

Departamento de América del Norte

2011 INCSR: Country Reports - Afghanistan through Costa Rica Bureau Of International Narcotics And Law Enforcement Affairs

2011 International Narcotics Control Strategy Report (INCSR)

Report

March 3, 2011

Afghanistan

A. Introduction

Afghanistan produces approximately 90 percent of the world's illicit opium. Poppy cultivation remained stable in 2010, but opium production decreased due to a blight that affected crop yields in high cultivation provinces. The United States estimated that Afghanistan cultivated 119,000 hectares of illicit opium poppy in 2010, which yielded a potential opium gum production of 3200 MT. The United Nations Office on Drugs and Crime (UNODC) also surveys illicit poppy cultivation in Afghanistan. They estimated that Afghanistan cultivated 123,000 hectares of opium poppy in 2010, the same as 2009. UNODC estimated that Afghan opium poppy crops in 2010 yielded only 3600 metric tons (MT) of raw opium, down 48 percent from 6900 MT in 2009, due largely to the blight.

Active insurgency areas in the southern and southwestern provinces account for 98 percent of illicit poppy cultivation. Narcotics traffickers provide revenue and material support to insurgents in exchange for protection. Insecurity in Afghanistan's primary

poppy cultivation regions in the south and southwest has impeded the extension of governance and law enforcement, but coalition security forces did clear the Marjah District of Helmand Province and began extensive operations around Kandahar City.

Afghanistan is involved in the full narcotics production cycle, from cultivation to finished heroin to consumption. Drug traffickers trade in all forms of opiates, including unrefined opium, semi-refined morphine base, and refined heroin. Although improvements in Afghanistan's infrastructure have created viable economic alternatives to poppy cultivation, they have also increased traffickers' and insurgents' operational effectiveness.

The Government of the Islamic Republic of Afghanistan (GIROA) generally relies on assistance from the international community to implement its national counternarcotics strategy. Greater political will, increased institutional capacity, enhanced security, and more robust efforts at all levels are required to decrease cultivation in high cultivation provinces, maintain cultivation reductions in the rest of the country, combat trafficking, and respond to a burgeoning domestic addiction problem in coming years. Afghanistan is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Ministry of Counter Narcotics (MCN) is currently revising the National Drug Control Strategy (NDCS), which was approved in 2006. The new strategy was scheduled to be released by December 2010; however, it now appears that it will not be completed until early 2011. The NDCS states its overall goal is: "To secure a sustainable decrease in cultivation, production, trafficking, and consumption of illicit drugs with a view to complete and sustain elimination." The strategy outlines four priorities: disrupting the drug trade by targeting traffickers and their backers; strengthening and diversifying legal rural livelihoods; reducing the demand for illicit drugs and treatment of problem drug users; and developing state institutions at the central and provincial level vital to the delivery of the strategy. The MCN is tasked with implementing the strategy and is the "lead agency... responsible for coordination of affairs related to combating narcotics and implementation of the provisions" according to the terms of the Afghan Counternarcotics Law. Despite strong leadership

under Minister Zarar Ahmad Moqbil Osmani, who assumed office in January 2010, the MCN has limited political influence and few resources. The ministry depends heavily on the support of other implementing government agencies, such as the Ministry of Interior (MOI); Ministry of Public Health; Ministry of Agriculture, Irrigation, and Livestock; Ministry of Rural Rehabilitation and Development; and the Independent Directorate for Local Governance, to execute counternarcotics policy. The MCN also relies heavily on international partners, such as the United States, United Kingdom, Colombo Plan, and UNODC, for program funding as well as salary supplements for key positions.

The MCN implements the Good Performers Initiative (GPI), a U.S.-funded program launched in 2007, to reward provinces for successful counternarcotics performance. Provinces that are poppy free as declared by UNODC or where poppy cultivation has declined significantly (by 10 percent) receive funding for development projects proposed by provincial development councils and governors' offices. In 2010, 27 of Afghanistan's 34 provinces qualified for a share of \$25.7 million.

The MCN-run Governor-Led Eradication (GLE) program reimburses governors' expenses for each hectare of eradicated fields as verified by UNODC. Many governors are unwilling or unable to implement poppy reduction programs due to the lack of security and high levels of insurgent activity in their provinces. The overall amount of eradicated fields fell 57 percent in 2010, from 5351 to 2316 hectares, due in part to the discontinuance of U.S. support for the Poppy Eradication Force (PEF), a centrally-led eradication unit, in summer 2009. Eradication under the GLE decreased as well, but only slightly, down from 2687 hectares in 2009. The U.S. intends to increase levels of compensation in the GLE program as an added incentive for improved performance.

The Afghan government's Criminal Justice Task Force (CJTF) is a vetted, self-contained unit that consists of Afghan prosecutors, criminal investigators, and first instance and appellate court judges. The FBI and DEA polygraph CJTF staff members as a check against corruption within their ranks and Department of Justice (DOJ) Senior Legal Advisors mentor the unit. CJTF officials receive salary supplements from the United Kingdom. The salary supplements and polygraphs were in danger of being discontinued following the arrest on bribery charges of a member of the Afghan

National Security Council, in July 2010. The once unfettered access of international mentors to the Afghan CN drug prosecutors assigned to the CJTF also ceased following the July 2010 arrest. Under Afghanistan's 2005 Counternarcotics Law, the CJTF prosecutes all drug cases that reach certain thresholds (possession of two kilograms of heroin, ten kilograms of opium or 50 kilograms of hashish or precursor chemicals) before the Counter Narcotics Tribunal (CNT).

In the Afghan legal system, following a decision at the first court, the losing party, whether the convicted defendant or unsuccessful Government prosecutor may appeal to the Appeals Court. From March 2009 to March 2010, the CJTF handled 395 cases involving 502 suspects and more than 92 tons of illicit substances. The Primary and Appeals Court report conviction rates of over 90 percent. Fifty-six (56) Afghan officials were convicted of involvement in narcotics trafficking by the task force in primary or secondary courts during this time period.

Afghan authorities made some progress in developing their capacity to interdict large quantities of narcotics, and arrest and prosecute narcotics traffickers. However, low capacity and corruption within law enforcement and justice institutions, the absence of effective governance in many provinces and districts, and poor security in regions where trafficking flourishes are severely hampering law enforcement efforts.

The Counter Narcotics Police of Afghanistan (CNPA), established under MOI in 2003 as a specialized element of the Afghan National Police (ANP), is responsible for investigating narcotics cases and maintains regional offices throughout the country. The 2010 personnel roster for CNPA is 3995; however, like many Afghan military and police units, the actual number of officers working regularly is smaller. Following basic ANP training, CNPA officers receive five weeks of specialized counternarcotics training and are deployed to the provinces where they report to provincial and district police chiefs. As a result of this command structure, CNPA officers are frequently assigned duties that are unrelated to counternarcotics undermining the objective of their training.

In August 2010, the MOI Deputy Minister for Counternarcotics Daud Daud, whose tenure was marked by allegations of corruption, was reassigned to the provinces. A significant number of senior MOI officials also left the ministry around the same time.

The new Deputy Minister, Baz Mohammad Ahmadi, is a former governor of two provinces. It is unclear at this time how these changes will affect MOI's performance.

The CNPA, with DEA training, mentoring and support, continued to make significant progress during 2010 in developing its three specially-vetted elite units that investigate high-value targets: the National Interdiction Unit (NIU), the Sensitive Investigative Unit (SIU), and the Technical Investigative Unit (TIU). Personnel come from a wide variety of Afghan law enforcement agencies and have to pass rigorous examinations, including background checks and polygraph screenings.

Afghan provincial officials also continued to conduct limited eradication operations in 2010 with ANP and CNPA support. As noted above, the number of hectares eradicated in Afghanistan declined from 5351 ha in 2009 to 2316 ha in 2010. According to MCN and UNODC reports, eradication efforts in Nangarhar provinces decreased in 2010 due to frequent attacks on GLE teams. Eradication campaign-related fatalities increased by 33 percent in 2010. The decreased level of eradication can be attributed to insufficient resources (including lack of tractors and poor vehicle maintenance), poor security, lack of political will, and the elimination of the PEF program.

Afghanistan is party to multilateral conventions such as the UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances and the UN Convention against Corruption. There is no bilateral extradition treaty between the U.S. and Afghanistan. Likewise, there is no mutual legal assistance treaty between the U.S. and Afghanistan. Mutual legal assistance and the successful extradition of fugitives for drug-related offenses remain difficult.

2. Supply Reduction

Based on UNODC data, the number of hectares under poppy cultivation in Afghanistan remained constant at 123,000 hectares in 2010. However, total opium *production* was estimated to have decreased by 48 percent from 2009 to 3600 MT due to a poppy blight in the high-cultivating southern and western provinces. A U.S. survey of opium cultivation and production in Afghanistan reached similar results, estimating cultivation at 119,000 hectares and potential opium production at 3200 MT. The number of households involved in poppy cultivation increased by one percent to 248,700 households, or six percent of the total population. The portion of narcotics proceeds

actually received by farmers increased by 38 percent, bringing in an estimated \$604 million at the "farm-gate," the equivalent of five percent of total GDP.

According to the UNODC and MCN, the number of poppy free provinces remained unchanged at 20 in 2010. Ninety-eight percent of opium cultivation remains concentrated in seven provinces in the southern and southwestern regions of the country. The UNODC noted that its finding "further substantiates the link between insecurity and opium cultivation observed since 2007." A symbiotic relationship exists between the insurgency and narcotics trafficking in Afghanistan. Traffickers provide weapons, funding, and other material support to the insurgency in exchange for the protection of drug trade routes, fields, laboratories, and their organizations, while others provide the same support because they are ideologically aligned with the Taliban. Some insurgent commanders engage directly in drug trafficking to finance their operations.

There is also evidence of significant and growing cultivation of cannabis in Afghanistan. The UNODC and MCN's first-ever cannabis survey in 2010, found that Afghan cannabis has an extremely high yield. As a result, UNODC and MCN estimate that Afghanistan is the largest global producer of hashish, estimated at 1500 to 3500 MT of hashish per year. For Afghan farmers, cannabis produces a higher net income per hectare than opium (\$3341 vs. \$2005) due to the lower labor costs associated with cannabis. The 2010 UNODC report estimated the value of cannabis resin production to be \$39 to \$94 million, a fraction of the value of the opium trade. UNODC also noted that, similar to opium, while illicit cultivation of cannabis has largely consolidated in insecure areas of the country, trafficking is prevalent across Afghanistan. A majority of cannabis farmers in southern provinces report being subjected to informal taxation (*Ushr*), indicating that this illicit crop may also directly or indirectly fund insurgent operations.

Primary trafficking routes into and out of Afghanistan are through Iran to Turkey and Western Europe; through Pakistan to Africa, Asia, the Middle East, China and Iran; and through Central Asia to the Russian Federation.

Drug traffickers lend money to farmers and then purchase the crops at previously set prices or accept repayment in the form of raw opium. Traffickers frequently buy raw opium directly from the farmer, eliminating for the farmer the danger and expense of

transporting it to market. In many provinces, local and regional warlords control opium markets as well as the illicit arms trade and other criminal activities, such as trafficking in persons. Traders operate in the markets with little fear of legal consequences and pay taxes directly to corrupt officials and insurgent groups.

Drug laboratories within Afghanistan process a large portion of the country's raw opium into heroin and morphine base. Processing reduces the bulk of raw opium by about one-tenth and thus facilitates its movement outside of the country. Traffickers illicitly import large quantities of precursor chemicals into Afghanistan. According to UNODC, markets and processing facilities are clustered in areas that border Iran, Pakistan, and Tajikistan. UNODC also reports that trafficking routes for opiate exports and precursor chemical imports are largely similar.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The Afghan government acknowledges a growing domestic drug abuse problem, primarily opiates and increasingly cannabis/hashish. The 2009 nationwide survey on drug use, conducted by the UNODC, the MCN, and the Ministry of Public Health, estimated that overall number of drug users is approximately 940,000 people, almost eight percent of the adult population (16 to 64 year olds). The 2009 survey estimated the number of opium users at 230,000 and heroin users at 120,000, together almost 3 percent of the adult population, a very high level for opiate abuse.

Cannabis/hashish consumption is also significant in Afghanistan. The 2009 survey noted that 60 percent of drug users had used cannabis in their lifetime and up to 630,000 Afghans use cannabis on a regular basis. The 46 drug treatment centers throughout Afghanistan are inadequate to care for the estimated 780,000 addicts who seek treatment. Each center treats ten to 50 in-patient men, women, and children and provides home-based care for additional addicts. The government has relied almost exclusively on international community funding to build, equip, and operate drug treatment centers.

4. Corruption

As a matter of government policy, GIRoA does not encourage or facilitate illicit drug production or distribution, nor is it involved in laundering the proceeds of the sale of illicit drugs. However, many central, provincial, and district level government officials

are believed to directly profit from the drug trade. Corrupt practices range from facilitating drug activities to benefiting from drug trade revenue streams.

The CJTF actively investigates and prosecutes public officials who facilitate drug trafficking under Article 21 of the Counter Narcotics Law (CNL), which criminalizes drug trafficking-related corruption. As a result of its efforts, the CJTF has successfully prosecuted high ranking government officials, including members of the CNPA.

Despite the CJTF's efforts, impunity still remains a concern in Afghanistan. For example, in the case of Haji Dil Jan, a Border Police colonel arrested on drug and corruption charges, the Afghan Attorney General ordered his release and suspended the investigation into his case and related cases for unclear reasons.

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

Afghanistan is a party to the 1988 UN Drug Convention, the 1971 UN Convention, the 1961 UN Single Convention on Psychotropic Substances, the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. 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.

In March 2010, the U.S. Government adopted a Counternarcotics Strategy that supports the Afghan NDCS's four priorities of disrupting the drug trade; developing licit agricultural livelihoods; reducing the demand for drugs; and building the capacity of GIRoA's CN institutions. The Strategy is formulated to help secure the Afghan populace by working with the GIRoA and coalition partners to restore Afghanistan's agriculture economy, build Afghan institutional capacity, and disrupt the nexus between drugs, insurgents, and corruption. The Strategy includes 10 objectives that support the overall goals of: 1) Countering the link between narcotics and the insurgency and significantly reduce the support the insurgency receives from the narcotics industry and 2) Addressing the narcotics-corruption nexus and reinforcing the government of Afghanistan.

In 2010 the GIRoA and Coalition partners made significant progress towards the Afghan government's counternarcotics priorities. In particular renewed U.S. efforts to support Afghan counternarcotics operations have enabled Afghan law enforcement

and military forces, along with their allied partners, to make significant drug seizures (particularly heroin). Last year Afghan and Coalition Forces conducted a total of 298 operations in which they seized 11 metric tons of heroin. One operation in July netted 5.7 metric tons of heroin. When compared to overall heroin seizures from 2009, in 2010 Afghan and Coalition heroin seizures increased by over 700 percent.

The GPI program rewards provinces that have significantly reduced or eliminated poppy cultivation. The MCN-administered program demonstrates that there is a direct and tangible benefit if a province engages in proactive supply reduction efforts. In 2010, the U.S. committed \$25.7 million to fund development projects in provinces that met the program's criteria. As noted above, the U.S. fully-funded MCN's GLE program, which reimburses provinces that eradicate poppy fields in targeted areas.

The DEA has increased its presence in Afghanistan to 82 personnel and will continue to train and mentor specialized CNPA units. The DEA utilizes permanently assigned personnel at the Kabul Country Office and Foreign-deployed TDY Advisory Support Teams (FAST) in Afghanistan. DOD/CENTCOM provides training to the regular CNPA and its vetted units; constructs CNPA facilities; and trains and equips the Air Interdiction Unit (AIU), an Afghan unit that provides helicopter support for drug interdiction missions. Until the Afghan crews are fully capable, the AIU provides medium-lift helicopter support to interdiction missions using contract pilots. Finally, State-INL provides operations and maintenance support for the vetted units' facilities and the CNPA Headquarters, pays salary supplements to vetted unit members, and provides additional mentors to assist DEA in their development. INL's Air Wing also provides support for DEA and the vetted units during their operations.

The Department of Justice has assigned five experienced federal drug prosecutors, supported by three criminal investigative advisors, to mentor the CJTF. The goal of the mentoring effort is to develop the CJTF's capacity to investigate and prosecute mid- to high-level drug traffickers. The Corrections System Support Program works closely with the U.S.-funded Justice Sector Support Program, which has over 150 U.S. and Afghan justice advisors, to provide training, mentoring, and capacity-building for Afghanistan's criminal justice system.

The U.S. Embassy Agriculture Team (USAID, USDA and National Guard Agribusiness Development Teams) implement comprehensive agricultural programming to support

stabilization and development throughout Afghanistan. The combined budget for FY2010 is in excess of \$1 billion. U.S. agricultural programs are closely coordinated with the Afghan Ministry of Rural Rehabilitation and Development (MAIL) and other related Afghan ministries. In a multi-year strategy to combat poppy cultivation, programs continued supporting high-value perennial crops, improving market access for these goods, and supporting licit job alternatives. USAID programs provided training, increased farmers' access to markets and goods, supported rural enterprises and key value-chains, and improved basic infrastructure in the southwest, eastern and northern poppy-prone provinces to continue building on the significant decreases in poppy cultivation from previous years. An additional USAID program provided high quality vegetable seeds and other agricultural inputs, as well as training on basic farming techniques, to farmers in Helmand and Kandahar Provinces, helping farmers in these poppy-intensive areas to grow licit crops. . Farmers in Helmand Province received this support as part of Governor Mangal's "Food Zone Program" and cultivated seven percent less poppy in 2010.

The U.S. funds a multi-pronged public information program, jointly implemented through the MCN, which focuses on discouraging poppy cultivation, preventing drug use, and encouraging licit crop production. In 2010, the largest campaign occurred during the opium poppy pre-planting season and involved farmers, district and provincial leaders, and religious officials. The Colombo Plan Drug Advisory Program (CPDAP), an international organization specializing in drug demand reduction services and activities, worked with MCN to coordinate 26 provincial conferences, 112 district jirgas and 20 ulema conferences during the pre-planting season involving community leaders in the effort to discourage narcotics abuse.

Coordination within USG entities, GIRoA, and the international community will be a key factor in the implementation of public information programs. In the short term, the U.S. supports the continued use of organizations, such as CPDAP, to help MCN implement public information campaigns. Longer term goals must address the MCN's need to find and retain sufficient staffing numbers within Kabul and the provincial directorates. MCN will require individuals that can develop and disseminate radio, TV and print content; organize provincial and national events; and coordinate counternarcotics messaging throughout GIRoA.

The U.S. is the largest donor to drug addiction treatment services in Afghanistan, funding 26 of Afghanistan's 46 treatment centers. Of the 26 U.S.-funded treatment centers, 12 treat adult males, six treat adult females, six treat children, and two treat adolescent males. Local NGOs manage treatment programs at 25 of the 26 centers and the UNODC manages the remaining center's programs. Five additional treatment centers are planned for 2011.

The Department of State has funded several drug demand studies through research consortiums: A three-year outcome evaluation to assess the long-term impact of U.S.-funded drug treatment services; a study to conduct special testing of children exposed to second-hand opium smoke; and a national household drug abuse survey. The last survey will provide the first scientifically-controlled assessment of drug addiction in Afghanistan and includes populations of women and children that previous surveys failed to adequately capture.

The U.S. also supports 15 mosque-based outreach and aftercare centers that provide a myriad of community-based services: shelter and crisis intervention; counseling; aftercare services; peer/family support group meetings; relapse prevention services; and basic drug information for schools and communities. In 2010, a life-skills drug prevention pilot program was launched in 24 elementary and middle schools in Kabul.

D. Conclusion

GIRoA, via its elite CNPA units and the CJTF, scored a number of impressive successes in 2010. These successes must be increased and serve as a foundation for advancing future counter narcotics law enforcement efforts. However, several elements will be significant to GIRoA's future success in combating narcotics trafficking; increasing the capacity of the MCN to coordinate policy at the central government level; actively combating corruption at all levels of government; and developing the ability of regular CNPA units to carry out street level operations. In order to accomplish these goals, GIRoA must develop the political will to challenge vested political interests.

Farmers and those involved in processing and trafficking drugs must also have viable economic alternatives to involvement in the narcotics trade. This will require improvements in security and market access, as well as continued concentrated

efforts to increase agricultural and other alternative livelihoods throughout the country. Development and law enforcement efforts must reinforce – and not detract from or conflict with – each other.

The MCN has increased its role in the development and coordination of GIROA's counter narcotics strategy. However, it still suffers from inadequate staffing and resources. The U.S. is working with the MCN to increase its capabilities in the areas of financial management, human resources, and information technology. MCN also needs to deepen its interaction with UNODC and the rest of the international community. One area that shows great promise is an increased role for Islamic states in the area of drug demand reduction.

Although the CJTF has successfully prosecuted a few high ranking officials in the past, senior GIROA officials appear unwilling to prosecute politically connected individuals. The general public's perception that certain individuals are able to carry on criminal activities with impunity represents a direct challenge to GIROA's credibility and legitimacy. The high profile release of five convicted drug traffickers last year serves as a clear example of the difficulty GIROA has in consistently prosecuting politically powerful individuals.

Albania

A. Introduction

Albania made progress in its counternarcotics efforts during 2010. The Government of Albania (GOA) tries to aggressively confront criminal elements. Albania is primarily a transit country for narcotics with traffickers moving mostly Afghan heroin smuggled via the Balkan Route to destinations throughout Western Europe. Albania's ports on the Adriatic Sea, porous land borders, counternarcotics measures that are under-financed and poorly managed and law enforcement officials who are at times corrupt and inadequately equipped make it an attractive stop on the smuggling route for traffickers. Cannabis continues to be produced in the remote mountain regions of Albania for markets in Europe. Drug dependency is a relatively new problem in Albania with no clear picture of its size or scope and little official acknowledgement even of its existence.

With the exception of cannabis, Albania is not a significant producer of illicit drugs. Cannabis is currently the only drug grown and produced in Albania, and is typically sold regionally. The cultivation of marijuana decreased noticeably with increased enforcement action against both the traffickers and cultivators. There was no poppy cultivation or poppy plant seizures in 2010. No labs for the manufacture of synthetic drugs were discovered and the trade in synthetic drugs remains virtually non-existent. Albania is not a producer of significant quantities of precursor chemicals.

Narcotics trafficking in Albania remains one of the most lucrative illicit occupations available. Organized crime groups use Albania as a transit point for drugs and other types of smuggling, due to the country's strategic location, porous borders, weak law enforcement, and unreformed judicial systems. Albania is a transit country for Afghan heroin and a source country for marijuana, especially to Italy and Greece. While the majority of drugs have historically been smuggled across the Adriatic Sea, Albania's more aggressive policies and policing of its coast have redirected most trafficking over land borders with Kosovo and Montenegro for transit into Serbia and Bosnia. Albanian criminals appear to be taking a greater role in the financing and distribution of heroin outside of Albania, especially in the Northern Balkans and Western Europe.

To some degree, Albania's recent history as a poor, isolated country, helped keep drug dependency low and the government and people of Albania have been slow to address an emerging problem. Local and national authorities claim that the problem is not widespread due to cultural norms and low levels of discretionary income. The country is hampered by high unemployment, crime and lack of infrastructure, leaving little time and resources for the Albanian Government to focus on drug treatment or preventive education. There are no independent organizations that keep track of drug abuse in Albania.

Despite the difficulties it faces, there is some evidence that Albania is making progress in the counternarcotics arena. Data suggests that better law enforcement and border control is slowing the flow of trafficking as in the first 10 months of 2010, heroin seizures declined for the first time in seven years. Also, seizures of processed marijuana more than tripled due to increased counter narcotic measures by the Albanian State Police (ASP) and increased community policing practiced in the target areas. Albania is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

The Albanian government has elevated the priority of the fight against organized crime and trafficking, with the police taking an increasingly active role in counter narcotics operations. Albania's desire to obtain visa free travel to the EU, and its 2009 entry into NATO continues to motivate the GOA to implement and enforce reforms, however the fractional nature of Albanian politics and the slow development of Albanian civil society have hampered progress. Despite this, some key policy initiatives were accomplished in 2010. A 2005 Moratorium outlawing speedboats and several other varieties of water vessels on all of Albania's territorial coastal waters was scheduled to expire, but was extended for another 3 years by the parliament. The moratorium continues to frustrate the movement of drugs and trafficking in persons by smaller vessels, particularly to Italy. In January 2009, Lockheed Martin completed installation of a seven-radar sea-surveillance system which provides the Albanian Ministries of Defense and Interior a complete real-time picture of their entire sea border. These radars feed into a newly created Inter-ministerial Maritime Operations Center (IMOC). The IMOC coordinates detection, tracking, and maritime operation missions between Naval, Coast Guard and law enforcement forces. 2010 saw the drafting of SOP's and selection and training of the first cadre of IMOC staff officers. Coordination is not yet 100 percent, but progress is being made.

In 2010 the Albanian Coast Guard/Navy was scheduled to complete construction of a 143-foot Damian patrol vessel to compliment one received from the Netherlands in 2009, however delays have pushed the projected completion date of the project back to 2011. In all, four Damian class vessels should be operational by 2013. In August, 2010, three U.S. donated Archangel patrol boats joined the fleet, significantly adding to interdiction capability. These measures to secure the coastal waters have pushed trafficking patterns overland through Kosovo, Montenegro, Serbia and Bosnia and then on to Italy.

Albania works with its neighbors bilaterally and in regional initiatives to combat organized crime and trafficking, and it is a participant in the Stability Pact and the Southeastern Europe Cooperative Initiative (SECI). Albania signed the Stabilization and Association Agreement with the European Commission in June 2006, and it has

since been ratified by twelve European Union member countries. Albania is also 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. Although an extradition treaty is in force between the United States and Albania, it is severely outdated (1933) and does not cover many crimes. 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 and the UN Drug Conventions enhance 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, which resulted in the successful return of the fugitives to the U.S.

2. Supply Reduction

Albania's antinarcotics efforts appear to be working as the ASP's seizures of heroin fell for the first time in seven years. Albanian Police believe that traffickers have changed their land routes to a more northerly direction, away from Albania. Italian statistics continue to show that the amount of Afghan heroin seized in Italy, which previously transited directly from Albania remains minimal. In the first 10 months of 2010 the ASP seized 25.40 kilograms of heroin compared with 73.95 kilograms in 2009. Since January 2010 the ASP has arrested or detained a total of 569 persons for drug trafficking with another 169 suspects at large. 151 of these arrestees were for heroin trafficking and 385 for marijuana trafficking or cultivation. The ASP seized 6091 kilograms of processed marijuana up dramatically from 2030 kilograms in 2009. This increase reflects a change of strategy and more enforcement and interdiction focus on the traditional areas of transit within Albania from the rural plantations to the borders. The ASP also destroyed 36,535 marijuana plants. The number of destroyed plants is down due to a 2009 eradication program in traditional areas of cultivation that successfully suppressed 2010 cultivation. The ASP also seized 694.5 grams of cocaine and arrested 46 suspects, most if not all dealing at the street or consumer level.

With the exception of cannabis, Albania is not a significant producer of illicit drugs. The Ministry of Interior's Anti-Narcotics Unit reports cannabis is currently the only drug grown and produced in Albania, usually for regional distribution. Cultivation of

marijuana in 2010 decreased noticeably with increased enforcement action against both the traffickers and the cultivators. There is no poppy cultivation, no evidence of labs for the manufacture of synthetic drugs, 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; however police and customs officials are not trained to recognize likely diversion of dual-use precursor chemicals.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

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

The GOA has taken steps to address Demand Reduction by embracing an ICITAP sponsored Drug Awareness/Demand Reduction project in the Tirana public elementary schools co-sponsored by the New Jersey National Guards Partners for Peace initiative. 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, primarily heroin, and most were intravenous drug users. There are two NGO's currently operating in Albania focused on drug abuse. 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.

4. Corruption

Although the Albanian Government neither encourages nor facilitates illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, nor the laundering of related proceeds, 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. The prevalence of corruption makes organized criminals' and drug traffickers' task easier. In 2009 and the first half of 2010, the police and judiciary have been more active in investigating government officials and law enforcement personnel for corruption. During 2009, the prosecutorial system registered 746 cases for corruption-related offenses a 21.3 percent increase in registered cases compared to 2008. Prosecutors referred 338 of these cases to court, an 8.3 percent increase. During 2009, the courts rendered 346 guilty verdicts, or 25 percent more convictions compared to 2008. Albania is a party to the UN Convention Against Corruption.

Although these numbers are a significant improvement over previous years, Albania continues to lack the judicial independence for unbiased, transparent proceedings and many cases are never resolved. High-ranking government officials, including judges and members of parliament enjoy immunity from prosecution, which hinders corruption investigations. However, the Tirana Joint Investigative Unit to Fight Economic Crime and Corruption (JIU), established in 2007, has had a tangible impact against corruption in Albania's capital. Six additional JIUs were set up during 2010 in regions throughout Albania.

In November 2008, a new law on the Internal Control Service (ICS) entered into force, determining that the ICS Directorate in the Ministry of Interior would establish an Inspections Directorate as well as utilizing the Integrity Test as a tool to fight corruption within police ranks. The Inspections Directorate was established in May 2010 and all hired inspectors completed a ten-week [May-July 2010] training program, comprising two weeks of Admin Law, four-weeks of Basic Police Academy and a further four weeks of Basic Inspections in cooperation with ICITAP and PAMECA. A Director and Deputy Director of Inspections have been appointed, however the "integrity testing" has yet to be implemented by ICS.

To date, in 2010, 61 criminal complaints have been forwarded for prosecution involving 111 police officers including one officer of mid-level management, 28 officers of first line supervision level, 75 operational level officers and seven non-sworn (support services). Twenty-five police officers of both first line supervision level and operational level have been arrested on corruption and misuse of authority charges.

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

The GOA continues to welcome assistance from the United States and EU countries. The U.S. is involved in judicial sector assistance programs for law enforcement and legal reform through technical assistance, equipment donations, and training. One of the problems encountered continues to be deep political polarization at all levels of government resulting in the absence of a strong civil service. Most government employees are subject to reassignment during times of political transition.

The State Department-INL 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, 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, advanced 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 of resident embassies.

In 2009 and to the present in 2010, OPDAT and ICITAP continued to work with the Albanian Ministry of Interior, Ministry of Finance, General Prosecutor's Office, and State Intelligence Service in forming additional Economic Crime and Corruption Joint Investigative Units (JIU) to improve the investigation and prosecution of financial crimes, especially money laundering and corruption. The Tirana JIU formally began operations in September of 2007 and has shown promising initial success. OPDAT has supported the JIU throughout 2009 and 2010 with an imbedded OPDAT anti-corruption legal advisor, intensive training programs, and equipment donations. Despite the election-year turmoil in 2009 (and the lower number of police referrals as a result), Tirana JIU saw vast improvements in several areas highlighted by a 40 percent increase in money laundering cases registered and a 10.5 percent increase in the number of defendants investigated. While the overall number of new cases registered was lower than the previous year (217 for 2009 compared to 249 for 2008), the higher number of defendants reflects the increasing complexity of the

types of cases being investigated. As of September 30, 2010, the Tirana JIU has registered 192 new cases, putting them on track to exceed the previous years' tallies.

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

On May 6, 2009, the Prosecutor General, Minister of Interior, Minister of Finance, Director of State Intelligence Service (SHISH), the head of High State Audit (HSA), and the head of the High Inspectorate for the Declaration of Assets (HIDAA) publicly signed a Memorandum of Cooperation formally establishing six regional anti-corruption and financial crime units in the cities of Durres, Fier, Korca, Shkoder, Vlora, and Gjirokaster. The regional JIUs are now operational and fully staffed. The signing of this agreement added two additional agencies (HIDAA and HSA) to all JIUs (both Tirana and regional) to increase case investigations of public officials. Since they began operating, the regional JIUs have begun 588 investigations, 88 of which have gone to trial. They are still in their early stages of operation, and OPDAT will continue to support these regional units through a Millennium Challenge Corporation (MCC) funded program with training, mentoring, and equipment.

The Witness Protection (WP) Directorate in the Ministry of Interior continues to work with the U.S. and other members of the international community to strengthen the existing witness protection legislation. The WP Directorate has helped to protect a number of witnesses, and witness families, in trafficking and drug related homicide cases. Witness Protection Law reform was undertaken by the IC working group, with prosecutors and police working with internationals to revise the law written in 2004. The new law was passed by the Albanian Parliament in October 2009 and 2010 saw the initial implementation steps.

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, through specialized advice, equipment, and installation of the Total Information Management System (TIMS) at border crossing points. TIMS is now operational in all

26 major border crossing points. Part of the Integrated Border Management (IBM) 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. Since that time, the Border Police have established eight regional border directorates. IBM Program performance highlights include drafting and approval of the IMOC (Inter-ministerial Maritime Operations Center) Agreement in order to meet EU border demilitarization objectives, implementation of specific provisions of the Police/Custom Joint Activities Agreement (that includes joint controls of vehicles at the border and information sharing), certification of 32 Border Police trainers, delivery of the first Basic Border Police Training Program (4 month course for 20 participants) at the State Police Center for Police Development, establishment of functioning risk analysis capabilities, and initial implementation of joint cross border police agreements and supporting protocols. Outcomes and impacts are mostly associated with the initiation of joint patrols and joint activities. For example: 89 and 168 joint patrols were initiated between Albania and Macedonia and Albania and Montenegro respectively in 2009 compared to none in 2008. There were 10 joint operations in tandem with Greek Border Police in 2009, a 50 percent increase from 2008. Albania recently signed a Trans-Border Police Cooperation Agreement with Kosovo; however, implementation protocols for border security and facilitating the movement of lawful persons and commerce are still lacking. Drug seizures at the Albanian border, while difficult to directly correlate with Border Police program inputs have nonetheless increased since inception: 2007 – 5 seizures, 2008 – 15 seizures, and 2009 – 24 seizures. Institutional reforms within the Border Police also have the added benefit of supporting the capacity of the organization to deploy donor provided equipment for actual use in the field. Other U.S., EU, and international assistance programs include support for customs reform, judicial training and reform, improving cooperation between police and prosecutors, and anticorruption programs. The U.S. Coast Guard (USCG) provided maritime law enforcement training to Albanian officers through two visits of a mobile training team, as well as training two officers in the U.S. in 2010. Albanian law enforcement authorities have provided the Italian police with intelligence that has led to the arrest of drug dealers and organized crime members, as well as the

confiscation of heroin in Italy. Cooperation also continues with Italian law enforcement officials to carry out narcotics raids inside Albania.

ICITAP has teamed up with the New Jersey National Guard under the Partners for Peace Program to introduce a Drug Awareness-Demand Reduction Program in the Tirana Public Elementary Schools. ASP Community Policing Specialists and selected educators have been trained by US specialists in both the United States and Albania and have also been exposed to the US DARE Program, enabling them to deliver basic anti-drug information to children ages 9 through 14. Police and Educators have formed 10, three person teams which deliver these messages throughout the school year. In 2010 The Tirana Police Directorate and the Ministry of Education's Regional Directorate signed an MOU officially recognizing and endorsing this project. This program is part of a broader based community policing strategy that includes international police assistance programs, educators and NGO`s as well as the police and local citizens.

D. Conclusion

Albania continues to make progress with their counternarcotics effort but that progress is constrained by weak political, judicial, and law enforcement framework and institutions. Albania's primary role in the global narcotics picture is as a transit route into Western Europe and given its geographic position, it will continue to see trafficking activity. Improving government institutions and policing is having a positive effect, but progress is still slow. The U.S., together with the EU and other international partners, will continue to work with the GOA on fighting illegal drug trafficking, to use law enforcement assistance effectively, and to support legal reform.

Algeria

Algeria is principally a transit point for drugs – especially hashish bound for Europe - rather than a center of production or consumption itself. The Government of Algeria (GOA) is actively working to address the problem with increased resources devoted to education, interdiction, and treatment, although its security forces are primarily focused on ongoing counter-terrorism efforts.

