission is also considering proposals for harsher penalties for doping crimes in athletics and expects to release its results soon.

Sweden ran a National Cannabis Project from 2004-2008, which focused on combating the organized criminal aspect of the cannabis trade. The project was replaced by an "action group" based in Malmo. 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 also has an active part in the EU strategy plan for narcotics and participates in the EU Minister Council Horizontal Working Group (HNG). Sweden also participates in the Western Balkans and drug combating projects spearheaded by COSPOL, a counternarcotics EU task force led by national police commissioners.

Fighting drugs remains a high priority area for Sweden's official development assistance. Sweden allocated over \$15 million in 2007 for the UN Office of Drugs and Crime's general and special-purpose programs.

**Law Enforcement Efforts.** In 2008, authorities did not uncover any major drug processing labs. Police reported 56,735 narcotics-related crimes from January to September 2008. This represents a one percent increase compared to the corresponding period of 2007. Approximately 30 percent of the arrests under the Narcotics Act led to convictions, which on an average resulted in six months in jail. The majority of the crimes involved consumption and possession.

In February, authorities closed an Internet pharmacy based in Sweden for selling illegal prescription drugs. The case is one of the largest of its kind in Europe. Activity started in 2003 and registered customers in 65 countries with the largest market in the U.S. The drugs included Rohypnol, morphine and Viagra. Police estimate that the business grossed approximately \$5 million. Seven men were prosecuted.

A nation-wide drug bust was conducted by the police in October 2008, resulting in 43 apprehensions for internet-based drug trafficking. The suspects were between 18–55 years old.

In September 2007, Swedish police in coordination with DEA conducted a similar raid called “Raw Deal” against illegal sale of steroids over the Internet. The raid brought 22 individuals to justice. The majority was convicted of doping crimes carrying sentences of one to two years. Some cases were appealed and are ongoing.

In 2007, the police started investigating, together with the Doping Call Center, the growing trend of steroid users taking other narcotics and prescription pharmaceuticals to counteract the negative side effects of steroid use. The majority of steroid users who mix with other drugs are between 18-25 years old. The majority of the users are not athletes, but ordinary people.

**Amounts seized per substance per year in kilograms:  
(January—September)**

	2008	2007	2006
Cannabis	1,331	848	419
Amphetamine	315	227.6	243
Heroin	37.7	13.5	73
Cocaine	48.8	15.7	25
Khat	6,800	5,000	4,400
Ecstasy	33,114	102,111	95,334
(number of pills)			

**Number of drug seizures by Swedish Authorities  
(January—September)**

Cannabis	6,917	4,822	4,632
Amphetamine	3,259	4,154	4,294
Heroin	447	477	499
Cocaine	483	412	528
Ecstasy	143	120	160
Khat	175	146	234

**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. In 2008, Swedish-Russian anti-drug efforts continued to be conducted under the auspices of the Baltic Sea Task Force. The US and Sweden cooperate in extradition matters under an extradition treaty signed in 1961 and amended in 1983. Sweden has bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. Both countries have ratified these agreements. None have entered into force.

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 anti-drug efforts.

**Cultivation/Production.** No major illicit drug cultivation/production was detected during the year. However, in August the police detected modest-scale cannabis cultivations outside Kristianstad and seized 41 kilos of cannabis. One 48 year-old woman and one 41 year-old man were apprehended. Sweden is not believed to have any industrial narcotics laboratories and domestically produced narcotics are mainly for personal use. Some legal cultivation of cannabis for use in fibers occurs in Sweden, as allowed for under EU regulations of the cultivation of flax and hemp for fiber.

**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. An estimated 70 percent of all seizures are made in the southern region of Sweden. Most seized amphetamines originate in Poland, the Netherlands, and Baltic countries. Regular Baltic ferry routes serve Sweden; in the spring and southern months, amphetamines are trafficked into Sweden via maritime routes. Ecstasy usually comes from the Netherlands; cannabis from Morocco and southern Europe; and khat from the Horn of Africa via Amsterdam and London. 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. In December 2006, over one metric ton of cocaine was seized at the port of Gothenburg. 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 2008, 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 October, the government allocated \$2 million to the Swedish Council for Working Life and Social Research for research on drugs and narcotics. Several NGO's are also devoted to 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. Nevertheless, in 2007 (NB: Throughout this report, the latest official statistics available are for 2007) total reported drug arrests reached 46,957, down 0.1 percent from the 47,001 cases recorded in 2006. Drug arrests peaked at just over 50,000 in 2004. Cocaine seizures reached another record high by increasing significantly-14 percent-to 404 kg from 354 kg in 2006(In 2005 cocaine seizures had increased by +44 percent; 2004: +91 percent) so the trend of increased cocaine abuse in Switzerland is clear. Overall, seizures of LSD and amphetamines increased, while Ecstasy and Methamphetamines seizures fell. Heroin seizures decreased from 231 kg in 2006 to 135 kg in 2007, but a major 2007 operation involving the seizure of 150 kg has not been accounted for in the statistics because the investigation is still on going. Contrary to previous increases, Ecstasy seizures dropped by 430 percent from 216,000 pills to 50,100 (2006: +7.1% 2005: +75 percent; 2004: +480 percent). Many drug smugglers belong to Swiss-based foreign criminal networks from Africa and the Balkans. The Swiss public continues its strong support for the government's four-pillar counternarcotics policy of preventive education, treatment, harm reduction, and law enforcement.

The politics of drug liberalization at the federal level have changed recently, putting the brakes on the cannabis legalization movement 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 partial revision of the law on narcotics legalizing the sale of heroin for maintenance of 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 Ecstasy consumption increased by 15 percent in 2007, the use of other drugs remained more or less the same. Cannabis, cocaine, and heroin still remain popular among drug addicts. Swiss statistics show that cocaine consumption decreased among youths and 66% of cocaine consumers are aged above 30. Young drug addicts between 18-24 years are however the largest users of amphetamines, LSD and Ecstasy. Police are also concerned about the continuing trend by casual users to mix cannabis and other drugs. An international survey recently found that Swiss teenagers smoke more cannabis than their peers in more than 30 other European countries, with one in three Swiss 15-year-olds smoking pot at least once within the past year. There are an estimated total of 250,000 people who regularly smoke cannabis—nearly twice as many as a decade ago. Drug trafficking-related arrests remained steady with 183 cases, and drug-related deaths decreased by 21% from 193 to 152. 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](http://www.fedpol.admin.ch/fedpol/fr/home/dokumentation/zahlen_und_fakten.html)

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Since January 1, 2002, jurisdiction for all cases involving organized crime, money laundering, and international drug trafficking shifted from the cantons to the federal prosecutor's office in Bern. According to the federal prosecutor's office, the number of investigative magistrates increased to 25 in 2006. Beginning January 1, 2002, it became illegal to advertise products that contain narcotic or other psychotropic substances without government approval. Violators who put human lives at risk face fines up to \$158,079 (SFr 200,000) or imprisonment. Heroin

maintenance prescription programs originally intended to end in December 2004 have been extended until 2009, and a recent vote by Swiss citizens might institutionalize them indefinitely. The Swiss Federal Office for Public Health believes that its heroin prescription program has a direct impact on drug-related crime: around 70 percent of addicts earned money from illegal activities at the time they entered the program, compared with 10 percent after 18 months in the program. The heroin prescription program has many detractors. Following the release of the “Zurich Drugs and Addiction Policy Report,” made public on August 12, 2004, Zurich authorities admitted that they had been so busy tackling the open heroin scene that other aspects of addiction had been overlooked. After concentrating on the heroin problem for the past ten years, the city said it wanted to be more active in other areas, such as encouraging the reintegration into society of drug addicts.

A pilot project for the distribution of cocaine under prescription is underway, but it has not been supported by the Swiss Federal Office of Public Health in Bern. However, the Swiss government is backing other pilot projects in Bern and Basel aimed at distributing Ritalin, a substitute for narcotic drugs. The City of Zurich has also offered, over the last five years, the possibility for youngsters to test their drugs for harmful impurities outside nightclubs without criminal liability. In September 2006, the city decided to establish an office, open daily, which provides the same services and is sponsored by the Swiss Federal Office of Public Health and the city budget. Swiss and German authorities continue to cooperate under a bilateral police agreement signed on June 22, 2004, aimed at increasing bilateral cooperation at border checkpoints. The main goal of the agreement is to facilitate police cooperation to more effectively deal with drug and weapons smuggling. Document specialists from both countries also assist border guards to use improved techniques to detect forged travel documents. The Swiss-German border crossing at Basel/Larach is one of the busiest in Europe, with 70 million people crossing per year.

**Law Enforcement Efforts.** According to the Swiss Federal Police, there are three types of organized criminal groups in the country: West African networks involved in cocaine traffic; Albanian bands dealing in heroin and prostitution; and money laundering networks working from the former Soviet republics. Due to resident aliens, suspected (but not convicted) of drug dealing, traveling from canton to canton, several cantonal authorities have increasingly 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, these dealers (mainly refugees from Eastern Europe and sub-Saharan Africa) are fined and “deported” to their canton of residency. If picked up again, they are jailed. Deportation of foreign drug dealers to their home country is difficult because they often hide their true country of origin from the police (NB: cantonal police are responsible for deportations, not the Federal Office of Migration). When looking at cross-border cocaine smuggling, the Swiss Federal Police believe that many criminals involved use trains to transport drugs to and from Switzerland, Holland or Spain. Their nationalities include Swiss, Italian, Lebanese, West-African, South-East Europe, South American, and the Dominican Republic. The “mules” generally originate from Africa, Brazil, the Dominican Republic or Europe.

**By type of drug and offense:**

Drug consumers were primarily arrested for consuming Marijuana (47%), Cocaine (18.6%), Heroin (12%), and Hashish (10%). Males accounted for 87% of drug consumers, and 63% of consumers were Swiss nationals. Most of the arrests took place in Zurich, Bern, and Vaud.

Drug traffickers were primarily arrested for smuggling Cocaine (30%), Marijuana (26%), and Heroin (19%).

Males totaled 75% of traffickers, and 27% were Swiss nationals. Foreigners not living in Switzerland accounted for 66% of drug traffickers. The major cantons involved were Zurich, Geneva, and Valais.

Drug dealers were 88% males, 21% Swiss nationals and 70% 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 December 2007, the Zurich police made the largest drug seizure in Swiss history, by confiscating 144 kg of cocaine, worth SFr. 12 million (approximately \$10.5 million), and arresting four women and seven men ranging in age from 26-62. They originated from the Dominican Republic, Chile, Cuba, Spain and Switzerland.

In January 2008, Swiss customs seized a postal parcel containing 3500 Thai amphetamine pills (“yaa-baa”) originating from Bangkok, and addressed to a 48 year-old Vietnamese living in Basel. The investigation is still ongoing.

In February 2008, three Nigerian nationals accused of smuggling 235 kg of cocaine to Basel were on trial in a Basel court. The drugs were transported from Holland to Switzerland by train. They are accused of drug trafficking, money laundering and violations of the law on the residence of foreigners.

In March, the Zurich police arrested a 27 year old Nigerian acting as a mule. They found two bags totaling 1.4 kg of cocaine on him. He had a previous arrest record for pick-pocketing.

In March, a police search for asylum seekers selling cocaine continued in Lugarno. Six asylum seekers, mostly African, were arrested. The cantonal police believe the accused control a large part of the local cocaine network.

In April, four citizens of Guinea-Bissau were tried in the Federal Criminal Court in Bellinzona on the grounds they received large sums of money from cocaine dealers. The investigation is still continuing.

In April, four Albanian traffickers were on trial in a Vaud cantonal court in Lausanne on charges they sold heroin to drug dealers. Two of them had already been sentenced to 8 years in prison, but had used their probation period to look for additional drugs. The cantonal police also found 7 kg of heroin in their apartment.

In June, Swiss customs at a border post in St.Gallen used their narcotics detection dog to find 8 kg of heroin in a car arriving from Austria. The driver was a 29 year-old Macedonian accompanied by his 56 old mother, both of whom were living in Switzerland.

In June, the Lausanne police seized the largest amount of Thai pills in the canton since 2000. Following many evenings watching the area below the train station, the inspectors of the local drug squad managed to stop three Thai prostitutes and a Swiss holding a bag containing 1000 Thai methamphetamine pills (known as Yaa-baa) and more than SFr 7000. The ensuing investigation uncovered a network that was in operation since 2004 and had sold 15,000 pills. Twenty-five people were convicted for violations of the federal law on drugs, including 13 people for smuggling.

In July in Basel, a mobile Swiss customs unit stopped a car at an unguarded border post and found 160 kilograms of khat. The driver, a 50 year-old Frenchman was trying to move the drugs from Luxembourg into Switzerland. The drug was coming from Africa and was hidden in boxes located in the trunk of his limousine with a Neuchatel license number.

In July, an important network selling prescription drugs was dismantled in Lausanne after it had sold 342,500 sleeping pills to drug addicts between spring 2004 and June 2007. Police later arrested the main supplier who was working as a delivery driver for a pharmaceutical company in the western suburb of Lausanne. His accomplice was a Geneva pharmacist. He was ordering large quantities of the product “Dromicum 15mg”, and relied on the driver to divert the delivery to two women who sold it from their homes to drug addicts. In total, thirteen persons were arrested.

In August, a tourist group from Brazil tried to smuggle 41 kg of cocaine, but was arrested before they could depart. The remaining portion of the drug – 25 kg – still made its way to the Zurich airport in eleven suitcases. The group totaled 14 people, including 9 women and 5 men.

On August 26, a federal police expert warned that Ethnic Albanian criminal gangs continued to pose a serious security threat, as they dominate the transit and supply of heroin to Switzerland. According to the expert, the influence of ethnic Albanian criminal groups is still very strong, especially in the heroin market, and it is not abating. The vast majority of heroin sold in Switzerland still is trafficked by ethnic Albanian groups. According to the Vienna-based United Nations Office on Drugs and Crime (UNODC), Switzerland has historically been singled out as one of the countries most affected by ethnic Albanian heroin trafficking, due to the large expatriate population.

During the third quarter of the year, the Zurich Airport reported it had arrested 14 drug smugglers (10 men, 4 women), and confiscated 23 kg of cocaine and 15 kg of hashish. This is less than a year ago, when police had confiscated 26 kg of cocaine, 51 kg of marijuana, and 8 kg of hashish.

In September, a Bernese district court sentenced a 50 year old transport manager of Turkish origin to 11 years in prison. He had imported 150 kg of heroin illegally. The drugs had come from Bulgaria, and transited through Serbia, Croatia, Slovenia, and Austria. He had been paid SFr. 80,000 to carry out this operation. The man was trying to cross the Swiss-Austrian border at Diepoldsau when a Swiss customs officer discovered 300 bags of heroin, of 500 grams each with a 56% purity rate. The drugs could have been sold to a million consumers at a total street price of SFr.40 million. The man argued he had been forced by the Kurdish PKK to carry out the transport, but police determined he acted willingly to fund his transport company.

In October, the Federal Criminal Court tried three members of the same Kosovo family for operating one of Europe's largest heroin wholesale operations. Prosecutors say the 69-year-old father and his two sons, aged 42 and 28, used their base in Albania to import 1.5 tons of heroin from Turkey for sale elsewhere. The clan has been one of the principle suppliers of heroin in Western Europe since the middle of the 90s. According to drugs expert at the Federal Police Office, the seizure was very significant, even though it was split between different countries. The quantity seized approximates 25 to 50 percent of the total consumption in Switzerland in one year. The court sentenced the 42 year old son to a 15 year prison sentence, less than the 20 years requested by the prosecutor. The younger son was sentenced to a 2-year prison sentence, while the 69-year old father, who is living on social welfare, was released.

On October 28, the Criminal Court of Boudry (NE) sentenced two traffickers found with 430 kg of marijuana and 29 kg of hashish to 32 months imprisonment. Aged about 30, of Portuguese origin, and raised and educated in Switzerland, they conducted their illegal trade for several years until their arrest in early 2007. The revenue totaled 4 million francs with a profit estimated at more than 2 million. One of the defendants had created a company to cover the traffic and to justify his lavish lifestyle. The other defendant held a fictitious job at a restaurant, whose owner received a kickback of 445,000 francs for the purchase of real estate in Portugal. According to the traffickers, all the marijuana came from an outdoor field experiment. The defendants were also tried for money laundering.

On October 19, the Federal Criminal Court in Bellinzona sentenced four Guinean traffickers to 12-22 months in prison for money laundering offences. They were found guilty of carrying SFr. 900,000 of drug-related money to Africa. It is believed they worked on behalf of another person, and were paid a 10% commission on the funds transferred. Two of the traffickers had already been arrested at the Paris-Roissy airport with a significant amount of cash: Euro 100,000 and SFr. 334,000.

In October 2007, Swiss border guards arrested a drug smuggler from Sierra Leone who was traveling in a train from Paris with one kg of cocaine concealed in a bag. The man, aged 28, supplied local addicts in Lausanne and Vevey. The total value of the goods whose origin is not known, is valued at 125 000 francs. He had already been sentenced by a Vaud tribunal in a prior drug case, and confessed to having sold cocaine since May 2007. A dozen consumers, identified in Vevey and Lausanne, have also been brought up on charges.

On November 23, the Swiss border guards made the largest cocaine seizure in the Franco-Jura town of Boncourt. Customs officers found 400g of cocaine balls wrapped in cellophane and coated with powdered coffee on a Dutch

citizen driving a French registered car. Customs searched his vehicle and discovered another 700g of cocaine hidden in the windscreen washer. The drug (pure) would have had a market value of SFr. 100,000.

Geneva police authorities complain that the city's number one problem is drug trafficking. The Geneva drug scene is controlled by many nationalities depending on the type of drug. Large numbers of drug dealers or traffickers destroy their identity papers and apply for asylum to avoid repatriation to their home country. Dealers from Algeria, Guinea and Serbia Montenegro are the most problematic in this regard. Cocaine normally enters the country via courier. Trafficking routes tend to be from South/Central America, the Caribbean, and West Africa. West African based organizations are mostly involved in cocaine trafficking. Couriers for these groups, arriving at Switzerland's international airports, utilize ingestion and false-bottomed suitcases as their principal means of concealment. Excellent international air connections at Zurich and Geneva airports facilitate the movement of smugglers to other destinations as well as to Switzerland. Increasingly, countries from West Africa are used as storage/transshipment points for cocaine destined to Europe and Switzerland. The Geneva market is controlled by traffickers originating in West Africa (Benin, Sierra Leone, Guinea-Bissau, and Guinea-Conakry) who come from nearby France and then apply for asylum. Because of a lack of space in the overcrowded Geneva prison and few repatriation agreements, most African dealers are released on the street. The Geneva Drug Task Force reports that 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. Police forces regret there are no repatriation agreements with Morocco and Algeria. A successful repatriation agreement with Nigeria helped send back many traffickers. The average monthly earnings of a drug dealer in Geneva are about SFr. 4,000. Geneva police statistics on drug-related arrests show that 98.5% of drug dealers were foreigners.

**Corruption.** As a matter of government policy, Switzerland does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior government official is alleged to have participated in such activities. In June 2008, the Geneva police arrested a 50-year old employee of the Cantonal Population Office on the ground he stole 600-700 blank working permits and sold them to an Albanian cocaine network for SFr. 60,000. The judgment is still pending.

**Agreements and Treaties.** Switzerland and the United States cooperate in law enforcement matters through bilateral extradition and mutual legal assistance treaties. Unfortunately, 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 has signed but not ratified the UN Convention against Corruption.

**Cultivation and Production.** Switzerland is not a significant producer of illicit drugs, with the exception of illicit production of high THC-content cannabis/hemp. After years of abuses in hemp shops selling a variety of cannabis products, a federal court ruled in March 2000 that selling hemp products with a THC level above 0.3 percent was a violation of the narcotics law regardless of how the shop had labeled the hemp. Since then, police operations in all cantons have targeted the illegal production, traffic and sale of cannabis products. Today, hemp plantations and shops no longer operate in the open but have moved underground. Illicit cultivation of high TNC content hemp has collapsed which has led to an increase in prices and reduced availability. In 2007, Switzerland saw a decrease of smuggling cases involving cannabis (both resin and herb), thus following the trend of earlier years (except 2006). Surveys among pupils in 2006 suggest that cannabis consumption is slightly decreasing (corroborating findings on consumption are due in 2009). In the past few years, there have been no important cases of domestic production of Ecstasy or other synthetic drugs in Switzerland.

**Drug Flow/Transit.** Switzerland is both a transit country for drugs destined for other European countries and a destination for narcotics deliveries.

**Domestic Programs/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 1308 patients by December 2006, the heroin distribution program is currently running at 91 percent of capacity. A total of 135 drug addicts entered the program during 2006. The average participant is 35 year old and most are male. Average time in heroin treatment is 2.92 years. Of the 173 persons who terminated the heroin prescription program, 63 percent opted for the methadone-assisted programs, or an abstinence therapy.

In 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. Consumption of non-prescribed substances declined significantly in the course of treatment.

Dramatic changes have been seen in regards to crime. While the proportion of patients who obtained their income from illegal or borderline activities at the time of enrolment was 70%, the figure after 18 months in HAT was only 10%. Each year, between 180 and 200 patients discontinue HAT. Of these patients, 35-45% are transferred to methadone maintenance, and 23-27% to abstinence-based treatment.

The current average cost per patient-day at outpatient treatment centers came to Swiss Franc 51. The overall economic benefit—based on savings in criminal investigations and prison terms and on improvements in health—was calculated to be Swiss Franc 96. After deduction of costs, the net benefit is Swiss Franc 45 per patient-day. Twenty percent of the costs were paid for by the cantons, while 80 percent was paid by the public health insurance.

More information on the Heroin-assisted treatment (HAT) program is available at:

<http://www.bag.admin.ch/themen/drogen/00042/00629/00798/01191/index.html?lang=en>

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 that 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 particular, the U.S. urges Switzerland to use experiences gained in fighting terrorist money laundering to become more proactive in seizing and forfeiting funds from narcotics money laundering. The U.S. also will monitor Switzerland's proposed revisions to the Swiss narcotics law.

# Syria

## I. Summary

In 2008, 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 political conflicts in Lebanon and Iraq, porous borders, and endemic police corruption make Syria an attractive overland smuggling route 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 working anti-narcotics 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 conflicts in neighboring Lebanon and Iraq, however, Syria is an increasingly important transit country for narcotics between Europe and the Persian Gulf. Hashish, heroin and cocaine are, respectively, the most prevalent narcotics transiting Syria destined for Lebanon and Europe. Syria is also along the trafficking route for Captagon (fenethylline), a synthetic amphetamine-type stimulant. Captagon is increasingly trafficked through Syria from Turkey and Lebanon to the Gulf States. A newer phenomenon, however, is the smuggling of Captagon through Syria to Iraq for use by foreign fighters and insurgents.

## III. Country Actions against Drugs in 2008

**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. However, 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 and locate additional customers.

In 2002, Syria upgraded its Counternarcotics Unit from a branch to a directorate of the Interior Ministry. 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. 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 will be used to enhance Syria's drug investigation capabilities. This facility also houses the country's newest drug lab. In 2005, Syrian officials implemented a 2002 draft decree providing financial incentives of up to several million Syrian pounds (\$1 = 50 SP) to anyone providing information about drug trafficking and/or illicit drug crop cultivation in Syria. Parallel to that, the SARG created the National Committee for Narcotic Affairs, which was tasked with setting up general drug-related policies 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 anti-narcotics strategy (including rehabilitation). Headed by the Minister of Interior, the committee includes representatives from a broad range of concerned Ministries, civic organizations and vocational unions.

Syria also contributed 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.

Nevertheless, there were some reports of public violence associated with drug addiction. One incident occurred in the Sbeina suburb of Damascus and included vandalism of private property, fist fighting and knife crime. One Sbeina shop owner told media that "not a day passes by without a problem or a quarrel". Another said that merchants shutter their shops whenever addicts are fighting for fear of sabotage. Pharmacists in the area reported that they refuse to sell tranquilizer tablets to drug addicts. One pharmacist added that tranquilizer tablets are smuggled from Lebanon through Syria.

**Law Enforcement Efforts.** According to a report published by the Counternarcotics Directorate, the number of successful drug apprehensions during the period January – August 2008 stood at 2,800 cases and the number of persons standing trial on drug-related offenses was 4,348. The report added that during the same period, the Syrian government confiscated 191 kg of hashish, 41 kg of heroin, 128.5 kg of cocaine, 6.8 billion Captagon tablets, 22 kg of hashish oil, 390 liters of precursor materials and 95,800 assorted narcotic tablets. The confiscated quantities were burnt by the Syrian authorities.

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. In April 2008, the Syrian authorities dismantled a network of Arab and foreign nationals who were trafficking narcotics using Turkey as their base of operation. According to media reports, the culprits received a capital punishment sentence *and* were ordered to pay a fine of SYP 1.5 million each (presumably prior to their execution). Syrian law enforcement also apprehended a gang trafficking drugs in the Al Mujtahed neighborhood of Damascus and confiscated 1 kg of heroin intended for sale. On September 2008, law enforcement officers in Lattakia apprehended 21 persons for drug trafficking and addiction. Similarly two drug dealers were arrested in Dayr Ezzor with heroin in their possession. One particular case of smuggling along the Syrian-Israeli border was reported by Agence France Presse: On July 20, 2008 Israeli security forces opened fire on suspected drug smugglers along the Israeli-Syrian border, killing one Syrian citizen and wounding another. The incident occurred when a joint army and police patrol, searching for drug traffickers in the Golan Heights, identified a group of suspicious people, an Israeli army spokesman told AFP. The army said that the deceased man and the wounded man were both Syrian citizens. Others arrested were identified as residents of the mostly Druze town of Majd al-Shams in the northern Golan.

In October 2008, the Syrian Ministry of Interior and Interpol held a meeting at the Syrian Training Institute of the Internal Security Forces to discuss the smuggling of Captagon tablets to the Middle East. Experts from Interpol briefed the Syrian officers on ways that Interpol can help to combat Captagon trafficking, including an overview of Interpol forensic analysis programs and its anti-narcotics database.

Syrian officials characterized cooperation on drug issues with neighboring Saudi Arabia and Jordan as excellent, but say that counternarcotics cooperation with Lebanese and Iraqi officials has diminished. Turkey continues to provide some technical assistance to Syria, primarily training courses, as part of their joint efforts to combat trafficking of narcotics, according to Turkish officials based in Damascus.

**Corruption.** Generally speaking, 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 did not provide information on whether it had conducted any investigations into corruption, and the SARG has been reluctant to discuss this issue further. 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 the Interior. As a matter of government policy, the Government

of Syria 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.

**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. Syria has signed, but not yet ratified, the UN Convention against Transnational Organized Crime and 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. However, the Syrian and Cypriot Interior Ministries are currently discussing the signature of an MOU (proposed by the Cypriots) to cooperate in fighting illegal migration, terrorism and drug trafficking. To this end, the Syrian Interior Minister and the Cypriot Assistant Police Commander met in June 2008. As of November 2008, both sides were still in the process of reviewing the draft MOU.

**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 as the equivalent offense of trafficking in illicit drugs, despite the addictive nature of most prescription painkillers. Additionally, Syrian law currently supports the common practice of “leasing” a licensed pharmacist’s credentials. In this practice, investors may “lease” a pharmacist’s credentials in order to open and operate a licensed pharmacy in Syria. A pharmacist will receive payment for allowing his/her name to appear on the business registration, but the pharmacist may have nothing further to do with the operation of the pharmacy.

In 2007, multiple media reports highlighted significant abuse of prescription drugs in Aleppo, specifically Valium, Baltan and Proxamol. Several pharmacists were threatened with violence by addicts and dealers attempting to obtain painkillers without a prescription. After accounts of taxi drivers being beaten and robbed, many Aleppan taxis refused to enter certain neighborhoods known for prescription drug trafficking activity. An Aleppan social worker also reported seeing an increasing number of cases of children as young as 10 addicted to prescription pills. Responding to these reports, Syrian police closed 50 pharmacies in the greater Aleppo area in late October for selling prescription painkillers to customers without a doctor’s prescription. As each of the offending pharmacies was operated by a businessman leasing a pharmacist’s credentials, the Aleppan Pharmacists Union requested the government’s intervention to close this legal loophole.

Although cultivation of narcotics is a minor problem in Syria, rare incidents were reported. On June 2008, a law enforcement squad in Al Padrosia village apprehended a man for planting approximately 100 kg of marijuana on land adjacent to his house. Additionally, Syrian authorities found 3 kg of semi-dried marijuana in his house. The accused was transferred to Lattakia for trial.

**Drug flow/transit.** Syrian officials estimate that in 2007, the overall flow of illegal narcotics transiting Syria and destined for other countries had increased. As mentioned above, one likely reason for this increased traffic is that the continuing political conflicts 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 the 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 either directly or via Jordan. The SARG’s reported seizure statistics suggest that SARG counternarcotics efforts have been more effective, or more likely, the overall flow of narcotics has increased. Main shipment routes include the transit of hashish and cocaine through Syria to Europe and other countries in the region; opium transiting from Pakistan and Afghanistan through Syria to Turkey; and Captagon pills transiting from Turkey through Syria to Saudi Arabia and Iraq.

**Domestic Programs/Demand Reduction.** The Syrian government’s counternarcotics strategy, which is coordinated by the Ministry of the Interior, uses the media to educate the public on the dangers of drug use and drug awareness is

also part of the national curriculum for schoolchildren. The Ministry also conducts awareness campaigns through university student unions and trade unions. The SARG also regularly publishes accounts of successful law enforcement efforts to combat narcotics in the various government-owned media outlets. Anti-drug campaigns were noticeably on the rise during 2008. A three-day drug awareness campaign took place in Aleppo in late June 2008, organized by the "For Aleppo" NGO, the Family Planning Association, the Aleppo Health Department and the UNRWA. The campaign will continue for one year, and is aimed at both drug awareness and treatment of addiction. Also, In November 2008, Aleppo University in cooperation with the Ministry of Interior held a seminar about the dangers of narcotics. Lt. General Ahmad Hourri, Head of the Anti-Narcotics Department, talked about different types of narcotics and the socio-economic dangers of drug addiction. Dr. Abdullah Al Habbash, Comparative Criminal Law specialist, discussed the 1993 drug law and its provisions for sentencing of drug dealers. The seminar was attended by the rector of the Law Faculty and a number of students. In late January 2008, the Boy Scouts and Girl Scouts held a special seminar on "Drugs and their devastating effects on youth and society."

Due to the social stigma attached to drug use and to stiff penalties under Syria's strict anti-trafficking law, domestic consumption of illicit drugs remains low. In 2007, the head of Syria's Counternarcotics Directorate claimed that there were no more than 150 drug users per one million citizens, or roughly 3000 nation-wide. The SARG maintained the same figures for 2008, adding that 95% of drug addicts are delinquents with criminal records. 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 enacts legislation to close the loophole allowing businessmen to "lease" pharmacists' credentials, increases the penalties for trading prescription medication, and raises public awareness of this problem, it will likely grow.

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

**Policy Initiatives.** In discussions with Syrian officials, 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 drug transit 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 2008, but there is no evidence to suggest that Taiwan is reverting to a transit/trans-shipment point for drugs bound for the U.S. Taiwan Customs and counter-narcotics agencies work closely with their U.S. Drug Enforcement Administration (DEA) counterparts, guided by the Mutual Legal Assistance Agreement (MLAA) between the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative Office (TECRO) in the U.S. In 2008, as part of the Drug Signature program, the DEA received several samples of heroin and cocaine, demonstrating Taiwan's commitment to fully implement a 2004 legal provision that permits samples of narcotics seized in Taiwan to be provided to other law enforcement agencies for testing and analysis.

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 amended and passed 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 southern China. Taiwan authorities continue to strengthen anti-narcotics efforts with enhanced airport interdiction, coast guard and customs inspections, surveillance and other investigative methods, as well as establishment of Taiwan's Customs Services Canine Drug Detection and Training Center in 2008. Some drugs, however, continue to transit Taiwan enroute to Japan and the international market. The People's Republic of China (PRC), the Philippines, Thailand and Burma remain the primary sources of drugs smuggled into Taiwan. In 2008, Taiwan law enforcement and customs agencies continued to seize drug shipments originating from Thailand and Burma and identified heroin shipments seized in Thailand destined for the Taiwan market

## III. Actions Against Drugs In 2008

**Policy Initiatives.** Taiwan's Legislative Yuan (LY) again failed to enact any new counter-narcotics legislation in 2008 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 2008; however, a continued effort is being made to encourage the LY to implement such legislation. In December 2007, the Ministry of Justice Investigation Bureau (MJIB) structure law was amended. The MJIB Drug Enforcement Center (DEC), which was originally a department established by administrative order, was renamed the MJIB & Drug Enforcement Division and became a formal division regulated by law.

**Law Enforcement Efforts.** In the absence of a single drug enforcement agency, like the U.S. DEA, the Ministry of Justice continues to lead Taiwan's counter-narcotics 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) and Customs, however, all contributed to counter-narcotics efforts in 2008. MJIB, NPA/CIB, and Coast Guard Administration continue to cooperate on joint investigations and openly share information with their DEA counterparts. During 2008, Taiwan law enforcement authorities exchanged intelligence information with DEA and other foreign law enforcement agencies within the Asia Region. One example illustrating the successful results of this intelligence exchange and cooperation was the seizure of several kilograms of heroin concealed within containerized cargo that originated from Thailand and was destined for Taiwan.

In 2008, the DEA sponsored a National Police Agency/Criminal Investigation Bureau (NPA/CIB) officer to participate in an Intelligence Database Workshop at the National Drug Intelligence Center (NDIC) located in Johnstown, Pennsylvania. In addition, a NPA/CIB Forensic Chemist will attend training sponsored by the DEA Special Testing and Research Laboratory. From January 2008 through August 2008, Taiwan authorities seized 116.1 kilograms of heroin/cocaine, 23.6 kilograms of marijuana/MDMA/amphetamine, and 101.0 kilograms of Methylephedrine/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 2008.

**Agreements.** In 1992, AIT and its counterpart, TECRO, signed a Memorandum of Understanding on Counter-narcotics Cooperation in Criminal Prosecutions. In 2001, AIT and TECRO signed a Customs Mutual Legal Assistance Agreement. In March 2002, the AIT-TECRO Mutual Legal Assistance Agreement (MLAA) entered into force and remains the primary avenue for cooperation.

**Drug Flow/Transit.** Thailand and Burma remain the principal sources for heroin coming to Taiwan. The PRC, Philippines, and Malaysia are seen as intermediary smuggling 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 consumption for Taiwan. In 2008, Taiwan seized ketamine sourced from India, Europe, and Mainland China and observed an increase in illicit domestic ketamine production. Couriers 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 2008, Taiwan has seen an increase in domestically-produced methamphetamine and a decrease in methamphetamine that was 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. counter-narcotics policy. Counter-narcotics training and institution building have proven to be the cornerstones of this policy. In December 2007, the U.S. Customs and Border Protection conducted training for Taiwan Customs officers. In April 2008, the DEA provided asset forfeiture and financial investigations training in a training seminar titled International Asset Forfeiture School to law enforcement personnel from MJIB, NPA/CIB, Taiwan Customs, Taiwan Coast Guard Administration, and members of the Taiwan Prosecutors Office.

Taiwan law enforcement and Customs agencies enjoy a close working relationship with the DEA and AIT's Regional Security Office. Agents from MJIB, NPA/CIB and the Coast Guard Administration all participated in joint investigations and shared intelligence with their DEA counterparts in 2008, resulting in several significant drug seizures and arrests in Taiwan and throughout the Pacific region. The USCG trained Taiwanese officers by presenting the Maritime Law Enforcement Boarding Officer Course in Taiwan.

**The Road Ahead.** AIT and DEA anticipate building upon and enhancing what is already an excellent working relationship with Taiwan's counter-narcotics agencies. Taiwan counterparts continue to pursue an island-wide forensic clandestine laboratory response capability. In the coming year, the DEA is already planning to conduct 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 counter-narcotics effort. More intelligence exchange and jointly conducted investigations are anticipated for 2009. 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

Tajikistan is not a producer of illicit narcotics, but it is a major transit country together with Pakistan and Iran for heroin and opium from Afghanistan. The Republic of Tajikistan has emerged as a frontline state in the war on drugs and is suffering from the boom in Afghan drug production. The Republic of Tajikistan is also a major center for domestic and international drug trafficking organizations. A significant amount of opium/heroin is trafficked, primarily using land-based routes, through Tajikistan, onward through Central Asia to Russia and Europe. Approximately 40 percent reaches Russia; 30 percent goes to Europe; and there is evidence of trafficking in Afghan opiates to and through China. Chinese border police and the Tajik Drug Control Agency conducted a joint study of the drug flow of Afghan opiates from Tajikistan to China in October 2007. They estimated that approximately five percent of Afghan opiates entering Tajikistan exit to China, three percent go to the United States, three percent through Africa to South America with the remainder going to Russia and Europe.

The Tajik Government is committed to fighting narcotics; however, corruption within the Tajik government continues to limit the effectiveness of counternarcotics efforts. Corrupt officials at all levels thwart law enforcement efforts as officers strive to move drug investigations up the chain of organized criminal groups. So far, no anti-corruption efforts by the Government of Tajikistan have had a significant impact on the corruption problem.

The Government of Tajikistan continues to implement counternarcotics activities, which the UNODC states yield more seizures than all other Central Asian states combined. While effectiveness is agency specific, Tajikistan's law enforcement and security services coordinate activities with all major donors and surrounding countries. Tajik law enforcement continues to make arrests and seizures for mid- to low-level cases and there has been increased cooperation between Russia, the Kyrgyz Republic, and Tajikistan focusing on narcotics smuggling rings. Cooperation between Kazakhstan, the Kyrgyz Republic and, most importantly, Afghanistan is increasing among counter-narcotics agencies.

Tajikistan is ill-equipped to handle the myriad social problems that stem from narcotics trade and abuse. Tajikistan's medical infrastructure is inadequate to address the population's growing need for addiction treatment and rehabilitation. Still, Tajikistan is a party to the 1988 UN Drug Convention, as well as the UN Convention against Corruption (UNCAC).

## II Status of the Country

Geography and economics make Tajikistan an attractive transit route for illegal narcotics. The Pyanj River (Amu Darya in Afghanistan) which forms most of Tajikistan's border with Afghanistan is thinly guarded and difficult to patrol. Traffickers can easily cross the border at numerous points without inspection due to the lack of adequate border control. Tajikistan's non-criminal economic opportunities are limited by a lack of domestic infrastructure and complicated by the fact that its major export routes transit neighboring Uzbekistan. A new U.S.-built bridge provides a new route for trade through Afghanistan to the south. In the past, Uzbekistan closed and mined a significant portion of its border to combat a "perceived instability" from Tajikistan, although borders have generally remained open for the last three years.

Criminal networks that came to prominence during the 1992-97 Tajik civil war, continued instability in Afghanistan, rampant corruption, low salaries, a poorly trained legal cadre and dysfunctional legal system, and inadequate funding to support law enforcement all hamper efforts to combat illegal narcotics flows. With a \$40 average monthly income, high unemployment, poor job prospects, and massive economic migration to Russia, the temptation to become involved in lucrative narcotics-related transactions for those remaining in Tajikistan remains high.

In-country cultivation of narcotics crops is minimal. However, the Government of Tajikistan said that it is investigating the possible existence of small mobile Afghan opiate processing labs in the southern border area in Shurabad district near Yol and Sarigor, and in the east near Khorog in Gorno-Badakhshan.

### III. Country Actions against Drugs in 2008

**Policy Initiatives.** In his annual speech to Parliament on April 25, President Rahmon called for the transfer by 2010 of the power to issue preliminary arrest warrants from the prosecutors to the courts. The transfer of powers to issue arrest warrants is one of the key elements of ongoing reform of Tajikistan's Criminal Procedure Code. President Rahmon ordered a new draft Code to be submitted for consideration to Parliament in 2008. While vesting the courts with greater oversight of criminal prosecutions would be an important development, a great deal of work will be required to improve the fairness, efficiency, and effectiveness of the criminal justice system. Passed in early 2008, the "Law on the Human Rights Commissioner" established an ombudsman who would independently review human rights claims against government officials. The law lacked some provisions that observers hoped would safeguard the Commissioner's independence. At the time of this report's publication, a Human Rights Commissioner had not yet been appointed.

In 2008 President Rahmon sent for ratification to the Majlisi Namoyandagon (Tajikistan's lower chamber of parliament) an agreement between Azerbaijan, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan and Uzbekistan on the establishment the Central Asian Regional Information and Coordination Center (CARICC) for combating illicit trafficking in narcotic drugs, psychotropic substances, and precursors. UNODC launched the Center to counter illicit drug trafficking. The Center has liaison officers seconded from member states whose role is to ensure cooperation between CARICC and the competent authorities in the respective country.

**Law Enforcement Efforts.** The data below shows the narcotics seizures by law enforcement and security services during the first 9 months of 2008 compared with the same period of 2007:

**Ministry of Internal Affairs (MVD):**

Heroin (kg): 2007: 792. 2008: 751  
Opium (kg): 2007: 1002. 2008: 411  
Cannabis (kg): 2007: 347. 2008: 821  
Total MVD (kg) 2007: 2141. 2008: 1983  
MVD 2007 percentage change 2008: -7.4 percent.

**Drug Control Agency (DCA):**

Heroin (kg): 2007: 278. 2008: 307  
Opium (kg): 2007: 329. 2008: 487  
Cannabis (kg): 2007: 309. 2008: 358  
Total DCA (kg) 2007: 916. 2008: 1152  
Total DCA (kg) 2007: 916. 2008: 1152  
DCA 2007 percentage change 2008: +25.8 percent

**Border Guards (BG):**

Heroin (kg): 2007: 82. 2008: 111  
Opium (kg): 2007: 471. 2008: 241  
Cannabis (kg): 2007: 276. 2008: 649  
Total BG (kg) 2007: 829. 2008: 1001  
BG 2007 percentage change 2008: +20.7 percent.

**Committee for National Security (KNB):**

Heroin (kg): 2007: 100. 2008: 200  
Opium (kg): 2007: 397. 2008: 468  
Cannabis (kg): 2007: 102. 2008: 121  
Total KNB (kg) 2007: 599. 2008: 789  
KNB 2007 percentage change 2008: +31.7 percent.

**Customs Service (CS):**

Heroin (kg): 2007: 36. 2008: 81  
Opium (kg): 2007: 0. 2008: 01  
Cannabis (kg): 2007: .026. 2008: 9  
Total CS (kg) 2007: 36. 2008: 90  
CS 2007 percentage change 2008: +149.8 percent.

**Total-All Agencies:**

Heroin (kg): 2007: 1280. 2008: 1450  
Opium (kg): 2007: 2199. 2008: 1607  
Cannabis (kg): 2007: 1034. 2008: 1958  
Total (kg) 2007: 4521. 2008: 5015  
All Agencies 2007 percentage change 2008: +11 percent.

According to the UNODC, in 2008 Tajikistan accounts for approximately 50 percent of Central Asia heroin and opium seizures. Although drug seizures are significant, the lack of a conspiracy law severely limits law enforcement's ability to target upper echelon drug traffickers. Corruption continues to hinder law enforcement investigations, and as in previous years major narcotics traffickers are not apprehended and brought to trial. Such a move would require the full backing of the Presidential Administration and the possible prosecution of government officials charged with narco-related corruption. The United States continues to advocate with the Tajik government to encourage official focus on investigations and prosecutions, rather than just seizures and arrests.

The State Committee on National Security on January 31st, 2008 in Qubodiyon district of Khatlon carried out the largest single drug seizure in 2008. Officers seized a total of 400 kg of drugs including 73 kg of heroin. Law enforcement officers arrested eight people including four Border Guard Officers. The courts sentenced the Border Guards to jail terms of 16-19 years and gave 15-16-year terms to the other traffickers. Another long sentence was awarded to three foreign nationals from Uganda, the Philippines and Afghanistan after an investigation linked them to a single criminal drug trafficking incident.

The Drug Control Agency is one of the most effective and active enforcement and intelligence agencies in Tajikistan. In the first nine months of this year they seized over 1152 kilos of illicit drugs. Agency operations are unique in their ability to collaborate effectively with other government agencies and regional and international law enforcement institutions. The Agency participated in thirty-seven joint operations with the Russian Federation, Kyrgyz Republic, Kazakhstan, and Afghanistan. These operations were successful, giving rise to information which helped Afghan forces to destroy four drug laboratories in Afghanistan and to seize large amounts of drugs and weapons.

As a means to encourage more cooperative enforcement activity, the USG is actively working with law enforcement bodies to develop and use joint operational intelligence strategies. These initiatives include the development of a Joint Intelligence Center and a Field Intelligence Center. The Joint Center is intended to improve the capacity of law enforcement officials to work jointly in detecting, investigating, apprehending, and prosecuting criminals and terrorists. This strategy complements the United States' ongoing efforts to upgrade database software utilized in the analytical centers to organize and better track complex criminal investigations.

The Border Guards which are the first line of defense against contraband trafficking along the Tajik-Afghan border were more successful in seizing drugs in 2008 than in 2007. They seized 1001 kg of drugs during the first nine months of 2008, which is a 17 percent increase over the same period last year. Shurabad region, on Tajikistan's southeastern border with Afghanistan, is considered to be the main entry route for Afghan drugs. It is also the region which experiences the highest incidence of violence targeting Border Guards. Fifteen skirmishes were reported in 2008, with casualties reported to both Border Guards and traffickers. The Border Guards' lower ranks are young, poorly paid conscripted soldiers, and very susceptible to corruption. Statistical information on border activity continues to be difficult to obtain since the Border Guards were placed administratively under the direction of the State Committee for National Security.

On the whole, Tajik law enforcement and security ministries are becoming more proactive and technically competent in dealing with border smuggling and organized crime although poor funding and corruption limit their effectiveness.

**Corruption.** As a matter of policy, the Tajik Government does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances and has continued to seek international support in augmenting its efforts to combat narcotics trafficking. It is impossible to determine authoritatively just how pervasive drug-related corruption and other forms of corruption are within government circles. However, there is certainly a striking discrepancy between the extravagant lifestyles of some senior officials and their nominal government salaries. Even when arrests are made for narcotics trafficking, the resulting cases are not always brought to a satisfactory conclusion. There have been some arrests of Border Guard and Customs officers in the past by the Drug Control Agency, Ministry of Interior, and State Anti-Corruption Agency; however, these are low level officers, and investigations rarely proceed beyond indictment of the courier and foot soldiers involved.