Algeria is primarily a transit country for illicit drugs bound for Europe. The bulk of the drugs transiting the country consist of Moroccan-origin cannabis (especially cannabis resin-hashish) and a growing quantity of South American cocaine and heroin. The bulk of these drugs travels by sea to Europe, while some share is smuggled overland to Middle Eastern destinations. Algeria's borders stretch 6000 kilometers, mostly across broad and little-policed swathes of the Sahara. These long and porous borders with Morocco, Western Sahara, Mauritania, Mali, Niger, Libya, and Tunisia make it difficult for Algerian security forces to detect and halt smugglers. GOA officials have voiced concern that members of Al-Qa'ida in the Islamic Maghreb (AQIM) may be cooperating with smugglers in the Sahara. Drug use is not generally a significant problem in Algeria, although the problem is on the rise. Cannabis is the most widely used drug, but there is a small and growing consumption of hard drugs including cocaine and heroin. The government is expanding facilities for treating drug addiction, and this year aims to have an outpatient drug treatment facility in every province of the country. Some production of illicit drugs occurs in Algeria, principally cultivation of cannabis in the Southeast and around Algiers, but not at significant levels.

The GOA has taken a number of steps to counter the drug problem, including increases in enforcement personnel, enhanced training, and the purchase of more modern equipment. The GOA is formulating a five-year strategy (2011-2015) to more effectively deal with drug problems. Algeria has tough laws against illegal drugs, with sentences of up to 2 years for use and 10 to 20 years for drug trafficking and distribution. Algeria is a party to the 1988 UN Drug Convention. The GOA does not, as a matter of government policy, encourage or facilitate illicit production or transport of illegal drugs. Algeria has a large and capable security apparatus hardened by almost two decades of counter-terrorism efforts against al-Qa'ida-associated Islamic militants. The National Office for the Fight Against Drugs and Addiction (Known by its French acronym, ONLCDT) coordinates the GOA's drug policies and produces its official reports on the drug problem in Algeria. The National Gendarmerie, Customs, and National Police (DGSN) are responsible for day-to-day enforcement. The Gendarmerie accounted for about 90 percent of the drug seizures in the first six months of 2010, continuing the Gendarmes' record of strong counternarcotics performance. According to ONLCDT, the GOA has scored a number of successes in its counternarcotics efforts in 2009. Security forces made slightly less than 10,000 arrests and made seizures of

75MT of cannabis resin and insignificant quantities of heroin and cocaine; 2009 cannabis resin seizures doubled compared to 2008. During the first six months of 2010, Algerian authorities made over 5000 arrests and seized over 17MT of cannabis resin, 60 kg of heroin, and an insignificant quantity of cocaine. However, the head of the ONLCDT estimated that the 20 metric tons of cannabis seized through September 2010 comprised just 10 percent of the overall volume of cannabis transiting the country during that timeframe.

There is currently no extradition treaty between the United States and Algeria. A Mutual Legal Assistance (MLAT) treaty between the U.S. and Algeria was recently signed in April 2010, but has yet to enter into force between the two countries.

Algeria would benefit from stepped-up training to boost the counternarcotics capabilities of its security forces. The GOA has generally been receptive to US offers of training and assistance for law enforcement officer training, with several successful training sessions held in the past year. The GOA would probably be receptive to additional training offered to it.

Angola

Angola produces marijuana known locally as “liamba”, and is a transit point for cocaine. Angolan officials have demonstrated a concern for narcotics trafficking. Officials are improving their ability to control trafficking through the Luanda International Airport, but sea ports and trafficking from near-by countries using roads remain a challenge. There is no indication that Angola produces synthetic drugs, however, the authorities have no capacity to classify and control dual-use chemicals, which could be diverted in Angola or elsewhere for illicit drug production. The most pressing challenge is providing public health services to addicts, and educating youth on the dangers of drug abuse and addiction. Angola is a party to the 1988 UN Drug Convention.

Angola is a transit point for cocaine from Brazil intended for onward shipment to Nigeria or Europe. This trafficking route is characterized by low-level drug “mules” trafficking small quantities of cocaine that is produced in South America. Most cocaine

enters by commercial air flights on routes from Brazil. A small amount stays in Luanda, but most is sent from the same airport to destinations in Europe.

Marijuana is the most abused drug in Angola, and an unknown additional quantity is trafficked to Portugal. "Liamba" enters Luanda via land, sea and air ports, hidden in containers, and leaves from the Luanda International Airport. The profile of low level, frequently "swallower" traffickers is men and women aged 18-45 years old from the Democratic Republic of Congo or Angola itself. These so-called "mules" are frequently recruited and organized by Nigerian trafficking syndicates.

The other most abused substances in Angola are alcohol, "liamba", and cocaine. "Liamba" is widely available and usually smoked. Officials reported most marijuana smokers are 20-39 years old, and include students, workers, farmers, soldiers, and the unemployed. Cocaine is mostly consumed in the night clubs of Luanda by the wealthy elite.

Crack cocaine, heroin, ecstasy, mandrax (methaqualone), and synthetic drugs are not generally available in Luanda, but have begun to arrive recently in small quantities from Europe or South Africa for the few domestic users.

The National Directorate for Criminal Investigation (DNIC) reported the following drug-related crimes from January to September 2009:

Detained	for	drug	consumption:	1,427	individuals
Convicted	of	drug	consumption:	1,242	individuals
Detained	for	drug	trafficking:	116	individuals
Convicted for drug trafficking: 90 individuals					

The (DNIC) also provided the following official statistics for seizures between January and September 2009: 3,278 kilograms (kg) of marijuana; 76.4 kg of powder cocaine, 408.3 grams (g) of crack cocaine, and no heroin. Most traffickers are Angolan, but some have been Nigerian, Ghanaian, Senegalese, and Congolese (DRC).

Officials fear that as authorities improve interception capabilities at the Luanda International Airport, traffickers are turning to land or sea routes.

The Inter-Ministerial Committee to Fight Drugs (Comité Interministerial de Luta Anti-Drogas, CILAD) is charged with coordinating activities between the Ministries of

Justice, Education, Health, Finance, Foreign Relations, Social Services, and Agriculture and Rural Development.

Infrastructure is lacking. The Ministry of Interior and Justice have indicated a strong interest in upgrading their equipment, and have been adding new canine units to their strategy.

The Angolan police work closely with Lusophone Brazilian and Portuguese police against drug trafficking. In January 2008, Angola and the Russian Federation signed an agreement to combat drug trafficking, and specifically to exchange information for investigations.

Officials have publicly noted their commitment to antidrug efforts. Beyond police education activities, there are advertisements for drug awareness around Luanda, but there is not an active, ongoing media campaign.

Some NGOs engage in prevention, demand reduction, and rehabilitation programs in Angola. One of the largest is the Christian Center for Help and Rehabilitation (Centro Cristão Benéfico de Ajuda e Reabilitação, REMAR), which provides rehabilitation services for over 100 people. However the capacity is far less than the demand.

Angola does not encourage or facilitate illicit production or distribution of narcotics and psychotropic substances, nor does it encourage or facilitate the laundering of proceeds from illegal drug transactions. The USG is not aware of any senior officials engaged in drug trafficking. Angola takes drug trafficking seriously, as shown by a high level commitment to identify, detain, and try traffickers arriving or departing from the Luanda International Airport. Angola is a party to the UN Convention Against Corruption.

Angola's authorities require assistance developing the capacity to classify and control potential diversion of dual-use chemicals. Ministry of Justice and CILAD officials also want to receive assistance in drafting criminal codes that better classify and proscribe criminal penalties for distribution, sale and use of narcotics and chemical precursors. Current criminal codes often date back to early Portuguese colonial rule, and provide no clear legal mechanisms for enforcement or sentencing. In order to meet the standards in the 1988 UN Convention, Angola should enhance its maritime and port security capabilities, while devising social communication strategies to change the

traditional cultural acceptance of marijuana cultivation in rural areas, which contributes to regional trafficking problems. In addition, Angola could improve its law enforcement intelligence gathering capacity to better predict drug trafficking trends and patterns, resulting in increased interception and seizure of illicit drugs.

Argentina

A. Introduction

While not a significant narcotics producing country, Argentina continues to be an important transit country for Andean-produced cocaine. The U.S. Drug Enforcement Administration (DEA) estimates as much as 70 metric tons of cocaine transited Argentina in 2010, mostly destined for Europe. Argentine officials believe there is increased transit of cocaine through Argentina and credit this to successful counternarcotics efforts in Mexico and Colombia which are forcing drug traffickers to utilize other routes to market. Diminished drug interdiction capabilities in Bolivia also contribute significantly.

Marijuana, the majority of which is imported from Paraguay and used for domestic consumption, continues to be the most widely abused drug in Argentina. However, the prevalence of cocaine use has risen sharply and the country has the second largest internal cocaine market in South America after Brazil. Cocaine remains by far the leading drug for which Argentines seek help at treatment centers and the use of cocaine base among economically disadvantaged members of society continues. The Government of Argentina (GOA) has taken steps, including new studies and educational and treatment initiatives, to reduce demand.

Argentina regulates the production, importation and transportation of precursor chemicals. Argentine law enforcement agencies impound unregistered precursor chemicals and violators are punished, generally through fines and revocation of importation and/or transport permits. In the case of ephedrine, these efforts have been successful although the country remains a regional source for precursor chemicals used for cocaine production.

Argentina is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Argentina's National Counternarcotics Plan for 2009 - 2011 continues to be coordinated by the Secretariat of Planning for the Prevention of Drug Addiction and Drug Trafficking (SEDRONAR). SEDRONAR's efforts are complemented by the National Coordinating Commission for Public Policy Regarding Prevention and Control of Illicit Drug Trafficking, International Organized Crime, and Corruption which is charged with an advisory, not enforcement, role in Argentina's counter-drug strategy. The Commission is under the authority of the Chief of Cabinet and is composed of leading jurists and both natural and social scientists who had participated in a 2008 - 2009 Scientific Assessment Committee focused on narcotics issues. While many of the Commission's initiatives in 2010 targeted efforts to deal with prevention and treatment of addiction, it is also developing strategies for enhancing coordination among national and provincial law enforcement agencies; proposing mechanisms to detect suspicious patterns in the trade of precursor chemicals; strengthening draft GOA anti-money laundering laws; and launching an effort to prepare a "Criminal Map on Drugs" to show trade, distribution, stock, and traffic of illegal drugs in Argentina. Unfortunately, insufficient cooperation among the various federal and provincial law enforcement agencies hampers Argentina's effectiveness in combating the illegal drug trade. Prosecution of traffickers is likewise complicated by backlogs in the judicial system. Among the reasons for these backlogs is the still incomplete move from an inquisitorial system to an oral accusatorial system at the national level.

Argentine law enforcement and security agencies, including the Federal Police (PFA), the Frontier Guard known as the Gendarmeria or GNA, the Special Airport Police (PSA), the Coast Guard (Prefectura or PNA), and provincial security forces enhanced their efforts in 2010 to apply additional resources, including expanding radar coverage in the north, to address what the government views as an increasing push by drug traffickers to utilize the country's northern borders for illicit trade.

Despite the Supreme Court's 2009 ruling against imposing criminal penalties for the personal possession of small amounts of marijuana, Argentina's Narcotics Law 23.737 has not been modified. In fact, an October 2010 Federal Court decision refused to apply the 2009 precedent in the case of two youths who were arrested for smoking

marijuana in a public park. The court distinguished the case by noting the 2009 ruling applied exclusively to “private use” of marijuana. Nonetheless, some GOA officials have advocated legislation to decriminalize personal possession of small quantities of marijuana, arguing that such a measure would permit the shifting of scarce police and judicial resources away from individual users and toward drug trafficking organizations, as well as free up funds for substance abuse treatment. Congress has not acted on the proposal.

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 and a mutual legal assistance treaty. Argentina has bilateral narcotics cooperation agreements with many neighboring countries, as well as with Mexico and Spain. In addition, Spain, the United Kingdom, Germany, Australia, France, Italy and the Netherlands provide limited counternarcotics training and equipment to the GOA. 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, among others.

2. Supply Reduction

SEDRONAR maintains centralized records of drugs seized by both federal and provincial security forces in Argentina. It is GOA policy to make this data public only after it has been turned over to the UN Office on Drugs and Crime (UNODC). Official 2010 seizure data is expected in March 2011. Pending official numbers, preliminary USG estimates indicate Argentine security forces seized approximately 12.7 metric tons (MT) of cocaine from January through September 2010. This nine month total represents an increase over the 12.56 MT of cocaine seized by the GOA in 2009.

While the vast majority of Andean cocaine transiting Argentina has always been smuggled across the Bolivian-Argentine border, diminished drug interdiction capabilities in Bolivia have contributed to increased flows. Cocaine transiting Argentina is primarily destined for international markets in Europe, in particular Spain; however

SEDRONAR reported in 2010, that cocaine transiting Argentina is now reaching markets in South Africa, Israel, and Australia.

Maritime container-based smuggling appears to have increased in 2010. Between June and August 2010, 5.83 MT of cocaine was seized in Argentine-origin containers, most of which were destined for Spain. All of the containerized shipments involved cover loads of legitimate cargo ranging from fresh produce to household furniture. Traffickers are also increasing their use of light aircraft to bring cocaine and marijuana into Argentina across the borders with Bolivia and Paraguay.

The USG further estimates that Argentine security forces seized over 66 MT of marijuana from January through September 2010, representing a potential decrease from the estimated 91.87 MT seized during calendar year 2009. Most of the marijuana was seized either in the tri-border region with Brazil and Paraguay, or along Argentina's western border with Chile.

SEDRONAR reported the Special Airport Police seized 1.5 kilograms of heroin in 2010 and that provincial security forces seized 93,500 units of ecstasy and 84.5 liters of ether between January and July 2010. The Gendarmeria seized 1.07 MT of precursor chemicals from January through September 2010 while the Federal Police reported seizing 3.62 MT of precursor chemicals during the same period. The Coast Guard reported seizing 16,200 liters of ether and 34 liters of hydrochloric acid from January through August 2010.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to the 2010 UNODC World Drug Report, Argentina had the highest prevalence of cocaine use (2.7 percent) and marijuana use (7.2 percent) in South America among 15 to 64 year-olds. This translates into the second largest number of cocaine users in the region (600,000), second only to Brazil. In addition, abuse of a by-product of the base-to-hydrochloride cocaine conversion process, known locally as "pasta base" or "paco," is increasing. Pasta base is readily available on the streets, costs approximately 25 US cents a "hit" and produces a brief, intense high when smoked in pipes or mixed with tobacco. Argentine law enforcement officials and local press report that a rise in street crime has been fueled by a corresponding increase in pasta base consumption.

The GOA, in collaboration with private sector entities, sponsors a variety of print and broadcast information campaigns which have a nationwide reach. Although SEDRONAR continues to play the leading role in coordinating GOA demand reduction efforts, the National Coordinating Commission has sponsored several initiatives in 2010, including a scientific analysis of pasta base to better publicize its overall toxicity, as well as a set of guidelines designed to ensure drug addiction treatment programs comply with both domestic law and international obligations.

Drug treatment protocols/techniques are similar to those found in the United States and Europe. Prevention budgets are managed via four focus areas -- the family, schools, the community (with funding from the World Bank), and the work place.

4. Corruption

As a matter of policy, the Government of Argentina does not encourage or facilitate illicit production or distribution of narcotics, psychotropic drugs, or other controlled substances, or the laundering of proceeds from illegal drug transactions, and there is no evidence to suggest senior government officials are engaged in such activity. An independent judiciary and an investigative press actively pursue allegations of corrupt practices involving government authorities.

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

Argentina cooperated effectively with the United States, European, and other South American partners in narcotics investigations and regularly participated in U.S.-sponsored training in 2010. U.S. efforts in Argentina focus on four core areas: reducing Argentina's role as a transit point for drug trafficking by disrupting and dismantling the major drug trafficking organizations in the region; promoting regional counternarcotics cooperation among Andean and Southern Cone nations; maximizing host nation drug enforcement capabilities; and fortifying bilateral cooperation with host nation law enforcement agencies.

Key elements of U.S.-Argentine cooperation are the Northern Border Task Force (NBTF), a joint law enforcement group comprising federal and provincial elements which operates along the Bolivian border, and the Eastern Border Task Force (EBTF), which acts against illicit drug smuggling activities in the tri-border area with Paraguay

and Brazil. Both the NBTF and EBTF utilize USG support and have proven successful in interdicting cross-border cocaine and marijuana shipments.

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

D. Conclusion

Argentina has worked to address all aspects of the drug control effort and has focused an increasing level of attention on demand reduction and treatment initiatives in 2010. In recognition of the increase in cocaine shipments in containerized cargo, the GOA should focus its interdiction efforts on targeted investigations supported by increased personnel levels and enhanced use of technology, such as x-ray scanning equipment, in order to reduce the amount of drug traffic escaping detection. Likewise, the GOA should implement its plan to improve its ability to detect and interdict illicit shipments crossing its northern borders with Bolivia and Paraguay by investing in additional personnel and other resources. In addition, optimizing cooperation among the various federal and provincial law enforcement entities would enhance Argentina's effectiveness in combating the illegal drug trade. It would be particularly useful to further improve judicial case processing efficiency as prosecutions have been slowed by the still incomplete transition to an accusatorial system.

Armenia

A. Introduction

Armenia is not a major drug-producing country, and domestic abuse of drugs is relatively modest. Because it lies along smuggling routes between Asia and Europe, Armenia has experienced some use as a transit country for drug trafficking. However, Armenia is landlocked, and the two longest of its four borders, those with Turkey and Azerbaijan, are closed. The resulting limited transport options make the country a secondary traffic route for drugs. However, two factors may be increasing interest among traffickers to use Armenia as a primary transit route: 1.) Turkish interdiction

efforts may be forcing smugglers to take other routes into Europe, and 2.) Armenia's borders with Russia and Georgia have been closed since 2008.

The Armenian Police Service's Department to Combat Illegal Drug Trafficking (Anti-Drug Department) has accumulated a significant database on drug trafficking sources, including routes and people engaged in trafficking. Scarce financial and human resources, however, limit the Police Service's effectiveness. The Armenian government is currently reforming its border control system, which is primarily under the purview of the Customs Service and the paramilitary Border Guards. With U.S. assistance, Armenia is implementing integrated border management practices that should improve the authorities' ability to detect shipments of illegal drugs, as well as other types of contraband.

Resources for treatment of drug addicts have increased significantly in the last several years, but the number of registered addicts continues to rise sharply as well, partly because legislative changes now allow drug abusers to seek help without fear of prosecution. Armenia is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Drug abuse is currently not widespread in Armenia, but appears to be growing. 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 an increasing trend in the abuse of heroin, but the overall demand for both heroin and cocaine remains fairly low. Illegal drug use in Armenia is not particularly the province of the young. Of those registered for drug treatment, 95 percent are over age 25 and 64 percent are over 35. Police statistics also show that over 65 percent of convicted traffickers are male Armenian citizens between the ages of 30 and 49.

The principal production and transit countries from which drugs are smuggled into Armenia are Iran (heroin and opiates) and Georgia (opiates, cannabis and hashish). 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.

The financial, material, and human resources of the Police Anti-Drug Department have always been minimal and have not increased proportionally to the Department's growing caseload. This is a systemic problem for Armenian law enforcement, but even within the Police Service, the Anti-Drug Department appears less well funded than some other departments.

In an attempt to improve its interdiction ability, Armenia, together with Georgia and Azerbaijan, engaged in a European Union-funded and UN-implemented Southern Caucasus Anti-Drug (SCAD) Program from 2001 to 2009. This program provided legislative assistance to promote the use of European standards for drug prosecutions, collection of drug-related statistics, rehabilitation services to addicts, and drug-awareness education.

In 2009 the Armenian government implemented new legislation to bring Armenian drug laws closer into line with EU standards and to focus enforcement efforts on trafficking while emphasizing prevention and treatment for 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 UN 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 U.S., but that fine is waived for a user who voluntarily seeks drug treatment. The Ministry of Justice also enlisted UN support in developing a new National Drug Strategy.

Armenian law enforcement agencies participate 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. All Armenian law enforcement agencies (Police, National Security Service, Customs, Border Guards, Police Internal Troops, Ministry of Defense, and the Prosecutor General's Office) participate in this operation, which includes scrutinizing vehicles and cargo crossing the border.

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 the UN Convention against Corruption.

2. Supply Reduction

Most supply reduction efforts focus on interdiction of shipments and the investigation and arrest of drug dealers. The amount of drugs seized has increased considerably, however; there is no reliable data to show what percentage of illegal drugs is being seized. Seizures are often made at border crossing points, but some drugs are seized from street-level dealers as well, especially in Yerevan. Prosecutions against drug dealers caught with illegal drugs are almost always successful.

Unfortunately, both domestic drug abuse and international trafficking appear to be growing. Drug-related arrests and interdictions of illegal drugs increased in the first nine months of 2010 compared to the same period in both 2009 and 2008. This increase probably reflects a combination of improved law enforcement efforts, some increase in domestic consumption, and rising use of Armenia as a transit country as other routes have become more difficult for traffickers. The number of cases and the volume of illegal drugs seized remain small; as a result, even modest fluctuations in these figures appear as large percentage changes. For instance, the total amount of drugs seized in the first nine months of 2010 was about 73 kg, compared to 57 kg for all of 2009, a 28 percent increase by seizing just 16 kg more drugs. Approximately 23 kg of 2010 seizures consisted of methamphetamine, a drug never seized in Armenia before this year. Nevertheless, the large and continuing increase in seizures, especially of opium, suggests that this trend is not merely a statistical aberration.

Hemp and opium poppy grow wild in Armenia. Hemp grows mostly in the Ararat Valley, the south-western part of Armenia; poppy grows in the northern part, particularly in the Lake Sevan basin and some mountainous areas. There is also some small-scale illegal cultivation of both these crops. Police seek to locate and destroy any cultivated drug crops, but this represents a fairly small part of the anti-drug effort in Armenia.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Armenia seeks to prevent 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 UN SCAD program. The Drug Detoxification Center, part of the Armenian Narcological Clinic and funded by the Ministry of Health, provides short-term drug treatment. Two new drug treatment facilities opened in 2009, one of which is part of the prison hospital system. These new facilities represent a response to the lack of long-term treatment and counseling that previously limited the success of treatment efforts, although the number of registered addicts continues to rise steeply. In 2009 the Narcological Clinic began offering methadone substitution treatment.

4. Corruption

Corruption remains a serious problem throughout Armenia, but there appears to be little high-level corruption related to drug trafficking. The government has made limited efforts to crack down on corruption in some government agencies, including the police and customs services. 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 individuals found with drugs in their possession bribe police to avoid arrest. The decriminalization of drug use could reduce this tendency, but some drug users may be unfamiliar with the law or may still resort to bribes to avoid administrative fines.

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

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 (including drug analysis capability), the improvement of the law enforcement infrastructure and the establishment of a computer network enabling Armenian law enforcement offices to access common databases. The USG partly funded a project that expanded Armenia's Border Management Information System (BMIS) to all border crossing points in 2008, centralizing immigration data and giving law enforcement agencies access to

information on drug interdiction efforts at Armenia's borders. The Department of State assists the Armenian government through the Export Control and Related Border Security (EXBS) program. EXBS training and assistance efforts, while aimed at the nonproliferation of weapons of mass destruction and their delivery systems, directly enhance Armenia's ability to control its borders and to interdict all contraband, including narcotics.

The USG will continue aiding Armenia in its counternarcotics efforts through the capacity building of Armenian law enforcement and will continue to cooperate with the government on operational drug trafficking issues. The USG promotes reconciliation between Armenia and its neighbors, and seeks a future of open borders in the region. Continued USG assistance would help Armenia secure reopened borders against narcotics trafficking as well as other forms of transnational crime.

D. Conclusion

Armenian government officials, like Armenian society in general, appear genuinely committed to the fight against illegal drugs. Even in an environment where many kinds of corruption are widespread, few officials are involved in drug trafficking, whether because they consider it beyond the pale or because the opportunity has not arisen. The relatively low level of drug use and drug trafficking, however, likely owes more to geography, international politics, demography and social mores than to effective law enforcement. Armenia's police and border authorities are improving their capabilities, as shown by significant increases in drug seizures, but still suffer from major weaknesses in personnel, training, equipment, intelligence collection, and interagency as well as international coordination. In order for Armenia to reverse current worsening trends and keep drug abuse and trafficking under control, law enforcement will need greater resources, additional training and improved coordination, and the government will need to expand its education and treatment efforts to meet growing needs.

Azerbaijan

A. Introduction

The transit of narcotics and other illegal substances through the territory of Azerbaijan remains a significant concern, as Azerbaijan is situated along major drug trafficking routes from Afghanistan and Iran to Europe and Russia. According to government data, the quantity of drugs seized by the authorities in Azerbaijan, as well as the number of reported crimes related to drugs, has increased over the last decade.

The importance of Azerbaijan for the transit of illegal substances through the Caucasus has grown considerably, in part due to the strengthening of border regimes in Turkey and Georgia. Meanwhile, the corresponding domestic usage of drugs in Azerbaijan remains relatively low. Societal influences limit drug usage in rural and urban areas alike, but reports indicate that the availability and use of narcotics in and around prisons is a concern. Few notable government-sponsored programs exist in Azerbaijan to aggressively address the drug use that does occur in the country; however, media reports indicate that new programs have demonstrated increased support for drug use prevention efforts.

The cultivation of illegal substances in Azerbaijan, such as cannabis and opium poppy, is not widespread, but it does occur, mostly for consumption in the former Soviet republics. Government authorities in Azerbaijan regularly identify and destroy significant amounts of illegally cultivated and wild narcotic producing plants within the territory of the country.

Azerbaijan was one of the first countries in the South Caucasus to become a party to the 1988 UN Drug Convention in 1993; moreover, the country started one of the first police units for combating drug trafficking in the region. Since 2002, the United States has funded counter-narcotics assistance to Azerbaijan through the Freedom Support Act.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

During the past year, Azerbaijan has sought to develop and implement a regional approach to addressing drug trafficking by actively participating and seeking involvement in new and existing multilateral organizations and bilateral agreements. The government of Azerbaijan (GOAJ) played an active role in the Central Asian Regional Information and Coordination Center (CARICC) – an organization which

serves to enhance the abilities of its seven member states to combat the flow of illicit substances across the region. Azerbaijan continued its participation with the South Caucasus Integrated Border Management (SCIBM) program, primarily funded and implemented by the European Union and the United Nations Development Program (UNDP). Though few government-sponsored drug rehabilitation or awareness programs currently exist, the GOAJ has recently begun to focus some attention on domestic and societal issues associated with drug usage, particularly amongst young people. In May 2010, government officials organized a conference in the southern region of Azerbaijan designed to address both the problems associated with illicit drug trafficking and drug addiction in the local regions. Azerbaijan has also begun to place greater emphasis on preventing and addressing drug addiction among young people in Azerbaijan, through programs and activities directed by the Ministry of Youth and Sports.

The GOAJ has also placed notable emphasis on the modernization of its customs code to address the growing threat posed by drug trafficking and the flow of illicit goods across the border. The modernization of the existing customs code, which has not occurred since Soviet times, remains part of the 2010 agenda for parliament in Azerbaijan. It is expected that a modernized customs code will greatly enhance the abilities of the well-funded State Customs Committee (SCC) to stem drug smuggling through Azerbaijan.

Azerbaijan is party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention as amended by its 1972 Protocol. Azerbaijan also is a party to the UN Convention against Corruption, and to the UN Convention against Transnational Organized Crime and its three protocols.

2. Supply Reduction

Afghan opiates transit to Azerbaijan by three primary routes: from Central Asia and across the Caspian Sea, or from Iran through the south of the country, or through uncontrolled regions, which remain in conflict. Up to an estimated 11 metric tons of heroin could transit through Azerbaijan every year, much of it entering through the southern border with Iran. As Georgia and Turkey have strengthened their border control procedures in recent years, Azerbaijan may in the future become a favored transit country for drugs destined for Europe and Russia.

The GOAJ, however, repeatedly identifies and prosecutes drug smugglers entering Azerbaijan from Iran and other countries, and destroys any recovered illicit substances. According to the United Nations Office on Drugs and Crime, approximately 11 metric tons of heroin enter the Caucasus every year; 4 metric tons of that is either consumed or seized each year within the region. More than 3,200 persons were prosecuted in Azerbaijan for crimes related to drug trafficking in 2009 and almost one ton of narcotics were identified and destroyed by the GOAJ from 2005 to 2009. In July 2010, the Azerbaijan Ministry of National Security seized 425 kg of drugs after detaining 15 drug smugglers, who were identified as citizens of Russia and Azerbaijan. The State Customs Service revealed that in May 2010 approximately 77 kg of narcotics had been identified through raids targeted to combat illegal drug trafficking across the borders of Azerbaijan. In 2010, more than 400 tons of illegally cultivated and wild narcotics-producing plants were destroyed in Azerbaijan as of November of that year.

Drug control and law enforcement agencies have continued cooperation with the Russian Federal Drug Control Service, started through an agreement signed in April 2008, which facilitates joint operations, cooperative training and sharing interdiction techniques. During one operation in the summer of 2010, through close coordination between Russian and Azerbaijani law enforcement authorities, approximately 500 kg of heroin and 600 kg of hashish were confiscated from smugglers in Russia.

As the land border between Azerbaijan and Iran has become increasingly popular with drug traffickers, the water route across the Caspian Sea from the port city of Turkmenbashi in Turkmenistan has fallen somewhat into disuse, according to recent field research from the UN Office on Drugs and Crime (UNODC). Additionally, seizure data indicates limited direct trafficking between Turkmenistan and Afghanistan, with most of the drugs now passing through Azerbaijan coming via Iran and, to a much smaller degree, other countries in Central Asia.

In the second half of 2010, government authorities identified a large shipment of drugs in air freight bound for China. However, as a percentage of the overall volume of drugs transiting through Azerbaijan, the amount of drugs trafficked by air remains small.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Newly available data from the UNODC indicates that the annual prevalence rate for opiate use for persons aged 15 to 64 in Azerbaijan has decreased from 0.3% in 2004 to 0.2% in 2008. The most recent data suggests that the prevalence rate for cannabis usage for that same age group was 3.5% in 2008. Current figures provided by the GOAJ indicate that there are 24,000 identified drug addicts in Azerbaijan, with 6,000 of those persons identified as young adults; however, government officials acknowledge that international experts often state that those figures do not reflect the actual situation in Azerbaijan. Some international experts have placed the figure significantly higher.

In 2009, the GOAJ discontinued its anti-narcotics public service announcement program that used kiosks and billboards in downtown Baku; however, the government has replaced this program with one designed to focus primarily on students. New lesson plans and homework assignments were created for primary school students to provide anti-drug information and education. Azerbaijan has also funded NGOs to provide anti-drug training and advertisements on university campuses, as well as provide drug specialists to meet with college students. The GOAJ continued efforts to foster anti-narcotics activities in prisons and provided guidance to journalists on how to write reports dealing with narcotics.

Treatment centers for addicts in Azerbaijan are inadequate to meet the demand. A taboo in Azerbaijani society associated with drug addiction, and an overall lack of experience of policymakers and health professionals in dealing with the problems associated with drug addiction account for this problem. Though the GOAJ has expressed its desire to address substance abuse and drug addiction, these underlying issues, coupled with the lack of effective structured government-sponsored programs targeting drug abuse, hinder progress in combating drug abuse.

4. Corruption

Azerbaijan does not encourage or facilitate the production or distribution of illicit substances, nor the laundering of proceeds from illegal drug transactions. Unfortunately, corruption of government and law enforcement officials remains a serious concern. Corruption permeates much of the society in Azerbaijan, though significantly less regarding drug law enforcement than in other areas of government.

Through its participation in the Organization for Democracy and Economic Development-GUAM, Azerbaijan – along with neighboring member states Georgia, Ukraine and Moldova – has participated in discussions on technical assistance programs sponsored by the U.S. Department of Justice (DOJ) aimed at strengthening member states' ability to detect and prosecute corruption related crimes. These assistance efforts, originating through the International Criminal Investigation Training Assistance Program (ICITAP), promoted law enforcement coordination and cooperation within the Black and Caspian Sea corridor and assists Azerbaijan in addressing government corruption problems.

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

The GOAJ has demonstrated its commitment to increasing its ability to more securely and efficiently guarantee the integrity of its international borders through joint initiatives with the U.S. and other international and multilateral partners. Azerbaijan has worked closely with U.S. agencies in Azerbaijan to facilitate the deployment of new technology and to train and equip the appropriate government personnel to better secure its land and sea borders.

The State Border Service Coast Guard (SBS-CG) and the Navy of Azerbaijan recently enhanced their ability to control the movement of people and goods through Azerbaijani territorial waters in the Caspian Sea through surveillance and interdiction assistance provided by the U.S. Defense Threat Reduction Agency (DTRA). DTRA helped to provide equipment, including advanced communications and radar systems and patrol boats, and training to these two border control services. Both the SBS-CG and Navy will continue to work closely with their counterparts in DTRA as the project moves into the maintenance and sustainment phase. The GOAJ also continued its work with the U.S. Department of Energy (DOE) to increase its ability to monitor the flow of goods and persons across its borders through the Second Line of Defense program.

In late September 2010, the GUAM Council of Ministers of Foreign Affairs conducted a meeting, during which the representatives of member states discussed cooperation with the United States on combating drug trafficking and border control, among other issues. Azerbaijan, along with the other three member states, has sought to foster increased cooperation among the law enforcement agencies of member states,

harmonize Virtual Law Enforcement Center (VLEC) practices with U.S. and European standards, and introduce new encryption equipment. With support from DOJ, GUAM member states recently completed the second phase of the project designed to modernize the VLEC, which links these four countries through a secure video and criminal information sharing network. .

D. Conclusion

The reactivation of cross-border trade between former Soviet Republics and neighbors following the collapse of the USSR, the increase in drug production in Afghanistan, and the instability and lack-of-control across some portions of Azerbaijan's borders combine to make Azerbaijan an attractive conduit for the illicit flow of narcotics and other controlled substances. Additionally, more stringent border control monitoring regimes in Turkey, in response to PKK-Kurdish Workers' Party activity along its western border, and in Georgia have made narcotics trafficking routes through Azerbaijan more attractive to smugglers.

The GOAJ continues to develop and implement measures, both unilaterally and with other international and regional partners, designed to secure its borders and guarantee the lawful flow of goods and persons through Azerbaijan. Many of these measures – such as those implemented with the assistance of DOE, DTRA and other U.S. agencies – are not specifically designed to stem the smuggling of drugs across the border; however, these programs enhance the ability of Azerbaijan to secure its borders and hinder international smuggling operations. Azerbaijan also demonstrates its commitment to working with international partners, through multilateral agreements, such as the CARICC and SCIBM programs, to better address regional narcotics trafficking activities.

The Bahamas

A. Introduction

The Bahamas' archipelago contains several major transit points for South American cocaine and Jamaican marijuana bound for the United States. Although listed again as a Major Illicit Drug Transit country for 2011, the Government of the Commonwealth of The Bahamas (GCOB), with its close proximity to the United States coastline, has been

a steady ally against illegal narcotics trafficking. In 2010, The GCOB continued to participate in Operation Bahamas, Turks and Caicos (OPBAT), a multiagency international drug interdiction effort established in 1982 to stop the flow of cocaine and marijuana through The Bahamas to the U.S. The GCOB also cooperates to target Bahamian drug trafficking organizations, and to reduce the Bahamian domestic demand for drugs.

Cocaine and marijuana are transshipped through The Bahamas' 700 islands and cays spread over an area the size of California. Drug Trafficking Organizations capitalize on the vast geography, via small commercial and private conveyances along short-distance maritime and aerial routes, making detection and apprehension difficult. In addition, the use of commercial cargo containers for smuggling contraband on larger ships through GCOB seaports, particularly the Freeport Container Port, continued to be of concern to Bahamian authorities. The Bahamas is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In 2010, the Royal Bahamas Police Force's (RBPF) participated actively in OPBAT. Officers of the RBPF's Drug Enforcement Unit (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 with a variety of small to medium-sized vessels based throughout The Bahamas. The RBDF fleet of 14 vessels and various small boats are operated out of bases on New Providence, Grand Bahama, and Great Inagua. RBDF assets include six interceptor "fast boats" donated under U.S. Southern Command's Enduring Friendship program, and two 60 meter vessels operated out of Nassau.

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

by the few resources they have to cover the large expanse of Bahamian territorial waters.

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

The U.S. and The Bahamas cooperate in law enforcement matters under an extradition treaty and a mutual legal assistance treaty (MLAT). The MLAT facilitates the bilateral exchange of information and evidence for use in criminal proceedings. GCOB prosecutors pursue USG extradition requests vigorously in the Bahamian justice system defendants can appeal a magistrate's decision, first domestically, and ultimately, to the Judicial Committee of the Privy Council in London. This process often adds years to an extradition procedure. In addition, there have been credible reports of subjects of U.S. extradition requests continuing to participate in illegal drug smuggling activities while on bail awaiting resolution of their cases.

The United States 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. This agreement was utilized often in 2010 showcasing the Bahamian Government's strong commitment to joint counternarcotics efforts.

2. Supply Reduction

In 2010, the DEU cooperated closely with U.S. and other foreign law enforcement agencies on drug investigations. Including OPBAT seizures, Bahamian authorities seized 269 kilograms (kg) of cocaine and seized or eradicated over 42 metric tons of

marijuana during calendar year 2010. The DEU arrested over 1,000 persons on drug-related offenses and seized over \$821,000 in cash.

The DEU and Bahamian Customs, in conjunction with the Drug Enforcement Administration (DEA), continued a program in Great Inagua to enforce GCOB requirements that vessels entering Bahamian territorial waters report to Bahamian Customs. During 2010, the RBDF assigned three ship-riders each month to U.S. Coast Guard (USCG) cutters. The ship-riders extend the law enforcement capability of the USCG into the territorial waters of The Bahamas.

Cocaine continues to transit The Bahamas via go-fast boats, small commercial freighters, or small aircraft. Small sport fishing vessels and pleasure crafts then move cocaine from The Bahamas to Florida, blending into the legitimate vessel traffic that moves daily between these locations. Larger go-fast and sport fishing vessels transport marijuana from Jamaica, through The Bahamas and into Florida in the same manner as cocaine. During 2010, The Bahamas and USG law enforcement assets interdicted 58 vessels and disrupted numerous attempts to smuggle illicit drugs through The Bahamas. DEA/OPBAT estimates that there are 12 to 15 major drug trafficking organizations operating in The Bahamas.

Haitian and Haitian-Bahamian drug trafficking organizations continue to play a major role in the movement of cocaine from Hispaniola through The Bahamas. However, investigations of these organizations have been hindered by an insufficient number of Creole speakers within the DEU. In 2010, it was further stalled by the January 12 earthquake in Port-au-Prince, which limited the ability of the Haitian National Police to expand cooperative efforts with their law enforcement counterparts in The Bahamas. Bahamian law enforcement officials also identified shipments of drugs in Haitian sloops and coastal freighters. Information acquired by host country law enforcement suggests drug trafficking organizations have utilized air drops and remote airfields to deliver large cocaine shipments to the Turks and Caicos Islands and The Bahamas from Venezuela and Colombia.

Although maritime conveyances continue to be an important method of drug transit through The Bahamas, the majority of cocaine seized in recent years has been concealed in containerized cargo transiting the Freeport Container Port on the island of Grand Bahamas. DEA believes Colombian traffickers are utilizing containerized

cargo as a means to thwart the efforts of law enforcement officials in The Bahamas. Approximately 3 metric tons of cocaine have been seized at the Freeport Container Port since 2007.

While there are no official estimates of hectares of marijuana under cultivation in The Bahamas, USG and host country law enforcement agencies believe Jamaican nationals are involved in the cultivation of marijuana on The Bahamas' remote islands and cays. Host country law enforcement eradicated over 35,000 marijuana plants during 2010. That was roughly three times the number eradicated for 2009. Taken together, marijuana seizures and plant eradication accounted for the destruction of some 42 metric tons of marijuana during this year.

3. Drug Awareness, Demand Reduction, and Treatment

The Bahamas National Anti-Drug Secretariat (NADS) coordinates the demand reduction programs of the various governmental entities such as Sandilands Rehabilitation Center and of NGO's such as the Drug Action Service and The Bahamas Association for Social Health. NADS received support from the USG in 2010, but it requires a significant increase in personnel and funding in order to continue to coordinate, plan, and implement The Bahamas' 2004 Anti-Drug Plan. In 2010, GCOB and NGO drug prevention efforts focused primarily on schools and youth organizations on New Providence, Grand Bahama, and other population centers.

4. 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, or the laundering of proceeds from illegal drug transactions. No senior official in the GCOB was investigated for drug-related offenses in 2010. The RBPF uses an internal committee to investigate allegations of corruption involving police officers instead of an independent entity.

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

The Bahamas is partnering with the other nations of the Caribbean and the United States to combat the drug trade and other transnational crime that threatens security. This shared security partnership has received new attention and commitment under

the auspices of the Caribbean Basin Security Initiative (CBSI), a multi-year USG assistance program that focuses on supporting citizen safety programs and regional security institutions. The goals of CBSI relative to The Bahamas are to: stem the flow of illegal drugs through The Bahamas and into the United States; dismantle drug trafficking organizations; and strengthen Bahamian law enforcement and judicial institutions to make them more effective and self-sufficient in combating drug trafficking and money laundering activities.

During 2010, INL funded various training, equipment, travel and technical assistance for GCOB law enforcement and drug demand reduction officials. Computers and other equipment were procured to improve Bahamian law enforcement's capacity to target trafficking organizations through better intelligence collection and more efficient interdiction operations. INL funds also provided tactical equipment and training to the RBPF; and supported the GCOB's "Drug Free Schools" initiative with funding for teacher training, transportation, and course materials. After successful conclusions to lease negotiations in early 2010, the USCG was allowed to move forward with its plans to rebuild the OPBAT hangar on the island of Great Inagua. This two year construction project, which is expected to begin in 2011, will allow USCG to base helicopters flying in support of OPBAT on Great Inagua. USCG's helicopters have been operating from Providenciales, Turks and Caicos Islands since Hurricane Ike destroyed the original Great Inagua hangar in 2008.

As a key partner in building regional safety and security capacity, the Department of Defense (DoD) funded resident, mobile and on-the job training in maritime law enforcement, engineering and maintenance, professional development for the RBDF's officer and enlisted corps through USCG programs. The DOD also provided two additional high speed interceptor boats to the RBDF under SOUTHCOM's Enduring Friendship program.

D. Conclusion

The United States and The Bahamas continue to be steadfast partners in the fight against drug traffickers and the strong working relationship among U.S. and Bahamian law enforcement agencies is an example for other joint operations in the region. The recently-launched CBSI framework intends to improve this relationship even further.

However, a need still exists to reduce the long delays in resolving extradition requests and other criminal cases as an existing trend of law enforcement successes have been undermined by an overburdened Bahamian legal system. As mentioned in previous annual reports, we continue to encourage The Bahamas to increase the resources and manpower available to prosecutors, judges, and magistrates.

With regard to drug control efforts, it is recommended that the GCOB continue to examine the integration of Creole speakers into the DEU and to encourage information sharing between the RBPF, RBDF and the Haitian National Police. This relationship would help to develop information on Haitian drug trafficking organizations operating in The Bahamas. To further improve interoperability, build joint maritime security and law enforcement expertise, and enforce maritime laws at or beyond their territorial sea limit, it is recommended that RBPF and RBDF units work together to plan and execute at-sea law enforcement operations. Given the increase in drug trafficking using cargo containers and the subsequent seizures at the Freeport Container Port, it is also recommended that Port Authorities, Customs officials, and RBPF units work together to address this emerging threat.

Bangladesh

There is no evidence that Bangladesh is a significant cultivator or producer of narcotics. However, Government of Bangladesh (GOB) officials charged with controlling and preventing illegal substance cultivation and trafficking continued to lack sufficient training, equipment, continuity of leadership, and other resources to detect and interdict the flow of drugs. Law enforcement agencies nevertheless continued to interdict narcotics shipments from time-to-time. Many of these shipments originated from the Golden Crescent in Southwest Asia and the Golden Triangle in Southeast Asia. They were smuggled into Bangladesh along its porous land borders with India and Burma and also by fishing trawlers. Interdictions occurred, but not as efficiently as they could have if training and equipment needs were met. Corruption also hampers the country's drug interdiction efforts. Neither the GOB, nor any of its senior employees encourages drug production or trafficking as a matter of policy. Bangladesh 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 and the UN Convention against Corruption..

Assessments conducted by several U.S. agencies in 2009 and 2010 confirmed numerous land, sea and air border security vulnerabilities in Bangladesh that could be easily exploited by narcotics traffickers. The Bangladesh Department of Narcotics Control (DNC) said it was unable to estimate the number of drug addicts in the country, and NGO sources also have no real idea, since their estimates range wildly between 100,000 to 1.7 million addicts, with 20,000-25,000 injecting drug users and 45,000 heroin smokers, as best guesses for these classes of drug abusers. Other drugs used in Bangladesh were methamphetamines, marijuana, and the codeine-based cough syrup phensidyl. Most of the "yaba" (methamphetamine pills) circulating in Bangladesh are smuggled from neighboring countries such as Burma.

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. The smuggling, diversion and abuse of licit pharmaceuticals originating from India is considered one of the largest drug problems in Bangladesh. The DNC reported that Bangladesh law enforcement seized 62,712 liters (about 62.7 MT) of phensidyl, a codeine-based, highly addictive cough syrup produced in India, just during the nine months from January through September 2010. Other drugs seized by law enforcement agencies up to September 2010 (latest statistics) included: 141.3 kilograms of heroin, 22.3 MT of marijuana, and 679,973 tablets of yaba tablets, which consist of caffeine and methamphetamine. Meanwhile, RAB reported 506 drug-related arrests as of October 2010.

The International Narcotics Control Board reported 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. The DNC also reported, that as soon as knowledge of a cannabis crop reached its officers, that crop was destroyed in

coordination with law enforcement agencies. Pseudoephedrine tablets, produced in Bangladesh, were diverted to Central America for production of methamphetamine destined primarily for the United States.

The most frequently abused drugs are heroin, phensidyl (illegally smuggled from India) and cannabis. 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. One report from the Department of Homeland Security described a chaotic situation at Benapole, the main land border crossing between India and Bangladesh, which could easily be exploited by narcotics traffickers. The report said examination of luggage items was cursory at best.

Law enforcement officials believe that drug abuse, while previously a problem among the ultra-poor, is becoming a major problem among the wealthy and well-educated young as well. The Department of Narcotics Control ran treatment centers in Dhaka, Chittagong, Rajshahi, Khulna, Jessore and Comilla. A drug addicts' rehabilitation non-governmental organization (NGO), APON, operates six long-term residential rehabilitation centers, including the first centers in Bangladesh for the rehabilitation of female addicts (opened in 2005 with a more permanent facility completed in 2009). APON says it is the only organization that includes street children in its drug rehabilitation programs. Bangladesh is a poor country, constantly forced by its poverty to leave important needs unmet, but as the drug trafficking/abuse problem grows, government managers will be forced to see what can be done to improve Bangladesh's efforts against narcotics.

Belgium

A. Introduction

With a major world port at Antwerp, an airport with connections throughout Africa, and its proximity to major consumers in the United Kingdom (U.K.) and The Netherlands, Belgium has become a crucial transit point for a variety of illegal drugs, especially cocaine and heroin. Belgium is not a major market for illicit drugs. Methods

of shipment vary, but most drugs seized have been found in cargo freight, or taken from couriers using air transportation.

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

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Belgium is committed to controlling narcotics, especially the significant transit of narcotics through Belgium. Belgium is a major supporter for Comprehensive Operational Strategic Planning for the Police (COSPOL), which is a new methodology for multinational police cooperation. This program was created by the Police Chiefs Task Force functioning under direction of the European Union. Belgian and other EU police officials have 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.

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 continue to be effective in that effort. Authorities utilize canine and aerial apprehension strategies on both the

local and federal levels to help fight illicit drug production and shipment in Belgium. The Canine Support Service (DSCH) has trained dog teams to search for drugs. Dog teams are used mostly in airports and train stations, while the Aerial Support Service (DSAS) has made a concerted effort to increase the number of hours it spends in the sky in an attempt to detect drug laboratories across the nation. Belgium participates in an initiative to set up a database for European airports. The database is used to transfer narcotic related information to airports throughout Europe in order to increase cooperation among police forces and governments.

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 three protocols. The US and Belgium have an extradition treaty and a Mutual Legal Assistance Treaty (MLAT), and in February 2010 the US-Belgium Instruments implementing the US-EU Extradition Agreement and MLAT entered into force. In addition, the Customs Mutual Assistance Agreement (CMAA) between the United States and Belgium enables broad bilateral collaboration on drug trafficking investigations and other cross-border offenses. U.S. Customs and Border Protection (CBP) officials are stationed at the Port of Antwerp as part of the U.S. Container Security Initiative (CSI) to target and prescreen containers, together with Belgian Customs inspectors on U.S.-bound sea freight shipments. Belgium also has an MOU with the USG to carry U.S. Coast Guard Law Enforcement Detachments (LEDET) on Belgian Navy vessels in the Caribbean Sea.

2. Supply Reduction

Belgium remains a key transit point for illicit drugs bound for The Netherlands, the U.K. and other points in Western Europe. The majority of large cocaine shipments transiting Belgium are bound for The Netherlands, where Colombian groups continue to dominate drug trafficking. Significant seizures continue to be made from sea and air shipments, en route from South and Central America or West Africa. Statistics provided by the Belgian Federal Police (BFP) show that during CY 2009, approximately 4605 kilograms of cocaine were confiscated in Belgium and between January and October 2010, approximately 5132 kilograms of cocaine were seized.

It has been estimated that about 25 percent of drugs from South America moving through Europe eventually transit Belgium, especially cocaine. A large share of these drugs is ultimately shipped to the U.K., The Netherlands, and other points in Western Europe. Antwerp's port continues to be one of the preferred transit points for cocaine imported to Europe. The flow of cocaine to Belgium is mainly controlled by Colombian organizations with representatives residing in Africa and in Europe. Some Antwerp port employees have been documented in prosecutions as being involved in the receipt and off-loading of cocaine upon arrival at the port. Zaventem National Airport has become a major point of entry for couriers, who hide drugs in their baggage or on their persons. The cocaine originates in South America and transits through either West Africa or other countries in South America. The other active cocaine trafficking groups in Belgium are 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 five years and intelligence indicate that Belgium continues to be a secondary distribution and packaging center for heroin coming along the Balkan Route. The Belgian Federal Police have identified commercial (TIR) trucks from Turkey as the single largest transportation mechanism for westbound heroin entering Belgium, although large maritime shipments from Iran have also been encountered.

Turkish groups, predominately from the Kurdish region of Turkey, control most of the heroin trafficked in Belgium. This heroin is principally shipped through Belgium and The Netherlands to the U.K. Authorities find it difficult to penetrate Turkish trafficking groups responsible for heroin shipping and trafficking because of the language barrier and Turkish criminal groups' reluctance to work with non-Turkish ethnicities. In CY 2009, Belgium authorities seized a new record total amount of heroin at 275 kilograms. Between January and October 2010, approximately 228 kilograms of heroin were seized in Belgium.

Belgium's role as a transit point for major drug shipments, particularly heroin and cocaine, is more significant than its own production of illegal drugs. However, domestic cultivation of cannabis increasingly involves elaborate, large-scale indoor hydroponic operations in Belgium, particularly near The Netherlands, and increasingly

in other regions. Local authorities have noted that the indoor marijuana cultivation is primarily run by Dutch and Belgian groups. Statistics from CY 2009 show that Belgian authorities seized a total of 143,311 cannabis plants. CY 2010 statistics regarding dismantled marijuana operations or seized cannabis plants were not available at the writing of this report.

Hashish and cannabis remain the most widely distributed and used illicit drugs in Belgium. During CY 2009, hashish seizures escalated to over 18,660 kilograms. Between January and October 2010, authorities seized approximately 575 kilograms of hashish in Belgium. The bulk of cannabis seized in Belgium is produced in The Netherlands and Belgium. Statistics from CY 2009 show that Belgian authorities seized 4486 kilograms of marijuana. Then, between January and October 2010 authorities seized approximately 4962 kilograms of marijuana in Belgium.

Belgium produces small amounts of Amphetamine Type Stimulants (ATS) and MDMA/ecstasy. Seizures of ATS and ecstasy have dropped compared to previous years. During CY 2009, Belgian authorities seized 49 kilograms of amphetamine and 31,025 ecstasy tablets. Between January and October 2010, approximately 187 kilograms of amphetamine and 21,786 ecstasy tablets have been seized by Belgian authorities.

Belgium has a substantial licit pharmaceutical product sector. The country manufactures methamphetamine precursors for licit products to a very limited extent, and it is not a final destination for international shipments of these precursors. The illicit ephedrine diversion market is mainly controlled by Mexicans who purchase both legal (i.e., cold medicine and dietary supplements) and illegal ephedrine, and ship it to Mexico, where it is used to produce methamphetamine for distribution in the U.S. Since ephedrine is strictly regulated in the U.S., Belgium and other Western European countries have seen an increase in transshipments of ephedrine and other methamphetamine precursors. In instances where precursor diversion for methamphetamine manufacturing purposes was suspected, Belgian authorities have cooperated by executing international controlled deliveries (ICD) to the destinations, or by seizing the shipments when the ICD is not possible.

Dutch traffickers are also involved in Belgium's production of Amphetamine-Type Stimulants (ATS). As Dutch law enforcement pressures mount on producers of ecstasy

and ATS in The Netherlands, some Dutch producers either look to Belgian producers to meet their supply needs, or to establish their own facilities in Belgium. During CY 2009, Belgian authorities seized 2 synthetic drug laboratories; both described as "kitchen labs", and have also seized 4 synthetic drug waste dumpsites. Between January and March of 2010, one lab site was discovered by Belgian authorities; a GHB production lab. No further CY 2010 lab statistics were available at the writing of this report.

During CY 2009, Belgian authorities encountered and seized 104 liters of GHB, 4.5 kilograms of opium, 1685 kilograms of khat and 9668 pills of benzodiazepines. Between January and October 2010, the BFP have also seized approximately 17 liters of GHB, approximately 1960 pills of benzodiazepines and approximately 774 kilograms of khat.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

Belgium has an active drug education program administered by the regional governments (Flanders, Wallonia, and Brussels), which targets the country's youth. These programs include education campaigns, drug hotlines, HIV and hepatitis prevention programs, detoxification programs, and a pilot program for "drug-free" prison sections. Belgium continues to direct its prevention education 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.

4. Corruption

Legal measures exist to combat and punish corruption. No serious cases of corruption related to drugs have been uncovered in Belgium thus far in 2010. 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. Belgium, as a matter of policy, does not encourage or facilitate the manufacture or traffic in narcotics, nor does it encourage or facilitate the laundering of proceeds from illegal drug transactions. No senior government officials engaged in such activity.

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

The U.S. and Belgium have an outstanding relationship on drug control, regularly sharing drug-related information. Counter narcotics officials in the BFP, Federal Prosecutor's Office, and Ministry of Justice are fully engaged with their U.S. counterparts. The U.S. continues to coordinate with Belgian authorities to identify and investigate both suppliers and shippers of precursor chemicals. The U.S. trained and certified several Belgian Federal Officers in clandestine laboratory search and seizure methods.

D. Conclusion

The Belgian government and law enforcement are dedicated to combating drug-related crime. One of the primary challenges is the scale of illicit drug transit through Belgian ports. The Belgian government continues to seize drugs. However, with the large amount of cocaine transiting through the Port of Antwerp, increasing the amount of Customs officials focused on drug interdiction would prove helpful and potentially increase seizures and arrests.

Belgium has always been open to international support when targeting illicit drug trafficking and production. The U.S. looks forward to this continued cooperation.

Belize

A. Introduction

Belize is vulnerable to the transshipment of illicit drugs due to its position along the Central American isthmus between the South American drug producing countries and Mexico. It has long stretches of unmanned, unpopulated forests on its borders with Guatemala and Mexico, and an unpatrolled coastline that includes hundreds of small cayes (islands) and atolls. Belize's population density is the lowest in Central America and its remote jungles make it a hospitable environment for growing marijuana. Narcotics trafficking is creating a citizen safety challenge for the Government of Belize.

Belize has a cultural tolerance for the use of marijuana. Drug possession penalties are generally small and rarely include jail time. Penalties for drug trafficking, however, include both fines and significant prison sentences, and bail could be denied if the amounts trafficked meet specific requirements. Crack cocaine is the second most

abused drug in Belize according to a 2008 Central American Integration System (SICA) study. There is no evidence that synthetic drugs are being used or manufactured in Belize, though large quantities of precursor chemicals transit Belize en-route to Mexico.

Despite enhanced efforts to monitor coastal waters, the Belize National Coast Guard (BNCG) and the Anti-Drug Unit (ADU) are hampered by limited funds, equipment, and lack of personnel. Deficiencies in intelligence gathering, analysis, and sharing are also major impediments to reducing the flow of narcotics through Belize. A lack of political will and corruption contribute to minimizing the effectiveness of the Government of Belize (GOB) efforts against traffickers.

Belize is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments/Policies and Trends

1. Institutional Development

While there were several drug seizures early in the year, focus on the narcotics problem diminished as the GOB was forced to address a murder rate that is spiraling out of control. 2008 saw the highest number of murders in Belize's history, at 103. By October 2010, Belize had already exceeded this number, despite deploying the military to the streets of Belize City to try to control the violence. The murder total for 2010 was 128, which represents a per capita murder rate just below 40 per 100,000 citizens. Most of these murders are gang-related and many are related to narcotics.

In 2010, the GOB took several legislative steps to address the deteriorating law and order situation. The Criminal Code (Amendment) Bill, which is in the process of being redrafted, calls for an increase in penalties for crimes such as attempted murder, rape, carnal knowledge, and other offenses of a violent or sexual nature. The Crime Control and Criminal Justice (Amendment), which passed, is aimed directly at increasing penalties for gang-related crime. The Firearms (Amendment) Bill, which calls for an increase of penalties for firearms offenses, remains under review in the house. The most controversial piece of new legislation was the Interception of Communications Bill, which passed by the National Assembly, but remains under review. This bill allows police to seek a Supreme Court warrant which when issued

allows the police to wiretap telephone and other communications of the individuals specified in the warrant.

The U.S. Drug Enforcement Administration (DEA) is working with the GOB to draft a statutory instrument that would criminalize trafficking in all precursor chemicals and will complement a 2009 statutory instrument criminalizing trafficking in pseudoephedrine.

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 six 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). While Belize passed the Money Laundering and Terrorism (Prevention) Act in 2008, establishing money laundering as an autonomous offense, it has failed to accede to the Inter-American Convention on Mutual Assistance in Criminal Matters, 1992. The Organization of American States' Inter-American Drug Abuse Control Commission (CICAD) has urged it to do so for the past ten years.

Belize became a member state of the Inter-American Observatory on Drugs (OID) in May 2009, and CICAD provided training for its national project coordinator. The CICAD representatives also assisted GOB personnel in mapping out an action plan to begin implementation of a national drug information system, which will share data with CICAD on the demand, use, and supply of drugs in Belize.

Bilateral agreements between the United States 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. While GOB assistance in the capture and repatriation of U.S. citizen fugitives is excellent (11 fugitives returned from January-November 2010), responses to formal U.S. extradition requests for Belizean nationals are 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.

2. Supply Reduction

The Belize Police Department's (BPD) well-equipped and trained Belize Anti-Drug Unit (ADU) maintains its base in Belize City. Belize uses the ADU as a quick response force to the spiraling violence in the city. However, the unit is often unable to respond in a timely manner to inbound air tracks in remote locations across the country as all of their assets are deployed in Belize City.

In 2010, Belize seized 97 metric tons (MT) of marijuana. In 2009, the GOB seized 291.5 kilograms (kg) of marijuana. However, there is no real comparison between the two years because, in 2010, seized marijuana was combined with eradicated marijuana for statistical purposes. The eradicated marijuana was destroyed on site. Also in 2010, Belize seized over 2.6 MT of cocaine compared to 28.3 kg in 2009. The jump in cocaine seizures can be largely attributed to a November 2010 bi-lateral operation with DEA, where 2,607 kg of cocaine were seized along with one aircraft, one go-fast vessel, and the arrests of five corrupt law enforcement officers that assisted in offloading the cocaine. This was the largest cocaine seizure recorded in Belize.

The GOB also seized 1.2 kg of heroin, and 122,000 dosage units of pseudoephedrine. Forty tons of the precursor chemical phenyl-acetic acid (PAA) were seized by Belize Customs officials in 2010, although these seizures did not result in arrests. Some of the PAA was returned to the sender since it is not yet illegal in Belize.

In October 2010 the GOB assisted the DEA in the return of a DEA Fugitive/Guatemalan national wanted in the U.S. for allegedly trafficking thousands of kilograms of cocaine. In an April, 2010 incident, an aircraft suspected of carrying large quantities of cocaine crashed into the sea near a runway on a remote caye. The pilot was found shot dead and the plane was empty.

In 2010, the BNCG received two interceptor vessels from the U.S. Department of Defense (DOD) to use to patrol Belize's territorial waters; two go-fast boats were handed over to the Belize Defense Force in 2009. While these vessels are used to

patrol, they have not contributed to any successful interceptions of narcotics. The lack of a coastal radar system that can track vessels transiting Belizean waters hampers marine efforts.

The conviction rate in Belize courts is extremely low. While figures are not readily available, it is suspected to be below 5 percent, and lower for serious offenses. There were no successful prosecutions related to large seizures of illicit drugs in 2010, though at least three cases from 2010 are still pending before the court at year's end. It is difficult to obtain convictions, including on drug-related crimes, because the Office of the Director of Public Prosecutions (DPP) lacks the staff and resources necessary to devote to each case. Police prosecutors, who are responsible for the prosecution of minor offenses, lack formal legal training, which often results in cases being overturned on technicalities. The widespread issue of victim and witness intimidation and lack of forensic capabilities are also key deterrents to successful prosecutions.

3. Drug Abuse awareness, Demand Reduction, and Treatment

The National Drug Abuse Control Council (NDACC) is the central coordinating authority responsible for the activities of demand reduction, supply reduction, control measures and provision of information to the public. NDACC falls under the Ministry of Health. The Council has 21 regular employees and four U.S. Peace Corps volunteers, and had a budget of BZ\$350,000 (U.S. \$175,000) for 2010-2011. The budget has been steadily increasing and the Director estimates the 2011-2012 budget will be BZ\$750,000 (U.S. \$375,000), an indication that the GOB is placing increasing importance on this issue. NDACC also is updating its National Anti-Drug Strategy, a three-year plan which will cover 2011-2014. The Belize Central Prison, managed by a non-governmental organization called the Kolbe Foundation, runs the only drug rehabilitation program in Belize. The program, which began in 2006, runs in ninety-day increments and is a residence program available to the inmates and members of the public willing to stay at the prison to overcome addiction. There are no national demand-reduction education programs in schools or for school-aged children.

4. Corruption

As a matter of policy, the GOB does not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. However, a lack of resources, weak law enforcement, and inadequate compensation allows these activities to continue at all levels of government within Belize, and is a significant impediment to strengthening law enforcement efforts against transnational crime. Belize has no laws that specifically deal with narcotics-related corruption. Its Prevention of Corruption Law deals mainly with corruption in public office related to public gain, use of public funds and code of conduct. Belize is the only country in Central America that is not a party to the UN Convention against Corruption. The tribunal against four officers from the Belizean Coast Guard, charged last year in connection with a Coast Guard vessel stolen from the station where it was docked, concluded in August 2010. Three of the officers were found not guilty. However the Patrol Commander was found guilty of negligence and was demoted in rank by the Security Services Commission. All officers remain posted with the BNCG.

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

The United States supported Belize's efforts to combat transnational crime and narcotics trafficking by providing training, equipment, and technical assistance. The State Department's Central America Regional Security Initiative (CARSI) seeks to work with the GOB to stop the flow of narcotics, weapons, and bulk cash generated by illicit drug sales, and to confront gangs and criminal organizations. The support provided in 2010, through the Department of State, DEA, and the Department of Defense (DOD) modernized and enhanced law enforcement capacity, improved prison management, and assisted anti-gang initiatives. DOD through Post's Military Liaison Office (MLO) provides training to the BDF along with infrastructure improvements and equipment to boost counternarcotics capability. USG agencies operating in Belize work with the GOB to improve the capacity of law enforcement, security forces, and judicial system officials, in order to prevent the entry of illicit drugs, and spread of violence, and transnational threats in Belize. The U.S. Coast Guard provided the BNCG with resident, mobile and on-the-job training in maritime law enforcement, engineering and maintenance, leadership and management, port security, and incident command system. This training helps to improve their capability to deny DTOs access to the

littorals. The State Department and DOD also are working jointly with the governments of Belize, Mexico, and Guatemala to develop a strategy to strengthen security along their shared borders, in order to inhibit the trafficking of illicit substances. The USG also provides support to the Belize National Forensic Science Service to improve investigations and prosecution of crimes by providing a bullet catcher and providing internships for two Firearms Examiners with U.S. state and federal forensic laboratories.

D. Conclusion

As the crime situation in Belize continues to deteriorate, Belize faces an ever more challenging battle against the threats of narcotics trafficking and gangs that permeate the region. Signs indicate that narcotics trafficking is increasing in Belize, and will continue this upward trend, putting even more pressure on Belize to protect its borders. It is vital that the GOB show the will to increase its efforts, through policy, resource allocation, and operations, to halt the flow of illegal drugs and drug money within and across its borders. The GOB must place more emphasis on institution-building, particularly for law enforcement and security forces, in order to build the capacity of these organizations and to increase their effectiveness. The GOB also could enhance its drug control efforts by adequately funding and training prosecutors in the DPP's office, as well as police prosecutors, in narcotics prosecutions. At the same time, Belize is encouraged to pass a Chemical Precursors Control Act with punitive sanctions. The USG will continue to partner with the GOB in its efforts to prevent traffickers from using Belize as a transit location.

Benin

Benin is a transit country for drugs, especially cocaine, with related laundering of trafficking proceeds. The volume of drugs transiting Benin is unclear, but appears relatively low compared to other West African countries; however, cocaine and heroin transit West African countries, including Benin, en route to Europe. Illicit drugs are often concealed in innocuous objects, such as the soles of shoes and large buttons on clothes, or ingested capsules. There are indications that large cocaine shipments originating from South America enter Benin via maritime vessels and cargo containers for further distribution in West Africa and to Europe. Drug traffickers often launder

proceeds thorough purchase, and import, of second-hand vehicles from Europe and the purchase abroad of other consumer goods for sale in Benin. Cannabis is cultivated in central Benin for local consumption and regional sale. Benin is a party to the 1988 UN Drug Convention.

The Government of Benin (GOB) Central Office for Repression of Illicit Trafficking of Drugs and Precursors (OCERTID) is the lead agency for combating narcotics trafficking. OCERTID supports and coordinates anti-drug activities of the police, gendarmerie, customs, forestry service agents, and other offices. However, coordination is relatively poor since OCERTID liaison representative positions, which are supposed to be filled by personnel from relevant other agencies, remain unfilled.

OCERTID responds to tips and other reports of illicit drugs trafficking and maintains enforcement offices in the city of Cotonou and surrounding areas, including Benin's international airport and the Port of Cotonou. Seizures have been primarily of cannabis, followed by cocaine and heroin. OCERTID's reported January-October 2010 seizures in Benin were: 25.8 kg of cannabis; 13.2 kg of cocaine; and 4.2 kg of heroin.

Benin's Law criminalizes trafficking and narcotics-related money laundering and provides penalties of up to 20 years in prison and fines up to CFA 5 million (ca, \$10,000- at current exchange rates) for illicit trafficking of drugs and psychotropic substances. The GOB has established an Inter-Ministerial Committee for Control of Drugs and Psychotropic Substances (CILAS) and drafted a National Anti-Drug Policy (POLUDRO) to address drug abuse and trafficking. Proceedings against ranking police officials for drug trafficking opened in February 2007; however, they remain in progress, almost four years later, without resolution. The Government of Benin does not support or condone drug trafficking as a matter of policy and its senior officials are not engaged in this activity.

The United Nations Office on Drugs and Crime (UNODC) is assisting the GOB to draft an Integrated National Program to curb drug abuse and trafficking. UNODC and other development partners, including the Millennium Challenge Corporation, also assist the GOB to increase security at the Port of Cotonou, including improved shipping container profiling and inspection.

Benin is a party to the UN Convention against Transnational Organized Crime and the UN Convention against Corruption. As a matter of government policy, Benin 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.

The GOB coordinated a nationwide drugs awareness campaign as a key activity of its observance of the 2010 International Day Against Drug Abuse and Illicit Trafficking. In November 2010, the Inter-ministerial Committee for Control of Drugs and Psychotropic Substances (CILAS) trained 35 traditional healers from the twelve departments of Benin on the illegal drug trade and prevention of drug abuse.

The GOB continues to address drug abuse and trafficking thorough education and enforcement of anti-drug legislation. OCERTID effectiveness is constrained by limited human, technical and material resources, as well as poor coordination among security services.

Bolivia

A. Introduction

Bolivia is the world's third largest cocaine producer and a significant transit zone for Peruvian-origin cocaine. Bolivia also produces marijuana, primarily for domestic consumption. Existing reports indicate that most Bolivian-origin cocaine flows to other Latin American countries, especially Brazil, for domestic consumption or onward transit towards Europe, with little exported to the United States.

On September 15, 2010, the President of the United States determined for the third consecutive year that the Government of Bolivia (GOB) "failed demonstrably" to make sufficient efforts to meet its obligations under counternarcotics (CN) conventions. The President found that, despite exceeding minimum eradication goals and continued narcotic and precursor seizures, the GOB's total effort fell short of its international obligations. Coca cultivation increased 36 percent to 35,000 hectares, from 2006 to 2009. Potential pure cocaine production increased 70 percent during the period. In 2009, the GOB did not achieve a net reduction in the cultivation of coca or the production of cocaine, maintained inadequate controls over licit coca markets to

prevent diversion to illicit narcotic production, did not close illicit coca markets, and failed to develop and execute a national drug strategy consistent with international conventions.

The National Drug Control Council (CONALTID) is the GOB's central CN policymaking body. The Vice Ministry for Social Defense (VMSD) is mandated to combat drug trafficking, regulate coca production, and advance coca eradication and drug prevention and rehabilitation activities. The Special Counternarcotics Police Force (FELCN) under the Bolivian National Police (BNP) comprises approximately 1,500 personnel and reports to the VMSD. FELCN works with CN Prosecutors within the Attorney General's Office on drug-related crimes. The Joint Eradication Task Force (JTF), approximately 2,000 military, police and civilian personnel, conducts coca eradication in cooperation with the Directorate General for Integral Development of Coca Producing Regions (DIGPROCOCA), which supervises and verifies coca eradication by measuring the fields before and after coca eradication.

Bolivian President Evo Morales is also president of the coca growers' federation in the Chapare region of Bolivia, one of the two major coca-growing areas. In 2010, the GOB continued efforts to amend the 1961 Single Convention on Narcotic Drugs by removing references to coca leaf chewing. The GOB also remained committed to passing legislation raising the legal number of hectares of coca cultivation from 12,000 to 20,000 hectares. The Morales Administration maintained its "social control" policy for illicit coca eradication in which the GOB negotiates with coca growers to obtain their consent for eradication. In 2010, eradication forces met resistance from coca growers, including large protests, road blockades, and stone throwing, forcing the GOB to temporarily withdraw eradication forces from Palos Blancos and Carrasco National Park.