In 2006 Tajikistan ratified the United Nations Convention Against Corruption (UNCAC). In 2007, the President created the State Financial Control and Anti-corruption Agency, which reports to the President's office. The Agency has not conducted any investigations of high value targets. The Ministry of Justice and the Prosecutor General's Office remain major obstacles to improving many law enforcement efforts. As corruption continues to be the single largest obstacle to reform, the United States is looking at ways to engage law enforcement and support rule of law programs with a more grass-roots approach to promoting public action and involvement in supporting anti-corruption and community-based rule of law initiatives.

Law enforcement units of the Anti Corruption Agency discovered 693 corruption-based crimes in the first nine month of 2008: 244 of them were felonies, 142 were connected to bribery, and 121 were committed by government employees. Authorities accused employees of the courts and law enforcement agencies including officers from the Drug Control Agency and the Ministry of Defense of 132 corruption-based crimes. The Anti Corruption Agency investigated 232 cases and 208 of them were sent to the court for further proceedings.

The State Financial Control and Anti-Corruption Agency conducted 792 financial audits of government entities for the period January-October, 2008. Auditors discovered theft or misappropriation of \$31 million from the country's budget; almost \$10 million was returned. 983 officials received disciplinary punishment and 43 were released.

**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 e UN Convention against Transnational Organized Crime and its protocols against migrant smuggling and trafficking in persons.

**Cultivation/Production.** According to media reports in 2008 poppies and marijuana are cultivated in very limited amounts in various parts of the country. The Drug Control Agency does not consider Tajikistan a narcotics production country. The two largest cultivations were found by the Tajik police in Sughd region, along the Tajik-Kyrgyz and Tajik-Uzbek borders and in districts of the remote Badakhshan province. Officers found a total of 85,000 bushes of

wild marijuana and destroyed them as part of the "Poppy-2008" operations in 2008. There were no laboratories found or reported in Tajikistan.

**Drug Flow/Transit.** Tajikistan is an important transit route for the Afghanistan drug trade. Estimates suggest that between 15 percent and 30 percent of Afghanistan drugs pass through Tajikistan destined for Russia, China, and Europe. Although the volume has likely increased, because of higher Afghan production, the estimated percentage has remained relatively stable. Hashish from Afghanistan also transits Tajikistan en route to Russian and European markets. This year there has been a marked 89 percent increase in the quantities seized in Tajikistan. An undetermined quantity of Afghan opiate traffic is crossing into Tajikistan, transiting through the eastern Badakhshan region and entering western China. Lack of verifiable intelligence and actual seizures in that region make it difficult to assess the amount of this traffic. The remoteness of the Badakhshan region and limited law enforcement capacity continue to offer challenges to enforcement and deterrence on one hand while offering opportunities to traffickers on the other.

It is estimated, but not verified, that precursor chemicals used in Afghan heroin production are coming from western China to Afghanistan via the eastern Tajikistan route. With U.S. and other donor assistance Tajikistan authorities are addressing this region more aggressively, strengthening their enforcement profiles and developing their intelligence structures. In particular the USG has been working to develop integrated intelligence capacity and to encourage joint operational strategies.

**Domestic Programs/Demand Reduction.** Drug addiction in Tajikistan is increasing yearly and school-age children from all regions have relatively easy access to illegal narcotics. The Government of Tajikistan's resources to address both the user and transit problems are limited. Unofficial United Nations statistics estimate about 119 registered drug users per 100,000 people in Tajikistan, with heroin the overwhelming drug of choice in all regions in the country. Unregistered drug users, included in this estimate, cause the figure to be higher.

According to the Ministry of Health of the Republic of Tajikistan, in the first half of 2008, 8,732 drug addicts have been registered by health centers (7,791 in 2006, 8,117 in 2007). Most registered drug addicts are found in the capital Dushanbe (47 percent) and Sogd Region (19 percent). Drug-related problems, including crime and HIV infection, have begun to take their toll on Tajik society. The U.S. Embassy conducts drug demand reduction projects to address the increasing consumption. Jointly with the Tajik Karate-do Federation the U.S. embassy, co-sponsored an International Karate-do Tournament under the slogan "Strike a Blow Against Narcotics" to advocate a healthy lifestyle for Tajik youth. This program aims to stop drug addiction by bringing drug demand reduction information to young people in their schools. The program complements other U.S. counter-narcotics initiatives aimed at improvements in traditional narcotics interdiction and law enforcement institution-building. The project targets high school students in Dushanbe, Khujand and Khatlon to promote a healthy and drug-free lifestyle through peer-to-peer interaction.

The Drug Control Agency continued to expand and develop its initiatives to increase drug awareness during the reporting period, primarily among school children. The Tajik government funded the "Decrease of Demand for Drugs in Tajikistan" project which supports a rehabilitation center for drug users in Badakhshan. Under the project the government also constructed a sports complex in Khorog to provide healthy alternatives to young people. The Drug Control Agency organized 801 programs including 281 anti-drug publications, 274 TV programs, 268 meetings, seminars, round table discussions, and 69 sport activities. In April and July of 2008 the Prime-Minister of Tajikistan chaired sessions in Dushanbe to organize programs to prevent drug use in Tajikistan. Other leaders conducted similar sessions in all the regions of Tajikistan.

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

**Bilateral Cooperation.** The U.S.-Tajik bilateral relationship in counter-narcotics and law enforcement is sound. Cooperation in reform of the justice sector has just begun, but has already led to an invitation to assist in reform of the

process for selection and training of judges. However, international donor assistance for rewriting the Criminal Procedures Code resulted in bureaucracy and obstruction by Tajik officials with no assistance ever accepted. The counter-narcotics office in the U.S. Embassy in Tajikistan is headed by a full-time International Narcotics and Law Enforcement officer. He is assisted by a Senior Law Enforcement Advisor, Rule of Law Attorney Assistant, Program Managers for Border Security and Policing, and a Construction Engineer. The embassy funds the United Nations Office on Drugs and Crime as an implementer for support to the Drug Control Agency. The International Organization for Migration is the implementer of the INL-funded Trafficking in Persons programs; American Bar Association implements the rule of law programs, and local non-governmental organizations implement justice sector programs.

The United States has been supporting the Drug Control Agency (DCA) for nine years and is hoping to prepare the agency for full self-sufficiency, but this will require budget commitment by Tajik authorities. The Dushanbe Office of the United Nations Office on Drugs and Crime facilitates cross border cooperation between drug agencies in Kyrgyz Republic and Afghanistan. The DEA Dushanbe Country Office engages the Drug Control Agency and the Ministry of Internal Affairs Department on counter-narcotics by assisting in international counter-narcotics cases and mentoring Agency officers to improve operational skills.

U.S. security assistance to Tajikistan continues to expand with additional resources coming from the Department of Defense and other sources. The Office of Defense Cooperation manages Central Command's counter narcotics program to develop the Government of Tajikistan's capacity to limit narcotics trafficking along its porous border with Afghanistan through projects that promote interagency cooperation; improve mobility, communications, and support of guards stationed at isolated outposts by the Drug Control Agency and the Border and Customs Services; and professionalize the Government's approach to counternarcotics. The Office has implemented a major communications project that links all border posts and border guard headquarters. Next steps include expanding the system to link law enforcement/security agencies in Tajikistan and connect to the Central Asian Regional Information and Coordination Centre in Almaty, Kazakhstan. The purpose of the Center is to improve information flow and operational intelligence across Central Asian borders to better combat the increase of transnational organized crime networks in the region.

The Departments of Defense and State renovate border outposts; provide training, and operational and investigative equipment to various law enforcement and security-related government agencies. The embassy's Border and Law Enforcement Working Group (BLEWG) coordinates all USG assistance on counternarcotics and border assistance. Donor countries and organizations coordinate provision of assistance through the Border Security Working Group that meets monthly. Cooperation with the Border Guards is bureaucratic and slow. Lack of transparency, insufficient staffing, and regular leadership changes within the Border Guards delay project implementation and require more donor oversight and direct implementation. The US continues to assist the Ministry of Internal Affairs by renovating the Ministry's Training Academy, reforming curriculum, and improving teaching methodology.

**The Road Ahead.** The United States remains committed to working with the Tajik Government to increase its law enforcement and counternarcotics capabilities. The United States will continue to focus on building basic capacity of the major law enforcement agencies, in particular the Ministry of Interior and the Border Guards; to expand mid-level management and leadership training to these entities; and to continue to push for meaningful anti-corruption efforts throughout the government. The Drug Enforcement Administration will provide more sophisticated operational training and mentoring of the Drug Control Agency. A greater emphasis on recruiting and developing a network of reliable sources will enable the Drug Control Agency and the Ministry of Internal Affairs to initiate cases against major trafficking organizations operating regionally and internationally.

The United States will also sustain the justice sector reform program and coordinate with other donors and international organizations during planned training of prosecutors, judges, and defense attorneys. A major goal of the INL-funded rule of law program, a subset of the justice sector program, is to strengthen Tajikistan's ability to investigate and prosecute major drug traffickers and organized crime syndicates as well as improve and reform judicial sector training. In order to achieve this goal in light of existing corruption and transparency issues within the

government, the United States will increase its emphasis on anti-corruption, public outreach, ethics, and education efforts. The culture of corruption fueled by the huge amount of drugs passing through the country poses a significant threat to Tajikistan's stability and prosperity. The embassy will focus on anti-corruption campaigns within existing counter-narcotics, policing, and border security programs. To combat the ever increasing drug consumption, the U.S. will sustain drug demand reduction programs especially using the peer-to-peer principle. To improve regional cooperation to address common problems and threats, the United States will coordinate closely with other donor countries and international organizations to organize and implement as many Afghan-Tajik joint training courses as possible.

# 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 hashish, cocaine, heroin, Mandrax, and opium pass through Tanzania's porous borders. In addition, the domestic production of cannabis is a significant problem, with active cultivation in many regions. Drug abuse, particularly involving cannabis and, to a lesser extent, cocaine and heroin, is gradually increasing, especially among younger people and in tourist areas. Tanzanian institutions have minimal capacity to combat drug trafficking, and corruption reduces that capacity still further. Tanzania is a party to the 1988 UN Drug Convention.

## II. Status of Country

Sustained economic growth and increasing affluence, especially in urban areas, have helped drive the demand for narcotics. Domestic production of cannabis is expanding and improving in quality. Cannabis grown in the Arusha region reportedly sells at a premium price in Kenya. In October, police reported the seizure of over 200 kilograms of marijuana thought to be from Tanzania at a port in Comoros. During the year, Tanzanians were arrested for drug trafficking elsewhere in East Africa as well as in India and Mauritius.

Domestic use of narcotics appears to be on the rise. Because cocaine and heroin are not as affordable as cannabis or khat, they are used in smaller quantities and primarily within affluent urban areas. The growth of the tourism industry, particularly on Zanzibar and near Arusha, has also increased demand for narcotics. Tanzania's location, along trafficking routes with numerous possible points of entry through its eight land borders and 600-kilometer coastline, provides the opportunity for relatively easy drug trafficking.

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 ports like Tanga, Mtwara and Bagamoyo. Anecdotal evidence suggests that improved port surveillance has driven many traffickers out of the major points of entry to minor sea ports and unofficial land entry points. Traffickers reportedly conduct a significant amount of narcotics smuggling offshore via dhows and small boats that avoid ports.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** According to the Deputy Minister for Trade, Industry and Marketing, Hezekiah Chibulunje, the government saw an upward trend in the trade of counterfeit goods in 2008. This new trend was thought to be a reaction by small-scale drug dealers, those hardest hit by antinarcotics efforts, to diversify from narcotics, as well as a means for large-scale traffickers to launder their money.

Efforts to amend the Anti-Drugs Control Commission Act of 1995, designed to strengthen the Drug Control Commission (DCC) and increase the penalty for drug trafficking, failed in 2007. With the failure of the amendments, the semi-autonomous archipelago of Zanzibar has indicated that it will proceed independent of the mainland with its own anti-narcotics legislation.

**Law Enforcement Efforts.** Tanzania has three counter-narcotics police teams, located in Dar es Salaam, Zanzibar, and MoshI. Law enforcement efforts are increasingly successful at arresting small-scale smugglers; however, law enforcement has been less successful at apprehending "kingpins" of narcotics activities. Newspaper articles and editorials have criticized the government for not investing more in manpower and training of drug control officials.

Senior Tanzanian counter-narcotics officials acknowledge that their officers need additional training. However, they are limited by a lack of resources and staff. Antinarcotics units lack such basic resources as modern patrol boats to monitor the harbor and must rely on modified traditional wooden dhows to interdict smugglers at sea. Tanzanian officers and police staff are not able to effectively implement profiling techniques to seize larger amounts of narcotics. Narcotics interdiction seizures generally result from tip-offs from informants. Moreover, low salaries for law enforcement personnel encourage corrupt behavior.

Formal cooperation between counter-narcotics police in Kenya, Uganda, Rwanda and Tanzania is well established, with bi-annual meetings to discuss regional narcotics issues. This cooperation has resulted in significant increases in effectiveness in each nation's narcotics control efforts. Tanzania also cooperates formally with countries from the Southern African Development Community, including Zambia and South Africa. In 2008, the United Kingdom provided counter-narcotics training to Tanzanian officers from immigration, customs and police divisions. Other officers attended various international training events held in Malawi, Botswana and Johannesburg.

In 2008 Tanzania's judiciary convicted 467 individuals for narcotic offenses involving "hard drugs" like cocaine and heroin, and 6033 individuals on minor offenses involving drugs like cannabis. It was reported by the police that approximately 200 metric tons of cannabis and two metric tons of khat, locally known as mirungi, were seized during the year.

**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 in 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. In June 2006, two police officers were arrested following the disappearance of approximately 80 kg of cocaine and heroin from police custody. During the year, the courts began hearing the case, but there was still no ruling by the end of 2008.

Many believe that corruption in the courts often leads to case dismissals or light sentencing of convicted narcotics offenders. Some prosecutors have complained that 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, and 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. It is estimated that an acre of land can produce up to \$1000 worth of cannabis crop as opposed to \$100 worth of maize. The Ministry of Public Safety and Security identified the following eight regions as the primary production areas for cannabis: Iringa, Tabora, Shinyanga, Mara, Arusha, Mwanza, Mbeya and Tanga. However, for 2008, Morogoro topped the list for farmland where cannabis plants were destroyed, with a reported 600 acres. No figures on total production exist, but during the year, police and government officials reported that production continued and had spread to different regions in response to eradication efforts and special police operations against drug traffickers in Iringa, Mbeya and Ruvuma regions. Given the availability of raw materials and the simplicity of the process, it is likely that most hashish is produced domestically; however, other illegal drugs in Tanzania are probably produced elsewhere.

**Drug Flow/Transit.** Due to its location and porous borders, its weakly controlled seaports and airports, Tanzania has become a significant transit country for narcotics moving in sub-Saharan Africa. Traffickers from landlocked

countries of Southern Africa, including Zambia and Malawi, use Tanzania for transit. Control at the ports, especially on Zanzibar, is difficult. Traffickers using sophisticated methods of forging documents and concealment face poor controls and untrained and corrupt officials. According to the Anti-Narcotics Unit, heroin entering Tanzania from Iran and Pakistan is being smuggled to the U.S., China and Australia in small quantities by traffickers from Nigeria, Tanzania (with a significant number of traffickers from Zanzibar) and other countries in East Africa. Cocaine enters Tanzania from Brazil, Colombia, Peru, Venezuela, and Curacao in transit to South Africa, Europe, Australia and North America. Cannabis Resin, a drug that is not known to be consumed domestically, enters Tanzania mainly by sea from Pakistan and Afghanistan. It is often concealed with local goods such as tea and coffee and smuggled to Europe, North America and the Seychelles. The port of Dar es Salaam is also a major 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 November, the Commissioner of the Drugs Control Commission said that number of suspects arrested for involvement in drug trafficking increased, while the overall volume of trafficked narcotics decreased. He attributed this to a new strategy by drug lords to spread the risk by increasing the number of traffickers, but giving each of them smaller amounts of drugs.

In April, a Tanzanian national was arrested in the Maldives after arriving from India for possession of large quantities of narcotics. In June, while traveling to the Olympic Games, Tanzanian boxers and their coach were arrested in Mauritius for trafficking in narcotics worth 120 million shillings, (approximately \$100,000). The president of the Boxing Federation of Tanzania was later arrested and charged with arranging the deal.

**Domestic Programs/Demand Reduction.** Police have been actively involved in community education programs to educate the public about the dangers of narcotics. In 2008, the Drugs Control Commission (DCC) worked together with the police to use the media to spread anti-narcotic messages. Police and DCC officials participated in state sponsored trade fairs and youth-centered events to create greater awareness about drug trafficking. The DCC attributed the increase in narcotics-related arrests to working more closely with local communities to identify and stop drug dealers and users. The DCC, under the Prime Minister's Office, also 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. Any required in-patient care was typically provided by psychiatric hospitals.

#### 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. One Tanzanian officer completed the residential USCG International Maritime Officers Course (IMOC). State Department law enforcement assistance included funding the establishment of a forensics lab and training in its use. The United State Government is funding the Personal Identification Secure Comparison and Evaluation System (PISCES) to improve interdiction capabilities at major border crossings. The program is primarily designed to target terrorist activities, but also is effective against narcotics and other smuggling activities. The DOS sent six officers from the Tanzania National Police Force to the International Law Enforcement Academy (ILEA) in Gaborone, Botswana for a course in money laundering, combating human trafficking, conducting drug investigations, and other subjects.

**The Road Ahead.** U.S.-Tanzanian cooperation will continue, with a focus on improving Tanzania's capacity to enforce its counter-narcotics laws.

# Thailand

## I. Summary

Thailand does not have significant levels of drug cultivation or production, but is, however, 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 are 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 poses a continuing challenge to Thai law enforcement agencies. As suppression of trafficking succeeded in certain targeted northern border areas, smugglers changed their routes. 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. Methamphetamine and some heroin move into Thailand from Burma, via Laos across the Mekong River into Thailand’s northeastern border provinces. Drugs also travel south through Laos into Cambodia where they enter Thailand across the Thai-Cambodian border. And drugs also move from Thailand directly through Laos to Vietnam and Cambodia for regional export. Some opium and large quantities of marijuana are moved into/through Thailand from Laos, while smaller quantities are smuggled from Cambodia. Small amounts of marijuana are grown domestically, as well. 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, inert filler substances (e.g., talcum powder), and methamphetamine—known locally as “yaa baa” or “crazy medicine”—slightly increased from the previous year to approximately 14.3 million tablets in 2007. Total seizures of “yaa baa” remain far below the 2002 seizure total of 96 million tablets. “Yaa-baa” remains Thailand’s most-commonly abused illicit drug. The recent emergence of crystal methamphetamine or “ice” production in the Shan State of Burma is of on-going concern to Thai authorities, who believe that it is a greater addictive threat, and could lead to an increase in domestic Thai consumption, with all the attendant social problems such a development would bring.

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, much 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 (UWSA), 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 Office of Narcotics Control Board (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 a “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. Ketamine causes distorted perception and makes the user feel disconnected and out of control. While the hallucinogenic effects last only about 90 minutes, the coordination and distortions of the senses among Ketamine users can last for up to 24 hours. 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 (UNODC) 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.” Heroin and opium usage continued to decrease in 2008 as well. Crystal methamphetamine, “ice” usage increased in 2008, 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” have declined steadily since 2005. “Ice” abuse in Thailand is still mostly limited to entertainment districts in the larger cities. “Ice” is smoked in a fashion similar to crack cocaine and costs 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.

### III. Country Actions against Drugs in 2008

**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”, aiming to reduce the numbers of drug traffickers and users by focusing on high-risk youth groups. Government officials, civic groups and 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.

**Law Enforcement Efforts.** RTG efforts to interdict the trade and use of illicit drugs during 2007-08 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 anti-drug educational capacities of local communities and schools through anti-drug 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 and manual eradication of poppy cultivation areas; i)

education and alternative livelihood support for northern hill-tribe villagers; j) better statistical research and measurement of drug users, traffickers, and released prisoners. The Thai Office of Narcotics Control Board 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 DEA's Bangkok Country Office.

Thailand has no quiet, well-controlled borders, and the country's central location and vibrant economy make it a lodestone for narcotics. Thai counter-drug air assets are insufficient to control the most narcotics-active land borders with Laos, Burma, and Cambodia because those areas are 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 Thai Police report sustained contact with their colleagues in Cambodia, even during the recent military clashes between their countries). 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 take advantage of more frequent contacts and meetings, as well as better communications tools, to support 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 commonly used 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 quickly 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 counter-narcotics coordinating and operational capabilities within the Royal Thai Police Narcotics Suppression Bureau (RTPNSB) network.

**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, 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 and the 1971 UN Convention on Psychotropic Substances. It has signed, but not ratified, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. Thailand is an active participant in the Colombo Plan and a participant in the ASEAN 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). Further, during 2008, international arms merchant Viktor Bout was arrested in Bangkok in March 2008 and his extradition process is currently moving through the Thai courts, as is that of one additional priority target of the DEA.

**Cultivation/Production.** There is no significant drug cultivation or production in Thailand.

**Drug Flow/Transit.** Thailand is a transit country for heroin and a small quantity of 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 into northern Thailand via couriers, by small caravans along mountainous jungle trails, and trans-shipped from Burma through Laos and Cambodia from where they are introduced into northeastern and eastern Thai towns. Once inside Thailand, the drugs are transported to Bangkok and other distribution areas by motor vehicles. 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 them end up in Thailand, where, despite recent enforcement successes, “yaa baa” remains the number one drug of abuse.

Cocaine seizures in Thailand decreased in 2008 over the previous year (while seizures in Hong Kong and southern China have reportedly increased). Most of the cocaine smuggled from South America into Thailand is used as a “club drug” by well-off abusers and foreigners, and is most often found in 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 a part of the regional market for this drug. Ecstasy trafficking is more common in Thailand, though high street prices still restrict the market. Sources have expanded beyond Europe and Canada, but earlier reports of Ecstasy production in Burma have not yet been confirmed. 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.

**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 the U.S. Drug Enforcement Administration (DEA), as well as other U.S. law enforcement agencies. These programs build capacity in anti-narcotics, as well as other law enforcement areas, and foster cooperation with third countries on a range of narcotics control and anti-transnational crime activities. The former Narcotics Affairs Section in the U.S. Embassy in Bangkok has become the Transnational Crimes Affairs Section (TCAS), with some regional responsibilities. TCAS also continues to assist the Royal Thai Police bilaterally to improve professional standards—a matter of urgency given the unsettled political situation. 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 (LOA). 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 training programs for regional officials, in 2008 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 facilitating Thailand’s capacity to combat the illicit drug trade and transnational and organized crime.

A new law enforcement capacity building program with initial funding of one-half million U.S. dollars began in September, 2008. The program, under a U.S. Department of Justice Law Enforcement Policy Advisor (LEPA), is housed in the TCAS Office in the Embassy and aims to improve Thai law enforcement competence and to instill broader respect for human rights in the law enforcement culture of the country. This will entail institutional changes in the Royal Thai Police and other law enforcement agencies.