The GOB's ability to identify, investigate and dismantle drug trafficking organizations (DTOs) and follow actionable law enforcement leads developed in Bolivia remains considerably diminished following its expulsion of all Drug Enforcement Administration (DEA) personnel from Bolivia in January 2009. The United States has no information on priority target DTOs that were dismantled in Bolivia in 2010 and GOB CN officials state that DTOs, including from Mexico and Colombia, continue to increase their

presence in country. Bolivia is a signatory to the 1988 United Nations (UN) Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Although committed to increasing legal coca levels, the GOB announced it would delay legislation until mid-2011, pending the results of a European Union-funded study on traditional coca consumption. The study was supposed to have been launched in 2004 with results ready in 2005, but was delayed for many reasons, including attempts by the GOB to expand the terms of reference to include potential commercialization of coca leaf. In September 2010, the GOB passed legislation intended to enhance regulation over coca leaf sales by restricting the amount of coca leaf that can be sold to five pounds per coca grower per month. However, the GOB then repealed the regulation in part due to public protests and road blockades. President Morales, in a speech to coca growers in the Chapare in October 2010, publicly acknowledged the diversion of Bolivian coca to drug production and requested coca growers to help contain coca production.

In 2010, the GOB prepared wiretaps, money laundering and asset forfeiture legislation to replace existing laws, drawing on technical assistance provided by the United States Government (USG) in 2008, as well as regional partners, especially Colombia and Chile. The bills await approval from the Ministry of Government prior to submission to the Bolivian Congress.

FELCN added a Special Cases Investigative Group (GICE) to handle CN investigations and an Information and Intelligence Generating Center (CIGEIN) to expand regional information sharing in 2010. FELCN also plans to update communications across the country to include scanner-equipped vehicles and satellite communications equipment. FELCN's Director General stated operations focused on high-level traffickers in the Santa Cruz Department by working with counterparts from neighboring countries and attacking traffickers' financial assets. The GOB reported that CIGEIN achieved its first investigative success in October 2010 in a multi-million dollar money laundering case in Santa Cruz involving a high-ranking BNP officer. However, the disposition of any assets seized was not verified due to the absence of DEA personnel.

The GOB increased its national eradication program by funding CN efforts through GOB resources. The Department of State Bureau for International Narcotics and Law Enforcement Affairs (INL) Narcotics Affairs Section (NAS) provides logistics and administrative support for Bolivian counternarcotics operations, including manual eradication.

The Morales Administration sought counternarcotics support from other countries and received training and information-sharing from Brazil, along with continued law enforcement cooperation with Brazil, Argentina and Chile. In October 2010, Bolivia and Brazil held their third high-level bilateral meeting under a law enforcement cooperation agreement.

Agreements and Treaties. Bolivia is a signatory to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Bolivia is a party to the UN Convention against Transnational Organized Crime and its Protocols on Trafficking in Persons and Migrant Smuggling, the UN Convention against Corruption, and the Inter-American Convention against Corruption. Bolivia lacks many of the legal and enforcement mechanisms necessary to fully implement these agreements. Bolivia signed, but has not yet ratified, the Inter-American Convention on Extradition. The Inter –American Convention on Mutual Assistance to Criminal Matters was ratified, but not yet signed.

The GOB and the United States signed a bilateral extradition treaty in 1995, which entered into force in 1996. The treaty permits the extradition of nationals for most serious offenses, including drug trafficking. The United States has one pending extradition request to Bolivia as of December 2009.

2. Supply Reduction

Overall coca cultivation increased ten percent in 2009 to 35,000 hectares according to official USG estimates, up from 32,000 hectares in 2008.

President Morales set a 2010 coca eradication goal of 8,000 hectares. The GOB reported eradication of 8,200 hectares of coca in 2010 – 79.2 percent (6,493 hectares) in the Chapare, 4.6 percent (377 hectares) in Yapacani, and 16.2 percent (1,330 hectares) in the Yungas. The GOB reported increased annual eradication over

2009 results (6,341 hectares), in part due to increased eradication in the Yungas. The GOB increased national expenditures for additional eradicators and new eradication camps in the Yungas, Alto Beni in La Paz District, and in Carrasco and Isiboro Secure National Parks. Despite increasing coca leaf eradication to 8,200 hectares in 2010, due to new coca planting in many locations in Bolivia, a net reduction in coca cultivation is not anticipated.

The U.S. Agency for International Development's (USAID) Integrated Alternative Development (IAD) program provides support to help diversify the economies of Bolivia's coca growing regions, reduce communities' dependency on coca, and complement the GOB's coca eradication program. IAD assistance helps increase Bolivian farmers' income by improving the quality and competitiveness of their products in national and world markets. The program also improves families' access to basic social services and to markets, including improvements to rural road infrastructure. USAID provides assistance in communities selected jointly with the GOB and focuses in the Yungas coca-growing area of La Paz Department. In Fiscal Year 2010, assistance provided to farm communities and businesses helped generate nearly 2,300 new jobs and \$13.4 million in sales of IAD products. In total, approximately 15,000 families benefited directly from U.S. Alternative Development assistance.

The USG estimates that potential pure cocaine production increased approximately 70 percent, from 115 metric tons (MT) in 2006 to 195 MT in 2008 and remained at 195 MT in 2009. While the lack of DEA or other international law enforcement working with FELCN in the field on a daily basis makes it difficult to independently verify the accuracy of figures reported by the GOB, according to the GOB, FELCN seized 1,016 MT of coca leaf, 25.71 MT of cocaine base and 3.38 MT of cocaine hydrochloride (HCl) in 2010. FELCN also located and destroyed 24 mega-sized cocaine HCl processing labs, 19 small and mid-sized processing labs, and 7,948 maceration pits. This represents an increase over calendar year 2009 levels. FELCN reports, however, that drug lab raids frequently fail to find and seize drugs or to result in significant arrests and that some labs are found abandoned, suggesting corruption and poor operational security. In addition, FELCN reported that it seized approximately 1,073.33 MT of

marijuana, 963.82 MT of solid precursor chemicals, and 2,400,270.65 liters of liquid precursors.

The type of drug labs and chemicals seized suggest the prevalence of Colombian-style cocaine processing methods over traditional maceration pits and the increasing presence of Colombian and Mexican drug traffickers in Bolivia. Unofficially, FELCN officers believe rising violence and drug turf wars in Bolivia are linked to foreign DTOs.

FELCN reports it increased efforts to interdict narcotics air and road shipments and those occurring along Bolivia's borders. FELCN believes that most narcotics cross Bolivian borders in shipping containers or as cargo in small aircraft. Countries bordering Bolivia continue to experience increased drug trafficking from Bolivia, especially Brazil, and report seizures of Bolivian drugs and arrests of drug traffickers linked to Bolivia.

The GOB arrested and charged 3,735 persons on narcotics-related offenses in 2010. This arrest rate was about 10 percent more per month than in 2009. Internal GOB reviews of the statistical conviction rates by the Public Ministry and a survey conducted by the National Fiscal Training Facility in Sucre indicate that CN prosecutions continue to be backlogged. For example, fewer than 8 percent of cases brought in 2009 resulted in convictions.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The GOB is reluctant to accept indications of increased cocaine and marijuana consumption in Bolivia. The Latin American Center of Scientific Investigation (CELIN) study entitled "Drug Use in Bolivia 1992-2010" showed a steady increase in drug use throughout the country. Urban marijuana consumers increased from 0.2 percent in 1992 to 2.54 percent per capita in 2010; cocaine HCl consumers rose from 0.1 percent in 1992 to 1.59 percent in 2010; and cocaine base users grew from 0.2 percent in 1992 to 1.44 percent in 2010. Seventy-five percent of Bolivians surveyed view drug use as a major problem. More than 70 percent of Bolivians also believe that illegal drugs are easily available in their communities.

FELCN sponsored a media campaign to educate communities on the dangers of drug abuse, however, the Ministry of Health and Sports, which has the lead on drug

prevention and treatment programs in Bolivia, did not take steps to increase public awareness of drug abuse in 2010.

4. Corruption

The GOB enacted an Anti-Corruption Law on March 31, 2010, which applies to all public officials and may be applied retroactively with no statute of limitations. The law does not specifically refer to narcotics-related corruption. Through October 2010, GOB prosecutors continued to bring corruption charges under the existing criminal code rather than the new law.

The GOB does not, as a matter of government policy, encourage or facilitate illegal activity associated with drug trafficking. 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. Incidents of corruption among FELCN officers increased since the departure of DEA in 2009, but the FELCN Director General launched an initiative to deter corruption that includes polygraph exams for all of its officers. Of the more than 500 FELCN officers polygraphed in 2010, 93 officers failed the exam and were removed from FELCN. Twenty additional officers who failed the polygraph were placed on administrative duties, pending removal.

The BNP has two Offices of Professional Responsibility (OPR) for internal investigations – one for FELCN and one for the remainder of the BNP – that are expected to merge in January 2011. The BNP OPR investigates all cases and may sanction law enforcement for minor infractions. The BNP's Disciplinary Tribunal is responsible for reviewing cases and determining punishment, if appropriate, for police officers involved in misconduct and other integrity-related violations. Cases involving violation of Bolivian law are referred to the Public Ministry for Prosecution. The BNP reports that the OPRs investigated 2,693 allegations of misconduct involving police officers and 1,311 investigations (involving one or more than one officer) were pending during 2010. The FELCN OPR received 163 new allegations against FELCN officers and fired one officer, imposed internal sanctions on 15 officers, dropped cases against 56 officers due to lack of foundation, referred 23 officers to the Disciplinary Tribunal and continued to investigate cases involving 58 officers.

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

USG programs seek to enhance the capabilities of the GOB to reduce coca cultivation; arrest and bring traffickers to justice; promote integrated alternative development; disrupt the production of cocaine within Bolivia; interdict and destroy illicit drugs and precursor chemicals moving within and through the country; reduce domestic abuse of cocaine and other illicit drugs; institutionalize a professional law enforcement system; and improve the Bolivian population's awareness of the dangers of illicit drugs. To achieve these aims, the USG continues to provide administrative, logistical, financial and training support to Bolivian CN programs and to work productively with the GOB at the policy implementation and technical level.

In 2010, the USG provided administrative support for anti-corruption training and polygraph examinations for the BNP's OPR and the BNP's Disciplinary Tribunal to combat corruption within FELCN and CN Prosecutors. The USG also supported the training of 9,012 police officers, prosecutors, and other GOB and non-governmental organization (NGO) officials -- 60 percent more than in 2009. The USG also supported 112 training courses, seminars and conferences -- 90 percent more than in 2009. Support included training for Bolivian police officers in Peru, Colombia, Argentina and Chile, as well as USG-sponsored instructors from Colombia and Brazil delivering courses in Bolivia.

During 2010, the USG supported eight drug abuse prevention and rehabilitation projects. The USG and UNODC implemented a drug abuse prevention program in El Alto which focused on children between eight and eighteen-years-old and reached more than 60,000 participants. The USG funded the NGO Communication, Research and Action in Social Policies to produce drug abuse prevention manuals for teachers, social workers and parents, as well as audiovisual and printed working aids for high school students. The USG worked with the Ministry of Health and Sports to sponsor two training courses for counselors from rehabilitation centers affiliated with the Therapeutic Communities Bolivian Association (TCBA). These courses were specifically designed to improve the quality of service at 38 Bolivian drug rehabilitation centers.

D. Conclusion

The GOB took steps to improve its counternarcotics performance in 2010, but did not gain significant ground against illegal coca cultivation and drug traffickers. While President Evo Morales publicly challenged his Chapare coca grower political constituency to stay within the bounds of coca production that the GOB permitted, a new law will likely recognize an additional 8,000 more legal hectares of coca cultivation – bringing the total to 20,000 hectares. It is anticipated to be delayed at least until mid-2011, but its implementation will violate international agreements to which Bolivia is a signatory.

The GOB is encouraged to strengthen its efforts to achieve tighter controls over the trade in coca leaf to stem the diversion of coca leaf to cocaine processing, in line with international treaties; protect its citizens from the deleterious effects of drugs, corruption, and drug trafficking; achieve net reductions in coca cultivation; and keep pace with replanting.

For the near term, drug traffickers, including those from Colombia and Mexico, will continue to exploit opportunities to process abundant coca leaf into cocaine base and cocaine HCl. To diminish Bolivia's appeal to drug traffickers, further GOB action is required to improve the legal and regulatory environment for security and justice sector efforts to effectively and efficiently combat drug production and trafficking, money laundering, corruption, and other transnational crime, and bring criminal enterprises to justice through the rule of law. Concerns about the challenge to Bolivian institutions from drug traffickers and corruption may drive the GOB's increased resource commitment to these efforts. If Bolivia devotes more of its own resources to counternarcotics, it will become more vested in obtaining results. The GOB agreed in 2009 to nationalize some of the assistance the USG previously provided. Enacting new asset forfeiture legislation and other CN measures would provide Bolivian law enforcement agencies with additional resources in a constrained budget environment. Even with the GOB funding more of its CN effort, it will not have sufficient resources to win the fight. Members of the international community most directly affected by Bolivian cocaine exports are encouraged to share more responsibility and increase their support to Bolivia.

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Coca										
Net Cultivation (ha)	-	35,000	32,000	29,500	25,800	26,500	24,600	23,200	21,600	19,500
Eradication (ha)	8,200	6,341	5,484	6,269	5,070	6,073	8,437	10,000	11,839	13,500
Leaf: Potential Dried Harvest (MT)	-	43,000	43,500	38,500	37,000	36,000	37,000	33,000	35,000	37,000
HCL: Potential (MT) ¹	-	195	195	130	115	115	115	100	110	110
Seizures										
Coca Leaf (MT)	1,016	1,574	2,066.0	1,705.0	1,344.0	887.4	395.0	152.0	101.8	60.0
Cocaine Base (MT)	25.7	21.9	21.6	14.9	12.7	10.2	8.2	6.4	4.7	4.0
Cocaine HCl (MT)	3.4	4.9	7.2	2.9	1.3	1.3	0.5	6.5	0.4	0.0
Combined HCl & Base (MT)	29.1	26.8	28.8	17.8	14.0	11.5	8.7	12.9	5.1	4.0
Arrests & Detentions	3,735	3,397	3,525	4,268	4,503	4,376	4,138	3,902	3,229	2,800
Labs Destroyed										
Cocaine HCl	24	16	7	7	3	3	4	2	2	1
Cocaine Base	4,827	4,864	4,988	4,076	4,070	2,619	2,254	1,769	1,285	800

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

Bosnia and Herzegovina

A. Introduction

Narcotics control capabilities in Bosnia and Herzegovina ("Bosnia") achieved modest improvements in 2010, but state security institutions still need to develop further capacity. Bosnia is still considered primarily a transit country for drug trafficking due to its strategic location along historic Balkan smuggling routes. Bosnia is not a significant narcotics producer, consumer, or producer of precursor chemicals. Bosnian authorities at the state, entity, cantonal, and municipal levels require further capacity-building to combat the transit of illegal migrants, black market commodities, and narcotics, but state-level institutions have improved their ability to stop the flow of illicit narcotics in the country.

Weak state institutions, lack of personnel in counternarcotics units, and imperfect cooperation among the responsible authorities contribute to Bosnia's vulnerability to narcotic trafficking. The political will to improve narcotics control performance exists in some quarters of the Bosnian government. However, faced with competing demands, the government has to date focused its limited law enforcement resources more on such problems as 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 reports, 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 inhibit efforts to counter narcotics trafficking and related crimes. However, law enforcement agencies, often in cooperation with neighboring countries, succeeded in making some substantial narcotic-related arrests and seizures. Bosnia is making efforts to forge ties with regional and international law enforcement agencies. Bosnia and Herzegovina is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

On November 8, 2005, the Bosnian House of Representatives passed legislation designed to address the problem of narcotics trafficking and abuse. Bosnia created a state-level counternarcotics coordination body and a commission to supervise the destruction of illegal narcotics. The counternarcotics coordination body adopted a counter-narcotics strategy and action plan. Bosnia has 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 deployment of the Border Police (BP) and the establishment of the State Investigative and Protection Agency (SIPA) have improved counternarcotics efforts, but continued underfunding, lack of staffing, and an ill-equipped BP and SIPA remain a challenge.

Law enforcement agencies made some significant drug-related arrests during 2010. For example, 32 people were arrested for drug trafficking and the illegal possession of firearms and explosives during a joint police action in northeast Bosnia. The operation required close coordination between several police departments in the Federation, Republic of Srpska, and Brcko District. Approximately 400 police officers and 120 vehicles were engaged in the mass raid on 40 separate sites. A second operation occurred in May when 500 officers were mobilized in and around the southern town of Trebinje, where they searched 53 locations and arrested 45 people suspected of trafficking drugs and arms during a major crackdown on Balkan organized crime.

In September, 56 people were arrested in a police sting operation against drug traffickers in Bosnia, which was initiated on the orders of the Court and Prosecution Office. Over the course of four days, police from both entities in Bosnia searched 200 locations across the country. The searches were conducted in Zenica, Mostar, Sarajevo, Banja Luka, Capljina, Trebinje, and Stolac. The most extensive action, however, was conducted in Bileca, a southeastern town close to the border with Montenegro. Police report that they broke up the so-called "Bileca Group" suspected not only of cross-border drug trafficking, but also of arms trafficking and resale of stolen vehicles. Eleven members of the gang were arrested. They have been linked to several criminal organizations that were also recently the subject of enforcement actions in Croatia.

The Border Police (BP), established in 2000, is responsible for patrolling the country's three international airports, as well as Bosnia's 55 international border crossings and its total borders of 1,551 kilometers. The BP is considered one of the more effective border services in Southeast Europe and is one of the few functioning multi-ethnic state-level 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, where the BP lacks the staff to patrol regularly. In-ground sensors have been deployed to close some of these gaps, but response time to sensor alerts are also affected by lack of personnel and equipment. 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, cooperation between local law enforcement agencies and SIPA is often less than optimal.

Bosnia has become a transit point for shipments of cocaine coming from Colombia, partly because of the weakness of Bosnia's judicial system, which hinders law enforcement's ability to work hand in hand with the prosecutor's office in order to infiltrate organized crime groups and Colombian cocaine trafficking cartels. The National Assembly of the Republic of Srpska approved an asset forfeiture law, allowing law enforcement within the Republic of Srpska, to go after the assets derived from illegal activities.

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 and Herzegovina as a successor state.

2. Supply Reduction

While most drugs entering Bosnia are being trafficked to other destinations, primarily to Western Europe, indigenous organized crime groups are engaged in the local distribution of narcotics to the estimated 105,000 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. Officials believe that the Bosnian market for designer drugs, especially ecstasy, in urban areas continues to increase. Law enforcement authorities posit that elements from all ethnic groups and all major crime "families" are involved at some level in the lucrative 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, Italy, and increasingly even South American criminal networks.

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 also not a major synthetic narcotics producer or refiner.

Narcotic Traffickers have capitalized on a justice system with insufficient capacity, public sector corruption, and the lack of specialized equipment and training. Bosnia has become a warehousing location for drugs, mainly marijuana and heroin, but also some cocaine. Traffickers "warehouse" drugs in Bosnia, until they can be shipped out to their final 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 illicit drug consumption is not systematically gathered, but local experts estimate Bosnia has over 105,000 drug users. Law enforcement officials indicate that demand for illicit drugs is steadily increasing. The State-level Ministry of Security has created a Counternarcotics Office in its Sector for the Suppression of Serious Narcotics Crimes. Although this office has the mandate to collect and disseminate drug related data, its work is hindered by the occasional refusal of local law enforcement agencies to share information with it.

Despite some limited successes the 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 October 2010 (latest available statistics), law enforcement agencies in Bosnia and Herzegovina (including the State Investigation and Protection Agency), the Border Police, Federation Ministry of Interior, Republic of Srpska Ministry of Interior, and Brcko District Police) have filed criminal reports against 1029 persons for drug related offenses. These agencies also report having seized 75.6 kg of heroin, 2.3kg of cocaine, 12.8 kg of amphetamines, 150.3 kg of marijuana, 5,036 cannabis plants, 6,014 cannabis seeds, 204 ecstasy tablets, and 3.4 grams of hashish.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

In Bosnia there are only two methadone replacement therapy centers with a combined capacity to handle about 160 patients. The limited capacity of the country's psychiatric clinics, also charged with treating drug addicts, is problematic, as the number of addicts and drug-related deaths in the country is rising steadily. It is estimated that between 70 to 80 percent of drug addicts who undergo basic medical treatment for their addictions are recidivists. The Bosnian government currently pays for the basic medical treatment of drug addicts, but there are no government programs for reintegrating former addicts into society. There are 40 drug therapy centers in the Bosnian-Croat Federation, 19 centers operate in the Republic of Srpska, and one center operates in Brcko District.

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 distributed 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. In what has now become an annual event, UG PROI organized the 2010 race against drugs involving both a fund-raising event and a large anti-drug abuse convocation in downtown Sarajevo.

4. 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 uses the narcotics trade to generate illicit revenues. 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. Bosnia is a party to the UN Convention Against Corruption.

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

The 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.

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 traffic in weapons of mass destruction and check for appropriate use of dual use items. EXBS Assistance surely increased BP and ITA's ability to detect and interdict contraband, including narcotics. EXBS donated equipment for searches and inspections, including chemical detectors and x-ray machines which enhance the drug interdiction capabilities of the BP. The Overseas Prosecutorial Development Assistance Training (OPDAT) program provides training to judges and prosecutors on organized crime-related matters. The Drug Enforcement Administration (DEA) in Rome maintains liaison with its counterparts in Bosnian state and entity level law enforcement organizations. The DEA has also sponsored specific narcotic interdiction training in

Bosnia, and during the past three years DEA and ICITAP have conducted training for local investigators.

D. Conclusion

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 encourage Bosnia to proceed with the full implementation of its national counternarcotics strategy.

The international community is also working to increase local law enforcement capacity and to encourage interagency cooperation by mentoring and advising the local law enforcement community. USG programs will encourage Bosnia to develop better intelligence and information-sharing structures, create a better legislative framework for undercover operations, and achieve better coordination and cooperation both regionally and internationally to meet the challenge of narcotics trafficking.

Brazil

A. Introduction

Brazil is South America's largest nation, sharing 10,000 miles of land borders with ten neighbors, including 5,000 miles with cocaine-producing Bolivia, Peru, and Colombia. It also has the longest coastline in South America (4,600 miles), making it an inevitable transit country for narcotics traffic to Europe, Africa and to a lesser extent, the United States. Small aircraft from Colombia and Peru also transit Brazil bound for Venezuela and Suriname. Brazil is increasingly a consumer nation and is a potential source of precursor chemicals for cocaine processing.

Paraguay remains Brazil's main supplier of marijuana although some marijuana is grown in the northeast for local consumption. Cocaine products enter Brazil via land, river, and small aircraft from Bolivia, Peru and Colombia enroute to Africa and Europe, with some destined for the United States. Roughly the size of the continental U.S. with

a population of 191 million and a growing middle class, Brazil is the eighth largest economy in the world. Brazil is the largest drug consumer in South America and consumption is rising. It is reported by the UNODC World Drug Report to have 900,000 cocaine users.

The Government of Brazil (GOB) recognizes the effect of narcotics trafficking on public security and has made strides in combating organized crime; allocating increased resources to combat drug trafficking, developing strong international partnerships, and devising a strategy to address domestic consumption. Over the next six years, Brazil will host many major global events, including the 2014 World Cup and the 2016 Summer Olympics, attracting millions of visitors and heightened public security challenges. The National Secretariat of Public Security (SENASP) will lead security preparations, but will work closely with the twelve World Cup host states, including the state of Rio de Janeiro, the site of the 2016 Olympics.

Brazil is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In response to a growing crack cocaine use, then-President Lula announced the Integrated Plan to Face Crack and Other Drugs in May 2010. The plan allotted \$235 million for integrated drug traffic repression and treatment initiatives, involving 15 GOB ministries and civil society. It will address trafficking across Brazilian borders and increase the number of treatment beds for crack users. Long term goals include improved prevention, treatment centers, and social reintegration schemes for former users.

The Ministry of Justice (MOJ) plans to invest \$3.9 billion through 2012 in the National Program for Public Security and Citizenship (PRONASCI), providing training to public security professionals, restructuring the prison system, and fighting corruption. The program supports projects in 22 states and the Federal District (DF), including Pacifying Police Units (UPPs) in the favelas (shanty towns) of Rio de Janeiro. Rio's UPPs have made significant progress in the city's struggle against crime, establishing law enforcement control and then introducing social assistance and essential services into favela communities. Sixteen of Rio's favelas are now successfully under the UPP

Program and the GOB may expand the program to other urban areas. However, Rio has over 1,000 favelas and authorities believe 450 are under the influence of drug gangs.

SENASP continued to develop the Forca Nacional (FN), comparable to a reserve force of state police that can be called upon in emergency situations. In a March 2010 joint announcement with President Lugo of Paraguay, President Lula recognized drug trafficking as a “powerful multinational industry” and announced a plan to establish eleven joint Brazilian Federal Police (DPF)/FN bases to combat trafficking. The GOB will invest \$84 million in the project through 2012, including the purchase of helicopters, river vessels, and weapons.

In 2010, the GOB also announced the concept of an Integrated Center to Combat Drug Trafficking (CICON), envisioned similar to JIATF-South, with representation from the DPF, the Brazilian Armed Forces, and CENSIPAM, a sensor system established to monitor traffic in the Amazon.

Since state and local arrest and seizure statistics are not reported centrally in Brazil and are not always reliable, in July 2010, the GOB introduced the National Register of Drug and Related Asset Seizures (SINAD), a national database to capture these statistics. The system should be fully functional in 2012.

Brazil is a party to the 1988 UN Drug Convention, the 1971 UN Convention against Psychotropic Substances, and the 1961 UN Single Convention and its 1972 Protocol. Brazil 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 Mutual Assistance in Criminal Matters and its Optional Protocol, the Inter-American Convention against Terrorism, Inter-American Convention On International Traffic In Minors and the Inter-American Convention against Trafficking in Illegal Firearms. The U.S. and Brazil are parties to a mutual legal assistance treaty and a mutual assistance agreement on customs matters. Brazil cooperates with the United States in the extraditions of non-Brazilians. The U.S and Brazil cooperate in extradition matters under a 1961 extradition treaty. Brazil’s constitution prohibits extradition of Brazilian nationals, but allows for extradition of naturalized Brazilians for certain drug-related crimes committed prior to naturalization. The Brazilian Supreme Court will agree to

extraditions only if the MOJ receives assurance that extradited individuals will not be subject to sentences longer than 30 years.

2. Supply Reduction

Generally, cocaine and crack of Bolivian origin entering Brazil are distributed and consumed domestically while the higher-quality Colombian and Peruvian cocaine transits Brazil enroute to other transshipment zones or markets, such as northwest Africa and Europe, and, to a lesser degree, to the United States. Brazil's international airports remain common departure points for couriers carrying drugs on or in their body, in their luggage, or via air cargo. Brazil's seaports are among the busiest in the hemisphere and drug shipment via containers and sea vessels is common. The northeast coast of Brazil is the closest transatlantic shipping point to West Africa, less than 1,700 nautical miles. The Brazilian Federal Police (DPF) notes that criminal organizations often utilize the same route in reverse to traffic ecstasy and amphetamines back to Brazil.

In 2010, GOB initiatives to improve coordination and information exchange began to produce results in Brazil's fight against drugs. The CICON, SINAD, and Crack Repression initiatives are examples of a shift in Brazilian law enforcement culture to better coordinate among pertinent public security agencies. For 2010, the DPF reported seizures of 22.2 metric tons (MT) of cocaine and crack, 138.3 MT of marijuana, 33,542 stamps of LSD (lysergic acid diethylamide), and 12,343 bottles of ether perfume. The DPF indicted 4,264 individuals on narcotics-related charges.

The DPF's counternarcotics strategy is based on five concepts: prioritize Brazil's land borders, invest in technology, increase international and domestic police cooperation, attack organized crime leadership, and control chemical products. The DPF has increased its presence on Brazil's western borders by 50 percent over the past four years, created Police Cooperation Centers that combine DPF and state police and are focused on modernizing their aviation and fluvial capacities on the borders. The DPF is also upgrading technological capacities with the \$340 million Project VANT, which will create five bases with the ability to continuously monitor Brazil's borders, creating real-time images for immediate responses. The project includes unmanned aerial vehicles to provide reconnaissance support. The DPF has bilateral agreements with most of Brazil's neighbors, and has attaches in many countries. They continue to

strengthen international cooperation by conducting more joint investigations, police exchanges, joint training, and in the case of Paraguay, joint eradication. The DPF also coordinates with multilateral institutions such as INTERPOL, Organization of American States, MERCOSUL, and the United Nations Office on Drugs and Crime (UNODC). They continue to deepen their internal coordination with SENASP and various state civil and military police. In 2010, the DPF focused its investigations to target leadership of criminal organizations, rather than couriers, drivers, and low-ranking members and increasingly focused on targeting assets of criminal organizations.

In new developments, eleven cocaine hydrochloride and crack laboratories were discovered on the Brazilian side of the Bolivian and Peruvian borders by the DPF in 2010. The labs were unsophisticated and only processed small amounts of drugs. In May, 2010, DPF agents discovered a laboratory in the state of Sao Paulo and seized cocaine-processing equipment, 225 kilograms of refined cocaine, and 220 kilograms of controlled substances, including morphine and solvents. According to open-source information, former DPF Director Luiz Correa stated that traffickers are moving their labs across the border from Bolivia because precursor chemicals are easier to obtain in Brazil. Some analysts believe that increasing cocaine paste seizures in Brazil also suggest that raw Bolivian cocaine is increasingly being refined in Brazil.

In April 2010, the DPF arrested six members of the First Front of the Revolutionary Armed Forces of Colombia (FARC) who were part of a drug trafficking organization in the Amazon region, transporting processed cocaine to Manaus, where they sold to other traffickers for transport to European markets. The arrested individuals had been using Manaus as a base for over a year and possessed false Brazilian documents.

In April 2010, the DPF also arrested Colombian drug lord Nestor Ramon Caro Chaparro, alias "El Duro," in Rio de Janeiro. The U.S. Department of State had offered a \$5 million reward for information leading to the capture of El Duro, who was one of the Immigration and Customs Enforcement's most-wanted fugitives.

In July 2010, the DPF arrested Carlos Arias Cabral, Paraguay's largest marijuana trafficker. According to Paraguayan authorities, Cabral was responsible for a major portion of the marijuana that enters the Brazilian market.

In late November 2010, unified criminal gangs burned vehicles and shot at community police bases in Rio. In response, the Rio Secretary of Public Security requested federal support in a Joint Force composed of State Police, Armed Forces, and DPF. The Joint Force entered the gang strongholds of the Vila Cruzeiro and Alemão favelas. During the operation, they seized 300 kilograms of cocaine and 42 MT of marijuana, recovered 350 stolen vehicles, and discovered 518 weapons, including grenades, machine-guns, and bazookas. They arrested 119 drug traffickers. These numbers likely will increase as the police search more of Alemão and find stashes left behind by fleeing gang members.

The DPF conducts annual eradication operations against cannabis cultivation in northeastern Brazil with no USG assistance. In 2010, the DPF destroyed an estimated 1.6 million marijuana plants, a slight decrease from 2009. Brazilian marijuana is not considered high quality in comparison to Paraguayan marijuana, and is typically sold in poorer urban areas. The DPF also helped eradicate 901 hectares of marijuana in Paraguay in 2010, a slight increase over 2009.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The DPF estimates that up to 1 percent of Brazil's population may use cocaine or crack and that 2.6 percent uses marijuana. A large and violent organized network of criminal gangs poses an extreme security threat to the public and to Brazilian law enforcement, as witnessed recently in the violence, bus-burning, and attacks on police in Rio in November 2010. These gangs are present in Paraguayan marijuana-producing regions along the Brazilian border and control drug distribution in Brazil's largest cities, as proven by the 42 MT of marijuana seized in raids of the Vila Cruzeiro and Alemão favelas of Rio. The gangs use drug proceeds to purchase weapons and tighten their control of the favelas in São Paulo, Rio de Janeiro and other urban centers. Usage of ecstasy and LSD is increasing slightly in metropolitan areas and within Brazilian student communities. This year, Brazil was included for the first time in UNODC World Drug Report as a small exporter of ecstasy to European markets.

The National Anti-Drug Secretariat (SENAD) was created in 1998 and is charged with overseeing the National Policy on Drugs, instituted in 2005. SENAD also administers the National Anti-Drug Fund and the Brazilian Observatory of Drug Information, a

website with extensive information on drug use and its dangers, survey results, and medical research from recognized publications.

With USG support, SENAD is developing a unified national curriculum for youth drug education, similar to the Drug Abuse Resistance Education (DARE) program. It also provides training on detection and treatment of drug abuse for health care professionals, training of religious leaders in drug prevention, and capacity building of the national highway police to enforce Brazil's zero-tolerance alcohol and drug law. SENAD's distance learning programs have trained over 100,000 professionals in demand reduction and often offer certificates from Brazilian universities.

In 2010, SENAD completed the First National Survey on the Use of Drugs, Alcohol and Tobacco in Universities. The study had over 18,000 participants representing all 26 state capitals and the Federal District of Brasilia. The conclusions showed that 49 percent of Brazilian university students have tried an illicit drug at least once in their lives and 40 percent used two or more drugs in the last year.

4. Corruption

As a matter of policy, neither the GOB nor any of its senior officials encourage or facilitate production, shipment, or distribution of illicit drugs or laundering of drug money. However, non-narcotics related corruption remains a topic of media reports. Official anti-corruption initiatives showed good results in 2010, including the recovery of \$235 million diverted from public funds via corruption – a 35 percent increase over 2009. The GOB repatriated \$30 million from Switzerland that was diverted through the "Propinoduto" scandal of 2002 in Rio. Additionally, the Brazilian Attorney General's Office (AGU) secured judicial seizure of rent values from properties of the Ok Group, which diverted \$100 million of public funds during the construction of the Labor Court of Sao Paulo. Over 2,300 cases of this nature remain open.

In 2010, the AGU filed 3,706 actions to recover a total of \$1.5 billion suspected to have been diverted by corruption. According to the AGU's website, over \$340 million of that amount was found in the bank accounts of mayors, former mayors, public servants, and business executives involved in illegal operations. The funds in question have been blocked or seized pending filings by the AGU.

In a news report of December 2010, the Chief Minister of Brazil's Comptroller General (CGU) stated that the Brazilian Congress's delay in approving pending legislation is a challenge to combating corruption. Among those pending are bills addressing conflict of interest, illicit enrichment and stiffening the penalties for corruption. Also still pending is money laundering legislation first drafted in 2005 and submitted to Congress in 2008. Meanwhile, the Brazilian Public Ministry (MPF) and the CGU signed a Technical Cooperation Protocol in September 2010 to combat corruption involving federal resources throughout Brazil. Brazil's federal Ficha Limpa (Clean Record) was implemented in recent elections and prevented several potential candidates with criminal allegations in their background from running for office in 2010.

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

In addition to the United States, Brazil has narcotics control or similar agreements with several neighbors: Argentina, Bolivia, Chile, Colombia, Paraguay, Peru, Uruguay, and Venezuela. Most of these agreements focus on information sharing, police exchanges, and joint investigations. Brazil has additional law enforcement accords with Portugal, Spain, the United Kingdom, Lebanon, Mexico, and South Africa. Even in the absence of agreements, Brazil routinely cooperates with other countries in narcotics-related investigations and participates in the UN Drug Control Program (UNDCP) and takes an active role in OAS/CICAD.

The GOB has consulted with Argentina, Uruguay, Paraguay, and Bolivia about creating a South American Plan to Combat Organized Crime, with an emphasis on narcotics trafficking, and has plans to expand discussions to include Peru. In November 2010, Brazil's Minister of Justice held conversations with Bolivia regarding ways to increase cooperation against organized crime and drug trafficking. The DPF and the Paraguayan Federal Police cooperate well on marijuana suppression.

Brazil was removed as a Major Drug Transit Country in this year's Presidential Majors List Determination because the drugs transiting Brazil were deemed to not "significantly affect the United States." However, the President's determination deemed narcotics control in Brazil "a serious concern." Both the U.S. and GOB remain concerned by the rise in Bolivian coca production and its effect on Brazil. Essential goals of the USG are to assist Brazil in strengthening its narcotics and money laundering laws and to enhance law enforcement cooperation.