Thailand is one of eleven countries worldwide in which the United States Drug Enforcement Administration (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, and all are focused on the most important trafficking groups in the region. An intensive Department of State-funded forensics crime lab capacity-building training programs that began in 2007 to enhance Thai police and Ministry of Justice ability to build prosecutions using crime scene and other forensic evidence is being continued throughout 2008. This program is conducted by the Department of Justice experts, and will continue under the new LEPA program.

**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 collaborate 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 all 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 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.

## V. Statistical Table:

### Drug Seizures

#### Methamphetamine (“yaa baa”)

2004	31 million tablets
2005	17.7 million tablets
2006	13.7 million tablets
2007	14.3 millions tablets
2008	11 million tablets (as of September 2008)

#### Crystal methamphetamine (“ice”)

2004	47 kg
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2005	322.6 kg
2006	93.9 kg
2007	47.4 kg
2008	29.4 kg (as of September 2008)

**Ketamine**

2004	163.9 kg
2005	47.5 kg
2006	42.7 kg
2007	3.0 kg
2008	12.5 kg (as of September 2008)

**Opium seized: includes raw, cooked, and poppy plants**

2004	1,595 kg
2005	5,767.5 kg
2006	787.6 kg
2007	1,707.3 kg
2008	2,370.37 kg (as of September 2008)

**Heroin**

2004	820 kg
2005	954.6 kg
2006	91.7 kg
2007	58.2kg (as of September 2008)

**Ecstasy**

2004	31 kg
2005	8.6 kg
2006	6.8 kg
2007	28.39 kg
2008	9.72 kg (as of September 2008)

**Cocaine**

2004	12.3 kg
2005	6.78 kg
2006	38.8 kg
2007	18.7 kg
2008	2.3 kg (as of September 2008)

**Note:** The seizure data above were gathered from the Asia and Pacific Amphetamine-Type Stimulants Information Centre, a Bangkok-based United Nations Office of Drugs and Crime project on data and trends with which the Thai government cooperates, and from the Office of the Narcotics Control Board of the Royal Thai Government. Some changes have been made to previously published prior-year information in order to remove duplicate reporting and errors. It is frequently hard to draw conclusions from seizure statistics, because of the large fluctuations. However, seizures of methamphetamine show a clear and steady downward trend, evidently due to enforcement success coupled with well-conceived and placed public education campaigns.

# Togo

## I. Summary

Togo is not a significant producer of drugs; however it plays an increasingly large role in the regional transport of narcotics. During 2008 the drug trade (particularly in hard drugs like heroin) continued to increase, and Togo is used more and more as a transit point for the inter-continental movement of drugs. Togo's capacity to address the transnational flow of drugs is undercut by its inability to control corruption, the country's extreme poverty, a resultant lack of resources and 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 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. It has come to light that Togolese traffickers have developed distribution arrangements for drugs bound for Europe. According to police, most smugglers are long-term Lebanese residents or Nigerians, but they have recently arrested a Colombian smuggling network in Lomé. 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 GOT entities in the form of corruption 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 2008

**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, lending 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. Togolese officials have reported that they have good working relations with Beninese authorities.

**Law Enforcement Efforts.** The number of drug-related arrests increased in 2008. 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 Government of Togo (GOT) faces in apprehending drug traffickers are widespread official corruption, the government's lack of computer technology, communication and coordination, 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.

**Corruption.** The Anti-Corruption Commission made no drug-related arrests of government officials. Togo's former chief narcotics officer, who was held under house arrest for several months in 2006 under suspicion that he had diverted for resale a quantity of captured drugs being held as evidence, was released in September 2006 and was assigned as the commander of a gendarmerie company in Dapaong, in Northern Togo. He has since been promoted and is currently the regional gendarmerie commander for the northern part of Togo. Reports continue to circulate that unnamed officials in various GOT agencies can be bribed to allow illicit narcotics to transit to or through Togo. After the recent arrest of a mostly foreign drug trade network in Togo, fresh rumors regarding corrupt Togolese officials are spreading widely. 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 has signed, but not yet ratified, its protocols on Trafficking in Persons and Smuggling of Migrants.

**Cultivation/Production.** The only drug cultivated in any significant quantity in Togo is cannabis, but even this is limited. Cultivation is primarily for local demand, although some cross border distribution by small-scale dealers is suspected. Domestic use of cannabis is increasing.

**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 anti-drug films and counter-narcotics discussion groups. For national anti-drug day, June 26, the committee worked with civil society organizations to hold a week of anti-drug 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 is planning a counter narcotics conference from December 8-14, which will include experts from the EU and UN.

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

**Policy Initiatives.** The primary goal of the U.S. is to help the GOT combat the international trafficking of drugs. The U.S. seeks to help the government improve its ability to interdict illicit narcotics entering Togo through training opportunities and technical support, and to prosecute traffickers. The U.S. Coast Guard provided residential training focused in professional military education

**The Road Ahead.** U.S. cooperation with Togolese counternarcotics officials will continue. USG-funded narcotics assistance will be used for Togolese counternarcotics infrastructure improvements. With the support of the regional Drug Enforcement Agency representative based in Lagos, the U.S. Embassy 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.

# Trinidad and Tobago

## I. Summary

Trinidad and Tobago is a transit country for illegal drugs from South America, principally from Colombia via Venezuela, to the U.S. and Europe. The illicit drug trade exploits the Government of the Republic of Trinidad and Tobago's (GOTT) lack of resources for border control, aircraft and patrol boats and for maintaining a law enforcement presence in Tobago. While there has been an increase in illicit drug traffic out of Venezuela, the quantity of drugs transiting Trinidad and Tobago does not have a significant effect on the U.S. The majority of narcotics are destined for other locations due to direct international flights to Europe as well as the ease of flow within the Caribbean and to Western Africa. Trinidad and Tobago's petrochemical industry imports and exports chemicals that can be used for drug production and the 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. Prime Minister Manning has placed an emphasis on increasing regional patrols and soliciting international assistance to combating the illegal drug trade. The GOTT is party to the 1988 UN Drug Convention.

## II. Status of Country

Trinidad and Tobago, situated seven miles off the coast of Venezuela, is a convenient transshipment point for illicit drugs, primarily cocaine and marijuana but also heroin. During recent years, increased law enforcement pressure in Colombia and Central America has led to greater amounts of illegal drugs transiting the Eastern Caribbean. Drugs from Trinidad and Tobago do not have a significant effect on the U.S. market.

Trinidad and Tobago has an advanced petrochemical sector that requires the import and export of chemicals that can be 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 works to track chemical shipments through Trinidad and Tobago, and export controls have been instituted to prevent future diversion to narcotics producers.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2008, the GOTT National Drug Council continued to implement counter-drug policy initiatives, including elements of the country's anti-narcotics master plan that address both supply and demand reduction. The GOTT has acknowledged that Trinidad and Tobago is a significant drug transshipment location and has underscored its intention to take action against traffickers. In June, the Ministry of National Security hosted a regional defense conference with the main objective of determining what assets could be shared throughout the region for counternarcotics exercises. This dialogue led to discussions with international partners to determine the framework for providing regional security. The GOTT also pledged support to assist the Regional Security System (RSS). Another initiative included the immigration division's establishment of a document examination laboratory at the Piarco International Airport. The laboratory's primary aim is to secure further the country's borders by countering the fraudulent use of travel and identity documents.

In 2008, the GOTT implemented the Bail Amendment Act, which makes the offenses of kidnapping for ransom or knowingly negotiating to obtain a ransom a non-bailable offense for sixty days. The Bill also made certain violent offenses, such as possession of a firearm or ammunition without a license and trafficking in a dangerous drug, non-bailable offenses if a person has been convicted on two prior occasions. In securing its borders, the GOTT passed the Advance Passenger Information Act to reauthorize the Advance Passenger Information System (APIS) after using it during the 2007 Cricket World Cup.

**Law Enforcement Efforts.** As a result of joint operations with foreign law enforcement counterparts, there were 51 drug trafficking arrests from January to September 2008, a decrease of 34 persons compared to the same period last year. Figures are incomplete due to a lack of reporting from all local law enforcement agencies, including Special Anti Crime Unit of Trinidad and Tobago (SAUTT), the Trinidad and Tobago Coast Guard (TTCG), Trinidad and Tobago Police Services (TTPS), Organized Crime and Narcotics Unit (OCNU), and Organized Crime Narcotics and Firearm Bureau (OCNFB). The USG recognizes this information and reporting is fragmented and incomplete and is working with the GOTT to improve reporting and tracking. Based on local investigations and data collection, as of October 31, 2008, inside the territory of Trinidad and coastal waters, the GOTT had unofficially seized approximately 141 kilograms (kg) of cocaine, over 27 kg of heroin and almost 3,711 kg of cannabis in various forms.

The TTCG, OCNU, Counter Drug and Crime Task Force (CDCTF), SAUTT and other specialized police/military units continued drug interdiction and eradication operations throughout 2008, destroying in excess of 168,700 fully-grown marijuana plants in several exercises. The DEA and U.S. Customs and Border Protection assisted with several of these joint exercises. The country has purchased technical equipment to augment human resources. While some agencies continue to complain that they have been overlooked in budgetary allocations and do not have adequate funds for upkeep or necessary new equipment, the GOTT provided the Police Service with eight hi-tech vehicles fully equipped with forensic equipment, which will aid crime scene investigations. Retired Scotland Yard officers continue to work alongside GOTT law enforcement agents as "on-the-job mentors" and to provide support for the Caribbean Financial Action Task Force (CFATF), which has its secretariat in Port of Spain.

The Organized Crime Narcotics and Firearms Bureau (OCNFB) reported a decrease in seizures of various types of illicit drugs and disruption of the drug trade in 2008. For the period of January to September 2008, the OCNFB arrested 51 persons and seized almost 84 kg of cocaine, over 27 kg of heroin and almost 375 kg of marijuana.

The Special Anti-Crime Unit of Trinidad and Tobago (SAUTT) is an agency created and well funded by the current GOTT Administration. Although it has been involved in several tactical operations, legislation that would define its precise mission and strategy has not yet been passed, thus hindering its potential effectiveness. The combination of military and law enforcement personnel, with different skill sets and operating procedures, has also led to some operational difficulties involving SAUTT.

The GOTT Incident Coordination Center continued to facilitate information sharing among law enforcement agencies and the Counter Drug and Crime Task Force (CDCTF) and was active in developing and implementing counter drug operations and conducting financial investigations.

**Maritime Smuggling:** All vessels bearing a Trinidad and Tobago registration and flying a Trinidad and Tobago flag are free to transit Trinidad and Tobago territorial waters without notifying national Customs and Immigration authorities; this makes it relatively easy to conduct illegal trafficking in drugs, weapons, and people.

In order to improve the capacity to detect narcotics and appropriately manage crime scenes, the GOTT continued to implement training recommendations made by an American criminal justice specialist. The Government also implemented several recommendations from the Department of Justice's International Criminal Investigative Training Assistance Program that suggested changes to the structure, recruiting and retention of Special Anti-Crime Unit of Trinidad and Tobago (SAUTT) officers.

**Corruption.** Trinidad and Tobago is a party to the Inter-American Convention against Corruption and the UN Convention against Corruption. During 2008, 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 works against laundering the proceeds of such crimes. The 1987 Prevention of Corruption Act and the 2000 Integrity in Public Life Act contain 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. At GOTT request, the USG has polygraphed police and mid- and high-level officials selected for training or entering elite units. The purpose of such screening is to ensure that reputable and reliable personnel are chosen.

**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. The GOTT updated its domestic extradition legislation in April 2004 to make it consistent with the extradition treaty and to streamline the extradition process. A bilateral U.S.-GOTT maritime agreement 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 also a member of the Organization of American States' Inter-American Drug Abuse Commission (OAS/CICAD).

**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.

**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 the use of drug swallows continues to rise. 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. Some shipments are bypassing Trinidad and Tobago in favor of other islands, due in large part to the counter-drug efforts of GOTT security forces.

**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. In addition, the GOTT promotes job skills training programs for high-risk youths, and supports police youth clubs with its community-policing branch. The GOTT also has a D.A.R.E. (Drug Abuse Resistance Education) program. Approximately 2,000 children representing 20 schools throughout Trinidad and Tobago participated in D.A.R.E in 2008.

The USG supports demand reduction efforts in Trinidad and Tobago through the sponsorship of schools, police youth clubs, football leagues and public awareness campaigns.

## IV. U.S. Policy Initiatives

**Policy Initiatives.** To assist the GOTT to eliminate the flow of illegal drugs through Trinidad and Tobago to the United States, U.S. efforts focus on strengthening the GOTT's ability to detect and interdict drug shipments, bring traffickers and other criminals to trial, attack money laundering, and counter drug-related corruption. 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 2008, the USG continued to support Trinidad's recently established Drug Detection Canine Academy. In addition, the USG offered training classes to both policy makers and tactical law enforcement officials

on financial crimes, crime scene investigation, command and control, pollution incident response, damage control, and combating terrorism. The U.S. Immigration and Customs Enforcement (ICE) Forensic Document Laboratory (FDL) in conjunction with the International Organization for Migration (IOM) conducted a Document Examination and Intelligent Profiling Course in Port of Spain. This training program enhanced police and border officials' effectiveness in identifying improperly documented passengers destined to the United States and established an ongoing information sharing opportunity with the Government of Trinidad & Tobago. Over the past year, the DEA and its local counterparts have been involved in investigations that led to a significant amount of seizures. However, reporting data is incomplete and the GOTT was not able to provide accurate figures. The GOTT-funded U.S. Customs Advisory Team provided technical assistance to Customs and Excise in tracking and intercepting marine vessels, including cargo container ships.

**The Road Ahead.** Drug interdictions in Trinidad and Tobago remained difficult, in part due to the lack of effective legislation in combating crime and narco-trafficking. We encourage the GOTT to pass court-authorized wiretap legislation to allow for the introduction of the contents of intercepted oral communication as evidence in court for specific crimes. Furthermore, civil forfeiture and criminal enterprise legislation is needed. Civil forfeiture legislation would allow the government to seize funds and/or assets identified as proceeds of illegal activities. This would also allow the proceeds to be used to fund certain law enforcement activities. With criminal gang activity a major concern for GOTT officials, the criminal enterprise legislation would also allow each member of a criminal organization to be charged for illegal acts committed by any one member of the organization, if it can be shown that one member committed the criminal act in furtherance of, or in support of the criminal organization. The difficulty in advancing this legislative agenda stems, in part, from the GOTT's parliamentary process that requires a two-thirds or three-quarters vote to approve these acts. Other initiatives that would strengthen the counter-drug/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; initiating more border patrols on the western side of the island; and, participating in the SOUTHCOM initiative called Carib Venture, which is a multinational mission in the Southern Caribbean focused on stemming the flow of drugs in the region.

# 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 narcotics 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 anti-narcotics responsibilities. The TNP has responsibility for law enforcement in Turkey's cities and towns. The Jandarma, a paramilitary police organization, is responsible for all law enforcement in rural areas. TNP-developed intelligence frequently leads to rural areas where the Jandarma has jurisdiction and, in these cases, the two agencies work together to conduct investigations and effect seizures. The Undersecretariat of Customs falls under the authority of a State Minister. DEA's counterpart within Customs is the Directorate General of Customs Guards. There are eighteen regional directorates and 136 subunits. 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 schemes.

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 narcotics in Turkey other than cannabis grown primarily for domestic consumption. There is no known diversion from Turkey's licit opium poppy cultivation and pharmaceutical morphine production program, 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. 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. Ethnic Kurds generally live in the areas where opiates enter Turkey from the east. Of course, many other Turkish Kurds no longer live in the traditional ethnic Kurdish region of Turkey, but have moved to larger cities in Turkey and even to other countries in Europe. Some have continued drug smuggling in their new locations. Large drug trafficking organizations and major traffickers based in Turkey are frequently involved in both heroin manufacture and transport, and 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, 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 narcotics trafficking. The Turkish National Police (TNP) remains Turkey's most proactive counternarcotics force, with the Jandarma and Customs continuing to play a significant role. Turkish authorities continue to seize large amounts of heroin and precursor chemicals. Given the scale of these seizures, it is likely that multi-ton amounts of heroin are smuggled through Turkey each 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; instead, the plant is allowed to mature and the opium flower and stalk is then collected, and processed in a large sophisticated plant 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. 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 2008

**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 to fight drug trafficking in and through Turkey. Border control initiatives and upgrades are expected to be completed in 2008, which will provide for increased inspection of vehicles transiting Turkish borders.

**Accomplishments.** TADOC organized 64 training programs for 2,597 local and regional law enforcement officers in 2008. A total of 22 programs for 446 foreign officers were held at TADOC in 2007, including officers from the countries of Azerbaijan, Guinea Bissau, Iran, Kazakhstan, and Pakistan. These training programs focused on drug law enforcement, intelligence analysis, illegal immigration and human smuggling, interview techniques, surveillance techniques, and antiterrorism training for judges and prosecutors. Furthermore in 2008, TADOC conducted training in several foreign countries. TADOC also trained a total of 2,396 Turkish officers in computer-based training centers throughout Turkey in 2008. Turkey also hosted the XXVI International Drug Enforcement Conference (IDEC) in July, 2008.

**Law Enforcement Efforts.** Turkey continues to serve as a transit point for large amounts of heroin being smuggled to Western Europe. The chart below summarizes the seizures made in Turkey in the January-June 2008 period.

Heroin	7,425 kg
Hashish	15,410 kg
Opium	303 kg
Cocaine	54 kg
Amphetamine (Captagon)	2,376,736 dosage units
Ecstasy	401,021 dosage units

**Corruption.** As a matter of government policy, Turkey does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. Similarly, no senior level government official is alleged to have participated in such activities. As in most countries, it is likely that some corruption is present among enforcement personnel.

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

and Turkey cooperate in law enforcement matters under a 1981 treaty on extradition and mutual assistance in legal matters.

**Cultivation/Production.** Illicit drug cultivation, primarily cannabis, is 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 remains a major route and staging area for the flow of heroin to Europe. Turkish-based traffickers and brokers operate in conjunction with narcotics smugglers, laboratory operators, and money launderers in and outside Turkey, who finance and control the smuggling of opiates to and from Turkey. Afghanistan is the source of all of the opiates reaching Turkey. Morphine base and heroin are smuggled over land from Afghanistan, sometimes through Pakistan, to Iran and then to Turkey. While the Balkan Route on to Western Europe remains heavily used, intelligence and investigations suggest that traffickers also use a more northerly route through Georgia, Russia, and Ukraine. In addition to use of the northern route, traffickers are using vehicle 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 heroin, smuggled in either 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 but destined for Europe. It is not unusual to seize small amounts of opium in conjunction with heroin shipments, particularly when Iranians are involved in heroin smuggling. The total amount of opium seized in Turkey remains relatively small when compared to heroin seizures. Some criminal elements in Turkey reportedly have interests in heroin laboratories operating in Iran near the Iranian-Turkish border in ethnic Kurdish areas. In recent years, there appears to be more heroin arriving in Turkey as a finished product from Afghanistan and to a much lesser extent from labs on both sides of the Turkish border with Iran. Turkish-based traffickers, some of whom are ethnic Kurds, control much of the heroin marketed to Western Europe. Turkish authorities reported an increase in synthetic drug seizures throughout Turkey beginning in 2005. Most of the amphetamine type stimulants (ATS) seized in Turkey are produced in Eastern Europe. Turkish law enforcement reports some synthetic drug production, primarily amphetamines such as Captagon (the brand name for fenethylline). Amphetamine production is a relatively new phenomenon in Turkey.

**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 was opened in Izmir in 2006, at a research hospital. The clinic opened in Ankara in 2004 serves as the countrywide coordinating center for drug and alcohol treatment and education. The Health Ministry does not conduct regular, periodic drug abuse surveys. The Ministry of Health was planning to conduct the European School Survey Project on Alcohol and Other Drugs (ESPAD) in 2007; however, objections from the Ministry of Education with regard to some survey questions postponed this survey to 2008. 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. One example

of such training was done in February 2007, when the U.S. Government brought DEA trainers to Turkey to conduct a course for counternarcotics commanders, with 5 Turkish and 15 Afghan law enforcement officers. The goal of this project was to enhance the investigative abilities of both Turkish and Afghan investigators, to increase their willingness to cooperate internationally on joint cases, and to build relationships between the two countries' law enforcement agencies. In 2008, the USCG provided maritime law enforcement training in the U.S. to Turkish officers.

**Bilateral Cooperation.** DEA reports excellent cooperation with Turkish officials. Turkish counternarcotics forces are both professional and technically sophisticated.

**The Road Ahead.** U.S. will continue to try to strengthen Turkey's ability to combat narcotics trafficking, money-laundering, and financial crimes.

# Turkmenistan

## I. Summary

Turkmenistan is a transshipment route for narcotics traffickers attempting to smuggle contraband to Turkish, Russian and European markets from Afghanistan, either directly or through Iran. It is not, however, 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. A major development during 2008 was the creation of the State Counter Narcotics Service (SCNS) in January. This new agency will be responsible for all counter narcotics law enforcement and for ensuring Turkmenistan's compliance with relevant international counternarcotics treaty obligations. Law Enforcement authorities seized a total of 1,330 kg of illegal narcotics in the first six months of 2008. In an address to law enforcement officials at a special session of the State Security Council in September 2008, President Berdimuhamedov affirmed that the country's war on drugs is a top priority of the government. Turkmenistan continues to increase its cooperation with international organizations and diplomatic missions in Turkmenistan, but its law enforcement agencies are hampered by a lack of resources, training and equipment. There is strong evidence that domestic drug abuse has been increasing steadily, although reliable statistics are not publicly available. 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 the flow of drugs that come directly from Afghanistan or via Iran. Common methods of transporting illegal narcotics include concealment in cargo or passenger vehicles, deliveries by pedestrian carriers or animal transport, and in some cases, by concealment in the body cavities or stomach of humans and animals. Turkmenistan's law enforcement efforts at the Turkmenistan-Uzbekistan border have been more focused on interdicting smuggled commercial goods than on narcotics, thus providing an opening to drug traffickers. Commercial truck traffic from Iran continues to be heavy, and Caspian Sea ferry traffic from Turkmenistan to Azerbaijan and Russia continues to be an opportune smuggling route. In January 2008, President Berdimuhamedov established the State Counter Narcotics Service ("SCNS") and appointed Colonel Murat Yslamov as its first chief. Previously, Yslamov served as the Chairman of the Department for the Analysis of Law Enforcement Activities and Military Agencies (Presidential Apparatus). The new agency, in coordination with all other law enforcement agencies, will serve as the main governmental organization for combating drug related crimes and implementing national anti-drug addiction programs. There are plans to make it a 1000-person agency at full capacity. President Berdimuhamedov has called narcotics a "real threat to all of humanity."

## III. Country Action Against Drugs in 2008

**Policy Initiatives.** The government announced a National Program for Combating Illegal Drug Trafficking and Assistance to Drug and Psychotropic Substance Addicts for 2006 to 2010. Key elements of its agenda include increased regional cooperation to prevent drug and precursor trafficking, prevention of drug-related crimes committed by minors, enhanced technology-based border security, enhanced training for law enforcement agencies to combat organized crime, increased counterterrorism efforts, and training in drug trafficking and money laundering. To further its implementation, the National Program will continue the government's cooperation with U.S. government programs and with international organization and diplomatic missions.