The 2006 Letter of Agreement between the U.S. and Brazil provides the framework for cooperation between U.S. law enforcement entities and Brazil's MOJ, DPF, SENASP, National Department of Prisons (DEPEN), SENAD, and Anti-Financial Crime Center (COAF). Cooperation is excellent in the areas of law enforcement training, drug interdiction, and information sharing on money laundering and financial crimes. In 2010, the USG provided training courses for Brazilian law enforcement on various topics including: Incident Command Systems, Emergency Operations Center, cyber crime, major events security, prison classification, prison design and construction, jungle interdiction, airport interdiction, use of mobile trace units, undercover tactics, interrogation techniques, hard-drive forensics, and dog-handling.

Cooperation between the DPF and US law enforcement agencies, particularly the Drug Enforcement Administration (DEA), continue to be fruitful for both countries. The DPF, with USG support, expanded its successful Special Investigation Unit (GISE) program, now with intelligence centers in all 27 of its regional offices. GISE units, in collaboration with DEA and other foreign police, have conducted successful investigations and seized increased amounts of internationally-trafficked drugs (over 20 MT), weapons, laundered money, and illicit assets. There was a seizure of 127 kilograms of cocaine on a river vessel in Manaus and the subsequent search warrant at a nearby farm that yielded an additional 470 kilograms of cocaine. During a similar investigation, search warrants were served simultaneously in four Brazilian cities, resulting in seizures of \$540,000, property, vehicles, and firearms and arrests of 16 Brazilians and one Peruvian trafficker.

The DEA and DPF jointly hosted the 2010 International Drug Enforcement Conference. Federal Police agencies from 90 nations participated in discussing international trafficking trends, organized crime prevention, and public security with a special focus on multinational cooperation.

The DPF's airport interdiction capabilities led to successful investigations in 2010. In March 2010, for example, the DPF arrested 32 individuals in Sao Paulo for a large-scale trafficking scheme that may have shipped up to 1.3 MT of cocaine through Sao Paulo airports over two years. The USG donated body-scan machines for DPF use at four major international airports and twelve mobile tracer units to be used at additional airports by mobile teams. The DPF uses the body scan machines to

complement its airport interdictions and has noted that the machines serve as major deterrents to traffickers.

In 2010, the USG purchased seven dogs, as well as canine unit training and equipment, bringing the DPF Canine program to 63 dogs who support interdiction operations at over 20 key locations throughout Brazil with both narcotics and explosives detection. A first round of new dogs has been bred as part of a sustainability project to meet long term goals, including support of the World Cup and Olympics.

USG partnership with SENASP grew in 2010, with a focus on preparing security for major events as Brazil creates its own National Incident Management System. The USG coordinated courses with SENASP on topics such as Incident Command Systems, Emergency Operations Center, virtual command centers, and major events security. These courses combined federal and state public security officials. The USG also partnered with SENASP's World Cup Working Group in strategic development of its command centers for the twelve 2014 World Cup venues. The USG continues to partner with SENASP in providing training and equipment to SENASP's Forca Nacional.

In 2010, the USG and DEPEN continued their partnership to curb the ability of criminal gangs to operate within Brazilian prisons. Program goals include improving infrastructure of state prisons, developing a corps of professional managers, and consulting on appropriate, cost-effective designs for prisons. Twenty prison employees visited the U.S. to study prisoner classification and develop a design and construction strategy for Brazilian prisons.

The USG continues to partner with SENAD on demand reduction programs, such as the development of a national curriculum for youth drug education. Other INL support in Brazil finances pilot treatment centers for youth and women in the State of Sao Paulo.

The USG continued modest equipment and software donations to COAF in 2010 to assist it in combating illicit crime financing. COAF remained proactive in exchanging information with its U.S. counterpart, the Financial Crimes Enforcement Network (FINCEN).

D. Conclusion

Brazil continues to demonstrate a commitment to combat international trafficking of illicit drugs and related crimes in the country and the region. The USG encourages Brazil's efforts to intensify monitoring of its borders and continue cooperative law enforcement efforts with its neighbors. Likewise Brazil should continue to enhance its efforts to strengthen coordination between its federal, state law enforcement, and public security entities that will create a unified front against international drug cartels that consider Brazil both a major destination and transit country. Passage of anti-money laundering legislation will give police greater tools to confront these criminal organizations, such as greater access to financial and banking records. We strongly urge Brazil's legislature to pass this long-delayed legislation.

Bulgaria

A. Introduction

Bulgaria is a transit country for heroin and cocaine, as well as a producer of illicit narcotics. The only illicit drug crop known to be cultivated in Bulgaria is cannabis, primarily for domestic consumption. Recent evidence suggests that there has been a decrease in the indigenous manufacture of synthetic stimulant products. There are approximately 300,000 drug addicts in Bulgaria of which 10 percent are addicted to heroin.

The Customs Agency under the Ministry of Finance, along with several specialized police services under the Ministry of Interior (MOI), including the Border Police and the Directorate for Combating Organized and Serious Crime (GDBOP), are engaged in counternarcotics efforts. In the arena of counter-narcotics, GDBOP's Anti-Drug Unit is developing into an effective law enforcement organization. As evidenced by its declining drug seizures, the Customs Agency's institutional capability to combat drugs weakened this year due to structural changes that prioritize countering other contraband over combating narcotics. The Bulgarian government has demonstrated political will to combat major organized crime rings and has begun prosecuting numerous high-level cases.

Bulgaria faces several significant challenges in its fight against narcotics trafficking and related crimes. Although there is some evidence suggesting that traffickers are

bypassing Bulgaria via alternative routes, Bulgaria's strategic geographical position astride Balkan heroin transit routes makes it vulnerable to international trafficking organizations transporting narcotics into the European Union. Organized crime groups, both Bulgarian and foreign, have increased their influence and involvement in the international narcotics trade. These groups are sophisticated, well-financed, and have entrenched themselves within Bulgarian society. Bulgaria is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

On April 21, 2010, the Parliament passed amendments to Bulgaria's criminal procedure code that improved the ability of law enforcement to gather evidence and convict high profile drug traffickers. These amendments allow judges to appoint reserve defense attorneys in cases when defense lawyers fail to appear in court without a reasonable excuse (a common tactic in organized crime cases). The amendments also provide additional safeguards for witnesses. The changes strengthened the role of specialized investigative techniques, making it possible for courts to accept collateral wiretap information and European Union's Anti-Fraud Office (OLAF) reports as evidence. The Bulgarian Parliament is also working on legislation that will allow non-conviction based civil asset forfeiture and close down loopholes used by organized crime figures to hide their assets. If passed, this law would likely increase the amount of assets seized in serious drug cases.

The Parliament adopted changes to the Narcotics Control Act, which prohibit the cultivation of illegal plants, regardless of their THC concentration, and add new drugs to the list of controlled substances based on recommendations from the Council of Europe. The amendments, which were published on March 19, also banned showing drug-related images and the use of drugs in commercials.

Over the past few years, the Bulgarian government, and specifically the Ministry of the Interior, has made significant improvements in its efforts to combat international narcotics trafficking. The GDBOP - Anti-Drug Unit can effectively use wire intercepts and other technical equipment, conduct intelligence analysis to identify long-term trends, and cooperate in complex multilateral investigations. Long-term training

provided by DEA and State-INL has improved Bulgarian law enforcement's ability to conduct airport interdictions and financial investigations. Since 2008, a DEA Agent has been embedded with the GDBOP Anti-Drug Unit. This has improved international cooperation and Bulgaria's ability to target high level drug traffickers.

During the year, one area of concern related to Bulgaria's narcotic control strategy was a shift to prioritize countering other-than-narcotics contraband at Bulgaria's international borders. One unfortunate effect of this change was that the Bulgarian Customs Agency subordinated many of its best narcotics units to local regional chiefs. As evidenced by the lower seizure rates, these units' loss of independence has adversely affected the ability of Customs to investigate narcotics smuggling and conduct comprehensive border control operations for illegal drugs.

Bulgaria is a party to the 1988 UN Drug Convention, the 1961 Single Convention as amended by its 1972 Protocol, the 1971 Convention on Psychotropic Substances and the 1990 Council of Europe Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime. Bulgaria is a party to the UN Convention against Corruption and the UN Convention against Transnational Organized Crime and its three Protocols. A new U.S.-Bulgarian Extradition Treaty, which entered into force in 2009, now allows the extradition of Bulgarian nationals for a variety of offenses, including drug trafficking charges. In the past, the U.S. relied on provisions of the 1988 UN Convention to arrange extraditions for drug offenses from Bulgaria.

2. Supply Reduction

Significant narcotics seizures and arrests have taken place both in Bulgaria and outside the country due to the efforts of Bulgarian law enforcement. Of special note is that GDBOP and Customs seized over 21 tons of Acetic Anhydride. This precursor chemical is used in heroin processing and recent DEA forensic analysis indicates it also can be used to manufacture synthetic drugs. In 2010, over 210 kilograms of heroin were seized during international investigations initiated by, or with the assistance of GDBOP. Approximately 110 kilograms were seized outside the country as a direct result of Bulgarian investigative work. In addition, GDBOP assisted in the seizure of about 223 kilograms of cocaine outside Bulgaria.

Bulgarian law enforcement has also made significant progress in targeting and arresting major organized crime figures that are involved in narcotics trafficking and a myriad of other crimes. During the year, a multi-year joint operation culminated in the arrest on money laundering charges of five members of a multinational criminal group, designated by the DEA and MOI as a priority target organization.

From January to November 2010, MOI seized 115 kg of heroin, 6.5 kg of cocaine, 61 kg of amphetamine substance and 125 kg of amphetamine tablets, 25 kg of synthetic drugs and 3,000 tablets of psychotropic substances, 4 kg of opium, 444 kg of marijuana, and 1,600 kg of dry cannabis, 1,163 kg of green cannabis. From January to November, the Customs Agency seized 190 kg of heroin, 10.5 kg of cocaine, 27 kg and 3680 tablets of synthetic drugs, .28 kg of marijuana, 10 kg of opium and .039 kg of hashish. This is a big drop off from the corresponding period in 2009 in which Customs seized 719 kg of heroin, 234 kg of cocaine, 23 kg of ecstasy, 5 kg of marijuana, 44 kg of hashish and 588 tablets of psychotropic substances.

Overall, drug seizures within Bulgaria dropped this year in part due to the prioritization of efforts against contraband described above. According to Bulgarian law enforcement officials, traffickers are also bypassing Bulgaria in favor of the Black Sea or the "northern route" due to tightened security ahead of Bulgaria's entry into the Schengen zone. Heroin travelling the northern route originates in Afghanistan transits Iran and then goes through the Caspian Sea, Azerbaijan, Georgia and Ukraine before reaching Romania and then the rest of Europe.

The only illicit drug crop known to be cultivated in Bulgaria is cannabis, primarily for domestic consumption. The full extent of this illicit drug cultivation is not precisely known, but it is a major source of supplementary income for retirees in some areas in the southwestern part of the country. A small portion of the production is exported to Greece. Recent evidence suggests that there has been a decrease in the indigenous manufacture of synthetic stimulant products after some illegal laboratories relocated to Serbia, Eastern Turkey, Syria, Lebanon, and Armenia in order to be closer to consumers and to reduce risks associated with border crossings. Despite this decrease, there still are indications that drugs such as amphetamines are being produced in Bulgaria in small home-style laboratories. During the year, GDBOP

dismantled one such laboratory for the production of amphetamines and two mobile laboratories for methamphetamines.

Bulgaria's membership in the European Union makes it a desired target for drug trafficking organizations trying to get narcotics to consumer markets in Western Europe. In terms of heroin trafficking, Bulgaria remains primarily a transit country along the Balkan route between production centers in Afghanistan and Pakistan and European consumer markets. Chemicals used for making heroin move through Bulgaria to Turkey and ultimately to Afghanistan. Sporadic cocaine shipments from South America are transported via ship to the Black Sea and then on to Western Europe. From January to November, GDBOP's intelligence led to the arrest of 164 Bulgarian cocaine smugglers abroad, compared to 90 in 2009.

Bulgarian law enforcement also reports a surge in the import and local use of so-called "designer drugs", which are usually shipped from China disguised as innocuous chemical products. These drugs are cheap and easily distributed in Bulgaria as they are not on Bulgaria's list of controlled substances and are technically legal. Plans are underway to expedite the process for adding new drugs to the controlled substance list which would allow the government to match the pace of the appearance of new drugs on local streets and avoid the lengthy legislative process.

3. Drug Abuse Awareness, Demand Reduction, and Treatment.

According to the Bulgarian Institute for Addictions and the Bulgarian Association of Methadone Treatment, there are over 300,000 drug addicts in Bulgaria, of which around 30,000 are heroin addicts. Marijuana continues to be the most widely used narcotic, but the trend toward multiple-drug use is on the rise. Statistics from the National Center for Addictions show that nearly a third of high school students and 35.2 percent of students overall have tried drugs at least once.

The Bulgarian government includes methadone maintenance as a heroin treatment option in the national healthcare system. Nationwide, there are 30 outpatient clinics offering drug substitution programs with the capacity to treat 5,560 patients and 15 inpatient clinics with the capacity to treat approximately 2,000 drug addicts and alcoholics. None of these facilities has a separate unit for juvenile patients. In addition, there are seven social rehabilitation programs, two of which are long-term

community based programs. The Bulgarian National Center for Addictions (NCA), co-funded by the EU Monitoring Center for Drug Addictions, conducts prevention campaigns. There are 26 regional councils on narcotics implementing national drug prevention policy at the local level and 22 information centers. The information centers, financially supported by the municipalities, have been consistently underfunded which adversely affects staff retention.

On the prevention and treatment side, the changes to the Narcotics Control Act also call for the establishment of a secure internal database that tracks those using treatment programs. The database will contain a unique identification code of the person which guarantees protection of the person's personal data. It also establishes an expert council to consult and support the Minister of Health in developing and implementing addiction treatment policies.

4. Corruption

Corruption remains a serious problem in law enforcement and the judiciary. Despite some reforms, the judiciary as a whole (which includes prosecutors and judges) consistently receives poor scores in the area of public confidence in opinion polls. As a matter of government policy, Bulgaria does not encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions. While there is also no evidence that senior Bulgarian officials engage in these activities, during the past year, several former Bulgarian government officials have been implicated in public corruption and/or bribery scandals involving organized crime groups, many of which are involved in narcotics trafficking and/or money laundering.

Many NGOs claim that organized crime figures involved in the drug trade have contacts in the police who funnel information to them. NGOs report that corrupt officials are fired, pressured to quit, or most often reassigned rather than prosecuted on corruption related charges. Complicated judicial procedures and legal loopholes that allow for excessive case delays make it difficult to prosecute high-profile organized crime and corruption cases effectively.

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

DEA operations for Bulgaria are managed from the U.S. Consulate General in Istanbul. DEA serves as the primary liaison with the Bulgarian government on counter-narcotics matters. DEA's current emphasis in Bulgaria is on conducting and coordinating joint international investigations with its Ministry of Interior counterparts and providing DEA technical and legal expertise and assistance. DEA also strives to arrange for counter-narcotics training for Bulgarian law enforcement personnel.

The U.S. Embassy is also providing State-INL-funded equipment and training to a Joint Organized Crime taskforce, which investigates and prosecutes many of the high profile drug cases. The goal of U.S. funding is to increase the operational capabilities and effectiveness of these specially-vetted units.

As part of the International Military Education & Training Program, three Bulgarian Officers attended the U.S. Coast Guard's fifteen week International Maritime Officer's Course in Yorktown, VA.

D. Conclusion

The Bulgarian government has demonstrated political will to combat major organized crime rings and has begun prosecuting numerous cases where the defendants are high-level organized crime figures. The U.S. government will continue to actively support Bulgaria's efforts to strengthen its asset forfeiture legislation and anti-corruption laws.

Bulgaria's emergence as an internationally respected law enforcement partner and its willingness to participate and lead multilateral international investigations is a significant accomplishment. Progress in this area has led to significant seizures and arrests in both Bulgaria and throughout the region.

More effective oversight of the police and judiciary is necessary to ensure that those guilty of compromising investigations are themselves investigated and prosecuted. Restoring the Customs Agency's anti-drugs focus would improve Bulgaria's counter narcotics efforts. Bulgaria would also greatly benefit from investing in updated police equipment for its anti-drug units.

Burkina Faso

Cannabis, amphetamines, and diverted licit medications are the three principal drugs being abused in Burkina Faso. There are also a very limited number of cocaine and heroin addicts. Toxic inhalants are used by the poorest drug addicts, especially street kids. Natural herbs with reported psychoactive effects are utilized in some traditional ceremonies.

Illicit drug production in Burkina Faso is limited to cannabis cultivation. There have also been sporadic and unconfirmed reports of mobile amphetamine labs run by Nigerian criminals, but none have been discovered to date. Cannabis cultivation has been reported across Burkina Faso, but is more prevalent along the southern borders, the outskirts of Ouagadougou, near Bobo Dioulasso, and close to Boromo. Burkina Faso borders six other countries, making it a natural transit point for drugs moving from coastal West Africa on their way across the Sahel north to Europe. Its porous, largely unmonitored borders and lack of trained border control personnel and inspection equipment make it hard for Benin enforcement to counter all types of trafficking. But Burkinabe officials believe that Burkina is not a West African drug hub and that there are no established networks or distribution centers in Burkina Faso.

Hard drugs are not imported into Burkina for local consumption, and Burkina Faso does not export drugs to other markets. The Ouagadougou airport is neither a hub for drug couriers nor an important drug transshipment point. Although some Burkinabe citizens are employed in the drug industry and profit indirectly from the transiting drug trade, they are not producers, organizers, financiers, or major players. Instead, they are organized, frequently as drug mules or small-scale street pushers, by criminals from Nigeria, Togo, Ghana, Cote d'Ivoire and Guinea Bissau.

Drug interdiction has progressed steadily since 2006, with significant increases in cannabis and cocaine interception. GOBF officials do not know if the increases were linked to better detection efforts or a higher volume of transit through Burkina Faso. Authorities intercepted 125 kilograms of cannabis and 108.15 kilograms of diverted licit medications in 2010. In 2010, 305 people were arrested on drug charges and 38 were sentenced to prison terms.

Drug shipments and couriers in Burkina Faso are intercepted by the national police, gendarmerie and customs officials. Interdiction of these couriers is the source of most of Burkina enforcement's drug seizures. For the past two years, drug traffickers

intercepted in Burkina Faso have either ingested drug-filled condoms or have had cocaine or cannabis hidden on their bodies. Ouagadougou airport security staff has limited technical equipment and trained staff to detect and interdict the drugs, but have received basic training in drug courier profiling and know how to look for particular passenger behavior such as nervousness and late, hasty check-ins. They are particularly vigilant with passengers on Ethiopia Airlines, which has historically been an airline favored by traffickers in Africa.

Although customs officials at border posts and airports are financially rewarded for detecting and seizing undeclared goods, receiving 25 percent of the overall value of undeclared goods, this is not the case for drugs, which are considered "unproductive goods." Predictably, customs officials prefer to focus on interdicting the smuggling of non-narcotic goods since it brings them financial rewards.

Burkina Faso's overall drug policy is directed by the National Committee to Combat Drugs. There are plans to strengthen the Committee, give it additional resources, and transform it into a National Drug Office. All laws applicable to drugs are included in the "Code des Drogues." Burkina Faso has received funding and technical assistance from the United Nations Office on Drug and Crime (UNODC) and in-country drug experts are occasionally invited to attend European Union or ECOWAS conferences. In the past, France has provided drug/chemical detection kits as well as training. DEA has also provided training and assistance in the past and will be donating computers with access to intelligence databases soon.

Burma

A. Introduction

Burma remains a major producer of opium and a major source of heroin; globally, Mexico and Burma, depending on planting and weather, alternate as the second largest potential producers of heroin. In 2010, the Golden Triangle, where the borders of Burma, Thailand, and Laos converge on the Mekong River, was home to numerous drug labs producing synthetic drugs and refined heroin. Many long-standing heroin producers/traffickers have expanded their operations to include ATS and may co-locate production facilities. Although difficult to quantify, all indications suggest

Burmese production of amphetamine type stimulants (ATS) continued to rise during 2010, in contrast to an overall downward trend in opium cultivation and production since 1996. Traffickers continued to move Burmese heroin to regional Asian markets and beyond. Burmese ATS continued to feed growing regional demand and, to a much lesser extent, appeared in more distant markets. According to GOB figures for 2010 (January-October), the GOB seized approximately 1.77 million methamphetamine tablets, 748 kilograms of opium (including low quality product), and 85.2 kilograms of heroin. According to surveys conducted by the UN, Land devoted to opium poppy cultivation increased slightly during 2009, and markedly (20%) in 2010. The U.S. also surveys Burmese potential heroin production. U.S. results were different from those of the UN and found that both land devoted to opium poppy cultivation and opium poppy production in 2009 decreased by about 25 percent because of poor weather. No U.S. survey data was available for 2010.

Officers attached to the Government of Burma (GOB)'s Central Committee for Drug Abuse Control (CCDAC) continued to exhibit willingness to move against narcotics traffickers. The CCDAC, however, often stood alone. GOB political leaders, notably senior officers in the Burma Army (BA) who are the nation's de facto rulers, did not uniformly support the CCDAC mission. Drug enforcement was a secondary priority when the GOB interacted with a range of ethnic groups, many of which used armed militias to control large swaths of Burmese territory. The GOB often sacrificed drug control, allowing armed ethnic groups to engage in drug trafficking in return for cooperation in other areas. Drug trafficking-related corruption among mid-level civilian and military officials was likely significant. Rumors continued to persist that link high-level military officials to drug trafficking; although hard evidence to prove allegations is lacking.

Burma's long and porous borders complicated anti-trafficking efforts. Many border areas continued to be controlled by armed ethnic groups and were off limits to Burmese police without significant armed support by the military. Even border areas under GOB control were often inaccessible due to distance, topography, and lack of transportation infrastructure.

Law enforcement efforts were further complicated by a lack of international-standard training for anti-narcotics officers. They also lacked adequate funding and equipment

to address effectively their mandate; like all parts of the GOB besides the BA, the police were underfunded and stretched too thin.

Burma was once again judged by the U.S. government in 2010 as one of three countries to have “failed demonstrably” to meet its international counternarcotics obligations.

Burma is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Burma’s official 15-year counternarcotics plan, launched in 1999, called for the eradication of all narcotics production and trafficking by the year 2014, one year ahead of an ASEAN-wide plan of action to make the entire region drug-free by 2015. In pursuit of this goal, the CCDAC, under the control of the Ministry of Home Affairs, led all drug-enforcement efforts in Burma, including the operation of 26 anti-narcotics task forces throughout Burma, most located in major cities and along key transit routes. As is the case with most Burmese government entities, the CCDAC suffered from a crippling lack of funding, equipment, and training to support its law-enforcement mission. The BA and Burmese Customs Department support the police in drug enforcement, though that support is uneven, especially when strategic considerations related to ethnic insurgent groups conflict with drug enforcement priorities. Burma engaged in drug control cooperation with its neighbors with varying levels of interaction that included regular positive cooperation with China and Thailand, but infrequent contact with India and Bangladesh.

In addition to the 1988 UN Drug Convention, Burma is a party to the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol and the 1971 UN Convention on Psychotropic Substances. Burma (under the name Myanmar) is a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling and has signed but has not ratified the UN Convention against Corruption.

Burma did not begin any major policy or operational initiatives during the reporting period; the applicable legislation remained unchanged and enforcement efforts followed longstanding patterns.

2. Supply Reduction

In 1996 Burmese farmers devoted an estimated 163,000 hectares to opium poppy cultivation. Aggressive domestic efforts accompanied by some international assistance have yielded a generally downward trend in cultivation over the past 14 years. U.S. Government estimates indicated that 17,000 hectares of poppy was cultivated in Burma in 2009—down 24 percent from 2008—although there were indications that farmers planted more poppy, heavy rains and frost destroyed many poppy fields. Potential opium production declined 27 percent to 250 metric tons in 2009. The U.S. has not conducted a joint opium yield crop survey with Burma since 2004.

The United Nations Office on Drugs and Crime (UNODC) conducted a joint survey with Burma in 2009 and again in 2010. The 2009 UNODC-GOB survey estimated 31,700 hectares were devoted to opium cultivation. This was an 11 percent increase from 2008 levels (28,500 hectares). While land area devoted to opium cultivation increased, yields dropped, a trend also observed in 2008. Per UNODC estimates, poppy land yielded an average of 10.4 kilograms of opium per hectare in 2009, a drop from the average 14.4 kilogram yield in 2008. This drop in yields translated to a 20 percent drop in potential dry opium production. Initial reports suggest yields and potential production both increased significantly in 2010. UNODC preliminary estimates of opium production in 2010 were as high as 580 MT, a 76 percent increase from 2009 production estimates. Experts attributed yearly fluctuations in yield/potential production to variables including weather and the availability of inputs such as fertilizer. Burmese authorities continued to eradicate opium poppies in 2009. According to GOB statistics, law enforcement officers destroyed 4,087 hectares of opium poppies in 2009.

Shan State continued to be the center of opium poppy cultivation in 2009, accounting for 94.5 percent of Burma's opium cultivation, the majority of it in southern Shan State. Kayah State and Kachin state accounted for most of the remaining land used to grow opium poppies. Small levels of poppy cultivation occurred in other areas, but

these are likely for limited local consumption rather than part of larger commercial operations.

UNODC-GOB estimates indicated that the average 'farm gate' price of opium increased 5 percent from 2008 to 2009, from \$301 per kilo to \$317. This translated into an overall potential value of \$104 million for Burma's opium crop in 2009. While the illicit drug trade clearly enriched traffickers, for farmers, opium poppy cultivation appeared to be a reaction to poverty rather than a lucrative pursuit. In 2009, UNODC estimated the annual income of poppy-cultivating households at approximately \$735 while the income of households in the same area that did not cultivate opium was slightly higher at approximately \$745. The GOB failed to provide sufficient suitable alternative development opportunities targeted at opium cultivators; this coupled with decades of economic mismanagement by Burma's military regime left some rural farmers with few options other than continued opium cultivation.

The cumulative decline in poppy cultivation in Burma since 1996 has been accompanied by a sharp increase in production, consumption, and export of synthetic drugs, especially ATS. Most ATS in Burma was produced in small, mobile labs located near Burma's borders with China and Thailand, primarily in territories controlled by active or former ethnic insurgent groups, many of which now operate as criminal syndicates rather than politically motivated insurgents. Many of these labs co-located facilities for producing ATS and refining heroin. Heroin and ATS produced by these groups was trafficked overland and via the Mekong River, primarily through China, Thailand, India, and Laos and, to a lesser extent, via Bangladesh and within Burma. Traffickers increasingly used maritime routes from ports in southern Burma to reach trans-shipment points and markets in southern Thailand, Malaysia, Indonesia, and beyond. There was at least one confirmed instance in which traffickers attempted to exploit air routes out of Burma to traffic ATS via a commercial flight.

Though under-resourced and hampered by political constraints, the CCDAC continued active drug interdiction efforts during 2010. From January-October 2010, Burmese police seized 1.77 million ATS tablets, 93,395 ATS tablet fragments, 42 kilograms of stimulant powder, and over 142 kilograms of ICE. During the same period, Burmese authorities seized over 625.9 kilograms of high-quality opium, nearly 123 kilograms of low-quality opium, and over 33 kilograms of opium oil. Heroin seizures totaled 85.2

kilograms and morphine seizures totaled 98 kilograms. Marijuana seizures totaled 184.7 kilograms. Seizures of Specosia, a form of hallucinogenic mushroom, totaled almost 317 kilograms.

Burmese law enforcement made the following notable seizures during the reporting period:

On January 20, 2010, the authorities seized 15 kilograms of methamphetamine ICE in Lashio (Shan State). The authorities seized another 108 kilograms of methamphetamine ICE in Lashio on March 24, 2010.

On September 27, 2010, the authorities seized 1.42 kilograms of methamphetamine ICE at Rangoon's international airport, one of the first airport seizures of the drug in Burma.

On October 22, 2010 in Tachilek (Shan State) the authorities seized 62 kilograms of methamphetamine ICE and 68.5 kilograms of heroin.

Notable pseudoephedrine seizures included 95 kilograms seized in Tachilek (Shan State) on March 14, 2010 and 375 kilograms seized in Monywa (Sagaing Division) on July 7, 2010.

Overall, seizure numbers significantly decreased during this reporting period for reasons which remain unclear. Throughout the year the GOB has engaged in tense, and ultimately unsuccessful, negotiations aimed at forcing several armed insurgent groups, currently party to ceasefire agreements with the GOB, to join a Border Guard Force under BA authority. All of these potential border guard force groups currently engage in drug trafficking activities; for many the drug trade has long since eclipsed their original political goals. Some observers speculate that GOB leaders may have reined in drug interdiction efforts in 2010 to avoid alienating potential Border Guard Force groups and to minimize the chances of armed conflict during the run-up to Burma's November 7 elections.

3. Drug Abuse Awareness Demand Reduction and Treatment

Opium use and addiction remained high in places of historic or current opium production, i.e., hill tribe regions of Burma, especially Shan State; usage of more expensive opiate derivatives (e.g. heroin) remained less common. Some farmers used

opium as a painkiller and an anti-depressant, often because they lacked access to other medicine or adequate healthcare. There has been a shift in Burma away from opium smoking toward injecting heroin, a habit that creates more addicts and poses greater public health risks. Extremely difficult economic conditions will likely continue to stifle substantial growth in overall drug consumption. However, an increasing incidence of injecting drug and ATS use was a cause for concern. ATS use in particular was difficult to quantify, but anecdotal evidence suggests it was a growing problem during 2010 marked by a continued expansion of the demographic of likely ATS users—namely young people in their teens and twenties. UNODC will soon publicly release its latest analysis of the scope of the ATS problem in Burma.

The GOB maintained there are fewer than 100,000 registered addicts in Burma. Past surveys by international organizations and NGOs suggest the addict population could be many times larger. There were no credible surveys or reports on the incidence of ATS abuse completed during the reporting period. The most recent UNODC opiate use estimates from 2009 cover only areas examined during the organization's annual crop survey; these findings indicated opium addiction rates were 1.4 percent for males and 0.1 percent for females in the survey area. These are likely higher than the rates nationwide as the survey was limited to cultivation areas where opium is more readily available.

According to Burma's National AIDS Program in 2008, one third of officially reported HIV/AIDS cases were attributable to intravenous drug use, which, if accurate, would be one of the highest rates in the world. Infection rates were highest in Burma's ethnic regions, and specifically among mining communities in those areas where opium, heroin, and ATS were often readily available.

Burmese demand reduction programs are in part coercive and in part voluntary. Addicts are required to register with the GOB and could be prosecuted if they failed to register and accept treatment. Demand reduction programs and facilities are limited. There were six major drug treatment centers under the Ministry of Health, 49 other smaller detoxification centers, and eight rehabilitation centers. The Ministry of Health in 2006 began to treat heroin addicts with Methadone Maintenance Therapy (MMT) in four drug treatment centers.

In 2010, UNODC continued to support 17 drop-in centers that provided support and counseling to drug users. The GOB conducted narcotics awareness programs through the public school system and limited public awareness campaigns. The activities of several international NGOs, working in collaboration with the GOB, focused on addressing injected drug use as a key factor in halting the spread of HIV/AIDS.

4. Corruption

Burma has signed but not ratified the UN Corruption Convention; the nation has no laws on the books targeted at corruption. Many inside Burma assume some senior GOB officials benefit financially from narcotics trafficking, but these assumptions have never been confirmed through arrests, convictions, or other public revelations. There were credible reports that mid-level military officers and government officials, particularly those posted in border and drug producing areas, were involved in facilitating the drug trade; this is almost certain given the low official salaries paid to civil servants. However, no military officer above the rank of colonel has ever been charged with drug-related corruption.

The Burmese government often monitored the travel, communications, and activities of its citizens to maintain tight control of the population. GOB officials were likely aware of the cultivation, production, and trafficking of illegal narcotics in areas they control. The government of Burma did not, as a matter of policy, encourage or facilitate the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions.

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

As a result of the 1988 suspension of direct U.S. counternarcotics assistance to Burma, the USG had limited engagement with the Burmese government. U.S. DEA, through its attaché office in the U.S. Embassy Rangoon, shared drug-related intelligence with the GOB and conducted joint drug-enforcement investigations with Burmese counternarcotics authorities. In 2009 and 2010, these joint investigations led to several seizures, arrests, and convictions of drug traffickers and producers. There are no longer any U.S. funded or supported alternative development programs aimed at opium poppy growers. No U.S. counternarcotics funding directly benefited or passed through the GOB.

The GOB has not taken direct action against seven United Wa State Army (UWSA) leaders indicted by U.S. district court in January 2005.

D. Conclusion

With opium cultivation slowly rebounding from historic lows and burgeoning ATS production, Burma risks losing the meaningful gains it made in its fight against drugs over the past decade. Stemming the tide of ATS and making further inroads on the opium trade promises to be difficult and will require significant political will. It will require the GOB to: no longer condone continued involvement by ceasefire groups in the narcotics trade; take positive steps to tackle official corruption; and devote additional resources to enforce its existing counternarcotics laws uniformly with the goal of eradicating all narcotics production and trafficking by 2014. Specifically, the GOB must close ATS production labs and prevent the illicit import of precursor chemicals needed to produce synthetic drugs. It must find alternative livelihoods for the impoverished, rural farmers who, as cultivators, form the first link in a chain that delivers heroin to addicts throughout the region and beyond. It must foster closer cooperation with all its neighbors, including India and Bangladesh. Finally, the GOB must stem the troubling growth of domestic demand for heroin and ATS; Burmese drugs have long been a problem beyond Burma's borders, but all indications are that the problem is coming home to roost, which is certain to strain Burma's social welfare, public health, and criminal justice institutions.

The key to progress is political will. Law enforcement officials in Burma have not had the authority or resources to take all needed steps, even when those steps are obvious. The military generals that have ruled Burma for much of its post-colonial history have not chosen to make the fight against illicit drugs a priority. It remains to be seen whether Burma's post-election government will improve governance in any way and seek to address Burma's status as a haven for narco-traffickers and source of illicit drugs.

Increased international aid -- including development assistance and law-enforcement aid -- could complement Burmese efforts to reduce drug production and trafficking in Burma. However, the direct provision of assistance to the Burmese government by many donors will remain contingent on meaningful political change.

Cambodia

A. Introduction

Cambodia has a significant and growing illegal drug problem. Levels of consumption, trafficking, and production of dangerous drugs are all on the rise. The situation has become more urgent, despite the government's concerted efforts to crack down on drug trafficking and drug-manufacturing labs in recent years. Cambodia continued to be targeted by drug criminals as a location for drug production facilities and as a transit route to international markets due to its porous land, maritime and air borders.

Drug traffickers, especially from Taiwan, China, and several Western African countries, continue to use international airports in Phnom Penh and Siem Reap to smuggle narcotics out of the country. Illicit drug use rose slightly, and observers noted both an increased availability of drugs and deeper penetration of drugs into rural areas.

The Royal Government of Cambodia is committed to reducing the threat of drug abuse and trafficking and achieving the regional goal of a drug-free ASEAN by 2015. Recent improvements include more effective law enforcement, destruction of seized drug supplies, considerable increases to the budget of the National Authority for Combating Drugs (NACD), and stiffer penalties for drug trafficking.

However, corruption, limited resources, and lack of capacity and coordination continue to hamper government efforts. The availability and quality of drug treatment centers is inadequate to cope with rising demand and government rehabilitation centers lack trained professionals, resources, and standards of care.

Cambodia is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Cambodia continues to play a role in the regional transit of drugs from the Golden Triangle. An initial "spill-over effect" from drugs transiting Cambodia has resulted in an expansion of the country's narcotics problem with higher domestic illicit drug consumption and, as evidenced by recent discoveries of large and medium-scale

production sites, and an increased production capability for synthetic drugs like methamphetamine. Many experts believe additional clandestine labs, engaged in “tableting” (i.e., pressing active and inert meth pill ingredients into tablet form) as well as production, are operating within the country.

Cambodia continues to be targeted by illegal traffickers as a source for natural safrole oil, which can be used as a precursor for ecstasy (MDMA) in addition to many entirely licit uses in such products as perfumes, insecticides, and soaps. The harvest, sale, and export of safrole oil are illegal in Cambodia.

The Cambodian government is concerned about the rise of drug trafficking, domestic drug manufacturing and abuse, and remains dedicated to stemming the flow of illicit drugs through the country. However, corruption, low education levels, low salaries, limited budgets, hierarchical decision making processes, and limited information sharing between agencies all contribute to poor institutional law enforcement capacity.

Cambodia’s primary counter-drug agency, the National Authority to Combat Drugs (NACD) is headed by a Deputy Prime Minister, Ke Kim Yan, who leads NACD as his sole responsibility. The NACD continues to implement Cambodia’s first 5-year national plan on narcotics control (2006-2010), which includes demand reduction, supply reduction, drug law enforcement, and expansion of international cooperation. The next installment of the plan is expected to focus on drug users, provision of drug treatment, and health care.

The growing trade between Cambodia and its neighboring countries mean Cambodian border officers are asked to implement a modern system of border controls, but must do so with poor facilities, insufficient specialized knowledge and limited budgets. Criminal networks take advantage of these loopholes at the borders to smuggle drugs and dangerous chemicals as well as human beings and wildlife products.

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

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 foreign anti-drug police and the UN Office on Drugs and Crime 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 2011. 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.

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 three protocols. Cambodia is also a party to the UN Convention against Corruption. The NACD and the Cambodia Anti-Drug Department (CADD) within the police force cooperate closely with the U.S. Drug Enforcement Administration (DEA), regional counterparts, and the United Nations Office on Drugs and Crime (UNODC).

2. Supply Reduction

The NACD, in conjunction with the CADD has made strides in becoming a more effective organization. The NACD's 2009-2010 budget is \$1.15 million.

Drug-related seizures in the first nine months of 2010 decreased in several categories, but increased for ecstasy and methamphetamine powder compared to 2009. Drug seizures included 68,192 methamphetamine tablets, 6.4 kg of methamphetamine powder, 904 grams of heroin, 1,056 ecstasy tablets, 920 grams of cocaine, 3.9 tons of sassafras oil, and 12,864,000 pills for treating influenza that contain 771.6 kg of pseudoephedrine. The number of drug-related arrests surged. The NACD reported 272 cases and 536 arrests during the first nine months of 2010. Methamphetamine abuse accounts for approximately 83 percent of drug use in Cambodia. The majority of the arrests were for abuse of amphetamine-type stimulants (ATS), often involving foreigners.

In the first nine months of 2010, 1.23 kg of dried cannabis was destroyed. Police destroyed 520 marijuana plants growing on farmland in Battambang province. The 2-

meter-high plants had been growing with cassava plants on a 120 square-meter patch of remote farmland. Police did not arrest 53-year-old farmer Sen Soeun because he told police he did not know growing the plants was illegal and had not sold any marijuana to the villagers. Once informed, the farmer promised to stop growing the plants. The Cambodian government announced that cannabis plantations have been completely eliminated on Cambodian territory. UNODC and other international organizations agree that cannabis production and cultivation have ceased to be a major concern in Cambodia. However, anecdotal information of cannabis cultivation indicates that the problem persists at a reduced level.

At the annual conference of the National Authority for Combating Drugs (NACD) on March 17, the Cambodian Prime Minister urged authorities of all levels, law enforcement officers, local and international organizations to increase the fight against drugs. He named 2010 a year to crack down on all types of "vice," including drug trafficking and use, and urged police officers not to overlook small-scale drug trafficking.

Some examples of drug cases in Cambodia follow:

On September 4, police arrested a Laotian man in Battambang province for transporting 764 grams of heroin into Cambodia. He confessed that he was asked to carry the heroin.

On August 30, Police in Preah Sihanouk province arrested a 56-year-old man and seized 3,200 amphetamine pills.

On August 29, police arrested a 26-year-old man in Pursat province for transporting 977 kilograms of sassafras oil stored in the bottom of his truck. On the same day, police arrested a Taiwanese man at Phnom Penh International Airport for attempting to board a flight to Taipei in possession of 91 grams of heroin.

On August 24, police in Banteay Meanchey province seized 12,864,000 smuggled pills that police said contained pseudoephedrine, a precursor for methamphetamine. Two suspects were arrested including a Deputy Commander in the Royal Cambodian Military Police. This was the largest seizure of smuggled pseudoephedrine to date in Cambodia. A health official said the medicine could be used to produce two million to three million pills of illegal drugs. Based on 70% conversion of pseudoephedrine to

methamphetamine, the seized pills could have been used to produce approximately 540 kilograms of methamphetamine.

On August 15, anti-drug police arrested four people following a raid on a suspected drug lab in Prampi Makara district of Phnom Penh. Police discovered 259 grams of methamphetamine, 49 packets of drug precursor chemicals and other materials used in drug production.

On July 25, police arrested a man and a woman in Poipet town in Banteay Meanchey province for smuggling 1,944 methamphetamine pills from Thailand.

On July 21, police arrested a Laotian man in Stung Treng province for carrying approximately 4,000 methamphetamine pills. He was charged with drug distribution and smuggling.

On July 11, an anti-drug police officer was arrested after police discovered \$336 worth of counterfeit Thai currency and 100 amphetamine pills at his office in Poipet town of Banteay Meanchey province. The court charged him for possession of drugs and counterfeit currency.

On June 4, a police officer in Battambang province was arrested while trying to sell methamphetamine pills at a train station. He was carrying 79 methamphetamine pills and a parcel of crystal meth at the time of his arrest.

On May 17, police in Preah Sihanouk province arrested a police officer for involvement in an alleged drug-trafficking ring. Two of his children and a soldier were also detained; police said the ring had operated for several months.

On March 19, police arrested a brother/sister team in Battambang province for carrying about 20,000 amphetamine pills. Police said the siblings confessed to smuggling drugs for about five months from the Lao border in Stung Treng province. They told police that they would carry between 10,000 to 20,000 pills on each of their trips and sell the drugs for \$3 to \$4 per pill to clients along the Cambodian-Thai border in Poipet town.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The NACD estimates 6,000 drug users and the National Center for HIV/AIDS, Dermatology and STD (NCHADS) estimates 13,000. According to NGOs and law enforcement experts working in the field, the actual figures are likely to be much higher – the UN has estimated that as many as half a million people may be drug users among Cambodia's 14.8 million population. Data now indicates that the drug problem in Cambodia has spread further into the rural areas, with the highest usage in the provinces bordering Laos and Thailand.

ATS is the most prevalent narcotic in Cambodia, accounting for nearly 83 percent of drug use. Both ATS tablets, known locally as yama, and crystal methamphetamine are widely available. Recent information from an NGO indicates that the use of crystal methamphetamine is overtaking the use of yama tablets in Phnom Penh. Heroin addiction, currently a problem for a relatively small number of users located mainly in Phnom Penh, also is on the rise in Cambodia. A recent UNODC baseline survey of 12 provinces found injecting drug use was especially prominent in the border areas, but some injecting drug abusers were found in all survey provinces. Cocaine, ketamine, and opium are also available in Cambodia. It is a common practice among the homeless population to sniff glue or similar inhalant products, particularly for minors living on the streets. NACD statistics reveal 77 percent of all drug users are below the age of 26; however local NGO Korsang surveys reveal 93 percent of drug users contacted via outreach and 68 percent of drug users who frequent Korsang's drop-in center are over 25. The majority of Korsang's clients are injecting drug users.

The popularity of crystal methamphetamine, or "ice", has resulted in an increase in users in the injecting drug use (IDU) scene. As heroin and ice become more widely available, which has been the trend over the past few years, there may be a rapid escalation in IDU and concomitant spread of HIV. Approximately 25 percent of injecting drug users are HIV positive.

Drug addicts have historically been treated as criminals by Cambodian authorities and society. Consequently, there has been an over-reliance on law enforcement and prosecution approaches at the expense of demand reduction efforts. Cambodia has 14 private and state-owned treatment centers as well as one center run by a local NGO, Mith Samlanh. Given the number of drug users in Cambodia, it is evident that the need for drug treatment services far outstrips the available supply. There are no

separate treatment centers for women, although some centers accept both sexes. Government drug treatment centers are run by several different ministries, from Health to Interior to Defense, with no single unified standard of care. They are primarily compulsory military-style boot camps with an overarching philosophy of detention and control, providing very little in the way of medical or psychological addiction treatment. During the first six months of 2010, 741 drug users and addicts were admitted to the government-run centers.

Local NGOs have said that the NACD is making an effort to change perceptions and is willing to work with local demand reduction NGOs to enhance cooperation and skill sharing. On October 29, the government signed a letter of intent with the United Nations to implement a community-based drug treatment program as an alternative to compulsory treatment in rehabilitation centers. The community-based treatment program is designed to deliver drug treatment services at low cost, through a referral system at provincial health centers. The program, piloted in Banteay Meanchey Province, is expected to grow to 350-400 health centers after December 2010.

In partnership with numerous international donors and NGOs, the NACD is attempting to boost awareness about the dangers of drug abuse among Cambodians through the use of community outreach, media, pamphlets, posters, and public service announcements. The government relies on NGOs to 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.

On July 1, Cambodia's first methadone maintenance program started providing heroin users with services at the Khmer-Soviet Friendship Hospital in partnership with Korsang and Friends International, two NGOs working on drug treatment and rehabilitation issues. Since opening, the program has treated 61 heroin users. In its initial year, the program was designed to reach 100 of an estimated total of at least 1,500 injection drug users (IDUs). The targeted number may exceed 100 since more clients have applied to the program. Cambodia and Vietnam are also coordinating efforts to establish a new rehabilitation center in Sihanoukville, Cambodia.

4. 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 January 20, the government promulgated a new Penal Code that will enter into full effect in December 2010. Several of the articles within the Penal Code address corruption committed by civil servants and court officials, and include penalties for offenses such as misappropriation of public funds, bribery of civil servants, willful destruction and fraudulent embezzlement, and witness tampering. On April 17, 2010, the government promulgated an Anticorruption Law, which provided the statutory basis for the establishment of a National Council against Corruption, and an Anticorruption Unit (ACU) to receive and investigate corruption complaints. Om Yentieng, head of the ACU, said currently the ACU has more than 60 staff and an additional 60 people would be needed. Under the law, as many as 100,000 officials will be required to declare their assets.

On November 29, the ACU made its first arrests, of a provincial chief prosecutor and two associates. They have been charged with corruption, extortion, and illegal detention. The ACU also has investigated tax collection irregularities in a unit of the Ministry of Economy and Finance and recommended the Ministry take disciplinary action against wrongdoers.

C. National Goals, Bilateral Cooperation, and U.S. 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 the Khmer Rouge's "Killing Fields" fled Cambodia 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.

Cambodian law enforcement authorities cooperate actively with U.S. agencies, including DEA, FBI, DHS-ICE, Department of State, USAID, and the Department of Defense. Approximately 20 law enforcement officials each year receive drug related training at the International Law Enforcement Academy (ILEA) in Bangkok. Bangkok-based DEA agents provide technical assistance, training, and limited resources to the CADD. The U.S. Department of Defense is concentrating on raising RGC capacity to maintain maritime security and has sponsored several workshops and training events. The Joint Interagency Task Force-West (JIATF-West) conducted two counternarcotics training missions and a small craft maintenance training course. JIATF-West will provide training infrastructure renovation projects for the Cambodian National Police, Maritime Police Patrol, and Ministry of Interior Forestry Administration to facilitate future training and build local capacity.

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.

D. Conclusion

Government actions such as the NACD implementation of yearly action plans in addition to the five year plan; the newly-established 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; increased law enforcement cooperation with the DEA, FBI, the Australian Federal Police and others; and the plan to implement a community-based drug treatment program as an alternative to compulsory rehabilitation centers 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 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.

Canada

A. Introduction

In 2010, the Canadian government continued its considerable efforts in combating the production, distribution, and consumption of various illicit drugs. Canada is a significant producer of marijuana, almost all of which is destined for the domestic market, according to Canada's Criminal Intelligence Service (CISC); and supplier of ecstasy for domestic use and export to the United States. Precursor chemicals for the production of ecstasy are smuggled into Canada from source countries on a regular basis. Marijuana and cocaine are the most widely used illicit drugs in Canada and Canadians are among the top illicit users of pharmaceutical opiates worldwide. Customs officials continue to seize more khat, a stimulant grown primarily in Africa and the Middle East, than any other drug at Canada's borders. Canada is home to large numbers of new immigrants from those parts of the world where khat use is prevalent.

Canada is midway through its five-year National Anti-Drug Strategy, introduced in 2007, to reduce the supply of and demand for illicit drugs, and government data suggests that drug use has fallen. In February the federal government appealed to Canada's Supreme Court in support of its bid to close a supervised injection site in Vancouver. Canada and the United States cooperate in counternarcotics efforts by sharing information and conducting joint operations. Canada has been a strong partner with the United States in international counter-narcotics policy forums. Canada is a member of the UN Commission on Narcotic Drugs and party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

In May 2010, the government re-introduced legislation (S-10) that provides mandatory jail time for serious drug crimes and imposes special penalties for offenses by organized crime syndicates or by those who target children. A similar bill (C-15) died when the parliament was dissolved in December 2009 to call national elections.

S-10 would amend the *Controlled Drugs and Substances Act* to include mandatory prison terms for drugs listed in Schedule I, such as heroin, cocaine and methamphetamine, and in Schedule II, such as marijuana. An aggravating factor, including where the production of the drug constitutes a potential security, health or safety hazard, would attract the minimum sentence provisions. Also, the maximum penalty for production of Schedule II drugs, including marijuana, would be increased from 7 to 14 years. The bill calls for gamma-hydroxybutyric acid (GHB), flunitrazepam, and amphetamines to move from Schedule III to Schedule I, which would mean higher maximum penalties for crime involving these drugs. The government says it proposed S-10 to further the National Anti-Drug Strategy (NADS) to combat illicit drug production and distribution. Introduced in 2007, NADS involves 12 federal agencies and departments led by the Department of Justice. Public Safety Canada and Health Canada play large roles, as well. NADS has three action plans: preventing illicit drug use; treating those with illicit drug dependencies; and combating the production and distribution of illicit drugs. The strategy has a five-year, C\$578 million budget.

In its 2010 yearly evaluation of the NADS, Canadian Department of Justice auditors said the strategy has been "implemented largely as intended" with the exception of elements contingent on passage of S-10. The government admits that the prevention and treatment action plans "have experienced delays and other challenges, and are behind schedule in implementation." Human resource constraints and "the need to reorient existing programs" have meant that approximately one-third of NADS funding was not spent in the first two fiscal years.

In 2009, Canada announced the Synthetic Drug Initiative (SDI), the first Canadian strategy focused on a single class of drugs. Its goal is to eliminate illegal synthetic drug production and distribution in Canada through enforcement, deterrence, and prevention, and to inhibit the diversion of precursor chemicals from foreign and domestic sources. In October, 2010, the Royal Canadian Mounted Police (RCMP) Atlantic Region Clandestine Lab Team conducted SDI-related training in Moncton, New Brunswick for first responders including firefighters, paramedics and chemical disposal technicians who may be called to respond to the site of a synthetic drug lab.

Also in October, the Canadian government reintroduced legislation (S-13) to implement the Framework Agreement on Integrated Cross-Border Maritime Law Enforcement Operations ("Shiprider") between Canada and the United States. The two countries signed the framework agreement in Detroit, Michigan, on May 26, 2009, but a previous version of the legislation (C-60) expired when the government called elections in December 2009, ending that session of Parliament. If implemented, the agreement will allow the exchange of cross-designated officers (shipriders) to create seamless maritime law enforcement operations across the U.S.-Canadian maritime border, strengthening maritime counter-smuggling efforts.

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.

2. Supply Reduction

Cocaine (along with marijuana) remains one of the most significant illicit drug markets in Canada, according to CISC. Canadian officials say the United States is the primary transit country for cocaine entering Canada. Crack cocaine remains relatively concentrated in city centers across Canada.

Marijuana (along with cocaine) continues to be "one of the most trafficked illicit drugs in Canada, with extensive organized crime involvement at all levels of production, distribution, importation, and exportation," according to CISC. Canadian producers "almost entirely" meet the domestic market demand for marijuana. No single organized crime group dominates across Canada, according to the Criminal Intelligence Service Canada (CISC) 2010 annual report. CISC states that the number of organized crime groups in Canada has fluctuated between approximately 600 to more than 900 within the past five years. This fluctuation reflects improved reporting and information collection, according to CISC. Crime groups move the drug across the country from main production hubs in British Columbia, Ontario, and Quebec to meet domestic demand and to transport bulk quantities to areas along the Canada-United States border for smuggling into United States markets. Most exported Canadian marijuana is destined for the United States; however, it only accounts for a small percentage of total marijuana imported in the United States, according to Canadian officials. For example, Canadian officials say 4.1 metric tons of marijuana were seized at the Canadian border in FY 2009 while 741.5 metric tons were seized at the Southwest border. Smugglers send Canadian-origin marijuana to the United States in exchange for cocaine, firearms, and contraband tobacco. Canadian law enforcement reports that some Canadian organized crime groups have moved their grow operations onto United States soil to avoid increased vigilance at the border by United States law enforcement. Canadian officials point to this factor as one of many contributing to what they say has been a decline in the number of marijuana seizures along the Canada-U.S. border by United States law enforcement.

Canada continues to be a significant exporter of ecstasy to the United States, in amounts ranging, in 2009, from 2.2 million dosage units to 3.4 million dosage units.

To a lesser extent, Canada also supplies Japan, Australia, and New Zealand. Precursor chemicals for the production of ecstasy are smuggled into Canada from source countries such as China and India on a regular basis. The chemical profile of ecstasy has shifted towards a mixed composition of decreased quantities of MDMA (3, 4-methylenedioxyamphetamine), its primary active ingredient, and increased quantities of several chemical fillers and substances, predominantly methamphetamine, as well as ketamine, ephedrine, and caffeine. The shortage of MDMA precursor chemicals presently affecting Europe is not diminishing the illicit manufacture of ecstasy in Canada, according to CISC.

In Canada, heroin continues to attract one of the smallest shares of the illicit drug markets, according to Canadian government data. CISC asserts that the heroin market has "been partially replaced by the use of pharmaceutical opiates, particularly in Ontario and Atlantic Canada." Canadians are among the heaviest consumers of pharmaceutical opiates globally, according to Canadian government reports, but organized crime involvement in this market remains small when compared with other drugs. The most commonly trafficked pharmaceuticals are: Valium, Klonopin, Ativan, Ritalin, Talwin, OxyContin, and steroids.

Domestic demand for methamphetamine has stabilized, but Canadian production has risen to meet expanding international market demands, according to Canadian government information. CISC says that "super labs," which the RCMP defines as "capable of producing 10 kilograms of methamphetamine per production cycle, cater to international wholesale distributors with export to countries including Australia and New Zealand." Methamphetamine continues to be used in Canadian-produced ecstasy as it is cheaper to produce and increases the profit margin. Canada remains a transit country for the precursor chemicals used to produce methamphetamine. Canadian-sourced pseudoephedrine has been discovered in some clandestine United States methamphetamine labs, according to CISC.

While there were no overall drug seizure statistics available from the GOC for 2010, in September, Winnipeg Police seized eleven pounds of methamphetamine, worth an estimated C\$900,000. Police said this was the largest haul ever of that drug in the city.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

According to GOC statistics, among all Canadians (defined as those 15 years and older), the prevalence of past-year cannabis use decreased from 14.1 percent in 2004 to 10.6% in 2009, the year for which the most current data is available. For Canadian youth (defined as those between 15 to 24 years), the prevalence of past-year cannabis use decreased from 37.0 percent in 2004 to 26.3 percent in 2009. The prevalence of past-year cocaine or crack (1.2 percent), ecstasy (0.9 percent), speed (0.4 percent) and hallucinogen (0.7 percent) use is comparable to the rates of use reported in 2004. The same study reported that, among youth, past-year use of at least one of five illicit drugs (cocaine or crack, speed, hallucinogens, ecstasy, and heroin) decreased from 11.3 percent in 2004 to 5.5 percent in 2009. The rate of youth drug use remains much higher than that reported by adults 25 years and older: almost four times higher for cannabis use (26.3 percent versus 7.6 percent), and almost five times higher for past-year use of any drug excluding cannabis (6.3 percent versus 1.3 percent).

The rates of psychoactive pharmaceutical use and abuse in 2009 (the year for which the most current data exists) remains comparable to the rates reported in 2008: 25.0 percent of respondents aged 15 years and older indicated that they had used an opioid pain reliever, stimulant, sedative, or tranquilizer in the past year while 0.6 percent reported that they used any one of these drugs to "get high" in the past year.

Canada has six drug treatment courts (DTC) in operation: Toronto (commenced in December 1998), Vancouver (December 2001), Edmonton (December 2005), Winnipeg (January 2006), Ottawa (March 2006), and Regina (October 2006). DTCs encourage the offender to deal with the addiction that motivates his or her criminal behavior, according to government officials. If the offender completes the program, the court generally suspends or reduces the sentence. The Canadian government says DTCs "aim to reduce crime committed as a result of drug dependency through court-monitored treatment and community service support for offenders with drug addictions." They also have the goal to reduce the burden of substance abuse on the Canadian economy, which the Canadian government estimates at C\$9 billion annually for areas including police, prosecutors, and prisons.

Local and provincial authorities continue to maintain a number of so-called "harm reduction" programs, including a supervised injection site research pilot project ("Insite") in Vancouver. The British Columbia Court of Appeal ruled January 15, 2010,

that provinces, not the federal government, have jurisdiction for health care, which it said included services such as supervised injection sites for addicts of illegal drugs. The January decision upheld a lower court ruling. In February, the federal government appealed to Canada's Supreme Court regarding the continued operation of Insite. In June, the high court accepted the case to decide whether the federal or provincial authorities have jurisdiction over the facility. As of December 2010, the Supreme Court had yet to set a date for hearings. Several cities, including Toronto and Ottawa, have also approved programs to distribute drug paraphernalia, including crack pipes, to chronic users.

There has been no change since the UN International Narcotics Control Board's (INCB) 2007 Report noted that the Vancouver Island Health Authority's approval of "safer crack kits" contravened Article 13 of the 1988 UN Drug Convention, to which Canada is a party. The INCB called upon the Government of Canada to eliminate drug injection sites and drug paraphernalia distribution programs, stating that they violated international drug control treaties.

4. Corruption

In October, Transparency International ranked Canada as the sixth least corrupt country in the world, based on its annual ranking of international perceptions of corruption. Canada has strong anti-corruption controls and holds its officials, including law enforcement personnel, to a high standard of conduct. The government zealously pursues malfeasant civil servants and subjects them to prosecution. Investigations into accusations of wrongdoing and corruption by civil servants are thorough and credible. Government policy and law prohibit, and no senior government officials are known to engage in, 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.

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

Canada cooperates actively with international partners. The United States and Canada exchange forfeited assets through a bilateral asset-sharing agreement and exchange information to prevent, investigate, and prosecute any offense against United States or Canadian customs laws through a Customs Mutual Assistance Agreement. Canada

has ratified 50 bilateral mutual legal assistance treaties and 66 extradition treaties, including with the United States. Judicial assistance and extradition matters between the United States and Canada operate under a mutual legal assistance treaty (MLAT), an extradition treaty, and related law-enforcement protocols, including the long-standing Memorandum of Understanding designating the United States Drug Enforcement Administration (DEA) and RCMP as points of contact for United States-Canada drug-related matters.

As in past years, Canada and the United States focused their bilateral cooperation through the Cross-Border Crime Forum (CBCF) and other fora. During the November CBCF, led by the Attorney General and Secretary of Homeland Security and their Canadian counterparts, Canada and the United States signed a memorandum of understanding on currency seizures at the border that will assist both countries in fighting money laundering and terrorist financing. Canada and the United States also cooperated through the Integrated Border Enforcement Teams (IBETs) and Border Enforcement Security Teams (BESTs). IBETs operate in 24 locations along the border, including four locations where Canadian and American intelligence analysts are co-located. Both countries will collaborate on the 2011 United States-Canada Border Drug Threat Assessment, scheduled to be released at the 2011 CBCF Ministerial as a snapshot of cross-border narcotics issues and trends. DEA, U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement (ICE), U.S. Coast Guard (USCG), Canadian Border Services Agency (CBSA), RCMP, and United States state, local, and tribal and Canadian provincial officers interact cooperatively and effectively in the field and at management level to ensure our two countries meet our shared objectives in combating illegal drugs.

On October 8, 2010, the USCG and Canada signed a Memorandum of Understanding (MOU) to conduct counternarcotics law enforcement operations pursuant to United States authority while on Canadian Forces vessels and aircraft in the U.S. Joint Interagency Task Force South operating area. In 2010, Canadian Forces attended the USCG tactical coxswain school.

Canada has been a strong partner with the United States at the UN Commission on Drugs (CND). In March at the fifty-third CND, Canada co-sponsored several USG

initiatives and worked closely with United States officials on reforming and streamlining the UN drug bureaucracy.

D. Conclusion

The rise of methamphetamine production in the Canada is a concern for the United States and an area that requires deeper bilateral cooperation. Canada's continued role as a source country for ecstasy to United States markets highlights the need for greater cooperation in tracking precursor chemical activity. The United States will seek to collaborate with Canada to build enforcement capacity and regulatory frameworks in North America to promote industry compliance and avoid diversion of precursor chemicals and lab equipment for criminal use. The end of extraordinary security demands on law enforcement related to the 2010 Vancouver Winter Olympics and the G-8 and G-20 Leaders Meetings should allow Canada to implement a more effective and expansive inspection regime. Expedited investigations and prosecutions will also strengthen enforcement efforts.

The United States acknowledges the strong and consistent anti-drug message from Canadian senior officials. However, with no change in the past several years, the United States still urges Canada to continue to press municipalities such as Vancouver and Ottawa to implement the INCB's recommendations to eliminate drug injection sites and drug paraphernalia distribution programs as a violation of international drug control treaties. The United States believes that a fully implemented Shiprider agreement can serve as a model for cooperative enforcement to other hemispheric partners in addition to the benefits of combating smuggling on our shared border.

Chad

Chad is not a significant producer of organic or synthetic drugs; however, due to extremely porous borders, Chad's territory is susceptible to exploitation by drug traffickers. Most drugs entering Chad arrive from Cameroon, Niger, Nigeria, and the Central African Republic, and transit the country en route to Sudan, Egypt, and Libya. Drug abuse is not a significant problem in Chad. Drugs commonly abused include cannabis, which is cultivated among agricultural crops in the south of the country. Some abuse of synthetic licit pharmaceuticals such as tranquilizers and stimulants also

occurs. Chadian authorities recently created a new office to oversee all anti-drug operations. Chad imposes significant penalties for the illegal use or trafficking of illicit narcotics. No senior officials are known to be engaged in the illicit production, trafficking, or use of narcotics. Chad is a party to the 1988 UN Drug Convention.

In May 2010, the Government of Chad (GOC) created the Directorate of National Drug Control within the Chadian National Police. This unit's mandate includes reducing illegal production, trafficking, and use of drugs. The Directorate has identified several key challenges in curbing the trafficking of drugs through Chad. Possibly the most daunting challenge for this unit is controlling the trafficking of narcotics across Chad's poorly guarded borders. According to the unit's commissioner, Chad's borders are not only inadequately guarded but some traffickers may also cross into Chad at official entry points under cover of foreign diplomatically plated vehicles. These traffickers are headed for Libya and Sudan. The Commissioner was quick to point out that he does not believe accredited diplomats are trafficking narcotics, but rather diplomatic drivers may be taking advantage of their positions and official vehicles.

A secondary challenge facing the new police unit is an inadequate funding stream for training and equipping the unit's staff. In years past, DEA and other organizations provided specialized equipment to Chadian police, but these donated items wore out over time and haven't been replaced by the GOC. With a very small budget for equipment, the directorate has one hand tied behind its back in its effort to catch and deter criminals using ever more sophisticated means of moving narcotics.

Drug seizures in Chad from 2000 to 2008 reveal no particular trend. Seizures fluctuate as much as 900 kg per year for cannabis and 90 kg for heroin. This is due in large part to whether the National Police are by chance in the right place at the right time. Of course, individuals found trafficking or abusing drugs face lengthy prison sentences of 8 to 15 years on average, along with hefty fines. Many seizures, both large and small, are a result of vehicle accident investigations. Police report that they often discover the root cause of automobile or motorcycle accidents to be drivers trying to operate vehicles under the influence of drugs.

The Director General of the Pharmaceuticals Department, under the Ministry of Health, is responsible for ensuring that hospitals, pharmacies etc., make use of appropriate safeguards to control the storage and dispensing of all licit narcotic

medicines. Hospital and pharmacy records are inspected regularly. Most Chadian schools participate in anti-drug campaigns, with primary and secondary school students receiving annual anti-drug education. Additionally, all Chadian National Police, Gendarmes, and Army recruits receive drug awareness training as part of their basic induction courses. While Chadian society generally condemns drug abuse, society supports government efforts to provide treatment programs for those who become addicted. Near the capital city of N'Djamena, the GOC operates a hospital for the treatment of addicted persons. The program is rudimentary, but those participating voluntarily are not prosecuted for narcotic offenses by the authorities.

The GOC makes a serious effort to control drug production, reduce trafficking, and curb illegal use of drugs. The most positive element of this campaign has been the creation of a new Directorate within the police system specifically tasked to tackle these issues. The system for regulation of legitimate drugs dispensed by hospitals and pharmacies is also well-designed and administered. Government funded drug treatment programs, while basic, are available and the government also organizes dangerous drug awareness campaigns to assist those who become addicted and to help reduce drug abuse.

In order to more effectively stem the flow of drugs trafficked through Chad, the GoC must better equip the anti-drug Directorate and other enforcement units such as customs and border inspection. Officers inspecting vehicles entering Chad from Cameroon do not have basic narcotic detection field test kits with which to test suspicious substances. They do not have drug-detection dogs. Perhaps the greatest limiting factor is the insufficient number of officers to control the vast and sparsely populated border areas, and the fact that officers who are available are in need of more professional training.

Cape Verde

A. Introduction

Because of its location in the Atlantic Ocean, along major trade routes between South America and West Africa, Cape Verde is an important transit country for narcotics

headed for Europe from South America by way of Africa. Narcotics transit Cape Verde by commercial aircraft and maritime vessels, including yachts.

Cape Verde is not a significant producer of narcotics. Illegal drug use seems to be limited although there are no reliable statistics available on the numbers of people consuming or the overall trends. Cape Verde has two separate law enforcement agencies that fight narcotics trafficking: the Judicial Police (PJ) and the National Police (PN).

Cape Verde works with international agencies like the United Nations Office on Drugs and Crime (UNODC) and donor governments including the United States, Brazil, France, Germany, Portugal, and Spain to fight international narcotics trafficking and reduce local demand. Cape Verde is party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Cape Verde employs several interconnected institutions to combat the production, transit and abuse of drugs. These institutions have developed to combat the increasingly relevant issue of narcotics trafficking and use. Cape Verde is viewed by European law enforcement agencies as one hub in the trafficking of cocaine from Latin America to Europe. As an archipelagic state, the ratio of sea borders to land area in Cape Verde is among the highest in the world, adding to the challenges of border control and law enforcement in territorial waters.

While local illicit drug production is believed to be a relatively minor problem, the trafficking of drugs through Cape Verde has a great impact. Local criminals are sometimes paid by international traffickers in "product," which contributes to the growth of the local market for illegal narcotics. Local enforcement focuses on transit/trafficking: modest local production and abuse of drugs is naturally secondary.

The National Commission for Combating Drugs (CNLCD), under the Ministry of Justice, is responsible for coordination of Cape Verde's counternarcotics programs. The CNLCD gathers statistics, disseminates information on narcotics issues, and manages government treatment programs for narcotics addiction. It also runs a hotline and manages several public awareness campaigns. In addition, El Shaddai, a local NGO

supplements the government's effort with a drug rehabilitation shelter located on Santiago Island.

Since 2006, the UNODC and the European Commission have maintained a partnership with the Government of Cape Verde to administer the Cape Verde Integrated Crime and Narcotic Program (CAVE INTECRIN). CAVE INTECRIN supports the development of Cape Verde by fighting the spread of illicit drugs, crime, and antisocial behaviors. The program aims to improve Cape Verde's law enforcement and border patrol capabilities through upgrades to the government's communication and intelligence capabilities, as well as through computer-based training programs.

The two main law enforcement institutions in Cape Verde are the Judicial Police (PJ) and the National Police (PN). The PJ is a unit of the Ministry of Justice and is primarily responsible for major crimes, but also patrols sea lanes and air borders. They have approximately 150 officers with a regular presence on four of Cape Verde's nine inhabited islands. The PN reports to the Ministry of the Interior, and maintains primary responsibility for routine law enforcement efforts on land. The PN has approximately 1,500 officers spread throughout the country. Both the PJ and PN have a positive record of productive cooperation with international law enforcement agencies.

Cape Verde's current anti-drugs strategy is operational until 2010, with an updated version anticipated in 2011. The authorities in Cape Verde instituted enhancements to their forensic and scientific departments within the police force in 2010 and created a financial intelligence unit (FIU) to combat money laundering.

Cape Verde is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention on Narcotic Drugs, as amended by the 1972 Protocol, and the 1971 UN Convention on Psychotropic Substances. Cape Verde is also a party to the UN Convention against Transnational Organized Crime and its three protocols and the UN Convention Against Corruption. There is no extradition treaty between the U.S. and Cape Verde.

Because of its importance in combating international drug trafficking, Cape Verde receives considerable attention from many international partners, including the United States, Brazil, France, the Netherlands, Portugal and Spain. In June, 2010, the U.S. Coast Guard supported AFRICOM's fourth African Maritime Law Enforcement

Partnership mission (AMLEP) to Cape Verde under an ad hoc agreement. The AMLEP combined operations aim to enhance maritime law enforcement capabilities in Cape Verde. In June, 2010, the French Navy participated in joint exercises with their Cape Verdean counterparts off the island of Maio focused on drug interdiction tactics. In July, 2010, then Brazilian President Luiz Inacio Lula da Silva addressed a meeting of the Economic Community of West African States (ECOWAS) in Cape Verde, highlighting a strategic political dialogue intended to combat drug trafficking.

2. Supply Reduction

Cape Verde's strategic location on the maritime and aerial routes between mainland Africa, Europe, and South America makes it an attractive transit point for drug shipments from the Caribbean, Venezuela, Colombia, and Brazil en route to Europe. The country's numerous beaches, extensive territorial waters, and an inadequately-monitored economic zone can allow drugs to pass through undetected. Cocaine is the most trafficked narcotic, mainly coming from Brazil, but a crack cocaine, "cocktail" (a mixture of cannabis and crack, called "cochada" in Cape Verde), using locally-cultivated marijuana is also trafficked. Ecstasy is trafficked to and through Cape Verde from Europe. Cape Verdean authorities are concerned about drug abuse within the prison system and drug-related crime such as assaults and robberies to feed individuals' drug habits.

In the first half of 2010, the Judicial Police detained 30 individuals from several countries, including Cape Verde, Nigeria, The Netherlands and Portugal for drug possession. As of November, 2010, the PJ have seized 55 kilograms of cocaine and 121 kilograms of cannabis. In August, 2010, the PJ seized 26 kg of cocaine from a yacht off the coast of Sao Vicente Island. The vessel originated in Brazil and was manned by a Lithuanian crew. In calendar year 2009, they seized 35 kilograms of cocaine and 645 kilograms of cannabis.