**Law Enforcement Efforts.** The government continues to give priority to counter-narcotics law enforcement, and President Berdimuhamedov has paid special attention to improving technical capacity of the law enforcement agencies. Law enforcement agencies with counter narcotics enforcement authority have received equipment and training from the United States and international organizations. The first international conference on combating drug-trafficking at seaports was held in Ashgabat on the initiative of the Paris Pact on June 25-26, 2008. Representatives of all five Caspian littoral states and international organizations such as the World Customs Organization (WCO), International Organization for Migration (IOM), OSCE, Central-Asian Regional Information Coordination Centre (CARICC), the UN Environmental Program, as well as Turkmen law enforcement agencies, ministries and also the heads of diplomatic missions and international organization and journalists accredited in Ashgabat attended the conference. DEA representatives also attended the conference. Participants witnessed a drug burn event at Kasamguly Julge, where approximately 1330 kilograms of illegal narcotics were liquidated. Turkmenistan's drug seizure data for the first six months of the year 2008 is as follows: Heroin: 161 kg 85 grams Opium: 496 kg Marihuana: 24 kg Hashish: 67 kg Poppy straw: 217 kg Diazepam (valium) 130,380 tablets

**Corruption.** The government does not 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 evidence of police officers soliciting bribes, indicates a problematic level of corruption in law enforcement. Payments to lower-level officials at border crossing points to facilitate passage of smuggled goods occur frequently. Reports persist that senior government officials are directly linked to the drug trade. Early in 2008, the chief of the personnel department of the Ministry of Defense, LTC Rozymyrat Akmuradov, was tried for the crime of bribery and sentenced to 13 years in prison. Another official at the Ministry of National Security was arrested the same day and charged with a similar offense.

**Agreements and Treaties.** Turkmenistan is a party to the 1998 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, and the UN Convention against Transnational Organized Crime, and its three protocols. Turkmenistan and the United States signed a letter of agreement for the provision of U.S. government counter-narcotics assistance in September 2001. During the past year, the DEA has had discussions with the SCNS regarding joint counter-narcotics training programs, and the SCNS has asked for specific assistance in training 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 counter-narcotics and counterterrorism cooperation. The same month, Turkmenistan entered into an agreement between Azerbaijan, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan and Uzbekistan on the establishment of a UN-led Central Asian Regional Information and Coordination Center.

**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 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.

**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. 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. Systemic deficits in necessary equipment, training, resources and facilities will take time to improve. Border crossing points with rudimentary inspection facilities for screening vehicle traffic and without reliable 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 statistical information about the number of drug addicts in Turkmenistan. Although not yet implemented, the government is currently considering internationally funded prevention programs. In August 2008, a Drug Demand Reduction Program (DDRP) was launched by the Turkmenistan Red Crescent. The program is funded by the Department of State (INL) and planned to last for three years, aiming to increase the awareness of young people and adults of the harmful health effects of narcotics. DDRP headquarters in Ashgabat has opened branches in Turkmenbashi and one in each of the five provincial administrative centers.

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

**Bilateral Cooperation.** In addition to the 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. is funding and overseeing the construction of a similar facility at Ferap (Uzbek border). The total U.S. contribution to that project is expected to total \$5.5 million. The U.S. is also funding a number of upcoming counter-narcotics training activities, including a familiarization visit to the U.S. in two parts in November 2008 for three SCNS officials. In July 2008, five Turkmen government officials, including a senior official from the Presidential Apparatus and a SCNS representative, undertook a U.S. Coast Guard (USCG) study tour, funded by INL that focused on U.S. maritime counter-narcotics programs. In September, USCG training officers conducted a two-week workshop on maritime security, also funded by State-INL, with participants from several state law enforcement agencies, including the SCNS. DEA training classes included surveillance techniques, interviews and interrogation, raid planning, tactical training, DEA mission and history, and case development. DEA's Country Office, based in Dushanbe, Tajikistan, has had increased interaction with the SCNS in the latter part of 2008, and presently has a long-term TDYer in Ashgabat for the purpose of furthering cooperation with the SCNS.

**The Road Ahead.** Staying engaged with all Turkmenistan's counter-narcotics enforcement agencies is necessary to encourage a successful partnership against narcotics trafficking. Bilateral cooperation is expected to continue, and the U.S. government will expand counter-narcotics law enforcement agency training at the working level. As both Turkmenistan and U.S. officials identify areas for improved counter-narcotics efforts, the United States will provide an appropriate, integrated and coordinated response. The U.S. government will also encourage the government of Turkmenistan to institute long-term demand reduction efforts and 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 believed to be 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. 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.

In 2008, 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.

## III. Country Actions against Drugs in 2008

**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 agreement, fully funded by the Dubai Police, to combat drug abuse and drug trafficking in the UAE and in the region. The project will last for two and a half years (starting from April 2007). 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 will help 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 will assist Dubai and the UAE as a whole to develop a coordinated national action plan on drug demand reduction. UNODC will help 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. In October of 2008, the UAE Ministry of Interior and the United Nations

Office on Drugs and Crime (UNODC) signed a cooperation agreement under which a regional UNODC office would be established in Abu Dhabi. The agreement paves the way for greater technological cooperation to prevent and control crimes.

**Law Enforcement Efforts.** The UAE essentially exercises a zero-tolerance policy with regard to illegal consumption and possession of drugs. The standard minimum jail sentence for possession is four years imprisonment. Drug cases have increased sharply since 2007, in part due to the increasing population of Dubai but also because of increased enforcement. UAE has also increased the use of sophisticated detection equipment at airports and other public facilities. According to UAE Ministry of Interior statistics, nationwide there were 678 narcotic drug cases, involving 980 individuals, in the first five months of 2008. During this period, narcotics enforcement officials seized 990 kg of hashish, 120 kg of heroin, and 21 kg of opium, mostly in the Emirates of Dubai and Sharjah. Arrestees included Iranians, Pakistanis, Africans, Arabs and some UAE nationals. In 2008, the UAE Ministry of Interior conducted several successful Precursor Chemical investigations and disrupted a number of suspicious shipments. In Dubai, according to statistics from Department of Drug Enforcement at Dubai Police, the number of narcotics cases in the first five months of 2008 reached 465, compared to 338 cases in the same period in 2007. Dubai Police arrested 575 people for drug-related offenses from January to July 2008, compared to 433 people in 2007. As of June 2008, 181 kg of drugs were seized; a 76 percent increase over the same period in 2007. According to the Deputy Commander of Dubai Police, there were 14 major narcotic related cases in Dubai in 2008, which involved the seizure of 70 kg narcotics worth \$9.5 million and the arrest of 27 suspects. He stated that most of narcotic consignments were to be smuggled outside the UAE. In Abu Dhabi the number of narcotic cases in the first half of 2008 reached 79 cases involving 118 suspects. In August 2008, Sharjah Police, in cooperation with Dubai Police disrupted a major drug-smuggling ring, seizing 202 kg of heroin worth \$11 million (AED 40.2 million). The traffickers were led by a gang of 19 Afghans. In May 2008, Dubai Police arrested three Asians and four Africans who attempted to traffic 24 kg of heroin, valued at \$6 million.

A 1995 law stipulates capital punishment as the penalty for drug trafficking. Sentences usually are commuted to long-term imprisonment. In 2008, courts in UAE issued several verdicts against suspects in narcotic cases. In January 2008, the Fujairah Appeals Court sentenced nine Arab nationals to 4-9 years in jail and subsequent deportation for trafficking hashish in Fujairah. In February, the Dubai Court of First Instance sentenced an American visitor to four years in jail after he pleaded guilty to charges of smuggling and possessing marijuana for personal use. From January to April, the Ras Al Khaimah Criminal Court sentenced five Arabs to 1-4 four years in jail for possession. In June, a court in Sharjah sentenced two Asians to 10 years in jail for smuggling 200 kg of hashish, and the Fujairah Appeal Court handed out a life term to an Iranian in a separate case.

UAE authorities are committed to drug smuggling and distribution interdiction and cooperate with other countries to stop trafficking. In June 2007, the UAE Ambassador to Pakistan announced that the UAE had a drug liaison office in Islamabad and was in process of establishing a second in Karachi. Enhanced cooperation on and investigation of transnational trafficking cases and related money laundering and bulk cash smuggling would complement existing UAE efforts, he said.

**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 is also a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime, but has not signed any of its protocols.

**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.

**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 smuggling from South and Southwest Asia continues to Europe and Africa and, to a significantly lesser degree, the United States via the UAE. Hashish, heroin, and opium shipments originate in Afghanistan, Pakistan, and Iran and are smuggled in cargo containers, via small vessels and powerboats, and/or sent overland via Oman. According to published figures, Iranians, Pakistanis, Afghans, Africans and third-country Arabs made up the largest number of non-UAE nationals arrested in drug cases in 2008. 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. 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. A 2003 report noted that the majority of UAE drug users take their first doses abroad, primarily because of peer pressure. Statistics reveal that 75 percent of drug users in the UAE prefer 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. In 2008, the UAE Ministry of Interior announced a toll free number for people to report narcotics suspects. The Ministry of Interior launched also several awareness campaigns in 2008, which included the following themes "Yes to Life", "Drugs Mean Your End—Never Start". The campaigns were promoted in shopping malls, media, booklets, and lectures. UAE efforts also included religious-themed anti-narcotics campaigns promoted by Muslim preachers.

In March 2008, Abu Dhabi Police launched an awareness campaign for students against narcotic drug addiction. The campaign aimed at educating higher secondary students about the hazards of drug addiction. 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. In 2008, in connection with International Anti-Narcotics Day, the Dubai General Headquarter of Police organized its 4th Annual Forum to discuss the risk of narcotic drugs and HIV/AIDS from health, social and religious perspectives. The UAE has trained volunteers to educate people about the risks of drug use. In 2008, Dubai Police trained 24 Iraqi police officers. In June Dubai Police organized a training workshop on drug awareness skills with the Ministry of Health.

UAE officials believe that adherence to Muslim religious morals and severe prison sentences imposed on individuals convicted of drug offenses effectively deter narcotics abuse. An affluent country, the UAE has established an extensive treatment and rehabilitation program for its citizens. There is a rehab 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,

when identified. 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.

### **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 accepted establishing a DEA presence in the UAE to work closely with UAE authorities. The first DEA office was formally established in October 2006 in Dubai. DEA officials try to work with UAE authorities to combat both drug smuggling and drug related money laundering. Successes have been limited as the UAEG has taken a formal position not to provide evidence or assistance in the apprehension and return of U.S. fugitives.

**The Road Ahead.** The United States and the UAE will continue to try to work together to discourage narcotics trafficking and related financial crimes and to protect citizens from the scourge of drug abuse. The DEA Country Office looks forward to developing an ordinary law enforcement cooperation relationship with the UAE.

# Ukraine

## I. Summary

Combating illegal narcotics is a rising national priority for Ukraine as both use of and the transit through Ukraine of illegal narcotics continues to increase. Coordination between law enforcement agencies responsible for counter-narcotics occurs but continues to be stilted due to regulatory and jurisdictional constraints. Ukraine's anti-drug legislation is well developed and the GOU is committed to keeping it current with the evolving threats. Ukraine is a party to the 1988 UN Drug Convention, and it follows the provisions of the Convention in its counter-narcotics 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 East, Central and Southwest Asia (Afghanistan) move through Russia, the Caucasus and Turkey, pass through Ukraine and on to Western Europe. Seizures of hard drugs increased significantly in 2008. Ukrainian border protection authorities seized 18% more heroin and 270% more cocaine in the first 10 months of 2008 compared to the same period in 2007. Analysts seem to be unanimous in the opinion that Ukraine is increasingly being viewed by drug traffickers as both a transit and a destination point.

Meanwhile, domestic drug abuse continues to be focused on drugs made from locally grown narcotic plants (hemp and poppy) which account for approximately 85% 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. 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, MDMA also known as "Ecstasy"). Domestic use of narcotics continued to grow and the number of registered drug addicts increased from 173,328 in 2007 to 178,043 by September 2008 (official statistic of the Ministry of Interior). However, according to indicative estimates of Ukraine's Security Service analysts, the total number of unregistered drug addicts may go as high as 300,000 users. Based on these assumptions, drug addicts in Ukraine could potentially consume one ton of heroin, 300 tons of opiate-related drugs, and up to 10 tons of amphetamines and other synthetic drugs annually. Relative to other European countries, this is still a low number; however, the rate of increase of drug abuse appears to be quite high.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** Ukraine has well-developed anti-drug legislation consistent with international standards. In 2008, the GOU continued to implement a comprehensive anti-drug policy entitled "The Program Implementing the State Policy in Combating Illegal Circulation of Narcotics, Psychotropic Substances and Precursors for 2003-2010." The Program acknowledges the growing scale of drug abuse in Ukraine and the lack of adequate education and public awareness campaigns, community prevention efforts, and treatment and rehabilitation facilities.

The Program consists of two stages, the first of which occurred in 2003-2005, and the second of which is being implemented in 2006-2010 timeframe. Stage one included: improvement of legislation; monitoring and prevention of drug abuse and drug trafficking; interagency cooperation; creation of a modern interagency data bank; an increase in

law enforcement capacity; scientific research; and setting up an interagency lab to research new drugs and discover new trends in drug trafficking. Stage two foresees integration into the European information space and exchange of information on drug trafficking; strengthening of drug abuse prevention centers; introduction of new treatment practices; an increase in public awareness and education, especially in schools; further strengthening of law enforcement capacity; and full achievement of international standards. To implement the plan for the second stage, these priorities were further split into 63 specific tasks and assigned to responsible agencies. The Program also provides estimates of future funding needed to support its implementation. The total estimate is over 300 million Ukrainian hryvnia (\$39 million). However, the GOU has not been able to ensure full allocation of these resources in previous years. For example, due to the lack of funds, the GOU has not provided funding for the Interagency Research Laboratory for Narcotics, Psychotropic Substances and Precursors proposed by the Ministry of Interior. As a result, Ukraine has no common database on illegal narcotics and the level of information sharing between Ukrainian government agencies is low.

The GOU has taken additional steps to update its anti-drug laws. The revised version of the “Law on Narcotic Drugs, Psychotropic Substances and Precursors” entered into force on January 1, 2008. The Cabinet of Ministers approved a set of new regulations to improve the handling of controlled drugs and precursors as well as storage and disposal of seized narcotics. The Narcotics Control Committee established in 2003 in the Ministry of Health continues to monitor the production and use of controlled substances by licensed companies and organizations. The rate of criminal offences in this sector, however, is insignificant.

The GOU has amended its legislation to make illegal the non-prescribed use of strong and poisonous medications, 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. Almost five times more tramadol pills (2,020,000 doses total) were seized in 2008 (through September) compared to 2007. Increased quantities of seized psychotropic substances and illegally distributed prescription drugs also suggest a growing popularity of such drugs among young addicts.

In the framework of GUAM (Georgia, Ukraine, Azerbaijan, Moldova), a virtual law enforcement center has been established in each member-state, including Ukraine, to share law enforcement information electronically, including information related to drug trafficking cases.

**Accomplishments.** In 2008, Ukraine continued to implement the BUMAD (Belarus, Ukraine, Moldova Anti-Drug) Program sponsored by the European Union and designed to decrease drug traffic in these three EU border countries. As part of the BUMAD Program, Ukraine is strengthening its potential to collect, process, and disseminate information on drug trafficking at both the national and the regional level. The BUMAD Program funded the establishment of a National Drug Observatory at the Ministry of Health in December 2006 to help collect, analyze and disseminate data on drugs at the national level, and share and improve comparability of this data at the regional level through the harmonization of key epidemiological and drug supply indicators. It will eventually establish a permanent monitoring system for drug and drug abuse (non-confidential information) and will adhere to EU standards in the collection and compilation of the data.

**Law Enforcement Efforts.** The responsibility for counter-narcotics 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 2008 (January through September), the Ukrainian Ministry of Interior seized approximately 9 tons of various drugs, including 4 tons (79,500 doses) of poppy straw, 3.7 tons (7,400,000 doses) of marijuana, 28.4 kilos (284,400 doses) of opium, 91.8 kilos (917,700 doses) of heroin, 1.7 kilos (17,000 doses) of cocaine, 36.3 kilos (183,500 doses) of psychotropic substances, over 2 million doses of Tramadol, 670,000 doses of strong prescription drugs, 247 tons of precursors, and destroyed 160 tons of illegally grown poppy and 320 tons of cannabis.

In the same period of 2008, the Security Service seized 214.2 kilos of heroin, 42.2 kilos of cocaine, 12.8 kilos of methadone, 18.8 kilos of amphetamine and other synthetic drugs.

The MOI Drug Enforcement Department restructured itself to place a greater focus on investigating organized crime groups, complex trafficking activity, criminal cross-border connections, confiscation of assets, prevention of laundering of criminal proceeds, etc. It established a new unit that focuses on developing drug trafficking cases involving international criminal links. It also set up a separate division to address unlawful misuse of legal drugs, strong and poisonous substances.

The MOI and SBU continued to build cooperative relationships with international counterpart agencies in Western Europe, Eurasia and America. Given an increasing tendency to use Turkish International Road Transit (TIR) certified trucks to transit drugs across Ukraine, the SBU worked particularly closely with Turkish law enforcement authorities. Thanks to SBU-generated intelligence, the Turkish National Police ran an operation in 2008, which resulted in multiple arrests and the seizure of 680 kilos of heroin.

The Security Service participates in the automatic pre-export control information system (PEN) introduced by the International Narcotics Control Board (INCB) in 2006. This system has been used extensively under the Project Prism to prevent unlawful use of amphetamine precursors. In one instance, a coordinated effort of the SBU, U.S. DEA and Chinese drug control authorities resulted in the prevention of 500 kilos of ephedrine precursor being illegally imported from China into Ukraine. The SBU has also participated in Operation Topaz and Operation Purple. Projects Prism, Topaz, and Purple are all efforts by the International Narcotics Control Board (INCB) to encourage and facilitate international cooperation to avoid diversion of dual use precursor chemicals to the manufacture of illicit drugs.

The Ukrainian law enforcement agencies are paying increasing attention to the role of organized crime groups, and utilizing informants, operational analysis, controlled buys and deliveries, and information from their overseas counterparts to disrupt illegal narcotic activities. The Ukrainian border and customs authorities are also setting up new structures to develop and analyze criminal information, including any leads that help to interdict drugs on the border more efficiently. In 2008, the State Border Guard Service adopted an agency “Program to Combat Trafficking of Narcotic Drugs, Psychotropic Substances, Analogues and Precursors for 2008-2009.”

**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 to strengthen 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. Meanwhile the number of successful prosecutions of corruption cases is extremely low. In 2008, the prosecution authorities investigated 10 drug cases involving law enforcement authorities, including 5 police officers who covered or facilitated illegal activities. Suspects were indicted in 3 cases. Some experts and the media warn that such practices may be much more widespread than is indicated by these few cases. As a matter of government policy, however, the GOU does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.

**Agreements and Treaties.** Ukraine is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and to the 1971 UN Convention on Psychotropic Substances. The U.S.-Ukraine Mutual Legal Assistance Treaty came into force in February 2001. Ukraine has signed but has not yet ratified the UN Corruption Convention. . Ukraine is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling. The U.S. and Ukraine signed a Memorandum of Understanding on Law Enforcement Assistance in December 2002. This memorandum provided for State Department-funded 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 norms and standards, with the goal of

facilitating Ukraine's entry into Euro-Atlantic institutions such as the European Union. It has been amended regularly to add funding and establish justice sector and law enforcement projects as agreed by Ukraine and the U.S.

**Cultivation/Production.** Opium poppy is grown in western, southwestern, and northern Ukraine, while hemp cultivation is concentrated in the eastern and southern parts of the country. Poppy and hemp are grown legally by licensed farms, which are closely controlled. 13,700 hectares of poppy and 900 hectares of hemp were legally grown in 2008. Despite the prohibition on the unauthorized cultivation of drug plants (poppy straw and hemp), many cases of illegal cultivation in small quantities by private households are regularly discovered.

**Drug Flow/Transit.** Ukraine continues to experience an increase in drug trafficking. 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. 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 traffic 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, Belarussians 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.

In the first 10 months of 2008, Ukrainian law enforcement authorities detained 222 individual drug couriers, including 19 women. They were predominantly citizens of Ukraine (151) but also Russia (41), Moldova (10), Poland (5), Belarus (4), Iran (4) and other countries of the region.

**Domestic Programs/Demand Reduction.** In the last four years, the number of registered drug addicts in Ukraine has increased approximately by 40%, up from 124,805 in 2004 to 178,043 in 2008, i.e. 38 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, 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 is growing in popularity with young people, but opium straw extract remains the drug of choice for Ukrainian addicts. The popularity of this drug is due to its low cost (5–8 dollars per dose (1 ml)) and simple production methods. The use of synthetic drugs is also on the rise with young people, in particular ephedrine, Ecstasy (MDMA), LSD, amphetamines and methamphetamines. The spread of synthetic drugs is exacerbated by the rapid growth in local production. Illegal drug labs shut down in 2008 were primarily producing phentanyl, trimethylphentanyl, PCP (phencyclidine), amphetamine and MDMA. Hard drugs, such as cocaine and heroin, are still too expensive for most Ukrainian drug users. In recent years, Ukraine has seen the growing illegal use of the legal but restricted prescription medical drug Tramadol. Legal medical needs of Ukraine for this drug are estimated to be 4 million pills per year, while the Ukrainian pharmaceutical industry produced by various estimates 25 times that quantity. The GOU has responded to this abuse by listing Tramadol as a controlled narcotic drug in 2008 and tightening control over its production and distribution which now has been licensed. Tramadol has become a prescription drug and sales of Tramadol pills are subject to stricter supervision by the government. The law enforcement authorities seized five times more illegally possessed or stored Tramadol pills in 2008 than in 2007.

The GOU's ability to effectively combat narcotics trafficking and the illegal use of drugs continues to be hampered by inadequate law enforcement budgets. Ukrainian officials, however, are working to reduce the demand for illegal drugs by introducing preventive measures at all levels of the education system, since most Ukrainian drug abusers are under the age of 30. Drug information centers have been opened in the cities and regions with the highest levels of drug abuse. NGOs operating with funding assistance from international organizations are running a number of rehabilitation programs throughout the country. Ukrainian medical and law enforcement authorities conduct conferences and seminars to raise awareness of and reduce drug abuse in Ukraine. Local authorities together with NGOs implement regional anti-drug programs called "Life Free from Narcotics." However, a number of local authorities failed to implement government programs or efficiently use the funding allocated for this purpose.

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 available to approximately 2,000 individuals, every second of which is 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. objectives are to bring Ukrainian law enforcement and justice sector institutions in line with European and internationally accepted norms and standards, facilitating Ukraine's integration into Euro-Atlantic institutions. This will in turn assist Ukrainian authorities to build law enforcement capacity and develop effective counter-narcotics programs in interdiction (particularly of hard drugs transiting the country), investigation, and demand reduction, as well as to assist Ukraine in countering money laundering. Officers from the DEA have conducted a number of training courses funded by the Department of State in the areas of drug interdiction at seaports and 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 Ukrainian State Border Guard Service (SBGS) capability to control Ukraine's borders. These projects include helping the SBGS develop Risk and Criminal Analysis capabilities that are compliant with European Union norms in order to more accurately target and suppress threats, including narcotics trafficking, 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 the Georgia, Ukraine, Azerbaijan, Moldova (GUAM) international organization, particularly through a virtual law enforcement center which will facilitate counter-narcotics information sharing between 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 remains a challenge requiring close attention. However, the largest challenge remains the limited budget resources to fund law enforcement efforts to investigate and interdict

sophisticated, international trafficking rings that see Ukraine as a transit point to lucrative Western European markets, especially for heroin.