In 2009, assets worth over 408 million Cape Verdean Escudos (CVE) (\$5.1 million) were seized in connection with narcotics cases. Among the items seized were: four pieces of real estate worth 20,936,622 CVE (\$264,000), furnishings worth 18,500,000 CVE (\$233,000), three bank accounts worth 363,477,000 CVE \$4.6 million), miscellaneous objects worth 4,901,777 CVE (\$62,000). To date in 2010, no assets have been seized, although several cases are still pending in the courts.

In one high-profile court case, the sentences of several convicted drug smugglers were mostly upheld by the Cape Verde Supreme Court of Justice in July 2010. The case stemmed from a 2007 incident in which authorities confiscated 70 kilograms of cocaine at the airport on the island of Sal. The five accused traffickers appealed to the Court after their October 2009 conviction in a lower court. While some of the sentences were reduced by 1 to 6 years, the Supreme Court upheld the 25-year sentence of one of the traffickers -- representing the maximum sentence allowable by the law. In addition, the court ordered the seizure of 6 parcels of land, 20 buildings, and 5 vehicles, with a combined worth of over \$12.25 million.

3. Drug Abuse Awareness Demand Reduction and Treatment

On average, levels of illicit drug use in Cape Verde are consistently low and concentrated in urban areas. Because illicit drug abuse has historically been relatively minor, statistical tracking mechanisms are nascent and reliable data are not yet available. While drug abuse among the population is not considered significant, drug abuse among the prison population is relatively high and of growing concern. There is also a dearth of reliable statistics on the drug abuse problem in prisons.

The NGO El Shaddai coordinates a drug treatment shelter on the island of Santiago. This is the only drug treatment facility in the archipelago. Some international religious organizations have expressed concern about the population of untreated drug addicts in the country and are seeking to develop new drug treatment facilities.

The most recent data available are from a study done in 2008 by the Commission for the Coordination of the Fight Against Drugs, a part of the Ministry of Justice. Of the 752 drug users surveyed, 63 percent were under 29 years old. Within the prison population, 29 percent of inmates had used drugs at least once. The study recommended that a national campaign of prevention and education be carried out in schools, prisons, and within families.

4. Corruption

The government of Cape Verde neither encourages nor facilitates the illicit production or distribution of drugs, or the laundering of proceeds from illegal drug transactions. However, as in other countries, instances of official corruption do occur. In June 2008, for example, three Judicial Police officials were arrested for diverting over 135

kilograms of cocaine seized in a drug investigation to the illicit drug market. In 2010, one suspect in this case fled the country, one was declared innocent, and the third is still awaiting trial.

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

Bilateral cooperation with the United States in 2010 was marked by several initiatives designed to build Cape Verdean capacity, increase information sharing and enhance the rule of law.

In May 2010, the United States and Cape Verde inaugurated a new Counter Narcotics Maritime Security and Interagency Fusion Center (CMIC) on the island of Santiago. The \$2.5 million facility was donated by the United States to help coordinate maritime security and law enforcement efforts among various Cape Verdean agencies and international partners. The interagency center is to be administered jointly by the Cape Verdean military and police authorities. It is equipped with high-tech monitoring equipment to increase Cape Verde's ability to monitor marine traffic and to provide a platform for government-wide information sharing. In addition to the CMIC donation, the United States also provided a new \$1 million interdiction vessel to the Coast Guard of Cape Verde.

In July 2010, U.S. Africa Command (AFRICOM) and the Naval Criminal Investigative Service (NCIS) sponsored a seminar on countering narco-terrorism. The seminar provided participants the opportunity to share experiences with U.S. law enforcement personnel as well as counterparts from Portugal and Spain. Participants from Cape Verde, Senegal and The Gambia sought to promote national, regional, and international cooperation and to establish an informal network of professional contacts.

In September 2010, the United States and Cape Verde signed a Letter of Agreement on Narcotics Control and Law Enforcement to support projects designed to enhance criminal justice sector capability and to strengthen the rule of law and enhance then capacity of domestic law enforcement.

D. Conclusion

Cape Verde's narcotics problems are primarily a derivative of its location and extensive maritime borders. International trafficking through the country remains the primary concern of domestic institutions and international partners. Corruption levels remain low and progress continues to be made in the area of effective law enforcement. Several drug traffickers were successfully tried and convicted in Cape Verdean courts and seized assets have been effectively transferred to state ownership. Cape Verdean authorities generally recognize the problems they are facing and proactively seek international assistance to combat drug trafficking.

Although progress continues to be made, vigilance is still needed in the areas of maritime monitoring and judicial transparency. The domestic authorities generally lack the capability to effectively control the entirety of their territorial waters and monitor all coastal borders. The judicial process is relatively slow and sentencing guidelines lack transparency. The growing caseload in the courts hampers enforcement and effective prosecution of drug cases remains an area of concern.

While Cape Verdean authorities continue to improve their capabilities, it is important to focus on developing an even clearer picture of the domestic drug problem and fully leverage enforcement assets already deployed. Cape Verde will likely experience even more success in the fight against illegal narcotics if authorities increase interagency participation in the CMIC, improve the rule of law and gather more robust statistics on domestic drug consumption. Planned community educational and treatment programs are important to address the potentially expanding domestic impact of the drug problem in Cape Verde.

Chile

A. Introduction

Chile is not a major producer of illegal narcotics. It is however a significant transit country for Andean cocaine shipments headed for Europe, with some evidence from U.S. sources to suggest shipments are also destined for the United States. Chile has also been a source of ephedrine for methamphetamine processing in Mexico and is a potential source of precursor chemicals for use in cocaine processing in Peru and Bolivia.

According to the 2010 UN World Drug Report, Chile is the second largest per capita consumer of both marijuana and cocaine in South America. The majority of marijuana consumed in Chile originates in Paraguay and Bolivia, although Chile does produce small amounts of marijuana for domestic consumption. Chile also sees a seasonal increase in ecstasy and LSD (lysergic acid diethylamide) use during the summer tourist season.

Chile faces a special challenge in combating drug trafficking due to its long, difficult-to-monitor borders with Peru, Bolivia, and Argentina. Chile's borders with these three countries stretch more than 1,300 miles, with approximately 150 illegal border crossings. Rough terrain inhibits efforts to intercept narcotics along the borders. Inspection restrictions established by the 1904 treaty ending the War of the Pacific require Chilean authorities to seek permission from the Government of Bolivia to inspect Bolivian cargo transiting Chile. This impedes efforts to intercept illegal narcotics as it allows some cargo to pass through ports in Arica, Iquique, and Antofagasta without Chilean inspection.

Chile is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Chile's institutional drug control infrastructure is led by the Carabineros (uniformed national police) and the Policia de Investigaciones (investigative police, known as the PDI), which share responsibility for counternarcotics law enforcement efforts. Both the Carabineros and the PDI have dedicated anti-drug units that are considered highly professional and competent. CONACE, Chile's national drug control commission, a part of the Ministry of Interior, also plays a major role in combating narcotics trafficking and is a key institution for implementing studies and trainings that support drug, chemical, and money laundering control legislation. It also has demand reduction and regulatory responsibilities. The Institute of Health regulates pharmaceuticals.

Chile's Coast Guard, the General Directorate of Maritime Territory and Merchant Marine (DIRECTEMAR), is responsible for all maritime law enforcement activities, including counternarcotics. DIRECTEMAR has more than 80 small, medium, and large vessels that patrol Chilean coastline and waterways and it operates two Defender fast

boats in Arica to intercept maritime drug shipping. It coordinates with the Carabineros, PDI, and Customs agency to conduct maritime narcotics operations. DIRECTEMAR's ability to confront maritime trafficking is limited by Chile's extensive coastline which stretches more than 4,000 miles.

Chile recognizes the threat posed by illicit narcotics and has 1,215 officers dedicated exclusively to anti-narcotics units nationwide. According to media reports, the government spends approximately \$33 dollars per person and more than \$568 million every year fighting drugs. Chile has adopted policies that contribute to worldwide drug control efforts. President Sebastian Pinera declared a "direct and total war on drugs" in June 2010, stating the need to prosecute drug traffickers to the "full extent of the law" and provide rehabilitation for drug users. In August 2010, the Chilean government adopted a new public security plan, called Plan Secure Chile. This plan, which supersedes previous legislative efforts, included a new drug control strategy which was developed in consultation with international law enforcement organizations. Plan Secure Chile has been adopted as national policy for the period 2010-2014, and the government is currently developing an implementation strategy.

Plan Secure Chile seeks to address several national issues including the importation of drugs into Chile from neighboring countries, distribution of drugs inside Chile, the exportation of precursor chemicals and stolen merchandise, and the lack of coordination between agencies involved in drug operations and investigations. The efforts elaborated by the plan to address these issues include increased surveillance and control at border crossings, the creation of a "fusion center" to encourage interagency cooperation on drug issues, better registry of chemical re-sale companies, and a new requirement that businesses report suspicious financial transactions to the Financial Intelligence Unit. Funding, equipment, and space have already been provided for the fusion center which will be managed by the Ministry of Interior. Furthermore, metrics for measuring drug unit success would be changed. Under the current system, agency effectiveness is judged based on kilograms seized. Under the new proposals, agencies would be graded on case quality, convictions, organizations identified, and other factors that place the volume of seizures in context.

In October 2010, Chile hosted a chemical and pharmaceutical control meeting of the Organization of American States Inter-American Drug Abuse Control Commission

(OAS/CICAD). On October 28, 2010 Chile signed the Union of South American Nations (UNASUR) joint action plan on fighting regional drug problems. On October 29, 2010, the organization Fundación Paz Ciudadana held an advisory board meeting where they released a study linking drugs and crime. This meeting was attended by Chilean Interior Minister Rodrigo Hinzpeter and resulted in a government commitment to focus on drug control, prevention, and rehabilitation in the coming year.

The United States and Chile are parties to the Organization of American States' 1992 Inter-American Convention on Mutual Assistance in Criminal Matters, which facilitates mutual legal assistance. Chile is a party to the 1961 UN Single Convention on Narcotic Drugs as amended by the 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the 1988 UN Drug Convention. Chile is also a party to the UN Convention against Transnational Organized Crime and its protocols against trafficking in persons and migrant smuggling, and the UN Convention Against Corruption. The 1900 U.S. - Chile Extradition Treaty is currently in force. A new treaty was signed in January 2010 and awaits ratification by both countries. Chile has also signed, but not yet ratified, the Inter-American Convention on Extradition.

2. Supply Reduction

Between March and September 2010, Chilean police agencies with responsibility for narcotics control took part in 20 percent more counternarcotics operations than during the same period in 2009, and 80 percent more than in 2008. During the same time frame, arrests for drug offenses increased by 28 percent from 2009 and 92 percent from 2008. Chilean government sources indicate the seizure of illegal pharmaceuticals reached an all time high, increasing 793 percent over previously reported numbers, with respect to the number of pills seized. Through October 2010, Chilean government officials seized approximately 2.3 metric tons (MT) of cocaine hydrochloride (down 35 percent from 2009); nearly 5 MT of cocaine base (up 20 percent over 2009); 5.6MT of processed marijuana (down 50 percent from 2009); 129,928 marijuana plants (down 53 percent from 2009); and 222,260 units of illegal pharmaceutical drugs (illegally diverted pharmaceutical pills). The increase in cocaine base seizures and decrease in other seizures appears to be due to an increase in cocaine base flowing from Bolivia. Statistics were not available for heroin, ecstasy, or LSD.

On June 30, 2010, the PDI made the third-largest seizure in Chilean law enforcement history, seizing 835 kilograms (kg) of cocaine from a truck following an x-ray scan of a vehicle in the port city of Arica. Subsequent intelligence led to the seizure of approximately 29 kg of cocaine and two bulldozers in Santiago on July 1, 2010.

During 2010, international law enforcement officials collaborated with Chilean law enforcement counterparts to combat various cocaine smuggling methods via maritime routes, specifically regarding cocaine concealed or commingled within wood shipments originating in Santa Cruz, Bolivia and transiting the Free Transit Zone in the port city of Arica. Seizures demonstrating this emerging trend include approximately 200 kg of cocaine seized from a container in Riga, Latvia; 49 kg of cocaine and 445 kg of ephedrine seized in Manzanillo, Mexico; a Spanish National Police seizure of 575 kg of cocaine; and a Ukrainian seizure of approximately 152 kg of cocaine; in addition to a lead provided by Chilean Customs that led to a Nigerian seizure of 450 kg of cocaine and the arrest of five individuals.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

In 2010, Chile ranked first in South America in cocaine base experimental use and first in marijuana experimental use by high school students, according to the 2010 UN World Drug Report. CONACE's latest figures show that 26 percent of Chileans have tried marijuana, 6.6 percent have tried cocaine, and 3.1 percent have tried "cocaine base" (a crude coca-derived product known locally as "pasta base"). Marijuana, cocaine, and cocaine base use in the school-age population has remained virtually unchanged in the past decade, with around 5 percent of students admitting having used one of these drugs. However, media reports the number of drug users in the country is approximately 625,000 which marks a six-fold increase since the beginning of the decade. This trend appears to be due to rising economic prosperity coupled with an increase in the availability of drugs.

Programs to promote drug abuse prevention and treatment are more than commensurate with the size of the addict population. CONACE has offices in all 15 administrative regions of the country and offers a wide variety of drug prevention and treatment programs. It also has an extensive website with several online resources to support its operations. Together with the Ministry of Education, CONACE offers four anti-drug programs in schools, each targeted at a separate age range. In addition to

programs focused on drug prevention in schools, the workplace, and the community, CONACE has several programs designed to help parents talk to their children about the danger of drugs. CONACE has also instituted a community fund that provides grants to local organizations that design and implement prevention programs. Chile does not promote or sanction harm reduction programs.

CONACE, with support from the Paz Ciudadana Foundation, maintained drug court programs in Santiago, Valparaiso, Iquique and Antofagasta. There are now 18 drug courts in Chile which are similar to U.S. drug courts in offering rehabilitation to drug offenders under judicial supervision. Average processing times were approximately one year for oral judgments in Chile's adversarial justice system. The number of narcotics related cases also increased slightly.

In October 2010, Interior Minister Hinzpeter announced his support to permanently implement a pilot plan to expand drug treatment centers in four of Chile's regions. In 2011, the pilot will branch out to nine additional regions, increasing coverage offered at the treatment centers by 40 percent.

Chile offers free drug abuse treatment for citizens who are part of the public health insurance system (FONASA). There are nearly 200 drug treatment facilities in Chile which have agreements with CONACE. Treatment may be residential or outpatient, depending on the results of an initial evaluation. Inpatient treatment is generally for 12 months, while outpatient treatment lasts approximately eight months. Special treatment programs also exist for addicts who are mothers, juveniles who are guilty of other legal infractions, and prisoners.

4. Corruption

As a matter of policy the Government of Chile does not encourage or facilitate illegal activity associated with drug trafficking and there is no evidence to suggest senior government officials are engaged in such activity. Article 13 of "Ley 20,000" (Chile's law covering drug offenses) addresses official corruption in drug investigations. Narcotics-related corruption among police officers and other government officials is not considered a major problem in Chile, and no current Chilean senior officials have been accused of such activities. In cases where police are discovered to be involved in drug trafficking, or in protecting traffickers, simultaneous termination and

investigation are immediate. Chile is traditionally considered one of the least corrupt countries in the Western Hemisphere and ranked as the least corrupt country in South America in the 2010 Corruption Perception Index Survey released by Transparency International.

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

The U.S. Government works closely with Chile to strengthen Chile's ability to confront drug trafficking. Specific U.S. goals include enhanced interagency cooperation among Chilean law enforcement agencies, an increase in Chile's ability to conduct international drug investigations, and an increase in anti-narcotics resources in northern Chile. Chile is a strong anti-narcotics partner, and the United States works closely with Chile to achieve shared objectives. The Pinera administration has been very active in fostering bilateral cooperation with the United States. Additionally, both the Carabineros and PDI have been participants in U.S. Drug Enforcement Administration (DEA) multi-country chemical control operations over the past 10 years. CONACE and Customs recently attended DEA-sponsored chemical operation meetings.

DEA has also hosted several training courses on topics ranging from information exchange to financial investigations and money laundering. These events have been attended both by members of the Carabineros and PDI. In 2010, Chilean law enforcement officials also participated in International Law Enforcement Academy (ILEA) training courses in Peru, and a U.S. government-funded canine school in Guatemala. The U.S. Coast Guard provided resident and on the job training to the Chilean Navy in maritime law enforcement operations.

Chilean government and law enforcement agencies participate in UN and OAS drug control functions. Chilean law enforcement is also very supportive of officer and information exchange programs. Significant cooperative programs exist between Chile and Paraguay, and in 2010 the officer exchange programs in Tacna, Peru and Arica, Chile continued without direct U.S. financial assistance. Currently, one Peruvian National Police officer is on temporary duty in Arica, Chile, and six more officers are posted permanently in Tacna to work on cross-border issues.

D. Conclusion

The Pinera Administration has worked to address all phases of the drug control effort. The Interior Ministry adopted a new drug control strategy to help combat narcotics trafficking and better coordinate the various law enforcement agencies' efforts. With regard to demand reduction and treatment, the Interior Ministry also moved forward to permanently maintain additional drug treatment centers in four of Chile's regions, and intends to increase coverage offered at treatment centers by 40 percent.

Chile's counternarcotics units should continue their efforts to profile and interdict containerized cargo shipments and continue to seize drugs transiting Chile's port cities. In addition, continued additional resources for interdiction (such as x-ray scanners, canine units, personnel, etc.) should be identified and deployed to combat drug trafficking organizations infiltrating Chile's shared northern border with Bolivia and Peru. Chile is a strong anti-narcotics partner of the United States, and the U.S. Government encourages the Government of Chile to continue its counternarcotics leadership.

China

A. Introduction

The People's Republic of China (PRC) is a significant drug transit country due to its history, location, geographical size, population, and current economic conditions. China continues to face problems of domestic drug production and trafficking and is a major manufacturer of "dual use" chemicals, primarily used for licit products, but also diverted by criminals. In particular, China is a major source of the precursor chemicals necessary for the production of cocaine, heroin, and crystal methamphetamine. Organized crime or criminal brokers divert these legitimately manufactured chemicals, especially ephedrine and pseudoephedrine, from large chemical industries throughout China to produce illicit drugs.

China is a transit area for Southeast Asian heroin and crystal methamphetamine (a.k.a. ice, shabu, bingdu) used by drug addicts in many Southeast Asian and Pacific Rim nations, as well as Southwest Asian heroin bound for international drug markets. Southwest Asian heroin continues to enter from Afghanistan to China for consumption in Chinese markets and, according to two recent investigations, for transshipments in

smaller quantities to the United States, and other countries. China's high volume of exports presents significant enforcement challenges, while a lack of government transparency creates problems for international cooperation. These two factors make China an ideal narcotics transshipment and precursor chemical diversion location for criminals.

Based on statistics provided by Chinese law enforcement authorities, China's consumption of opiates would appear to be relatively stable, but some would dispute official statistics. Consumption of amphetamine-type stimulants (ATS) is unquestionably growing among China's younger population. PRC authorities view drug trafficking and abuse as a major threat to China's national security, economy, and stability.

China employs a comprehensive counter-drug strategy, dubbed "The People's War against Drugs," which includes prevention, education, eradication, interdiction, rehabilitation, thorough regulation on commerce in precursor chemicals, and increasing international cooperation. However, corruption in drug-producing and drug transit regions of China limits what dedicated enforcement officials can accomplish. PRC authorities continue to take steps to integrate China into regional and global counternarcotics efforts. China is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

China takes active measures to combat the use and trafficking of narcotics and dangerous drugs. The Ministry of Public Security (MPS), through the Narcotics Control Bureau (NCB), enforces narcotics control measures. The NCB operates from a central headquarters in Beijing and from provincial offices. China's Customs Anti-Smuggling police force is also significantly involved in narcotics control. The MPS is in the sixth year of its National People's War on Illicit Drugs, begun in 2005 at the initiative of Chinese President Hu Jintao. The 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 supervision through licensing designed to prevent the diversion of precursor chemicals and other drugs to illicit uses.

Besides the MPS, the State Food and Drug Administration (SFDA) and the General Administration of Customs (GAC) share responsibilities for controlling the licit/illicit drug markets. All three have representation in the National Narcotics Control Commission (NNCC) that sets drug policy in China. In 2009, the NNCC established eight joint working groups that focused on publicity and education, drug intelligence and investigation, treatment and rehabilitation, community-based drug maintenance and treatment, administration of narcotic drugs and psychotropic substances, precursor chemicals control, policy research on foreign drug sources, and opium substitution and alternative development in neighboring countries. Multiple ministries participate in each working group. Some working groups conduct in-depth cooperation on drug control with foreign governments, especially in promoting substitution and alternative development and providing assistance in food, education, and health services.

At NNCC's annual plenary meeting held in April 2009, Meng Jianzhu, State Councilor and NNCC Commissioner, called for the full implementation of the national Drug Control Law and further promoted the People's War Against Drugs with the aim of demand reduction, enhanced social stability, and harmonization. The NNCC and the Ministries of Public Security, Commerce, Customs General Administration, General Administrations of Industry and Commerce, Work Safety, and Food and Drug Administration launched a national campaign from October to December 2009, in which they publicized relevant laws and regulations in the chemical industry and markets, trained professionals on precursor control, and established reporting systems for precursor chemicals in markets, customs clearing agencies, and logistics companies. China 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. These treaties offer a legal basis for bilateral cooperation between China and other countries and facilitate requests for legal assistance. In January 2009, China signed the Agreement between the Government of the People's Republic of China and the European Community on Drug Precursors and Substances Frequently Used in the Illicit Manufacture of Narcotic Drugs or Psychotropic Substances. This agreement requires both sides to implement strict administrative control and checking systems that target ephedrine, phenyl acetone, piperonyl methyl ketone (PMK), and acetic anhydride

destined for the Golden Triangle or the Golden Crescent. In 2009, over 660 pre-export notifications were issued, and the shipment of 422 tons of precursor chemicals was suspended in China.

China is a party to the 1988 UN Drug Convention, the 1961 UN Single Convention and its 1972 Protocol, the 1971 UN Convention on Psychotropic Substances, and the UN Convention against Corruption. China is a party to UN Convention against Transnational Organized Crime and has signed, but not yet ratified its protocol on trafficking in firearms. On February 8, 2010, China acceded to its protocol on trafficking in persons. China cooperates with international chemical control initiatives in Operation Purple and accounts for 70 percent of the worldwide seizures of potassium permanganate that have been made in that operation. China also participates in Operation Topaz, an intergovernmental operation to detect and prevent precursor chemicals used in the illicit manufacture of heroin; Project Cohesion, which targets the diversion of potassium permanganate and acetic anhydride; and Project Prism, which targets synthetic drug chemicals. China continues its participation in the ASEAN and China Cooperative Operations in Response to Dangerous Drugs (ACCORD).

China has gradually expanded its contact and cooperation with foreign counterparts in information and intelligence sharing, drug investigation, technical assistance, and professional training. For example, China held the Eighth China-Thailand Bilateral Meeting on Drug Control Cooperation in September 2009, and the first China-Vietnam Bilateral Meeting on Drug Control Cooperation in December 2009. The NNCC, the Ministry of Foreign Affairs, the MPS, and the Shanghai Municipal Government held the Centennial of the International Opium Commission in Shanghai in February 2009. This commemorative meeting was attended by more than 100 high-level government officials and delegates from 17 countries and the UN Office on Drugs and Crime and International Narcotics Control Board.

China continues to build on Memoranda of Understanding (MOU) currently in place with Laos, Cambodia, Thailand, Vietnam, Burma, and the United Nations Drug Control Program and regularly participates in a variety of drug conferences and bilateral meetings, including the annual International Drug Enforcement Conference (IDEC) and regional targeting meetings. In response to the growing trend of South American

cocaine transshipment to China, the Chinese have attempted to establish closer cooperation with South and Central American law enforcement officials.

2. Supply Reduction

China continues to emphasize interdiction of drug trafficking and law enforcement activities, including illicit crop eradication, drug seizures, arrests, prosecutions, and destruction of organic and synthetic drug laboratories. According to Chinese press reporting, between January and May 2010, Chinese police organs solved 32,000 drug criminal cases and arrested 38,000 drug criminal suspects. The police captured 11 Chinese and foreign drug lords. They smashed 918 drug criminal gangs, confiscated 2.3 tons of heroin, 2.4 tons of "ice," 2.1 tons of ketamine, and 243 tons of precursor chemicals. In 2009, China filed 77,924 cases related to drug law enforcement, resulting in 91,859 drug suspect arrests -- an increase of 25 percent from 2008. Through these cases, the Chinese government seized 5.8 tons of heroin, 1.3 tons of opium, 6.6 tons of methamphetamine, 5.3 tons of ketamine, 8.7 tons of cannabis, and 1,062,000 ATS tablets. A total of 17,462 criminals involved in drug-related cases received sentences in 2009 ranging from five years' imprisonment to death, a 9 percent increase over the previous year. The rate of severe penalties, including death, in drug cases stood at 31 percent in 2009, 15 percent higher than that for all criminal cases, according to the Supreme People's Court.

The MPS Narcotics Control Bureau is working on drug interdiction in areas of concern such as Yunnan Province. The MPS bureau identified a new drug interdiction strategy in 2010 with clear division of responsibilities in order to improve the capacity of drug interdiction and thwart the entry of illicit drug and exit of illicit precursor chemicals. MPS created an electronic national drug interdiction mapping system with the capacity to monitor over 423 checkpoints in 21 provinces. These actions were an important factor in a total of 5,086 drug cases and 5,683 arrested drug suspects, through which officials seized 3.1 tons of illicit drugs. Strengthened drug interdiction efforts at airports and seaports in Guangdong, Xinjiang, Beijing, and Shanghai were important factors in 9,459 drug cases, 11,000 arrested drug suspects, and 3.9 tons of seized illicit drugs in 2009.

The MPS Bureau of Narcotics Control conducted 36 drug cases in which more than 100 kilograms of drugs were seized. Pakistani, Afghan, Chinese, and African

smugglers were involved in most of the large-scale seizures involving Southwest Asian heroin. Most of the investors and organizers for crystal methamphetamine clandestine laboratories in China hail from Taiwan and Hong Kong. A recent 2010 seizure of a Hong Kong methamphetamine lab involved a mainland chemist and phenyl-2-propanone (P2P) likely produced in and acquired from mainland China.

Since 2005, a trend of cocaine smuggling from South America has continued. Multi-ton loads of cocaine are still smuggled, primarily via maritime means, to China from the Andes region. These loads are largely financed by ethnic Chinese criminal financiers from Guangdong Province, Hong Kong, and the Macau Special Administrative Region (SAR) who have ties to Hong Kong-based Triads. These shipments are dependent on ethnic Chinese living in Central and South America, who coordinate with South American drug trafficking organizations. Distribution and transshipment of the cocaine in China are largely handled by Triads and other criminal organizations. However, there are increased instances of South American groups attempting to establish a foothold in the small but growing Chinese cocaine market.

According to UN Office on Drugs and Crime reporting from 2010, nine heroin processing laboratories were discovered in China in 2007. Previously, the existence of heroin processing labs in China was either not reported or denied. A 3.1 ton seizure of Burmese-origin poppy capsules in Yunnan suggests there may be some degree of heroin processing in regions with access to raw opium and precursor chemicals; however, neither the U.S. Drug Enforcement Administration (DEA) nor the foreign law enforcement community in China could confirm the existence of the above nine heroin processing labs. According to the Annual Report on Drug Control in China published by the NNCC, 244 clandestine laboratories were destroyed and 4.33 tons of heroin seized through 2008. The report did not specify whether the labs were making methamphetamine or heroin. In the first six months of 2010, the MPS reported it had dismantled 111 drug manufacturing labs. As the variety of drugs available in China grows, crimes involving newer types of drugs are emerging. Drugs crimes, especially those involving new types of drugs, such as ice, ecstasy, ya-ba tablets, ketamine (K powder), methadone, and triazolam (blue elf), have increased substantially. Crimes of production and sale of drugs made of precursor chemicals, psychoactive drugs, and anesthetic drugs and crimes involving liquid heroin have increased. Some of these

crimes involve large quantities of psychoactive drugs and anesthetic drugs. Among the drugs seized nationwide in 2009, about 59 percent were “traditional” drugs, a decrease of 7 percent from 2008, while about 40 percent were new, frequently synthetic, drugs, a 7 percent increase over 2008.

In an effort to prevent or disrupt drug trafficking organizations (DTOs) from establishing mega-labs in the Asia Pacific region, member and observer countries of the East Asian Regional International Drug Enforcement Conference agreed to begin a program to track the movements of chemists who may be involved in the illegal manufacturing of narcotics. Many of these chemists are ethnic Chinese who are skilled in producing mass quantities of methamphetamine. One suspect was a mainland Chinese methamphetamine chemist arrested in July 2010 in a case involving a lab seizure in Hong Kong.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The NNCC, the Publicity Department of the MPS, and the China Narcotics Control Foundation distributed text messages regarding the “harms of ATS” to 1.2 million mobile phone users and conducted other mass messaging projects in Beijing and Hunan province. During the International Day against Illicit Drug Trafficking the central news media produced over 3,000 reports on drug control, including over 100 audio and video reports. CCTV covered drug law enforcement operations in Yunnan border areas and aired demonstrations of destroying drugs in Guangdong and Guangxi provinces.

The NNCC, Ministry of Culture, and the General Administration of Industry and Commerce organized a number of education and training programs for managers and employees in entertainment venues to help increase awareness of drug activity. To help promote drug prevention in schools, communities, working places, families, public places, and villages, the Ministries of Publicity, Education, Public Security, Public Health, Civil Welfares, Justice, Culture, Industry and Commerce, Broadcasting, Film, and TV, and Press and Publicity launched a national education campaign. The Ministry of Education continues to promote drug prevention among primary and high school children.

In 2009, 47,000 drug dependent persons entered into community-based treatment programs, and 35,000 ex-drug users entered into community-based rehabilitation programs. A total of 68,000 former drug users were confirmed drug-free over the past three years. In September 2009, the Chinese government implemented a registration and monitoring system of known drug users. Through community-based treatment, compulsory drug detoxification, facility- and community-based rehabilitation, and community-based drug maintenance programs, many former drug users free of drug dependence were integrated back into society. Approximately 88,000 new drug users were registered into the monitoring system.

According to the Drug Control Law, registered drug users started compulsory drug detoxification in 2009. As a result, over 173,000 drug dependents entered the compulsory drug detoxification program in 2010. The Chinese government allocated over \$60 million for construction of pilot rehabilitation centers and the services needed to run such centers. By the end of 2009, public security agencies and judicial administrative agencies had established 81 drug rehabilitation centers with 21,000 patients. The Chinese government also focused on improving pharmaceutical treatment for the drug users, emphasizing prevention and control of HIV/AIDS and other chronic diseases.

4. Corruption

Chinese leaders acknowledge that official corruption in China continues to be a serious problem. Anti-corruption campaigns have led to arrests of many lower-level government personnel and some more senior-level officials. Most corruption activities reported in the press in the PRC involve abuse of power, embezzlement, illegal land confiscations, and misappropriation of funds. Payoffs to “look the other way” when questionable commercial activities -- including, possibly, drug smuggling—occur are surely an important type of corruption as well.

While narcotics-related official corruption likely exists in China, it is seldom reported in the press, but the fact that narcotics transit into and out of China and are trafficked and abused throughout the PRC suggests strongly that official corruption at all levels is almost certainly part of the problem. Official corruption cannot be discounted among the factors enabling organized criminal networks to operate in certain regions of China, despite the efforts of authorities at the central government level to prohibit

and punish such activity. China is engaged in an anti-corruption dialogue with the United States through the Joint Liaison Working Group process.

As a matter of policy, the Chinese government does not permit, encourage or facilitate illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. The Chinese government also does not permit the laundering of drug proceeds, either by individuals or government agencies. No senior official of the PRC government is known to engage in, encourage, or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances. Similarly, no senior official is known to launder proceeds from drug transactions. MPS takes allegations of drug-related corruption seriously, launching investigations when it deems appropriate. Most cases appear to involve lower-level district and county officials. There is no specific evidence indicating senior-level drug-related corruption. Despite lead information provided or allegations made by foreign governments, MPS officers have not investigated upper echelons of Party officials and State Owned Enterprises.

As part of its effort to prevent corrupt 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. In July 2010, the Ministry of Health, the National Development and Reform Commission, the Ministry of Supervision and several other government departments released a set of rules to control drug prices and prevent commercial bribery during government drug purchasing. According to regulations set in 2010 on the management and supervision of centralized drug procurements, medical institutions and pharmaceutical companies must now purchase drugs using a "centralized procurement system," which is supervised by provincial-level governments. Using this system, hospitals report to the provincial-level government the type, quantity, and other requirements of medicines they want to purchase, and then the government will invite bids from pharmaceutical companies and sellers, select the most suitable bid, and handle the purchasing on behalf of the hospitals. Those violating these regulations are punished, and their cases might be transferred to judicial agencies if the violations are deemed serious. China is engaged in an anti-corruption dialogue with the United States through the U.S./China Joint Liaison Group

(JLG) for Law Enforcement Cooperation under which there is an Anticorruption Working Group that meets on a regular basis.

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

The United States and China are parties to a mutual legal assistance agreement signed in 2000, and meet nearly annually under the framework of the Joint Liaison Group on Law Enforcement Cooperation (JLG) to discuss ways to improve cooperation. In the most recent JLG, held in December 2010, the two sides had candid and in-depth discussions on an array of significant law enforcement-related issues, including the implementation of their commitment to “strengthen law-enforcement cooperation” as expressed in the China-US joint Statement issued during President Obama’s visit to China in 2009, as well as following up on the recent high level discussions between Chinese State Councilor and Public Security Minister Meng Jianzhu and U.S. Attorney General Eric Holder during Mr. Holder’s visit to Beijing in October 2010. Those discussions focused on the need for law enforcement cooperation, including in combating drugs. There is no extradition treaty between the United States and China.

In January 2003, the United States and China signed the Customs Mutual Assistance Agreement (CMAA). In February 2005, the NNCC and the DEA signed a memorandum of intent to establish a bilateral drug intelligence working group (BDIWG) to enhance cooperation and the exchange of information. In October 2009, the MPS hosted a BDIWG meeting with senior DEA officials in Beijing. In July 2006, the U.S. Office of National Drug Control Policy (ONDCP) and NNCC signed a memorandum of intent to increase cooperation in combating drug trafficking and abuse.

The overall bilateral relationship still includes issues of parity and reciprocity. DEA relations with Chinese counterparts continue to progress, though at a slow rate, and can be overtly affected by a myriad of other issues, including Chinese non-interference and sovereignty concerns. Through the narcotics discussion group under the Joint Liaison Group mechanism, State, DOJ and DEA seek to continue to engage the MPS to enhance joint cooperation and to establish routine methods for drug information-sharing and investigative cooperation that can assist both countries in the fight against criminal drug activities.

China actively follows up on DEA intelligence leads on cases involving drug shipments to China. In particular, DEA has noted an increase in cooperation and information-sharing from China related to heroin and cocaine smuggling into China. Currently, Chinese law enforcement cooperation with the United States is more robust on cocaine investigations, whereas cooperation on investigations regarding Southwest Asian heroin is slowly improving. Timeliness and transparency in both types of cases are still a concern. Chinese authorities provide limited intelligence information concerning drug traffickers or drug trafficking organizations operating in China. Overseas Chinese in Hong Kong, Taiwan, Thailand, Canada, the United States and South America (primarily Panama, Venezuela, and Ecuador) frequently serve as the organizers and investors in these organizations.

D. Conclusion

Obtaining timely access to suspects, reporting, witnesses and evidence in criminal investigations remains a challenge from the U.S. perspective. Despite these issues, bilateral enforcement cooperation is on a positive track and is expected to continue to improve over the coming year.