# United Kingdom

## I. Summary

The United Kingdom (UK) is a consumer country of illicit drugs. Like other developed nations, the UK faces a serious domestic drug problem. The UK recently completed a 10-year drug strategy launched in 1998 to address both the supply and demand aspects of illegal drug use. An assessment of the program has determined that it has been successful in meeting its goals. The new program launched this year, called the “Drugs: Protecting Families and Communities' 2008-2018” comprises four strands: 1) protecting communities by tackling drug supply, drug-related crime and anti-social behavior; 2) preventing harm to children, young people and families affected by drug misuse; 3) delivering new approaches to drug treatment and social re-integration; 4) public information campaigns, communications and community engagement. The UK strictly enforces national precursor chemical legislation in compliance with EU regulations. Crime syndicates from around the world try to exploit the underground narcotics market and use the UK as a major transshipping route. The UK is a party to the 1988 UN Drug Convention.

## II. Status of Country

Home Office figures for England and Wales compiled as part of the 2007/08 British Crime Survey (BCS), indicated that there has been a decline in drug use between 2006/07 and 2007/2008. Cannabis remains the most-used illicit drug in the UK, predominantly in the 16-24 age group; cocaine is the next most commonly used drug, closely followed by Ecstasy and amphetamines. Virtually all parts of the UK, including many rural areas, confront the problem of drug addiction at least to some degree. The BCS estimated that nearly 2.4 million adults in England and Wales had used cannabis in the previous year. Government data suggested that 25-35 tons of heroin and 35-45 tons of cocaine enter the UK each year. Overall use of any illicit drug by 16-59 year olds is at its lowest level since the BCS started measurement (9.3 percent down from 10.0 percent in 2006/07), mainly due to declines in the use of cannabis (the most prevalent drug among 16-59 year olds) since 2003/04. Between 2006/07 and 2007/2008 overall use of any illicit drug among 16-59 year olds also declined.

The 2007/2008 BCS showed that the use of Class A drugs among the 16-59 age range has returned to 1995 levels (3 percent) after several years of being slightly above those levels (illegal drugs in the UK are characterized by their level of harm, and are sanctioned accordingly). Class A drugs include cocaine, Ecstasy, LSD, magic mushrooms, heroin and methadone and methamphetamine. Amphetamines can be either Class A or B, depending on whether they are injected or swallowed. Class C drugs include tranquilizers, anabolic steroids, cannabis and Ketamine.) The increase in overall Class A drug use is largely due to a significant rise in cocaine powder use between 1997 and 1999. Since 1999, there has been a further increase in cocaine powder use while LSD use has decreased, and overall Class A drug use has decreased as well. In 2007/08 seven percent of 16-24 year olds reported use of any Class A drug in the past year, which is a slight decline from last year's eight percent. Thus, Class A drug use among 16-24 year olds is lower than it has ever been since HMG began statistical recordkeeping.

Frequent use of any illicit drug in the past year by 16-24 year olds decreased from 11.6 percent in 2002/03 to 8.3 percent in 2006/07. Police recorded that drug offenses increased by eighteen percent in 2007/08 compared with 2006/07. Increases in recent years have been largely attributable to increases in the recording of possession of cannabis offenses. From 2006/07 to 2007/08, possession of cannabis increased by twenty-one percent, which followed an increase of nine percent over the previous year (36 percent increase in 2005/06). The increases coincided with rises in the number of formal warnings for possession of cannabis issued by the police. In 2007/08 the rise in formal warnings for cannabis possession was 28 percent, 10 percent more than offenses of cannabis possession, and indicates the greater use of this method of handling cannabis protection by the police. The increase in possession of other drugs was 15 percent in 2007/08, over the previous year. 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 2008

**Policy Initiatives/Accomplishments.** UK counternarcotics policies have a strong social component, reflecting the widely held view that drug problems do not occur in isolation but are often linked to other social problems. In 2008, the British government completed its 10-year strategy program, launched in 1998, which emphasizes that all sectors of society should work together to combat drugs. Trends in responding to drug abuse with government programs reflect wider UK government reforms in the welfare state, education, employment, health, immigration, criminal justice, and economic sectors. The UK's counternarcotics strategy focuses on Class A drugs and has four emphases: to help young drug abusers resist drug misuse; to protect communities from drug-related, antisocial and criminal behavior; to enable people with drug problems to recover and live healthy, crime-free lives; and to limit access to narcotics on the streets. Key performance targets were set in each of these four areas and updated in the 2008 drug strategy.

The most controversial aspect of the updated strategy was the decision to downgrade cannabis to a Class C drug. Class C categorization reduced the maximum sentence for possession of cannabis from five to two years in prison. There is now a presumption against arrest for adults for possession, though not for young people. Maximum penalties for supplying and dealing remain at 14 years. Notwithstanding this amendment, the UK government has emphasized that it continues to regard cannabis as a harmful substance and has no intention of either decriminalizing or legalizing its production, supply or possession. Prime Minister Gordon Brown requested a review of the reclassification in 2007, although the review recommended no change to the policy, Home Secretary Jacqui Smith announced that HMG will increase the classification of cannabis from "C" to "B" in the interests of public health. This decision was largely due to two factors; first, the rise in the use of "skunk" cannabis, which is seen as more dangerous than older, weaker types of the drug, rather than pure cannabis which was the substance studied by the scientific board conducting the review. Secondly, there was some evidence linking cannabis use to psychosis. While this link was not accepted by the majority of scientists, HMG believed it was sufficient to warrant the increase in classification as a tool to limit usage, primarily as it involves increased penalties. The upgrade is expected to become law by late 2008 or early 2009. Police chiefs have urged that if cannabis is upgraded to Class B fixed penalties be established to streamline enforcement. Despite an aggressive government education campaign aimed at cannabis users, some police authorities reported that offenders were unaware that the drug remained illegal and they could be detained or prosecuted for possession or dealing. As of 2007, BCS statistics showed that the proportion of 16-24 year olds using cannabis decreased from 26 percent in 1995 to 17.9 percent.

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 although they found that the existing classification as a Class "C" drug should be maintained, HMG has decided to upgrade cannabis to a Class "B" drug.

Direct annual government expenditures under the updated overall drug strategy increased five percent between 2005/06 and 2006/07 (from \$2.78 billion (GBP 1.483 billion) to \$2.94 billion (GBP 1.567 billion)). The most recent program specific data show drug treatment expenditures were \$1.6 billion (800 million GBP). Similarly, expenditures on programs for young people will rise 5 percent and funding for reducing supply will hold steady at \$673 million (GBP 380 million). The largest increase in expenditures will come in more spending on community programs (24 percent).

The Drugs Act of 2005 strengthened police powers in drug enforcement. The law allows for drug tests on arrest, rather than on charge, and requires persons with a positive test to undergo further assessment. HMG also amended the Anti-

Social Behavior Act of 2003 to allow authorities to enter a suspected crack house to issue a closure notice. Under provisions of the Act, “magic mushrooms” were upgraded to Class A in 2005. Prior to this change in the law, only prepared (such as dried or stewed) magic mushrooms were rated as Class A drugs. Laws that took effect in 2000 required courts to weigh a positive Class A test result when deciding bail, which may be denied or restricted if an offender refuses a test or refuses treatment after a positive test. The testing requirement is also applied to offenders serving community sentences and those on parole. A Drug Rehabilitation Requirement (DRR) is one of the 12 requirements that can be included in a community sentence. Community Sentences with DRRs can be used by the courts instead of a criminal charge requiring custody. They offer the courts an effective tool for tackling the most serious and persistent drug offenders.

The UK is a member of the Dublin Group, a group of countries that coordinate the provision of counternarcotics assistance, and is a UNODC donor.

**Law Enforcement Efforts.** 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. Home Office data indicate that the total amount recouped by all agencies involved in asset recovery in England, Wales and Northern Ireland was \$250 million (125 million GBP) in 2006/2007. This represents a five-fold increase over five years. The Assets Recovery Agency annual report shows that it met or exceeded all of its key disruption and enforcement targets. The average purity of cocaine seized at ports remained constant at about 70 percent since 2001, while the purity of cocaine seized by the police fell from 55.1 percent in 2001 to 34.7 percent in 2007. This statistic indicates that the cocaine is being cut after importation. Heroin was the most commonly seized Class A drug followed by cocaine. Seizures in the UK are normally made with both cocaine and heroin in mixed caches. The total number of seizures in the UK was up 15 percent to 186,028—more than in any year since 1973.

There were 230,500 drug offenses recorded in England and Wales in 2007/2008 (the latest full year data available), an 18 percent increase from the 189,010 offenses recorded in 2006/07. Class A offenses rose by two percent to 36,350. Trafficking arrests increased from 27,230 in 2006/07 to 28,939, for an increase of six percent. About 87 percent of persons dealt with in the courts for drug offenses were for possession.

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

**Agreements and Treaties.** The UK is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. In 2006, the UK ratified the UN Corruption Convention and the UN Convention against Transnational Organized crime and its protocols against trafficking in persons and migrant smuggling. The U.S. and the UK have a Mutual Legal Assistance Treaty (MLAT), and a narcotics agreement, which the UK has extended to some of its dependencies. In 2006, the U.S. Senate ratified a new extradition treaty with the UK, and the exchange of instruments of ratification occurred in May 2007. All 27 EU member states, including the UK, have signed bilateral instruments with the U.S. implementing the 2003 U.S.-EU Extradition and Mutual Legal Assistance Agreements. The U.S. has ratified all and all EU countries except Belgium, Greece, Ireland and Italy have also ratified these agreements. None have entered into force. 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 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 U.S. Coast Guard Law Enforcement Detachment (LEDET) Memorandum of Understanding with the USG. This includes the airborne use of force (AUF) capability on Royal Navy and auxiliary vessels attempting to stop noncompliant drug smuggling go-fast vessels, as well as expanding the authorization to carry out LEDETs in waters

beyond the Caribbean and Bermuda areas of operations subject to the consent of both parties. In FY 2008, USCG LEDETs (Law Enforcement Detachments) deployed on British ships removed over 22,280 pounds of cocaine. The deployment of Royal Navy assets to the drug transit zone remains vital to ensuring continued success. In addition, the two countries have concluded protocols to the extradition and mutual legal assistance treaties pursuant to the 2003 U.S.-EU extradition and mutual legal assistance agreements. The protocols are pending entry into force.

**Cultivation/Production.** Cannabis is cultivated in limited quantities for personal use and occasionally sold commercially. Between mid-2004 and January 2007, over 2000 cannabis factories were discovered in the UK, predominantly run by Vietnamese criminals. 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 and MDMA (Ecstasy) were imported from continental Europe, but some were manufactured in the UK in limited amounts. Authorities destroyed crops and clandestine facilities as they were detected. U.S. authorities were concerned about a growing incidence of production of a “date rape” precursor drug, GBL. While the UK government made the “date rape” drug GHB illegal in 2003, GBL, a close chemical equivalent of GHB, remained uncontrolled. DEA asked the UK to control GBL, and the ACMD recommended that it be listed as a Class “C” drug in 2006, but the UK is deferring to the EU-wide discussions on control of this substance. Several small clandestine methamphetamine laboratories were seized in the UK with law enforcement starting to embrace awareness training and strategic planning.

**Drug Flow/Transit.** The UK remained one of the most lucrative markets in the world for traffickers in Class A drugs and was targeted by a wide range of criminals. In terms of the scale of serious organized criminal involvement, drug trafficking, especially in Class A drugs, posed the single greatest threat to the UK. London, Birmingham, and Liverpool were known to be significant centers for the distribution of all types of drugs. Steady supplies of heroin and cocaine entered the UK. Some 90 percent of heroin in the UK (amounting to 25-35 tons a year) came from Afghanistan. Most of the supply to Europe is processed in Turkey.

The primary trafficking route to the UK is overland from Afghanistan to Europe (the ‘Southern/Western Route), transiting Iran. It is estimated that 70 percent of the UK’s heroin supply transits Iran, either directly from Afghanistan or via Pakistani Baluchistan. From Iran the opiates are moved to Turkey. UK-based Turkish criminal groups handle a significant amount of the heroin eventually imported into the UK, although Turkish criminals in the Netherlands and Belgium also channel heroin to the UK. Pakistani traffickers also play a significant part; most of the heroin they import, normally in small amounts by air couriers traveling directly from Pakistan, is destined for British cities with large South Asian populations. Approximately 25 percent of Afghan heroin seized in the UK arrived directly from Pakistan.

Traffickers with ethnic connections to Turkey continued to dominate the supply of heroin to the UK. An increasing amount, however, was coming via East Africa and West Africa (Kenya to Nigeria to London). Caribbean criminals (primarily West Indians or British nationals of West Indian descent) were involved in the supply and distribution of heroin as well as cocaine. Most heroin continued to enter the UK through ports in the southeast, although some came through major UK airports with links to Turkey, Northern Cyprus, and Pakistan. Average purity increased since mid-2003, while average street prices have fallen consistently, from \$140 (70 GBP) per gram in 2000 to \$80-100 (40-50 GBP) in 2007. Cocaine imports are estimated at 35-45 tons a year and emanate chiefly from Colombia, although there was also cultivation in Bolivia and Peru. An estimated 65-70 percent of the cocaine in the UK market was believed to be produced in Colombia, and increasing amounts transit West Africa before entering the UK.

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. 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 from West Africa trafficked by Nigerians, Ghanaians and British Nationals of West African descent. Britain is a charter member of the Maritime Analysis and Operations Center-Narcotics (MAOC-N) in Lisbon, which should bolster EU capacity to protect its southwestern flank.

The Caribbean, chiefly Jamaica, was a major transshipment point for cocaine to the UK from Colombia. 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 kg at a time. Over the past five years, the purity of cocaine and crack at the street level has fallen. Purity has fallen in England from 55 percent in 2001 to 34.7 percent in 2007. Cocaine purity in Scotland is half that of England and Wales (17 percent), suggesting that it originated in England and was being cut twice. In Northern Ireland cocaine was even less pure (12 percent). Cocaine related deaths occurred in Northern Ireland for the first time in 2007. The use of chemicals (such as phenacetin), bulking agents, and effect enhancing adulterants to cut cocaine and crack helped traffickers compensate for shortages in the cocaine supply. Further a field, there were some indications that increased interdiction with Mexico and on the US/Mexico border, potentially higher profits for cocaine sold in the UK and other EU states, and fear of extradition to the United States, were encouraging Mexican criminal groups to shift their focus to the European market.

Supplies of 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 has identified several links between U.S. khat seizures and the UK. Hashish continues to come to the UK primarily from Morocco.

**Domestic Programs/Demand Reduction.** The UK government’s demand-reduction efforts focus on school and other community-based programs to educate young people and to prevent them from starting on drugs. In 2003, the government launched a national helpline/website through a multimedia drug awareness campaign called “FRANK.” The FRANK helpline offers advice to anyone who may be affected by drugs. Over the last five years FRANK has had 2 million call to its helpline and averaged over 500,000 hits on its website.

The UK now has drug education programs in all schools, supported by a certificate program for teachers. In 2005, the Department for Education and Skills linked FRANK to its “Every Child Matters” education programs to assure regular reviews for effectiveness. A similar information and support program called “Know the Score” operates in Scotland. “Positive Futures,” a sports-based program started in 2000 specifically to target socially vulnerable young people, and has served over 80,000 young people since its inception with 108 projects established in regions throughout the country. In 2006, the program was handed over to the national charity Crime Concern. The contract has been tentatively extended based on successes thus far. The charity hopes to use the heightened interest in sports generated by London’s hosting of the 2012 Olympics to promote its agenda.

The UK has rapidly expanded treatment services and has met the target of doubling the number of drug users in treatment two years ahead of the target date; current figures show that over 210,000 people were now receiving treatment (out of an estimated 330,000 problem users). The so-called “pooled treatment budget” administered by the Home Office and the Department of Health was targeted to increase from \$448 million (GBP 253 million) nationally in 2004/05 to \$1.6 billion (800 million GBP). This was broken down by department with \$800 million (400 million GBP) coming from the Department of Health and the other \$800 million (400 million GBP) divided between the Departments of Justice and other government agencies (primarily the Home Office). A strategic capital bidding

program from 2007/08 was also announced in 2006. A total of GBP 54.9 million was made available with a view to improving and expanding in-patient drug treatment and residential rehabilitation for drug abusers, while improving the bidding/contracting process for these services. Additional services are provided through the National Health Service.

According to the National Treatment Agency (NTA) there were approximately 10,000 registered drug treatment workers as of 2008. The average waiting time for treatment was under one week for the first intervention, with a goal of 85 percent of individuals treated within three weeks of the first intervention. This was a drastic decrease from the average time of 2.4 weeks in 2002. According to the latest available figures, the number of deaths related to drug poisoning in England rose from 1506 in 2005 to 4107 in 2006. This was an increase of nearly 300 percent compared with 2005. This figure was an all-time high, but may reflect new statistical ways of tabulating deaths that were introduced in 2006.

Crime and Disorder Reduction Partnerships (CDRPs) were set up under the Crime and Disorder Act 1998 and are, in most cases, coterminous with local authority areas. They include representatives from police, health, probation and other local agencies and provide strategies for reducing crime in the area. As of 1 April 2007 (and therefore for the reporting year 2007/08) there were 373 CDRPs in England and Wales. In Wales, the 22 CDRPs have changed to Community Safety Partnerships (CSPs) to reflect their new identity subsequent to merging with Drug and Alcohol Action Teams. Recorded crime figures for seven key offenses for each CDRP were published on the Home Office website.

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

**The Road Ahead.** The United States looks forward to continued close cooperation with the UK on all counternarcotics fronts. The UK provides Royal Navy warships and auxiliary vessels under the tactical control of Joint Interagency Task Force South to support efforts to stop the flow of narcotics in the Caribbean and Eastern Pacific. A Royal Navy Liaison Officer, seconded to the JIATF South staff, also assists in coordinating UK support to JIATF South counternarcotics operations. The U.S. Drug Enforcement Administration's London Country Office (LCO) continues to maintain a robust exchange of information and training initiatives with several UK law enforcement agencies regarding the threat from methamphetamine. Although not viewed to be in any significant use in the UK at this time, UK law enforcement has acknowledged the potential threat that methamphetamine and its capacity for "domestic production" pose.

The LCO has arranged for DEA "clandestine laboratories" training for the Serious Organized Crime Agency (SOCA) and the Metropolitan Police Services (MPS/New Scotland Yard). This training program instructs law enforcement officers in the safe and efficient manner of identifying and dismantling illicit methamphetamine laboratories and prosecuting the criminals involved.

# Uruguay

## I. Summary

Uruguay is not a major narcotics producing or transit country. However, as traffickers are pressed by interdiction efforts elsewhere, Uruguay's strategic position and porous land border with Brazil make it vulnerable to drug-trafficking. There has been an increase in the involvement by foreign trafficking cartels and individuals—especially from Colombia, Bolivia, and Mexico. Uruguay also continues to experience increasing local consumption of the highly addictive and inexpensive cocaine-based product known locally as “pasta base.” Efforts to upgrade port security and customs services advanced in 2008. 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 drug traffickers from Colombia, Bolivia, and Mexico as a transit point, more so as neighboring countries increase their interdiction efforts at their ports and border crossings. Limited inspection of airport and port cargo makes Uruguay an attractive transit point for contraband, including chemical precursors destined for Paraguay and elsewhere. Though precursor chemical controls exist, they are difficult to monitor and enforce.

The most commonly abused drug in Uruguay is marijuana, though officials are concerned about the growing popularity of synthetic drugs. Counternarcotics police units target small-scale facilities used for processing and shipping Bolivian coca as well as distribution centers for “pasta base” – a by-product of cocaine hydrochloride (HCl) production which is both highly addictive and inexpensive. Local demand for “pasta base” increased significantly in 2008, as did the incidence of crime related to this drug, according to the National Anti-Drug Secretariat. Individual drug use is not viewed as a criminal offense. Rather, users are sent for rehabilitation in ever-increasing numbers, which has over-burdened Uruguay's rehabilitation centers.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** In 2008, the GOU continued to make counternarcotics a policy priority. In August, the Uruguayan parliament passed legislation to create a special court for organized crime, including drug trafficking, money laundering, corruption, and banking fraud. The Uruguayan counternarcotics police also launched a Financial Investigation Unit (FIU) to provide the judiciary with more complete financial information to facilitate a wider range of asset seizures than has been possible in the past. Additionally, the National Anti-Drug Secretariat enhanced drug rehabilitation and treatment programs and continued demand reduction public awareness campaigns focused on young adults. Uruguay is an active member of the Southern Cone Working Group of the International Conference for Drug Control and other international organizations fighting narcotics, corruption, and crime.

**Law Enforcement Efforts.** The GOU is highly conscious of the rising counternarcotics threat and has made consistent efforts to improve its capacity to respond. In 2008 the military purchased a new radar system that will be integrated with the civilian system to gain better control of airspace in the north, thereby enhancing interdiction efforts. The Uruguayan counternarcotics police also augmented their intelligence unit. To improve port security, non-intrusive inspection equipment (NIIE—such as ion scanners and backscatter x-ray equipment) was installed in 2008 in the port of Montevideo. Customs officials there conduct both targeted and random inspections and plan to increase the number of containers scanned by 20 percent.

In 2008, the GOU seized 819 kilograms (kg) of cocaine in both national and international counternarcotics operations. The GOU also seized 96 kg of “pasta base,” up significantly from 69 kg in 2007; and 1.058 kg of marijuana, down

from 1,817 kg in 2007. Uruguay's interdiction numbers—low in the context of its neighbors—are a reflection of both a less serious narcotics consumption and trafficking problem in Uruguay and the GOU's proactive and aggressive efforts to contain these problems.

The GOU made 2,280 drug-related arrests leading to 668 convictions. These numbers are a slight increase from 2007 in both overall arrests number of convictions.

Of the GOU agencies with charters for narcotics-related law enforcement, the Uruguayan counternarcotics police continued to be the most effective. Internal coordination among GOU agencies remains difficult because they report to different ministries, though the GOU hopes to improve cooperation through a new vice-ministerial level coordination body. Collaboration between the counternarcotics police and their regional counterparts is better and their joint efforts continue to result in successful counternarcotics operations.

**Corruption.** As a matter of policy, no senior GOU official nor the GOU encourages or facilitates the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. The 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. In October 2008, 25 customs brokers at the port of Montevideo were arrested for bribery. Related to the same case, the former legal advisor to the Director of Customs is also under investigation for committing a crime of omission in failing to report irregularities. The case is currently being tried.

**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). 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. In 2008, Uruguay signed a new agreement with Argentina to promote a human rights-conscious approach to drug-related criminals. Uruguay is a member of the regional financial action task force Grupo de Accion Financiera de Sudamerica (GAFISUD).

**Cultivation/Production.** USG agencies have no evidence of significant cultivation of illicit drugs in Uruguay. Production is also rare, though the seizure of a single processing plant in April yielded 44 kg of cocaine and 7 kg of crack cocaine. Occasionally, limited quantities of probably Bolivian coca products are reprocessed in locally to produce higher quality cocaine prior to export.

**Drug Flow/Transit.** Limited law enforcement presence along the Brazilian border and increased U.S. pressure on traffickers in Colombia, Bolivia, and Peru is shifting some smuggling routes south, and drugs are moving through Uruguay by private vehicle, bus, small private airplanes, trucks, commercial aircraft flights, and containerized cargo. The port of Montevideo has relatively weak controls despite the installment of NIIE. 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 is encouraged by the absence of control of the airspace in northern Uruguay due to the lack of tracking radar capability and the ability of drug traffickers to avoid detection by inadequate radar surveillance.

From Uruguay, narcotics are generally transported to Brazil for domestic consumption there or transshipped onward to the United States and Europe. In 2008 there were two intercepts of significant cocaine shipments carried on small

planes; the shipments landed on improvised airstrips in the interior of Uruguay (the departments of Salto and Paysandu) and account for a large percentage of cocaine seized this year.

**Domestic Programs/Demand Reduction.** Uruguay's demand reduction efforts focus on prevention programs, rehabilitation and treatment. These programs are based on a strategy developed cooperatively in 2001 between the National Anti-Drug Secretariat, public education authorities, various government ministries, municipalities and NGOs. In 2008, 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. The program, known locally as the "Portal Amarillo," features drug rehabilitation clinics and a hotline, continued services for both in-patient and out-patient drug users in northern Montevideo and in the Department of Maldonado, targeting specifically "pasta base" addicts. Staffed by recent graduates of Uruguay's largest nursing school, the Montevideo facility services about 200 patients a week and has 21 beds. Uruguay continues to develop methods to track trends in drug use in youth populations, including secondary schools and prisons.

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

**Bilateral Cooperation.** U.S. strategy has been to prevent Uruguay from becoming a major narcotics transit or processing country. USG assistance to the GOU in 2008 included support to demand reduction programs; support for narcotics interdiction operations, including provision of equipment; and assistance with police training. The increase of International Military Education and Training (IMET) funds in FY 2008 permitted the USG to provide maritime law enforcement leadership, port security, and border security training to the Uruguayan Navy, Coast Guard, and Marines. IMET in 2008 also included a legal seminar on border security and a river patrol operations course. Assistance in the effective use of radar systems is also being provided through the State Partners program.

**The Road Ahead.** The GOU needs to increase its programs for informing the public about the dangers of drug abuse, and enhancing the expertise of its law enforcement community in combating drug trafficking. Some initial steps have been taken via the establishment of a bilateral GOU-USG working group to enhance cooperation and develop effective partnerships. Embassy-based USG agencies are focused on a range of needs, including demand reduction programs and coordination of training programs for GOU officials, and DEA and DHS officials resident in Buenos Aires provide guidance and technical assistance to GOU counterparts in areas such as port security. The USG would like to see Uruguay expand this concept by improving collaboration with other USG agencies not based permanently in Uruguay. We also encourage the GOU to use its increased capabilities in police intelligence to better target investigations against foreign trafficking cartels, and should utilize its newly-acquired non-intrusive inspectional equipment at the port of Montevideo for increasing interdiction operations and drug seizures.

# Uzbekistan

## I. Summary

Uzbekistan is primarily a transit country for opiates originating in Afghanistan. Well-established trade routes facilitate the transit of these narcotics to Russia and Europe. There is a growing market for a variety of intravenously administered narcotics and consequently a growing problem with drug addiction and the spread of HIV/AIDS. Seizure data indicates that the smuggling of highly regulated prescription medications is becoming more prevalent, and cannabis cultivation is increasing. The Government of Uzbekistan (GOU) has taken some independent steps to combat the narcotics trade but still relies heavily on multilateral and bilateral financial and technical resources. Law enforcement officers seized approximately 1,704 kilograms of illegal narcotics in the first six months of 2008 (heroin accounted for 46 percent of seizures). Authorities also seized 118,940 psychotropic pills, mostly prescription medicines. Uzbekistan is a party to the 1988 UN Drug Convention.

## II. Status of Country

While there is no significant drug production in Uzbekistan, several transshipment routes for opium, heroin, and hashish originate in Afghanistan and cross Uzbekistan for destinations in Russia and Europe. Seizures for the first half of 2008 increased by 54 percent compared to the same time period in 2007, according to official statistics. The GOU attributes the rise in seizures to increased narcotics production in Afghanistan and more effective counternarcotics operations by Uzbek law enforcement agencies. Precursor chemicals have, in the past, traveled the same transshipment routes in reverse on their way to laboratories in Afghanistan and Pakistan. Export of precursor chemicals, including acetic anhydride, has been controlled in Uzbekistan since 2000. In April 2008 Uzbek authorities interdicted 1.6 tons of acetic anhydride on a train that had entered Uzbekistan and was bound for Afghanistan. This was the first reported seizure of precursor chemicals since 2001 and occurred as part of the UNODC's "Operation Tarcet." Uzbek officials also reported seizing 320 liters of contraband sulphuric acid bound for Tajikistan. According to official statistics, no chemicals that can be used in the manufacture of narcotics were legally exported to Afghanistan. Effective government eradication programs have eliminated nearly all the illicit production of opium poppies in Uzbekistan.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** The United States and Uzbekistan continued limited counternarcotics cooperation in 2008 under the 2001 U.S.-Uzbekistan Narcotics Control and Law Enforcement Agreement and its amendments. These agreements provide for U.S. assistance to Uzbekistan, and are typically amended in the years following their first negotiation to increase assistance levels to ongoing programs, or to agree to begin new assistance programs. The agreements have established the framework to support projects designed to enhance the capability of Uzbek law enforcement agencies in their efforts to fight narcotics trafficking and organized crime. No new amendments have been signed since 2004. A bilateral Law Enforcement and Security Assistance Working Group met in November 2007 to discuss mutual interests in border security and counter-narcotics cooperation, which contributed to restored dialogue between the U.S. and Uzbekistan on these issues. 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. However, Uzbekistan adopted new laws in 2008 which introduced some habeas corpus elements

and strengthened the powers of defense attorneys. President Karimov also issued decrees establishing a judicial research center and encouraging improvements in professional legal standards.

**Accomplishments.** Uzbekistan continues to work toward the goals of the 1988 UN Drug Convention on combating illicit cultivation and production within its borders. The annual "Black Poppy" eradication campaign has been very successful and has virtually eliminated illicit poppy cultivation to the point that there is little left to eradicate. As of October 2008, the annual operation had eradicated a very modest 1.24 hectares of drug production crops. Efforts to achieve other UN Convention goals are hampered by the lack of effective laws, programs, money, appropriate international agreement, and coordination among law enforcement agencies.

The UN Office on Drugs and Crime (UNODC) is continuing its efforts to implement projects focusing on improvements in law enforcement, precursor chemical control, border security, and drug demand reduction. UNODC has also reported that cooperation with Uzbek law enforcement agencies is steadily improving, particularly with regard to prompt reporting of seizure data. The Government of Uzbekistan also participated in the successful pilot phase of the Central Asia Regional Information and Coordination Center (CARICC), which includes a full-time Ministry of Internal Affairs liaison officer at the headquarters in Almaty, Kazakhstan. Uzbek authorities reported participating in a joint controlled delivery training exercise along with counterparts from Tajikistan, Kyrgyzstan, and Kazakhstan in October 2008 in the framework of the CARICC. The State Department, through the Bureau of International Narcotics and Law Enforcement Affairs (INL), continues to provide financial support for several UNODC-implemented projects.

**Law Enforcement Efforts.** Preliminary statistics provided by the GOU show that in the first half of 2008, Uzbek law enforcement seized a total of 1,704 kg of illicit drugs, a 54 percent increase from the same period last year heroin accounted for 46 percent of the total, opium for 25 percent, cannabis 19 percent, kuknara 7 percent, and hashish three percent. The GOU also reported seizing 118,940 psychotropic pills in 90 separate seizures, the vast majority of which were prescription medicines. During the first six months of 2007 Uzbekistan reported 5,405 criminal cases pertaining to narcotics, including 176 arrests for drug smuggling and 2,931 for drug distribution. For the first six months of 2008 authorities report 5,737 narcotics-related criminal cases, including 176 arrests for drug smuggling and 3,219 for drug distribution. The number of criminal cases for the first half of 2008 represents a six percent increase compared with the same period in 2007. Four agencies with separate jurisdictions have counternarcotics responsibilities: the Ministry of Internal Affairs (MVD), the National Security Service (NSS), the State Customs Committee and, in a new development in 2008, the Ministry of Defense. The MVD concentrates on domestic crime, the NSS (which now includes the Border Guards) handles international organized crime (in addition to its intelligence role), and Customs works at the border (interdiction/seizures at the border are also carried out by the Border Guards during their normal course of duties). Despite this apparently clear delineation of responsibilities, a lack of operational coordination diminishes the effectiveness of counternarcotics efforts. The National Center for Drug Control was designed to minimize mistrust, rivalry and duplication of effort among the agencies, but the Center continues to have difficulty accomplishing this goal. However, the National Center for Drug Control readily shares data with the U.S. Government and other international entities.

In 2007, training and equipment were provided to the State Customs Committee under U.S.-Uzbekistan counternarcotics-related bilateral agreements. The U.S. Drug Enforcement Administration (DEA) previously supported a Sensitive Investigation Unit (SIU) within the Ministry of Internal Affairs, which became operational in 2003. However, in March of 2007, DEA was forced to suspend its operations in Uzbekistan when visas for DEA personnel were not renewed. The DEA is anxious to return and support the GOU's counternarcotics mission. Despite overtures by the Government of Uzbekistan in 2008 that it would welcome reengagement with the DEA, a formal proposal submitted by the Embassy to reestablish a DEA office was turned down in July 2008, and efforts continue to clarify the GOU's stance on DEA activity conducted out of Embassy Tashkent.

According to National Center reports, most smuggling incidents involve one to two individuals, likely backed by a larger, organized crime groups. Resource constraints have limited the GOU's ability to investigate these cases. In general, information that has been gathered suggests smuggling rings are relatively small operations. These rings tend

to be located on the border between Uzbekistan and Tajikistan, where poor border controls allow group members to cross between the countries with relative ease. Government sources indicated that drug smuggling activities along the Turkmen-Uzbek border are not significant. Lack of training and equipment continues to hamper all Uzbek agencies. Basic necessities, even replacements for aging Soviet era equipment, remain in short supply or seem administratively difficult to obtain. Uzbekistan has relied heavily on international assistance from UNODC, the U.S., the UK, the EU, and others to supplement their own thinly-funded programs.

In 2008 Tashkent-based UNODC officials reported a noticeable increase in cooperation with the GOU. In December 2007 the UNODC completed construction of a modern border checkpoint facility at the main Hayraton crossing between Uzbekistan and Afghanistan which was partially funded by the U.S. Government through the State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL). In June 2008 UNODC launched a project to upgrade security and interdiction capabilities at the Termez River Port linking Uzbekistan with Afghanistan, a project which is solely sponsored by the U.S. through INL. However, despite numerous statements from GOU officials affirming the grave common threat posed by increased narcotics production and trafficking in Central Asia, Uzbekistan still remained cautious about approving direct bilateral counternarcotics projects with the United States.

In 2008 Uzbekistan participated in "Operation Typhoon," which successfully targeted a major Central Asian group which trafficked Afghan drugs to Russia. The long-term investigation also involved authorities from Afghanistan, Tajikistan, and Kazakhstan, which ultimately led to the leader of the organized criminal group and associates. Operation Typhoon netted seizures of 880 kilos of heroin and 100 kilos of opium. A total of 24 criminal cases were initiated and 42 active members of the group were arrested. Significantly, Operation Typhoon demonstrated the ability and willingness of Uzbek authorities to conduct a sustained investigative operation in collaboration with neighboring countries that reached beyond low-level "mules." Uzbek authorities also highlighted "Operation Caravan" which, in September 2008 in collaboration with Russia and Kazakhstan, resulted in the arrest of an international drug-smuggling ring that hid drugs in bags of garlic and transported them on buses.

**Corruption.** As a matter of policy the GOU does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. However, corruption is endemic at all levels of government, and the paying of bribes is an accepted practice. There are anecdotal accounts of drug traffickers bribing customs and border officials to ignore narcotics shipments. It is likely that some government officials are involved with narcotics trafficking organizations.

**Agreements And Treaties.** Uzbekistan is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by the 1972 Protocol. Uzbekistan is also a party to the UN Convention against Transnational Organized Crime and ratified the Protocol against Trafficking in Persons in August 2008, and has signed but not ratified the protocol on Migrant Smuggling. In July 2008 Uzbekistan acceded to the UN Convention against Corruption, an unexpected development which should help long-term efforts to increase transparency. Uzbekistan signed the Central Asian Counternarcotics Memorandum of Understanding with the UNODC, and in 2006 formally agreed to the establishment of a Central Asian Regional Information and Coordination Center (CARICC) to coordinate information sharing and joint counternarcotics efforts in Central Asia. A successful pilot project concluded in 2008 and has been extended until participating states ratify 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. The GOU has also signed agreements on increased counternarcotics cooperation in 2006 in the context of its membership in the Shanghai Cooperation Organization and the Collective Security Treaty Organization. However, to date, these agreements appear to have resulted in few tangible results.

**Cultivation/Production.** The annual "Operation Black Poppy" has all but eliminated illicit opium poppy cultivation in Uzbekistan. Authorities log between 600-800 hours of flying time in the course of the annual operation.

Authorities report that in 2008 the first phase of Operation Black Poppy involved 875 search details involving 368 canines that yielded 805 instances of illegal drug cultivation. A total area of 1.24 hectares of cultivated crops were eradicated.

**Drug Flow/Transit.** Several major transnational trade routes facilitate the transportation of opiates and cannabis from Afghanistan through Uzbekistan to Russia and Europe. The border crossing point at Termez remains a point of concern as, in the past narcotics have been discovered in trucks returning to Uzbekistan after delivering humanitarian aid into Afghanistan, as well as on trains coming from Tajikistan. However, a UNODC-implemented border security project at the road and rail crossing has resulted in improved control over the border crossing with Afghanistan, and a new INL-funded UNODC project will focus on improving the control regime at the river port. While humanitarian aid and other cargo crossing the border from Uzbekistan to Afghanistan has dropped since 2004, Uzbek authorities report that approximately 1,000 containers cross from Uzbekistan to Afghanistan daily via railroad. The contents are generally not searched, and Uzbeks have requested scanning equipment to help ensure that contraband, including precursor chemicals, do not reach Afghanistan. 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/Demand Reduction.** According to the National Drug Control Center, as of the end of 2007 there were approximately 21,777 registered drug addicts in Uzbekistan, of which eighty-five percent were heroin users. 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 only 10-15 percent of the actual drug addicts in Uzbekistan. A UNODC study estimated that there are more than 130,000 opiate drug users in Uzbekistan.

Over the last few years, there has been an alarming growth in the number of persons who are HIV positive, and Uzbek officials say the problem is getting worse. There were 849 new HIV cases registered in the first half of 2008, of which 231 (27 percent) were injecting drug addicts, according to official GOU statistics. Approximately half of the 15,000-100,000 people infected with HIV are between the ages of 25 and 34. Hospitals with drug dependency recovery programs are inadequate to meet the increasing need for detox and treatment. The Ministry of Health and National Drug Control Center have recognized the need to focus increased attention on the drug problem, but do not have sufficient funds to do so adequately. Drug awareness programs are administered in cooperation with NGOs, schools, women and youth groups, religious organizations, national radio, and the mahalla (neighborhood) support system. In 2008 the GOU broadcast 129 TV and 304 radio broadcasts to raise awareness about the dangers of drug use, and 232 newspaper articles were published. In 2007, UNODC completed an INL-funded drug demand reduction project that demonstrated increased drug abuse awareness among school children. Additional INL funds were provided to UNODC in 2008 which will be used for a follow-up drug demand reduction project. A USAID drug demand reduction project which focused on key points along drug trafficking routes to prevent at-risk young people from becoming injecting drug users ended in 2008; some of the activities are continuing under the auspices of local NGOs or health facilities.

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

**Bilateral Cooperation.** U.S.-Uzbek bilateral counternarcotics assistance focuses on the prevention of illicit drug activities in and through Uzbekistan, and the need to increase the capacity of Uzbek law enforcement agencies to combat these activities. This assistance is most often provided in the form of technical assistance, training, and limited equipment donations. Since early 2005, the GOU has significantly slowed the pace of bilateral cooperation with the United States. The government continues to accept some operational training conducted in Uzbekistan or third countries as well as equipment donations. In spite of the GOU's continuing hesitance to engage in U.S.-sponsored programs in a variety of areas, including counternarcotics, eight mid-level officers from the Ministry of Internal

Affairs and the National Security Service participated in an eight-week training program at the International Law Enforcement Academy (ILEA) in Budapest, Hungary from August—October 2008. This was the first time Uzbekistan officers attended training at ILEA since 2005, although the GOU only agreed to send half the number of officers for which invitations were extended. An INL-funded drug demand reduction project administered by UNODC will begin in late 2008, which will build on a previously completed project to raise awareness about the dangers of drug use among schoolchildren.

The State Department's Bureau of Export and Related Border Security (EXBS) modestly increased its activities in Uzbekistan in 2008 as the political relationship improved. The Embassy delivered ten radioisotope identification devices to the Higher Military Customs Institute in June 2008. Several officials from various parts of the Government of Uzbekistan participated in an export control training workshop in Washington, DC in September 2008. A mobile x-ray van previously delivered to Customs was repaired with EXBS funds and cooperation from the Government of Kazakhstan in August 2008. The Department of Defense increased counternarcotics activities with the GOU during 2008, following reengagement between Central Command (CENTCOM), the Ministry of Defense, and the National Center for Drug Control. In previous years Ministry of Defense officials stated that counter-narcotics was not in its competency; however, a July 2008 diplomatic note from the GOU confirmed that the Ministry of Defense was ready to join CENTCOM's counter-narcotics program. GOU officials participated in DOD-sponsored counternarcotics events in FY 2008, including Marshall Center counternarcotics programs and other military-to-military training events concerning counternarcotics. Former CENTCOM Commander Admiral William Fallon and his successor, General Martin Dempsey, both raised the importance of counter-narcotics cooperation during separate visits to Uzbekistan in January 2008 and August 2008, respectively.

**The Road Ahead.** The U.S. remains committed to supporting appropriate Uzbek agencies to improve narcotics detection and drug interdiction capabilities. However, the effectiveness of U.S. assistance programs depends on the willingness of the Government of Uzbekistan to participate in these efforts.

## V. Statistical Table

### Summarized Drug Seizure Statistics

#### Uzbekistan

#### January–October 2008

	2008 (9 months)	2007 (9 months)
Total drug related crimes	7,837	7,328

*Note: increase of 6.5%*

#### Drug Seizures:

	2008	2007
Total	2,973kg	1,554kg
Heroin (kg)	1,151	195.4
Opium (kg)	995.4	666.1
Cannabis (kg)	630	492.7
Hashish (kg)	59.8	54
Opium Poppy Straw (kg)	137	146

**Drug seizures made in Uzbekistan by transportation type:**

61.2%—Pedestrian

23.4%—Vehicular (excl. motorcycle)

5.8%—Rail

4.4%—Waterborne

4%—Air

1.2%—Motorcycle

# Venezuela

## I. Summary

Venezuela remains a major drug-transit country with high-levels of corruption and a weak judicial system. Growing illicit drug transshipments through Venezuela are enabled by Venezuela's lack of international counternarcotics cooperation. Venezuela refused to cooperate on almost all bilateral counternarcotics issues, rejecting U.S. criticism and accusing the U.S. Government (USG) of complicity with drug trafficking organizations.

The Government of Venezuela (GOV) declared the U.S. ambassador *persona non grata* on September 11, 2008, in what President Chavez characterized as "solidarity" with the Bolivian government's decision to expel the U.S. ambassador in La Paz. In September, The U.S. Treasury's Office of Foreign Assets Control designated to senior Venezuelan government officials and the former Justice and Interior Minister as "Tier II Kingpins" for materially assisting the narcotics trafficking activities of the Revolutionary Armed forces of Colombia (FARC). Also in September 2008, the President determined, as in 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

Venezuela is one of the principal drug-transit countries in the Western Hemisphere. Counternarcotics successes in Colombia have forced traffickers to shift routes through neighboring Venezuela, whose geography, corruption, a weak judicial system, incompetent and in some cases complicit security forces, and lack of international counternarcotics cooperation make it vulnerable to illicit drug transshipments. While the majority of narcotics transiting Venezuela continue to be destined directly for the U.S. and Europe, a rapidly increasing percentage has started to flow towards western Africa and then onwards to Europe. The movement of drugs continues to compound Venezuela's corruption problem, and increase the level of crime and violence throughout the country. The acceleration of violent crime over the last decade is highlighted by a tripling of the country's homicide rate during the same period. According to international sources, today Venezuela is reported to have the second highest murder rate in the world.

## III. Country Actions against Drugs in 2008

**Policy Initiatives.** A proposal announced by the Venezuelan government in 2007 to establish a new counternarcotics task force under the National Anti-Drug Plan did not materialize in 2008. Although it was to take effect in January 2008, Venezuela's national counternarcotics strategy for 2008 – 2013 still has not been released publicly. However, a few uncoordinated civic and law enforcement activities have been credited to the plan. The drug education program "Planting Values for Life," launched in 2007, operated regularly in 2008. At least four of the ten radar systems purchased from China by the GOV National Counternarcotics Office (ONA) in 2007 were installed in 2008, but, due in part to ONA's persistent refusal to share information or engage with international counter drug partners, their potential effectiveness to scan Venezuelan airspace for illegal drug transshipments is unclear.

The GOV has rejected nearly all counternarcotics cooperation with the USG since 2005 as a matter of policy, and has undermined USG efforts to collaborate with state and municipal governments. Initially, the GOV claimed that it rejected collaboration until both parties signed an addendum to the 1978 USG-GOV Bilateral Counternarcotics Memorandum of Understanding (MOU). While the USG did not agree that the addendum was essential to ensuring appropriate counternarcotics cooperation, the USG negotiated a mutually acceptable version in December of 2005, but the GOV still has not signed it.

In August 2008, the GOV denied visas to the Director and staff of the Office of National Drug Control Policy (ONDCP). The ONDCP Director had offered to travel to Caracas to meet with GOV officials in order to follow up on President Chavez' July 5 public comments to the U.S. ambassador that he wished to renew bilateral counternarcotics cooperation. GOV Vice President Ramon Carrizalez subsequently accused DEA of being part of an international drug cartel.

This lack of counternarcotics cooperation is an important piece of the general chilling of bilateral relations over the past few years, capped by President Chavez' September expulsion of the U.S. ambassador. Given the GOV's refusal to cooperate bilaterally with the United States and other factors, the President determined in 2008, as in 2007, 2006, and 2005, that Venezuela "failed demonstrably" to adhere to its obligations under international counternarcotics agreements. According to the ONA, the GOV did not enter into any new counternarcotics cooperation agreements with other countries in 2008. Germany, the Netherlands, and the UK cooperated on some modest counternarcotics initiatives with Venezuela. For example, Germany provided week-long intelligence training courses to Venezuelan law enforcement units.