Colombia

A. Introduction

Colombia remains the world's largest producer and exporter of cocaine, as well as a source country for heroin and marijuana. According to the U.S. Drug Enforcement Administration, 90 percent of the cocaine seized in the United States originates in Colombia. Colombia's marijuana is typically not sent to the United States, but rather feeds internal and Latin American consumption. Nevertheless, the Government of Colombia (GOC) continues to make significant progress in its fight against the production and trafficking of illicit drugs. The United States Government (USG) found that coca cultivation in 2009 was down 3 percent compared to 2008, from 119,000 to 116,000 hectares. Crediting sustained aerial and manual eradication operations in 2009, the USG also reported a decline in pure cocaine production potential of 3.5 percent, from 280 metric tons (MT) in 2008 to 270 MT in 2009 - a 61 percent drop from the 700 MT estimated production potential in 2001.

The United Nation's (UN) 2010 assessment of the drug problem in Colombia reflected a similar trend from 2008 to 2009. The UN Office for Drug Control (UNODC) estimated that in 2009, coca cultivation fell 16 percent to 68,000 hectares, and cocaine production dropped 9 percent to 410 MT. Although estimates differ due to dissimilar measuring methodologies, both reflect a declining trend in coca cultivation and cocaine production potential.

In 2010, the GOC continued its aggressive interdiction and eradication programs, and maintained a strong extradition record for persons charged with crimes in the United States. According to the Colombian government, Colombia in 2010 seized over 225.9 MT of cocaine and cocaine base and eradicated approximately 146,000 hectares of illicit coca crops, thereby eliminating hundreds of tons of additional potential cocaine production. The GOC also began to address increasing domestic drug consumption, and raised the profile of drug prevention and treatment efforts.

The GOC maintained pressure on the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN), which still maintain considerable control in areas with high concentrations of coca and opium poppy cultivation. In 2010, Colombian security forces captured or killed many high value targets, including killing a FARC Secretariat member and its military chief, "Mono Jojoy," in September, and organized crime ("Bandas Criminales" or BACRIM) leader Pedro Guerrero Castillo, alias "Cuchillo," one of the country's most notorious and brutal narcotics traffickers, in December.

BACRIMs have become a major law enforcement challenge. Some of these groups include members of former paramilitary groups, and are active throughout much of the country -- competing and sometimes cooperating with the FARC in the drug trade. The violence associated with the BACRIMs has spilled over into many of Colombia's major cities, leading to an increase in the murder rates within some urban centers since 2009. In 2010, incoming President Juan Manuel Santos outlined a Public Security Plan that seeks to address violence in Colombia's urban centers, including funding for youth job programs and additional police.

Colombia is a party to the 1988 UN Drug Convention.

B. Drug Control Accomplishments, Policies, and Trends

1. Institutional Development

Over the past decade, Colombia has developed a robust institutional capacity to combat narcotics trafficking, mostly controlled by and financed through the activities of three Foreign Terrorist Organizations (FTO) – the FARC, the ELN, and the now demobilized United Self-Defense Forces (AUC). These FTOs used drug cultivation and trafficking proceeds to wage war on the government resulting in high levels of violence, displacement, economic stagnation, and insecurity.

To address the complexity and inter-connections of security, counternarcotics programs and economic development, the GOC launched the National Consolidation Plan (PNC) in 2009 that focused on selected priority areas where violence, drug trafficking and social marginalization converge. The PNC centers on increasing state capacity to provide security for communities; achieving lasting eradication; transferring security responsibilities from the national military to the police; and providing a wide range of social and economic services. Regional Coordination Centers staffed by civilian, police, and military personnel coordinate this comprehensive approach.

A PNC pilot project began in late 2007 in the Macarena region of the country's central Department of Meta. Early indications of this effort proved very positive. The UN reported that coca cultivation in the Macarena Consolidated Program (PCIM) was reduced by 85 percent from its high of 12,597 hectares in 2005 down to 1,848 hectares in 2009. Further reductions continued in 2010 with police coca detection efforts carried out in September 2010 that estimated the presence of only 406 hectares of coca remaining in the Macarena region. Replanting rates are low and coca farmers are taking part in licit productive projects.

On September 18, 2010, President Santos announced the “relaunch” of the National Consolidation Plan, declaring that consolidation would be part of Colombia's development plans, and target zones would be engines of Colombia's overall economic growth. The overall goals are to establish a more comprehensive government presence in former conflict and rural areas, deter coca replanting after eradication, improve interdiction along Colombia's Pacific coastline, and provide alternative livelihoods for those currently engaged in the drug trade.

On October 4, 2010, President Santos formally launched his strategy to reduce rising urban crime by calling for \$2 billion in additional government expenditures to increase the size of the Colombian National Police by 20,000 officers over the next four years. He has also submitted legislation to Congress for an economic stimulus package of approximately \$165 million focused on job creation programs. The plan also aims to reduce the 25percent unemployment rate among high school graduates in some parts of the country that results in many looking to the drug trade for work and income.

President Santos established a new National Security Council (NSC) to improve interagency coordination on cross-cutting issues such as consolidation planning, border security, eradication, and land reforms. The NSC is under development, modeling U.S. and British agencies.

The GOC is a party to the UN Single Convention on Narcotic Drugs, 1961, as amended by the 1972 Protocol; the 1971 UN Convention on Psychotropic Substances; 1988 UN Drug Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances; the Organization of American States (OAS) Convention on Mutual Legal Assistance; the UN Convention against Transnational Organized Crime, and its Protocol on Trafficking in Persons; and the UN Convention against Corruption. Colombia participated in the Regional Summit on the World Drug Problem, Security, and Cooperation, which promotes information sharing, training and technical assistance under the UN counterdrug conventions. Separately, the Colombian Minister of Defense participates in a tri-party group with the U.S. Drug Enforcement Administration (DEA), and the Mexican Attorney General to discuss counternarcotics and other issues of mutual interest. More working group and executive level meetings are planned for 2011. The GOC's 2003 National Security Strategy (Plan de Seguridad Democrática) meets the strategic requirements of the 1988 UN Drug Convention.

A 1997 U.S.-Colombian Maritime Ship Boarding Agreement continues to be a fruitful collaboration. This agreement facilitates timely coordination to board Colombian-flagged ships in international waters and has improved counternarcotics cooperation between the Colombian Navy (COLNAV) and the U.S. Coast Guard (USCG). Meetings on maritime interdiction have expanded recently to include Ecuador, Panama, and Mexico.

Colombia's 1999 Customs Mutual Assistance Agreement (CMAA) provides for the exchange of information to prevent and investigate customs violations in the United States and Colombia. As a result of the CMAA, the U.S. Immigration and Customs Enforcement (ICE) agency created a Colombian-based Trade Transparency Unit to analyze, identify and investigate companies and individuals involved in trade-based money laundering activities between Colombia and the United States.

In 2004, Colombia and the United States signed an agreement establishing the Bilateral Narcotics Control Program, providing the general framework for specific counternarcotics project collaborations with various Colombian implementing agencies. This agreement has been amended annually and is a key vehicle for the delivery of a majority of U.S. counternarcotics assistance.

2. Supply Reduction

Eradication: While using different measuring methodologies, causing varying estimates, the U.S. and UN reported continued declines in coca cultivation and cocaine production potential in Colombia in 2009. This is attributed to sustained aerial and manual coca eradication. The USG reports that cultivation in 2009 was down 3 percent compared to 2008, from 119,000 to 116,000 hectares. The United States also reported a 3.5 percent decline in potential pure cocaine production to 270 MT in 2009, from a revised 280 MT in 2008. The UN reported a 16 percent drop in cultivation in 2009, down to 68,000 hectares, and a 9 percent fall in cocaine production potential to 410 MT.

These reports also indicate that existing coca fields continue to be less productive, less dense, and in smaller plots than when eradication operations began in the late 1990s. Nevertheless, illicit cultivation continues and is a growing problem in Colombia's national parks, indigenous reserves, and along its borders with Ecuador and Venezuela, where aerial eradication is prohibited. (NOTE: : The GOC does not conduct aerial spraying within 10 kilometers of international borders. Manual eradication is ongoing in border areas, yet is hampered by the often rugged and isolated terrain, as well as the presence of the FARC in border regions and in some national parkland.)

Under the auspices of the President's Agency for Social Action, over 2,200 civilian eradicators, with support from the Colombian national security forces, conduct manual eradication throughout the country. After manually eradicating 60,954 hectares of illicit crops in 2009, the manual eradication goal for 2010 was set at 70,000 hectares. However, due to budgetary disbursement delays, security concerns, and the dispersion of coca to smaller fields, the GOC's manual eradication program only eliminated approximately 45,000 hectares in 2010. During 2010, the GOC reported 32 police, military, and civilian eradicator fatalities during manual operations, compared to 40 in 2009. The fatalities and nearly 150 injured are attributed to improvised explosive devices, sniper fire, and other attacks from drug traffickers. The aerial eradication program sprayed nearly 101,000 hectares, exceeding the 2010 spray goal of 100,000 hectares.

Heroin production has significantly declined in Colombia, due in part to substantial manual eradication efforts. The USG estimates that in 2009 poppy cultivation fell to its lowest level of 1,100 hectares, and pure heroin production was down to 2.1 metric tons. In 2006, which was the last year before 2009 in which a poppy survey was conducted, poppy cultivation was 2,300 hectares and production potential was 4.6 metric tons. In 2001 pure heroin production potential was approximately 11 metric tons. In 2010, the GOC manually eradicated 545 hectares of poppy, compared to 148 hectares in 2009 and 361 hectares in 2008.

Interdiction: The GOC's National Directorate for Dangerous Drugs (DNE) reported that in 2010, Colombian security forces seized a total of 225.9 MT of cocaine and cocaine base, 289.9 MT of marijuana, 367.2 kilograms (kg) of heroin, and approximately 1.2 million gallons of liquid and 4.6 metric tons of solid precursor chemicals. In addition, they destroyed 258 cocaine hydrochloride (HCL) labs, 2,283 coca base labs, two heroin labs, and four potassium permanganate labs.

The Colombia National Police (CNP) primary interdiction force, the Anti-Narcotics Directorate's (DIRAN) Jungle Commandos (Junglas) or airmobile units, are largely responsible for the significant number of HCL and coca base labs destroyed in 2010. Although the CNP's Mobile Rural Police Squadrons (Carabineros) are charged with expanding and maintaining police presence in rural and conflict areas, the Carabineros captured in 2010 over 1.7 MT of cocaine, and destroyed over 150 base labs.

The transport of drugs via Colombia's extensive rivers and coastal ports remains a major concern. Significant drug seizures in Colombia's ports were the result of improvements in port security by the GOC and private seaport operators, aided in part by U.S. assistance programs. In 2010, almost 9.6 MT of cocaine, 15 kg of heroin, and 67.8 kg of marijuana were seized by the DIRAN in the ports. At Colombia's international airports, DIRAN units confiscated 36.1 kg of heroin, more than 1.2 MT of cocaine, over 2 MT of marijuana, and arrested more than 400 people on drug-related charges. The COLNAV seized 66.5 MT of cocaine, 13.1 MT of marijuana and 40 kilograms of heroin during 2010 in operations in Colombia's territorial waters and arrested 395 persons suspected of narcotics trafficking.

Captures/Arrests[1]: The GOC continued to pressure terrorist organizations and succeeded in capturing or killing a number of high-level FARC and ELN commanders in 2010. On January 1, Luis Antonio Mosquera Ruiz, alias Negro Alberto, commander of 43rd FARC Front (heavily involved in drug trafficking) was killed in a joint Colombian Army (COLAR)/Air Force (COLAF) mission. On January 20, Angel Gabriel Lozada, alias Edgar Tovar, commander of the 48th FARC Front was killed in a joint Colombian Air Force-CNP mission. On June 25, the Army arrested ELN leader of the Antioquia and Bolivar Divisions, Juan Fernando Granda, "El Mello," in Medellin. On July 6, Henry Rosas Hernandez, alias Ciro, commander of the 37th FARC Front and Manuel Lara Hernandez, alias Jaime Canaguaro, commander of the 35th FARC Front were killed by a joint military mission. On September 19, a joint CNP-COLAF operation near the Colombian-Ecuadorian border resulted in the death of 27 FARC 48th Front members, including one of the FARC's general staff – Sixto Antonio Cabañas (alias "Domingo Biojo"). On September 23, the high ranking, and highly sought FARC military chief and secretariat member Victor Julio Suarez Rojas, best known by his alias "Mono Jojoy" was killed in a joint military strike.

The CNP and Colombian military also aggressively pursued traffickers associated with non-FTO criminal gangs. On February 9, the Colombian government arrested Marlon Valencia, the second-in-command of the Rostrojitos organization, one of the largest criminal organizations in Colombia. On August 21, the CNP arrested Walid Makled Garcia, a major drug trafficker allegedly involved with high ranking Venezuelan government officials and accused of exporting 10 metric tons of cocaine a month to

the United States, in the city of Cucuta on the Venezuela border. The GOC has indicated that Makled will be extradited to Venezuela in 2011. On August 31, Colombia arrested 11 traffickers accused of shipping drugs from the FARC to the cartel of captured Mexican narco-trafficker Edgar Valdez Villareal, alias "La Barbie." On December 25, members of the Judicial and Investigative Police Directorate and DIRAN killed drug lord and BACRIM leader Pedro Oliverio Guerrero alias "Chuchillo" - the Knife. Chuchillo was one of the three most wanted criminals in the country and the leader of a 1,000-strong paramilitary group, the People's Antiterrorist Revolutionary Army of Colombia (ERPAC).

3. Drug Abuse Awareness, Demand Reduction, and Treatment

In 2009, the Colombia's National Directorate on Dangerous Drugs (DNE) published a much anticipated study on drug consumption in Colombia titled "The National Consumption Survey." Such a study had not been conducted in over 12 years and the survey results were a leading cause behind new GOC initiatives to battle drug consumption. Results of the survey revealed that 9.1 percent of Colombians (ages 12-65) had used illicit drugs at least once in their lifetime. Close to 6 percent of Colombians between 18-24 years of age reported using illicit drugs within the past year -- the highest rate of any age group. The most noticeable impact from the study was the change of GOC funding for drug dependency prevention. In FY 2008, Colombia spent approximately \$27 million on anti-drug programs. In FY 2009, the GOC raised the bar, setting aside nearly \$46 million for anti-drug programs.

Since DNE published the study, various other entities have continued to do deeper analysis of the results and perform their own more focused studies. Two such examples are "The Consumption of Drugs in Colombia" by the Universidad los Andes, and "The Study of the Consumption of Psychoactive Drugs in Bogotá" by the Secretary of Health, UNODC, and DNE.

To combat drug abuse, in 2010, the government launched the nationwide campaign "Colombia: Free of Drugs," to provide information, and education, to heighten social awareness to reduce drug demand. The CNP, with USG assistance, manages a Drug Abuse Resistance Education (DARE) program in all 32 departments of Colombia. Additionally, the GOC continued implementing its 2008 National Drug Consumption

Reduction Plan with UN and USG support, which focuses on drug demand prevention, mitigation and treatment.

In December 2009, the GOC approved a law that prohibits the possession and consumption of small, "personal," amounts of illegal drugs. This law does allow possession and consumption of certain healthcare-related drugs with a medical prescription. In 2010, the government began drafting regulations on treatments for drug addicts. Drug treatment services in Colombia are provided primarily by private organizations. According to the national consumption study, there are nearly 300,000 people with drug dependency problems needing treatment, and only 20,000 available spaces in facilities. To service the drug dependent population, the GOC has identified 104 inpatient or residential treatment centers, 88 outpatient centers, 58 drug treatment facilities in general hospitals, 34 toxicology services, and 5 methadone programs available to drug addicts.

4. Corruption

Colombia is party to both the Inter-American Convention against Corruption and the UN Convention against Corruption. Colombian government policy strongly discourages, and works to minimize the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, the laundering of proceeds from illegal drug transactions and corrupt acts that facilitate drug trafficking. Despite this commitment, corruption of some GOC officials occurs, often instigated by drug trafficking organizations.

On February 9, 2010, the Colombian government arrested Ramiro Antury, a military lawyer, for receiving approximately \$150,900 a month from the Rastrojos criminal organization, in return for intercepting security agencies' telephone calls and feeding information back to narcotics traffickers. In two separate cases, the Colombian government also indicted Colonel Juan Carlos Martinez Correal and Major Giovanni Enrique Pinzon Vargas of the CNP for narcotics trafficking. On May 27, Navy Captain Jorge Luis Ahumada Molina was sentenced to 62 months in prison by a court in Cartagena for involvement in drug trafficking.

The Santos Administration also introduced an anti-corruption law to Congress establishing more severe penalties for state officials convicted of corruption. If

enacted, the law would strengthen the anti-corruption Czar's office, preventative mechanisms, institutions, citizen participation, social control, public accountability, transparency and access to information.

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

As Secretary Clinton has stated, the United States has a "shared responsibility" to assist nations struggling with drug production and trafficking. In Colombia, the United States provides a range of assistance to the CNP and Colombian military, as well as to judicial institutions that investigate and prosecute drug traffickers and human rights offenders. Counternarcotics assistance to the CNP and military includes support for a range of interdiction and eradication operations, as well as programs designed to develop rural policing capabilities. Interdiction support encompasses land, sea and air operations, and efforts are underway to expand the GOC's interdiction capabilities along its Pacific coast. Eradication, which is closely coordinated with alternative development programs, uses both manual and aerial operations, and focuses on strategic coca-growing zones. To support Colombia's National Consolidation Plan, the United States is providing equipment and training to rural security forces in order to help them establish a permanent presence in former conflict and drug growing areas.

In 2008, the United States and Colombia began working together to transfer operational and financial responsibility ("nationalization") for selected counternarcotics programs to Colombian control. Since that time, Colombia has successfully nationalized several programs, including the Air Bridge Denial program as well as components of several police and military aviation operations. To reflect Colombia's increasing level of capability, the GOC has taken an active role in training police and justice officials from many Latin American countries, including Haiti, Mexico, Panama, and others.

D. Conclusion

Colombia continues to make important advances in combating the production, exportation, and consumption of illicit drugs. These efforts have kept several hundred metric tons of drugs each year from reaching the United States, and have helped stabilize Colombia. As noted above, Colombia is also now a partner in exporting security and stability throughout the Western Hemisphere. Although these advances

are significant, the progress is not irreversible and continued U.S. support in Colombia is needed. To solidify the gains made over the past decade, the Colombian Government will need to devote additional resources to its National Consolidation Plan to improve security, build infrastructure, and generate additional economic opportunities in regions that have historically been heavily influenced by terrorist and criminal elements. Encouragingly, the new Santos Administration is linking its consolidation plans with land reform and creating economic prosperity.

There are a number of steps the Government of Colombia can consider to improve ongoing programs. Ensuring the timely disbursement of funds for manual eradication operations so that operations can take place throughout the calendar year without interruption is important to ensuring continued declines in cocaine production and coca cultivation. To enhance its maritime interdiction efforts, the Government of Colombia should continue to expand its naval and coast guard infrastructure on its Pacific Coast. Institutionalizing a maritime fuel supply program to operate the Navy and Coast Guard’s interdiction vessels will be equally vital.

The principal lesson learned from the massive reductions in coca cultivation in the Macarena pilot region is that long-term success in counternarcotics strategies and operations requires an integrated, broad-based approach. Government-led security, economic development and drug demand programs all need to work in coordination. Maintaining pressure on coca farmers, narcotics producers, and traffickers through eradication and interdiction reduces cultivation, production and keeps drugs out of the United States and the volatile transit zone. At the same time, programs that improve the rule of law and economic prosperity can lead communities to choose democratic values, licit economic activity and support for state institutions, which in turn promotes more permanent eradication results.

**Colombia
(2001-2010)**

Statistics

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Coca									

Instituto de Relaciones Internacionales (IRI) - Anuario 2011

Net Cultivation ¹ (ha)	n/a	116,000	119,000	167,000	157,200	144,000	114,100	113,800	144,450
Aerial Eradication ¹ (ha)	101,939	104,772	133,496	153,133	171,613	138,775	136,555	132,817	122,695
Manual Eradication (ha)	44,775	60,500	95,732	66,396	42,111	31,258	10,991		
HC1(cocaine): Potential ^{1,2} (MT)	n/a	270	280 (adj)	485	515	500	410	445	585
Opium Poppy									
Net Cultivation ¹ (ha)	n/a	1,100		1,000 ³	2,300	N/A ⁴	2,100	4,400	4,900
Aerial Eradication(ha) ⁵	n/a				232	1,624	3,060	2,994	3,371
Manual Eradication (ha)	545	148	361	375	1.697	709	803		
Heroin:Potential ¹ (MT)	n/a	2.1		1.9	4.6		3.8	7.8	8.5
Seizures									
Coca Base/Paste (MT)	57.84	49.85	41	60.6	48.1	43.8	28.3	31.1	30.0
Cocaine HC1(MT)	160.1	156	182.8	130.7	130.2	179.0	138.6	114.0	94.0
Combined HC1 & Base (MT)	225.9	205.85	223.8	191.3	178.3	222.8	166.9	145.1	124.0
Heroin (MT)	0.367	0.74	0.64	0.6	0.5	0.7	0.7	0.5	0.8

Arrests/Detentions		61,021	54,041	59,652	64,123	82,236	63,791		15,868
Labs Destroyed									
Cocaine HC1	2586	285	301	240	205	137	150	83	129
Base	2,283	2,795	3,238	2,875	1,952				
Heroin	2	0	4	1	9	6	8	3	3

Congo, Democratic Republic of

Marijuana is grown throughout the DRC, as it is throughout the region, but consumption of DRC’s domestic marijuana is largely confined to the domestic market. There are no available statistics concerning acreage or yield in the country. There is no coca or opium production in the DRC. No evidence exists to determine that any controlled substances are manufactured in the DRC. Although known bulk shipments of pseudoephedrine entering the country could be an indicator that methamphetamine is being produced, more likely the shipments are diverted for production of meth elsewhere. There is no sizable methamphetamine user population in the DRC.

The three major DRC transit points for illegal drugs are the Ndjili International Airport at Kinshasa, the major seaport of Matadi, and the ferry crossing between Brazzaville, Congo and Kinshasa, DRC. Traffickers in the DRC are involved in the transshipment of drugs from the DRC to several countries in Europe. Couriers transiting through the DRC have been arrested with significant quantities of heroin, cannabis and cocaine in several west European countries and Canada. Significant seized shipments of pseudoephedrine into the DRC have been identified as diversions headed for the illicit methamphetamine market.

Funding for drug awareness training, demand reduction and treatment is scarce in the DRC. Congolese authorities believe that the use of marijuana, as well as abuse of licit drugs such as amphetamines and tranquilizers, has increased steadily over past years. The government does not maintain accurate statistics on drug abuse, and thus, the

extent of the problem is unknown. Marijuana is widely used in the DRC, as it is throughout sub-Saharan Africa.

Cocaine and heroin abuse is most likely confined to the capital, Kinshasa, as well as some areas that have expatriate communities, such as Goma. Eastern areas of the country are the loci for the highest demand for cocaine and heroin. Congolese use of cocaine and heroin is cost prohibitive so it is possible that UN peacekeepers and other expatriate residents of the Eastern Congo are among those abusing these drugs.

The DRC continues to operate with antiquated drug laws and regulations. Marijuana regulations and laws were enacted in 1917, based on The Hague Convention of 1903. Laws and regulations controlling other narcotics were enacted in 1927 based on The Hague Conventions of 1912 and 1925. The Belgium Convention of 1941 is also still in force. Laws and regulations used to control the production and trafficking of opium were enacted in 1958 based on the international protocol of 1953. The DRC has signed on to the Rome Statute regarding the surrender of persons to the International Criminal Court, which entered into force in July 2003. The DRC is a party to the 1988 UN Drug Convention.

Drug enforcement efforts, however, are largely opaque in the DRC, and local police and customs officials are underpaid, undertrained and generally ineffective. Corruption, at various levels, possibly facilitates a wide range of criminal activity, to include drug trafficking. The DRC 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. There is also no proof that senior officials engage in drug trafficking, certainly not in an official capacity. However, corruption in conjunction with narcotics trafficking is thought to be widespread, possibly reaching into the highest levels of the government.

Narcotics control is not a priority in the DRC. Relative to neighboring African nations, drug enforcement in the DRC suffers from a lack of resources and training. Law enforcement officials in the DRC are not capable of conducting traditional drug enforcement investigations. The effectiveness of host government counter-narcotics efforts therefore is greatly reduced by the lack of expertise, training, equipment, and funding.

The DRC 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. There is also no proof that senior officials engage in drug trafficking, certainly not in an official capacity. However, corruption in conjunction with narcotics trafficking is thought to be widespread, possibly reaching into the highest levels of the government.

The DRC cooperates very little with its neighboring countries concerning counter drug operations. Officials from the DRC did attend the most recent United Nations Office of Drugs and Crime (UNODC) Heads of Narcotics and Law Enforcement Agencies (HONLEA) conference held in Windhoek, Namibia in October 2009. For the present, other problems in the DRC seem logically more urgent than drug abuse or trafficking, but drug abuse is growing, so the government will need to be wary of this development.

Costa Rica

A. Introduction

Costa Rica was named a major transit country for the first time in the President's September 2010 report to congress on Major Illicit Drug Producing and Drug Transit Countries. Costa Rica's position on the isthmus linking Colombia with the United States, its long Atlantic and Pacific coastlines, and its jurisdiction over Coco Island in the Pacific make it vulnerable to drug transshipment of South American cocaine and heroin destined for the United States. Rising consumption of illicit narcotics, particularly crack cocaine, the increasing presence of the Sinaloa Cartel and the alarming rise in drug-related violence are of great concern to the Government of Costa Rica (GOCR). President Laura Chinchilla and her Administration placed security at the top of their agenda in 2010, devising a national security plan and increasing police presence in areas of concern within the provinces of San Jose and Limon. Costa Rica is a signatory to the 1988 United Nations (UN) Drug Convention.

B. Drug Control Accomplishments/Policies and Trends

1. Institutional Development

Even before taking office in May 2010, President Laura Chinchilla declared citizen security her top priority. She and her Administration worked quickly to implement several new security strategies in 2010, foremost among them a plan to address the deteriorating security situation throughout the country. This included an increased police presence in areas of concern inside San Jose and the province of Limon, long known for narcotics smuggling activity as well as the highest murder rate in the country. In September 2010, the Minister of Public Security presented a request for \$250 million in funding to the Legislative Assembly for security programs over the next four years. A significant portion of the \$250 million for the security plan would be funded by a proposed tax on the gaming sector included in the legislation to regulate that sector. Costa Rica has also taken significant steps to establish a robust supervisory/regulatory regime and has developed measures to address money laundering and other financial crimes.

The province of San Jose, which includes the capital, continues to be a challenge for law enforcement due to the high concentration of residents and scarce resources – both in terms of number of personnel as well as their capacity. The Ministry of Public Security (MPS) continued its cooperation with the USG to interdict narcotics and to combat crack cocaine consumption in Costa Rica. The Ministry, with USG assistance, is moving forward with a container analysis and inspection program at the Caribbean Port of Limon and the eastern Pacific Port of Caldera. Legislation remains under consideration in Costa Rica's National Assembly which includes instituting a regulatory and tax regime on casinos and gambling to fund security needs, as well as a bill that limits the amount of fuel that vessels may carry, especially for fishing vessels that often resupply drug running go-fast boats. President Chinchilla made passage of this law a campaign promise although it remains in committee. The Ministry of Public Security has agreed to allow the U.S. Office of Defense Representatives (ODR) to construct a state of the art checkpoint station at kilometer 35 in Golfito province, a natural chokepoint of roads running north from Panama. The U.S. Drug Enforcement Administration (DEA), the Department of State's Bureau of International Narcotics and Law Enforcement Affairs Narcotics Affairs Office, and ODR will be providing the GOCR with the facility, training, and equipment to assist them in interdicting not only drug shipments, but other contraband traveling north from Panama into Costa Rica as well as weapons and currency shipments traveling south through Costa Rica to Panama.

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 continued in 2010. The 1991 United States-Costa Rican extradition treaty was actively used in 2010. In 2010, Costa Rica arrested 12 fugitives sought by the U.S. four were extradited, two are awaiting extradition, four were deported, and one is awaiting deportation. Costa Rica also extradited one additional fugitive who was arrested in a prior year. One fugitive U.S. citizen was released on bail and has a pending criminal proceeding against him in Costa Rica which prohibits his expulsion or extradition. The last fugitive arrested, a Costa Rican national, who is not extraditable or deportable, was released immediately.

Costa Rica ratified a bilateral stolen vehicles treaty in 2002. Costa Rica and the United States are also parties to bilateral drug information and intelligence sharing agreements dating from 1975 and 1976. Costa Rica is a member of the Caribbean Financial Action Task Force and passed a terrorist financing law in March of 2009 to remain in the Egmont Group. At its plenary meetings in July 2010, the Financial Action Task Force of South America (GAFISUD) voted to admit Costa Rica as a member formally marking its departure from the Caribbean Financial Action Task Force (CFATF). Costa Rica is also a member of the Inter-American Drug Abuse Control Commission of the Organization of American States (OAS/CICAD). Costa Rica signed the Caribbean regional maritime counternarcotics agreement in April 2003, and is currently taking the necessary steps to bring the agreement into force. In 2010, the USG and the Government of Costa Rica (GOCR) signed three amendments to the 2009 Merida Initiative Letter of Agreement (LOA) to provide additional resources and programs to help combat narcotics trafficking and improve law enforcement capabilities.

2. Supply Reduction

The Costa Rican Coast Guard is an under-resourced agency with limited operational capacity. This dearth of enforcement capacity in territorial waters makes Costa Rican coasts an attractive landing zone for smugglers. Costa Rican-flagged fishing boats continue to be used by traffickers to smuggle multi-ton shipments of drugs and to provide fuel for go-fast boats that favor Pacific routes. Go-fast boats continue to transit the littorals as a method of transporting cocaine through Costa Rican waters. In addition, the southern Golfito region of the country continues to be popular for traffickers to off-load cocaine for transport north via the Pan-American Highway. Over 85 percent of all cocaine seizures in the last two years have occurred on land. Traffickers have also continued smuggling drugs through the postal system, international courier services and via individual passengers (“mules”) on international flights in/out of the country. Additionally, traffickers use Costa Rica as a “warehouse” to store narcotics temporarily on their trip north, often landing drugs on Costa Rican shores from go-fasts and then storing them until further land- or air-based travel can be arranged. Drug traffickers continue to pay for services rendered to local contacts with drugs instead of money. This has contributed tremendously to the problem of domestic drug use, especially of crack cocaine, and, consequently, to the rise in crime in the streets and the sense of domestic insecurity in the country.

Costa Rica produces low quality marijuana for domestic consumption; however the Costa Rican Drug Institute believes that the amount of tetrahydrocannabinol (THC) in the marijuana is increasing. There is also a new hybrid of marijuana plants being found and eradicated. Samples of this new breed of marijuana plant have been sent to DEA's special testing laboratory to confirm the THC amounts.

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). The national police, Fuerza Publica, are often the first responders, but lack jurisdiction and resources to do more. In September, President Chinchilla announced a plan to add 4,000 officers to the Fuerza Publica by 2014 to help address continued insecurity due to widespread crime. Possible challenges include retention problems that continue to plague the over-stretched force and recruiting efforts that just keep pace with retirement and attrition.

In 2010, Costa Rican authorities seized 14.8 metric tons (MT) of cocaine, of which 85 to 90 percent was seized on land. The remainder was seized via commercial and/or private aircraft in joint interdiction operations with U.S. law enforcement. The GOOCR also seized 206,760 doses of crack cocaine, 92.5 kilograms of heroin, (up from 10 kilograms in 2009) and eradicated 1,114,579 marijuana plants which would have produced 52 MT of marijuana. They also seized 289 doses of ecstasy (MDMA, or 3, 4-methylenedioxyamphetamine). Additionally, Costa Rican authorities confiscated nearly \$9.7 million in U.S. currency and assets. The currency was not transiting Costa Rica, but rather bound for DTO command and control structures within Costa Rica. The more than 33,894 drug-related arrests made in 2010 represent a raw decrease of 30,106 arrests (or 45 percent lower) from 2009. Understaffing causes a significant prosecution backlog to continue.

3. Drug Abuse Awareness, Demand Reduction, and Treatment

The Prevention Unit of Costa Rica's Counterdrug Institute (ICD) oversees drug prevention efforts and educational programs throughout the country, and is the GOOCR agency responsible for maintaining all assets seized in Costa Rica, whether real property or currency. The ICD is also responsible for producing and distributing demand reduction materials, including anti-drug abuse materials for schools. The ICD produces substance abuse identification guides and statistical reports on drug consumption and distribution in and through Costa Rica. The GOOCR estimates there are 400,000 marijuana users in the country. In 2010, in conjunction with ICD, Fuerza Publica, and Costa Rica's Drug Abuse Resistance Education (DARE), the DEA San Jose Country Office puts on a large Red Ribbon Week event for several hundred children each year. This year's event in Golfito was the largest ever, reaching 1,985 children over five days.

In 2010, the USG supported four non-government organization programs to combat drug use and reduce trafficking in Costa Rica. Projects addressed youth at risk in communities highlighted in the Chinchilla administration security efforts, had a high number of beneficiaries, a sustainable training component, a sound record of success, and a remarkable amount of partners both non-governmental and governmental.

4. Corruption

As a matter of policy, the GOOCR 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. Costa Rica enacted a strict law against illicit enrichment in 2006, in response to unprecedented corruption scandals involving three former Presidents. The GOOCR has taken strong steps against corruption and has laws in place to support anti-corruption programs. Nonetheless, corruption is present within security services and the judiciary. The Minister of Public Security has a program of "zero tolerance" for police officer corruption. Costa Rican authorities appear committed to combating public corruption because the GOOCR conscientiously investigates allegations of official corruption or abuse.

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

The USG is focused on capacity building programs in Costa Rica that will not only enhance the GOOCR's interdiction capabilities, but help it to disrupt and dismantle drug trafficking organizations. In support of counternarcotics projects designed to reduce the flow of illegal narcotics and other contraband through Costa Rica and its territorial waters, the USG purchased two 33-foot patrol boats in 2010 that are scheduled for delivery in 2011. Although these boats will enable the Costa Rican Coast Guard to conduct its operations, reform of Costa Rican law and policy to allow the swift conversion of confiscated assets such as go-fast boats, into anti-trafficking service would greatly enhance the effectiveness of GOOCR counternarcotics efforts. Currently, cumbersome, multi-year legal proceedings allow confiscated assets to deteriorate beyond the point of useful service or value.

The U.S. has partnered with the GOOCR to support interdiction efforts at border and mobile checkpoints to stop drugs flowing north and cash and weapons flowing south; providing information sharing links to the border areas with Nicaragua; and providing technical assistance and equipment that enable the Costa Rica coast guard to patrol offshore. The USG also provided technical assistance and equipment including drug detection kits and interceptor boats to the Costa Rican Coast Guard (SNGC), via various funding mechanisms including the Merida Initiative. U.S. assistance also focused resources on interdicting maritime-based narcotics shipments to include containerized cargo. SNGC personnel continued to receive outboard motor maintenance training from the U.S. Coast Guard.

D. Conclusion

The GOCCR 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 precursor chemicals. Costa Rica could further enhance its drug control efforts through its own direct efforts and collaboration with the USG and other regional nations. Improved law enforcement training to enhance officers' capacity to fight crime and interdict drugs and improved interdiction capabilities on its coastal littoral areas are needed if Costa Rica is to have a significant effect on narcotics trafficking through its territory. The U.S. applauds the ongoing organization and legislative reforms designed to give law enforcement entities greater ability to pursue narcotics traffickers, DTOs, and their financial flows as well as the GOCCR's continued commitment to prevention and treatment. The GOCCR is also encouraged to improve interdiction capabilities on its coastal littoral areas, which will be aided by the U.S. Southern Command-funded construction of the SNGC Academy and maintenance facilities near the port of Caldera in the province of Puntarenas. The construction of these facilities is nearly complete and they should be operational by February 2011.

[1] The arrests of the individuals listed have been widely reported by various media outlets, however, it should be noted that a defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt. An arrest or the issuances of an indictment are only evidence of an accusation.