**Law Enforcement Efforts.** Corruption and failure to use all the state's tools and resources to fight drug trafficking and illicit activity have created an environment conducive to organized crime. Whether due to security forces' weakness, lack of will, or corruption, Venezuela has effectively lost control of large portions of western Venezuela, abutting Colombia, to narco-trafficking organizations, including the Revolutionary Armed Forces of Colombia (FARC). The FARC's ability to operate freely in this portion of Venezuela facilitates its well-established involvement in narco-trafficking. Venezuelan police and prosecutors do not receive sufficient training or equipment to properly carry out counternarcotics investigations. Without effective criminal prosecutions, and with the politicization of investigations and corruption, the public has little faith in the judicial system. Venezuelan arrests are usually limited to low-level actors. However, in November authorities raided a farm belonging to Walid Makled, Venezuela's largest drug trafficker, and arrested 10 persons, including his brother Abdla Makled. Authorities also seized 300 kilograms (kg) of cocaine and arms. Walid Makled remains at large.

The GOV reported seizures of over 54 metric tons (MT) of cocaine in 2008, claiming an increase from 28 MT in 2007. However, the GOV does not permit the USG to confirm its seizures or to verify the destruction of seized illicit drugs. Moreover, these figures include seizures made by other countries in international waters that were subsequently returned to Venezuela, the country of origin. Additionally, the GOV reported seizing 111 kg of heroin, 17 MT of marijuana, and 53 kg of crack cocaine.

**Corruption.** On March 1, 2008, the Government of Colombia obtained information during an operation against the FARC showing that GOV officials have provided support to the FARC. In September, based on this and other corroborating information, the U.S. Treasury's Office of Foreign Assets Control designated two senior Venezuelan government officials, Hugo Armando Carvajal Barrios and Henry de Jesus Rangel Silva, and the former Justice and Interior Minister, Ramon Rodriguez Chacin, as "Tier II Kingpins" for materially assisting the narcotics trafficking activities of the FARC. Members of Venezuelan security forces often facilitate or are themselves involved in drug trafficking, particularly the special counternarcotics units of the National Guard and the Federal Investigative Police (CICPC). Security forces routinely take bribes in exchange for facilitating drug shipments, and seizures are most likely to occur when payoffs have not been made. Even when seizures occur, the drugs are not always turned over intact for disposal, and seized cocaine is sometimes returned to drug traffickers.

**Agreements and Treaties.** Venezuela is a party to the 1988 UN Drug Convention against illicit traffic in narcotic drugs and psychotropic substances, the 1961 UN Single Convention on Narcotic Drugs 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 has signed, but not yet ratified, the UN Convention against Corruption.

The GOV has also signed a number of bilateral agreements with the U.S., including a customs mutual assistance agreement and a 1991 ship-boarding agreement updated in 1997 that authorizes the USG to board suspect Venezuelan-flagged vessels on the high seas. While a 1978 Memorandum of Understanding concerning cooperation in counternarcotics was signed, a necessary addendum to extend the agreement drafted in 2004 remains unsigned despite USG requests.

**Extradition and Mutual Legal Assistance.** The United States and Venezuela are parties to an extradition treaty that entered into force in 1923. The 1999 Venezuelan constitution bars the extradition of its nationals. Non-Venezuelans can be extradited, but Venezuelan judges always attach conditions—such as unilateral attempts to restrict the term of years that an extradited defendant may serve in prison—that have the effect of precluding extradition. On occasion, Venezuelan authorities have deported non-Venezuelan criminals to a third country—usually Colombia—where they can be more easily extradited to the U.S. In September, the GOV expelled Colombian drug traffickers Aldo Mario Alvarez Duran and Marcos Jorge Orozco Wilches to Colombia, where the USG had previously submitted provisional arrest requests. Also, in November, the GOV expelled Colombian drug traffickers Henry Fortich Coneo, Wilmer Villadiego Coneo, and May Mitchell Palacios directly to the United States, although no formal extradition requests had been made.

**Cultivation/Production.** Some coca cultivation does occur along Venezuela's border with Colombia, but the levels are historically insignificant. However, no reliable cultivation data has been released recently by the GOV. Periodic GOV eradication operations were carried out in 2008, including "Operation Sierra" along the western border with Colombia, which included elements of the ONA and the Venezuelan Armed Forces (FAN). Results of these eradication programs have not been released by the GOV.

**Drug Flow/Transit.** Narcotics trafficking in Venezuela has increased five-fold since 2002, from 50 MT to an estimated 250 MT in 2007. As Colombia's Air Bridge Denial program continues to successfully shut down transit routes out of western and southern Colombia, the 2,200-mile porous border with Venezuela has become more attractive to traffickers. Drug traffickers routinely exploit a variety of routes and methods to move hundreds of tons of illegal drugs on the Pan-American Highway, the Mata and Orinoco Rivers, the Guajira Peninsula, and dozens of clandestine airstrips. The Venezuelan armed forces claim to have destroyed many of these airstrips, but they did not invite foreign government representative to review the results. The majority of illicit drugs transiting Venezuela are destined for the U.S. and Europe. Venezuelan traffickers have been arrested in the Netherlands, Spain, Ghana, the Dominican Republic, Mexico, Grenada, Dominica, St. Lucia, and other countries.

Illicit narcotics are smuggled from Venezuela to the principal markets in the U.S. and Europe in maritime cargo containers, fishing vessels, go-fast boats, and private aircraft taking off from clandestine airstrips. Illicit narcotics destined for the U.S. 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, especially Spain, or are shipped through the eastern coastal waters of Venezuela and the Caribbean to West Africa, notably Guinea and Guinea Bissau. Clandestine flights departing Venezuela are another means of transporting cocaine shipments to West Africa. Multi-kilogram shipments of cocaine and heroin are also mailed through express delivery services to the United States.

Between January and June 2008, the U.S. estimates that 116 MT of cocaine transited Venezuela: 28 MT via maritime routes and 87 MT via air, according to the Joint Interagency Task Force-South. In an effort to combat the transit of narcotics through Venezuela, the GOV launched Operation Boquete in 2008. The operation was designed to disable clandestine landing strips used for drug trafficking. There were four phases that reportedly destroyed an approximate total of 200 airstrips in Apure, Falcon, Anzoategui, and Monagas. Most of these airstrips were old, unused, and could be easily repaired. These efforts achieved only short-term gains in transit areas of Venezuela, temporarily disrupting drug trafficking flights.

The USG assesses that Colombian guerrilla and paramilitary organizations, including two designated Foreign Terrorist Organizations (FTOs), the FARC and the National Liberation Army (ELN), conduct drug trafficking operations in Venezuelan territory, often using local traffickers to coordinate transportation and logistics. The FARC and ELN often cross into Venezuela to facilitate trafficking activities, for rest and relaxation, and to evade Colombian security forces, often with the collusion of some elements of the Venezuelan security forces.

**Domestic Programs/Demand Reduction.** Venezuelan law has required since 2005 that companies with more than 200 workers donate one percent of their profits to the National Anti-Drug Office (ONA), which is supposed to dispense the funds to demand reduction programs carried out by ONA-approved NGOs or run their own programs. This is a significant 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, and has proven ineffective.

ONA has been slow to certify the numerous NGOs involved in demand reduction, and has tried to dissuade NGOs from accepting support from the United States. Several NGOs claim to have been denied ONA certification for being linked to opposition parties, while those NGOs receiving assistance from the USG find it particularly difficult to receive ONA certification. Also, legal challenges to the requirement that funds be donated directly to ONA have frozen the donation process. Companies have postponed making donations, either to ONA or to NGOs, until the statutory requirement is clarified, and many NGOs have shut their doors 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 continue to report that drug abuse may be on the rise.

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

**Bilateral Cooperation.** The GOV has almost eliminated all counternarcotics related cooperation and contact with the USG. Despite repeated requests, the GOV has not signed an MOU addendum with the USG since 2005.

In August 2008, the GOV did hold one judicial sector training exercise with the technical support of the United Nations Office of Drugs and Crime (UNODC), despite having said in 2007 that it would end the judicial sector's participation in several USG-funded UNODC programs, and indicated to the UNODC that the GOV would not participate in any programs receiving USG funds. No further cooperation with the GOV was reported during 2008. While the USG 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.

The USG-funded Container Inspection Facility (CIF) at Puerto Cabello remains unused by the GOV, despite the fact that the USG estimates that the majority of narcotics from Colombia transit the Tachira-Puerto Cabello corridor and other parts of the northern coast. 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. The Autonomous Port Institute of Puerto Cabello (IPAPC) expropriated and now controls access to the unused facility.

A number of private Venezuelan companies are still enrolled in the U.S. Customs Service's Business Anti-Smuggling Coalition (BASC) program. This program seeks to deter smuggling, including narcotics, in commercial cargo shipments by enhancing private sector security programs. Despite initial progress, the difficult relations between the USG and the GOV have slowed the pace of this program in both the Valencia and Caracas BASC chapters.

The GOV generally continues to authorize the USG to board Venezuelan-flagged vessels on the high seas suspected of being engaged in narcotics trafficking, and the GOV retains jurisdiction. The GOV does not share information on the final disposition of seizures made by the United States Coast Guard on Venezuelan-flagged vessels and the corresponding legal cases.

Several high-level Venezuelan officials, including former Interior and Justice Minister Rodriguez Chacin, current Interior and Justice Minister Tarek El Assaimi, and Vice President Ramon Carrizalez have been repeatedly and publicly critical of US counternarcotics policy and have accused the Drug Enforcement Administration (DEA) of engaging in illicit narcotics trafficking. The USG refuted these charges, and offered to meet with Venezuelan officials to detail our response – an offer that was rejected. The GOV did deport DEA fugitive Luis Ramon Guerra on February 1, and also seized his assets worth over \$10 million. The GOV also arrested DEA fugitive Hermagoras “Gordito” Gonzalez in March 2008 but refused to extradite him, though his arrest led to the seizure of nearly \$24 million worth of assets.

**The Road Ahead.** The USG remains prepared to renew cooperation with Venezuela to fight the increasing flow of illegal drugs, but the GOV needs to take concrete steps to demonstrate its own commitment. These could include signing the outstanding MOU addendum, and stemming the rise in drug transshipments from Colombia by working with the USG to start operation of the Container Inspection Facility (CIF) at Puerto Cabello. These steps would help to dismantle the growing organized criminal networks and aid in the prosecution of criminals engaged in trafficking.

# Vietnam

## I. Summary

The Government of Vietnam (GVN) continued to make progress in its counternarcotics efforts during 2008. 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. The United States and Vietnam continued to implement training and assistance projects under the counternarcotics Letter of Agreement (LOA). Operational cooperation with the U.S. Drug Enforcement Administration's (DEA) Hanoi Country Office (HCO) has improved, but continued progress is still needed in order to achieve significant results. Vietnam is a party to the 1988 UN Drug Convention.

## II. Status of Country

This year, Vietnam reported an increase in the poppy cultivation areas, particularly in the provinces of Son La, Lao Cai, Yen Bai, Lai Chau, Lang Son, Gia Lai, Dac Lak, Hau Giang and Dong Nai. Official UNODC statistical tables no longer list Vietnam separately with major drug production countries in drug production analyses. Cultivation in Vietnam probably accounts for only about one percent of the total cultivation in Southeast Asia, according to law enforcement estimates. There appear to be small amounts of cannabis grown in remote regions of southern Vietnam. In previous years, DEA has 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 no longer produced in Vietnam, but it continues to be imported into Vietnam for re-export under controls to third countries. The potential for diversion of sassafras oil into clandestine MDMA production remains an area of concern. In 2008, 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. During 2008, the GVN increased the pace of enforcement and awareness programs that they hope will 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 2008

**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 people's organizations as members. In addition, MPS, as NCADP's standing member, has a specialized unit to combat and suppress drug crimes. During 2008, many provinces and cities continued to implement their own drug awareness and prevention programs, as well as demand reduction and drug treatment. The GVN continues to view drug awareness and prevention as vital tools and significant objectives in its fight against drugs, as well as integral parts of its effort to comply fully with the 1988 UN Drug Convention. The GVN has continued to rely heavily on counternarcotics propaganda, culminating in the annual drug awareness month in June 2008. Officially sponsored activities cover every aspect of society, from schools to unions to civic organizations and government offices. The MPS also works with relevant agencies to outline a national strategy on drug abuse control from now to 2020. The strategy is slated to intensify the crackdown on drug trafficking. In addition to work on the long term strategy, the MPS also took part in revising and supplementing the GVN's current basic Anti-Narcotic Law. In 2008, 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.** According to the Standing Office for Drug Control (SODC) under the Ministry of Public Security (MPS), during 2008 there were 13,239 drug cases involving 20,636 suspects. Out of that number, press reports indicate there were 61 cases involving 127 foreigners. Total seizures included 205 kg of heroin, 33 kg of opium, 8.6 tons of marijuana oil, 128 kg of dry marijuana, 3 tons of fresh marijuana, 28 kg of ATS powder (used to make tablets) and 45,983 ATS tablets, 2 kg of ketamine, and 873,346 tablets and 1,188 ampoules of addictive pharmaceuticals. Total seizures include 156 kg of heroin, 19 kg of opium, 8,657 kg of cannabis, 44,054 ATS tablets, and 13,543 tablets and 1,188 ampoules of addictive pharmaceuticals. Press reports note that the numbers of cases and traffickers during 2008 represent an increase of 3,900 cases (43.6 percent) and 6,700 suspects (49.4 percent) percent compared with 2007. Drug laws remain very tough in Vietnam. For possession or trafficking of 600 grams (something more than one pound) or more of heroin, or 20 kg (44 pounds) of opium gum or cannabis resin, the death penalty is mandatory. Foreign law enforcement sources do not believe that major trafficking groups have moved into Vietnam. Relatively small groups comprised of from five to 15 individuals (who are often related to each other) usually do most narcotics trafficking.

Foreign law enforcement representatives in Vietnam say that operational cooperation on counternarcotics cases is limited largely due to legal prohibitions and policy restrictions that preclude Vietnam's drug enforcement authorities from sharing information and supporting bilateral investigations with foreign police agencies. Changes in Vietnamese law to allow the establishment of a legal and procedural basis for Vietnam's cooperation with foreign law enforcement agencies are necessary to reach international standards of cooperation, rather than the current situation where operational "cooperation" is determined on a case-by-case basis. USG law enforcement agencies noted that the development of agency-to-agency agreements have improved the cooperation climate. During 2008, cooperation levels between GVN law enforcement authorities and DEA continued to improve. DEA agents have experienced a few incidents where they have been officially permitted to work directly with GVN counternarcotics officials on specific cases. While cooperation was limited to receiving information and investigative requests from DEA, the GNV counternarcotics department was more interactive and demonstrated more cooperative attitude to DEA requests. Thus far, counternarcotics police have not shared detailed investigative information with DEA, providing only the investigative basics.

**Corruption.** As a matter of GVN policy, Vietnam 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 information 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, both among lower-level enforcement personnel and higher-level officials, is consistent with the fairly large-scale movement of narcotics into and out of Vietnam, which is happening. The GVN demonstrated willingness to prosecute some corrupt officials, although 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 Corruption Convention and the UN Convention against Transnational Organized Crime.

**Cultivation/Production.** During the 2007 – 2008, authorities nationwide detected and destroyed 99 hectares of poppy plants and 1 hectare of marijuana. While no specific data for 2008 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. 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.

**Drug Flow/Transit.** Law enforcement sources and the 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. The ATS flow into the country during 2008 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 2008, numerous cases involving ATS trafficking and consumption were reported in the media, including mass arrests following raids on popular nightclubs. DEA has received recent information on Vietnam based organization beginning to ship Ecstasy from Vietnam into Canada for the eventual distribution in the United States.

**Domestic Programs/Demand Reduction.** According to SODC, at the end of November 2008, there were 173,000 officially registered drug users nationwide. Included in that figure are 97,382 addicts living in the community, and 44,496 and 31,122 other addicts living, respectively, in MPS prisons and Ministry of Labor, War Invalids and Social Affairs (MOLISA) treatment centers. Vietnam has 87 provincial-level treatment centers providing treatment to about 58,000 drug addicts annually, a six-fold increase compared with 2001. The number of "unofficial" (i.e., not acknowledged officially) drug users is at least 1.5 times higher. Ministries distributed 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, but considers these efforts to have had minimal impact on the existing addict and HIV/AIDS population.

Vietnam strives to integrate addiction treatment and vocational training to facilitate the rehabilitation of drug addicts. SODC reports that during 2008 20,978 drug users received treatment, 6,321 received vocational training, and 2,648 received basic education. 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 addressing the HIV prevention needs of injecting drug users (IDU) remains the foremost priority in Vietnam's efforts to combat HIV/AIDS. UNAIDS reports a total of 132,000 HIV cases in the country, a figure considered accurate by both the GVN and the USG. More than 60 percent of known HIV cases are IDUs, 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, launched in March 2004, presents a comprehensive response to HIV, including condom promotion, clean needle and syringe programs, voluntary counseling and testing and HIV/AIDS treatment and care.

In June 2004, Vietnam was designated the 15th focus country under the President's Emergency Plan for AIDS Relief (PEPFAR). USG FY08 funding, \$88.5 million, is distributed through key PEPFAR agencies such as USAID, HHS/CDC, and the U.S. Department of Defense. The majority of USG support targets seven current focus 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 provinces. 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 in the near future. 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. Even in focused settings, stigma and discrimination against 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 GVN has officially "registered" 173,000 IDU nationally, but the actual size of this population is estimated to be many times higher. In addition, using even the most conservative estimates of population size, coverage of basic prevention services remains low. For example, PEPFAR-supported outreach efforts only provided education to a maximum of 4 percent of the estimated number of IDU in Hanoi, and a maximum of 40 percent of the estimated number of registered IDU in Ho Chi Minh City. The successful referral of these individuals to HIV counseling and testing and other care and treatment services also remains an essential priority given the burden of HIV infection among IDU, but continues to be a challenge. According to the latest PEPFAR program reports, a maximum of 5 percent of the number of IDU in Hanoi, and a maximum of 13 percent of the number of IDU in Ho Chi Minh City, have received HIV counseling and testing.

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

**Policy Initiatives.** Under the Vietnam-U.S. Counternarcotics Assistance LOA, U.S. Customs and Border Protection delivered contraband enforcement training to GVN customs, border guards, and maritime administration officials. This training included three field visits for GVN officials to U.S. ports to observe best practices and three in-country training courses held in major port cities. During July and August, DEA and JIATF-W sponsored two-week Officer Tactics and Safety training seminars for MPS and Border Army officials in Hanoi and HCMC, and a three-week Small Craft Maintenance and Training Seminar for MPS in HCMC. The USG also provided port security and vulnerability assessment and container inspection training to Vietnam. The USG also contributed to counternarcotics efforts in Vietnam through its support of UNODC.

**The Road Ahead.** The GVN is acutely aware of the threat of drugs and Vietnam's increasing domestic drug problem. However, there is a guarded approach to foreign law enforcement assistance and/or intervention in the counternarcotics arena. During 2008, 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 began to reach out for assistance from foreign law enforcement organizations. Vietnam still faces many internal problems that make fighting drugs a challenge. USG-GVN operational cooperation is on the rise. However, such cooperation will remain limited until the development of a legal framework to allow some manner of 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 the joint investigation and development of drug cases. The November 2006 Memorandum of Understanding between DEA and the GVN's Ministry of Public Security (MPS) was 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. It is exported to other countries in the region, as well as to the Netherlands and United Kingdom. Zambia's Drug Enforcement Commission (DEC) reported a large number of seizures of cannabis in 2007 and 2008. Seizures of other drugs remained small. The DEC works closely with other Zambian law enforcement agencies and has a record of international cooperation with the U.S. Government. As is true of the Zambian government generally, the DEC is hampered by a lack of resources. 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. Other drugs that are abused in Zambia include heroin, cocaine, and khat. 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 to Malawi, Mozambique, Namibia, Botswana, Tanzania, and South Africa. Some cannabis is also transported 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 may also be a transit route for ephedrine, which is used to manufacture methamphetamines that are destined for the Democratic Republic of Congo (DRC) and Angola. Locally consumed cocaine is imported from DRC, whereas khat and heroin are imported from Tanzania.

## III. Country Action Against Drugs in 2008

**Policy Initiatives.** In addition to cannabis eradication, other DEC programs focus on officer training, drug demand reduction, and money-laundering investigations. 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, the DEC has not yet conducted a nationwide survey to ascertain the extent of narcotics abuse in Zambia. In 2008 the DEC began expanding its presence in rural areas with the intention of deploying counter-narcotics officers and establishing DEC branches in every national district. The DEC also is constructing a dedicated treatment and rehabilitation center and conducting an outreach effort at primary and secondary schools.

**Law Enforcement Efforts.** Almost all of the DEC's interdiction effort is related to cannabis. Between January and October 2008, the DEC arrested 1,674 persons on drug-related offenses, resulting in 848 convictions. Total drug seizures amounted to 31 metric tons of cannabis, 360 kilograms of khat, 1.3 kilograms of heroin, and 24 grams of cocaine. These figures mark a slight decline from 2007, when the DEC arrested 2,593 persons for drug related offenses, resulting in 1,402 convictions. Total narcotics seizures in 2007 included 53 metric tons of cannabis, 305 kilograms of khat, 3.9 kilograms of heroin, and 746 grams of cocaine. Law enforcement officers are also authorized to confiscate licit pharmaceutical 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.** In 2008 the Government of Zambia continued its anti-corruption initiatives by prosecuting acts of corruption that high-level officials committed during the administration of former President Frederick Chiluba. In recent years, the Zambian Government has also focused on strengthening its lead anti-corruption agency, the Anti-Corruption Commission. Although the DEC has played a role in this anti-corruption 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. As a matter of policy, the Government of Zambia 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.** 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. Although there is no bilateral mutual legal assistance treaty with Zambia, requests for assistance can be made under these conventions. In the past, the U.S. has responded to requests made by Zambia for assistance. Zambia is also a party to the UN Convention against Corruption and the UN Convention against Transnational Crime and its three Protocols. A 1931 extradition treaty between the U.S. 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 there is some export to the region and to Europe.

**Drug Flow/Transit.** Some Afghan heroin enters Zambia from Tanzania, and some South American cocaine transits Zambia from Angola to Mozambique.

**Domestic Programs/Demand Reduction.** No sophisticated treatment for drug abuse is available in Zambia. Drug abuse cases are handled by the government-run healthcare system.

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

**Bilateral Cooperation.** The U.S. Government is not engaged in any ongoing programs or policy initiatives in the field of counternarcotics with the DEC. However, the U.S. Government provides significant training assistance to Zambian law enforcement agencies, including the DEC. In 2007-2008 over fifty enforcement officers, including several who are active in narcotics control, completed training at the U.S.-sponsored International Law Enforcement Academies in Gaborone, Botswana and Roswell, New Mexico. A U.S. Coast Guard Mobile Training Team (MTT) conducted a course in Zambia focused on Port Security/Port Vulnerability.

**The Road Ahead.** The U.S. and Zambia will stand ready to cooperate on counternarcotics cases with a nexus in the two countries.